

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

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

MATERIAL ANNOUNCEMENT

Absorption of CemigTelecom completed

Complementing the Material Announcements published on January 12 and February 28, 2018, and in accordance with CVM Instruction 358 of January 3, 2002, as amended, **Cemig** (*Companhia Energética de Minas Gerais*), a listed company with securities traded on the stock exchanges of 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**:

The absorption of **Cemig Telecomunicações S.A. (CemigTelecom)** by Companhia Energética de Minas Gerais – **Cemig** was completed on March 31, 2018 (‘the Absorption Date’).

Since this is an absorption of a wholly-owned subsidiary, there was no capital increase nor issue of new shares by Cemig. The shares in the subsidiary were canceled, on the Absorption Date, and the necessary accounting records made.

Cemig reiterates its commitment to keep stockholders and the market timely informed in accordance with the applicable law and regulations.

Belo Horizonte, April 2, 2018

Maurício Fernandes Leonardo Júnior
Chief Finance and Investor Relations Officer