

# COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

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

## MATERIAL ANNOUNCEMENT

### Renova refuses Cemig offer for interest in Chipley / PCH

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

Today (May 4, 2018) Cemig's affiliated company **Renova Energia S.A.** (**'Renova'**) published the following Material Announcement:

*“ With reference to the Material Announcement published on March 27, 2018, Renova Energia S.A. (RNEW11) ('Renova'), in accordance with CVM Instruction 358/2002 as amended, hereby informs its stockholders and the market in general as follows:*

*On May 3, 2018, the Board of Directors of Renova decided not to accept the binding proposal received from Companhia Energética de Minas Gerais ('Cemig') for acquisition of either:*

- (i) Renova's 100% interest in Chipley SP Participações S.A. ('Chipley'), or*
- (ii) Chipley's holding of 51% of the shares in Brasil PCH S.A. ('Brasil PCH').*

*Renova's Executive Board is carrying out studies for a New Restructuring Plan, which will be presented soon to its Board of Directors, aiming to resolve the situation of Renova's capital structure and honor all the commitments Renova has undertaken.*

*Renova reiterates its commitment to keeping stockholders and the market in general duly informed in accordance with the applicable legislation. ”*

Cemig emphasizes its confidence that the New Restructuring Plan being prepared by the Executive Board of Renova will provide a definitive solution to Renova's capital structure.

Belo Horizonte, May 4, 2018

Maurício Fernandes Leonardo Júnior  
Chief Finance and Investor Relations Officer