

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

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

MATERIAL ANNOUNCEMENT

Seventh Debenture Issue of Cemig D

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

As per the Notice of Completion of Offering, published today, Cemig's wholly-owned subsidiary Cemig Distribuição S.A. ('Cemig D') has concluded its Seventh Issue of Non-convertible Debentures for a total of R\$ 3.66 billion, in two series.

The First Series, with maturity at five years, is for a total of R\$ 2.16 billion, paying remuneratory interest at 0.454% p.a. above the CDI Rate.

The Second Series, with maturity at seven years, is for R\$ 1.5 billion, with payment subject to inflation correction by the IPCA inflation index plus remuneratory interest of 4.10% p.a.

In aggregate, the issue has an estimated average cost equivalent to 108.61% of the CDI Rate.

The funds now become part of the cash position of Cemig D, representing a component in the Company's management of debt.

They enable a group of debts in the same total amount but at a higher cost (equivalent to 144.13% of the CDI Rate), with maturities concentrated in a time horizon of three years, to be replaced by debt with lower cost, and amortizations diluted over the next seven years.

The transaction increases the average tenor of Cemig D's total debt from 2.9 years to 5.1 years.

Belo Horizonte, July 22, 2019.

Maurício Fernandes Leonardo Júnior
Chief Finance and Investor Relations Officer