

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

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

MATERIAL ANNOUNCEMENT

LIGHT: Cancellation of public offer of shares

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 investee Light S.A. (**'Light'**) has today published the following Material Announcement:

“Light S.A. (LIGT3) ('the Company' or 'Light'), in compliance with CVM Instruction 358/2002 as amended, hereby reports to its stockholders and the market in general as follows:

Light is no longer evaluating the possibility of raising financing by a public issue of shares, anchored on investment funds led by GP Investments Ltd., as was stated in the Material Announcement published on August 16, 2018, in view in view of the fact that, in a meeting held on November 26, 2018 the stockholders of the controlling stockholding block of Light – namely:

- *Companhia Energética de Minas Gerais – Cemig,*
- *Rio Minas Energia Participações S.A. ('RME')*
- *and Luce Empreendimentos e Participações S.A. (Lepsa) –*

considered that the terms and conditions proposed for the anchoring do not meet the interests of the Company and its stockholders, taking into account, among other factors, the present conditions of the market.

Light will continue to monitor market opportunities to optimize its capital structure and will keep its stockholders and the market informed on any new opportunities, subject to the law and the applicable rules of the CVM.”

Cemig further informs the market that, in the context of the exercise of the Put Option for shares in Rio Minas Energia Participações S.A. ('RME') owned by the stockholders

- BB Banco de Investimento S.A.,
- BV Financeira S.A. – Crédito, Financiamento e Investimento, and
- Banco Santander (Brasil) S.A.,

as reported to the market by the Material Announcement of September 21, 2018, RME will sell the shares it holds in Light in a sufficient minimum quantity that the aggregate holdings of Cemig, RME and Luce Empreendimentos e Participações S.A. total less than 50% of the share capital of Light.

Cemig reaffirms its decision to sell the whole of its holding in the share capital of Light, in accordance with its Disinvestment Program, which has been widely publicized, subject to the opportunities that occur in the market.

Belo Horizonte, November 27, 2018.

Maurício Fernandes Leonardo Júnior
Chief Finance and Investor Relations Officer