

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

LISTED COMPANY – CNPJ 17.155.730/0001-64 – NIRE 31300040127

MATERIAL ANNOUNCEMENT

Taesa – Eletrobras ratifies Lot M auction

Cemig (*Companhia Energética de Minas Gerais*, listed in São Paulo, New York and Madrid), in compliance with CVM Instruction 358 of January 3, 2002 as amended, **hereby reports** to the Brazilian Securities Commission (CVM), the São Paulo Stock Exchange (B3) and the market **as follows**:

Cemig's affiliated company **Transmissora Aliança de Energia Elétrica S.A.** ('Taesa') has today published the following Material Announcement:

Complementing Material Announcements published on September 27 and October 4, 2018, and in accordance with CVM Instruction 358 of January 3, 2002 as amended, and for the purposes indicated by Paragraph 4 of Article 157 of Law 6404 of December 15, 1976 as amended, Transmissora Aliança de Energia Elétrica S.A. ('Taesa'), hereby informs its stockholders, the market and other interested parties as follows:

Taesa has received notification from the Disposals Committee of Eletrobras Auction 01/2018, stating that in a meeting today the Executive Board of Eletrobras decided unanimously, without reservations, to ratify award of Lot M of the Auction to the external stockholder Taesa, which exercised its first refusal right, on the whole of Eletrobras's stockholding, in accordance with the Stockholders' Agreement of the SPCs ('Transmineiras').

The notice also states that as a result the Auction proceeding is formally completed in relation to Lot M, and Eletrobras can now proceed to the next stage necessary for the disposal, which is signature of a purchase agreement with the Company for that Lot.

For the other Lots of that Auction in which the Company offered bids (Lots L, N and P), Taesa awaits statement of interest from the other stockholders of each SPC as to the right of first refusal, under the rules of the said Auction.

Taesa will keep its stockholders and the market timely and appropriately informed on developments in the matter that is the subject of this Material Announcement."

Belo Horizonte, November 26, 2018.

Maurício Fernandes Leonardo Júnior
Chief Finance and Investor Relations Officer