

COMPANHIA ENERGÉTICA DE MINAS GERAIS - CEMIG

BRAZILIAN LISTED COMPANY

CNPJ 17.155.730/0001-64

MATERIAL ANNOUNCEMENT

In accordance with their commitment to best corporate governance practices, and CVM Instruction 358/2002, Companhia Energética de Minas Gerais – Cemig, a listed company holding public service concessions, with share securities traded on the stock exchanges of New York, Madrid and São Paulo, with head office at Avenida Barbacena 1200, Santo Agostinho, Belo Horizonte, Minas Gerais, Brazil, registered in the Brazilian Registry of Corporate taxpayers (CNPJ/MF) under N° 17.155.730/0001-64, and Empresa de Infovias S.A. (“Infovias”), a listed company with head office at Rua dos Inconfidentes 1051, Funcionários, Belo Horizonte, Minas Gerais, Brazil, registered in the CNPJ/MF under N° 02.983.428/0001-27, hereby inform the public that at a public auction held on the São Paulo Stock Exchange (Bovespa) on July 27, 2006 for the sale of the totality of the shares held by all the shareholders (“the Vendors”) of WAY TV Belo Horizonte S.A. (“Way Brasil”), CPNJ/MF N° 04.603.960/0001-05, 100% of the shares owned by Infovias in Way Brasil were sold, to TNL PCS Participações S.A., CNPJ/MF N°. 04.164.614/0001-60 (“the Purchaser”), for R\$ 132,000,000.00 (one hundred and thirty two million Reais).

Financial settlement of the auction will take place upon signing of the share sale contract, on August 1, 2006, the sale price paid being held in custody by Banco do Brasil S.A., in accordance with the said contract, until consent for disposal of the control of Way Brasil has been given by the Brazilian telecommunications regulator, Anatel, when the shares will be transferred to the Purchaser and the funds will be released to the Vendors.

Belo Horizonte, July 27, 2006.

Flávio Decat de Moura
Chief Financial and Investor Relations Officer, Cemig
Chief Financial and Investor Relations Officer, Empresa de Infovias S.A.