

Medellín, June 23, 2014

## **EPM-CEMIG Consortium will not take part in Isagen's sale process**

- **CEMIG, EPM's Brazilian partner, desists from taking part in the bid**

Brazilian *Companhia Energética de Minas Gerais* (CEMIG) made official today its suspension of the analysis to take part in the sale of shares of Isagen, for which it had been pre-qualified in consortium with EPM. According to statement issued in Belo Horizonte, the decision is based on their impossibility to achieve a financial structure that will allow them an adequate return on investment to be approved by their directory.

This past March 7, the companies had announced their alliance to bid for the 57.61% participation held by the State in Isagen expecting that CEMIG would assume control of operations and EPM would retain its position as minority shareholder in the generating company, although increasing its participation up to 20%.

CEMIG spokesmen indicated that they will continue looking for joint investment options with EPM, both in Brazil and in other Latin American countries.

EPM, in turn, regretted CEMIG's decision as it leaves it without the possibility of taking part in the auction. EPM reiterated its interest of divesting its current 13% participation in Isagen, an option already made public since last April 1<sup>st</sup>, in the event the CEMIG-EPM Consortium did not win the auction.

Under the new panorama, the divestment option is ever more relevant; however, it must be ratified by the Medellin City Council. The proceedings necessary to transfer EPM's shareholding are being conducted with the City Council, as provided in Law 226 of 1995.

## **Additional information** EPM Group's Corporate Communications

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