

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

LISTED COMPANY

CNPJ 17155.730/0001-64 – NIRE 31300040127

MARKET ANNOUNCEMENT

Reply to CVM Inquiry CVM/SEP/GEA-1 N°. 461/2012

Question asked by the CVM

The CVM has requested explanation about the news report published in the news medium “*Valor Online*”, under the headline “*Cemig considering purchase of a stake in Celpa*”, dated May 31, 2012, containing the following attribution of statements to Mr. Djalma Morais, the company’s chief executive officer:

“Cemig’s CEO, Djalma Morais, stated that the company is studying the purchase of an interest in Celpa, the distributor of the state of Pará controlled by the Rede group, which is in the process of judicial recovery.

“We have matters under consideration. We are interested whenever a situation adds value.”

[...]

At an event in Rio de Janeiro last week, Cemig’s financial director, Luiz Fernando Rolla, said that the purchase of Celpa would not add value for the company.

Morais reaffirmed that Cemig has interest in the assets of Iberdrola in Neoenergia. “It seems to me that Iberdrola is going to wait a little longer to make [the sale of] these assets of Neoenergia a proposition,” Morais said.

Reply by CEMIG

Dear Sirs:

In response to your request, made through Official Letter CVM/SEP/GEA-1/N°461/2012, of May 31, 2012, on the subject of the news reports published in the press referring to our having interest in the acquisition of stake in Celpa and in Neoenergia, we inform you that the Company has evaluated various investment alternatives that could add value to the operation of its present assets. However, up to the present moment there is no concrete interest, nor commitment, even preliminary, in relation to the assets referred to, such as would justify a formal statement to the market.

Cemig reaffirms its commitment to seek investment opportunities that meet the requirements of profitability established by its stockholders and to publish all and any material information as and when it comes into existence.

Belo Horizonte, June 1, 2012

Yours,

Luiz Fernando Rolla

Chief Finance and Investor Relations Officer