

COMPANHIA ENERGÉTICA DE MINAS GERAIS --- CEMIG

LISTED COMPANY

CNPJ 17.155.730/0001-64

NIRE 31300040127

MARKET ANNOUNCEMENT

UBERABA GAS PIPELINE: MEDIA RELEASE

Cemig (Companhia Energética de Minas Gerais)(“*the Company*”), a listed company with securities traded on the stock exchanges of São Paulo, New York and Madrid, in accordance with its commitment to best corporate governance practices, hereby informs the public that today it has published the following **media release**:

“ In view of media reports on the construction of a gas pipeline to serve **Uberaba**, in the Minas Triangle region, Cemig states as follows:

- 1 – Cemig is involved in efforts for construction of the gas pipeline, between São Paulo and Minas Gerais, as far as Uberaba, not only because of the need to supply the Ammonia Plant, to be built by Petrobras, but also because of the strategic importance of this fuel for the whole of the Triangle region, the economy of which is expanding firmly.
- 2 – The plans for this pipeline are being developed jointly with the Minas Gerais State Economic Development Department and Petrobras, to decide on the most viable alternative for its immediate construction.
- 3 – Natural gas has a strategic importance for the Government of Minas Gerais and for Cemig, due to the potential for its use in industry in Minas Gerais, which has not been met.
- 4 – Cemig is present in **natural gas distribution** through its subsidiary **Gasmig**, which already serves Metropolitan Belo Horizonte, Barbacena, Juiz de Fora, the Steel Valley (*Vale do Aço*) and the South of Minas; in **gas transportation**, with the study for the project to serve the Triangle; and in **prospecting for reserves**, for subsequent commercial exploration, at sites in the North of Minas.
- 5 - Thus, Cemig, Gasmig and the government of Minas Gerais reaffirm their commitment to bring natural gas to the Minas Triangle.

The Executive Board. ”

Belo Horizonte, March 31, 2011.

Luiz Fernando Rolla

Chief Officer for Finance, Investor Relations and Financial Control of Holdings