

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

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

MATERIAL ANNOUNCEMENT

Renova Board: AES offer for Alto Sertão III not accepted

Cemig (*Companhia Energética de Minas Gerais* – listed in 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 Cemig's affiliated company Renova Energia S.A. (**'Renova'**) has published the following Material Announcement:

“ 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:

At a meeting on December 28, 2018 the Board of Directors of Renova decided not to approve the offer made by AES Tietê Energia S.A. (**'AES'**) for acquisition of the Alto Sertão III Wind Power Generation Complex and approximately 1.1 GW of wind projects in development.

The Management of Renova reserves the right to re-assess this offer together with others, with a view to operation continuity of the Company.

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

Belo Horizonte, January 2, 2019.

Maurício Fernandes Leonardo Júnior
Chief Finance and Investor Relations Officer