

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

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

MATERIAL ANNOUNCEMENT

Taesa – Eletrobras Auction

In accordance with CVM Instruction 358 of January 3, 2002 as amended, **Cemig** (*Companhia Energética de Minas Gerais* – listed and 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 (BM&F Bovespa S.A.) and the market that on today's date its affiliated company **Taesa** (*Transmissora Aliança de Energia Elétrica S.A.*) published the following **Material Announcement**:

“ *Transmissora Aliança de Energia Elétrica S.A.* (“Company” or “Taesa”), pursuant to CVM Instruction no. 358 from January 3, 2002, as amended, and to Article 157, paragraph 4, of Law No. 6404 from December 15, 1976, as amended, hereby informs its shareholders, the market in general, and other stakeholders that the Company submitted bids for lots L, M, N and P, object of Eletrobras Auction No. 01/2018 held on this date, relating to shareholdings in the Special-Purpose Entities (“SPEs”) held by Centrais Elétricas Brasileiras S/A (“Eletrobras”).”

The Company placed the minimum bid for each lot mentioned above. For lots L, N and P, there were no higher bids from other players. According to the rules of the auction notice, Taesa must then wait for the expression of interest from the other shareholders of each SPE concerning their first right of refusal.

Regarding lot M, considering that the winner won the lot with the same minimum price offered by Taesa, the Company will exercise, in the strict terms of the shareholders' agreement, its first right of refusal in each of the SPEs within 60 days, as stipulated by the rules of the auction notice.

It is worth highlighting that Taesa maintains its strategy to grow with attractive returns and its commitment to cash generation and financial discipline, always guided by generating value to its shareholders.

The Company will keep its shareholders and the market informed on a timely basis regarding the development of the matters covered in this Material Fact. ”

Belo Horizonte, September 27, 2018

Maurício Fernandes Leonardo Júnior
Chief Finance and Investor Relations Officer