



LIGHT S.A.

Corporate Taxpayer's ID (CNPJ/MF) 03.378.521/0001-75

Company Registry (NIRE) 33.3.0026316-1

Publicly-held company

MATERIAL FACT

Light S.A. ("Light"), in compliance with the Brazilian Securities and Exchange Commission (CVM) Rule 358, of January 3, 2002, hereby announces to its shareholders and the market in general that Cemig (Companhia Energética de Minas Gerais), company that is a participant in Light's controlling block, released today, November 21, the following Material Fact:

"On today's date, General Meetings of Stockholders held by

- RME – RIO MINAS ENERGIA PARTICIPAÇÕES S.A. ('RME') and
- LUCE EMPREENDIMENTOS E PARTICIPAÇÕES S.A. ('LEPSA'),

approved the following:

- (i) Conversion, by RME, of 162,241,527 preferred shares, and by Lepsa, of 165,846,151 preferred shares, held by the following stockholders: Banco Santander (Brasil) S.A. ('Santander'), BB Banco de Investimento S.A. ('BB BI') and BV Financeira S.A. – Crédito, Financiamento e Investimento ('BV') into the same number of common shares.
- (ii) • Increase in the share capital of RME, by private subscription, by up to R\$ 221,772,018.14 (two hundred twenty one million seven hundred seventy two thousand eighteen Reais and fourteen centavos), through issuance of up to 162,241,527 new common shares and up to 486,724,579 new preferred shares, all nominal shares without par value, for issue price of R\$ 0.3417312799 per share; and

- increase in the share capital of Lepsa, by private subscription, by up to R\$ 225,946,197.37 (two hundred twenty five million nine hundred forty six thousand one hundred ninety seven Reais and thirty seven centavos), through issuance of up to 165.846.151 new common shares and up to 497.538.451 new preferred shares, all nominal shares without par value, for issue price per share of R\$ 0.3405960838 – this price having been set in accordance with Art. 170, §1º, Sub-item II of Law 6404/76, as amended; – all the shares issued to be in every way identical to the previously existing shares.

(iii) Such alterations to the by-laws of RME and Lepsa as are necessary to reflect the changes in the share capital just approved.

The following stockholders:

Santander, BV, BB BI and Banco BTG Pactual S.A.

waived their right of first refusal to subscribe the shares issued, and Cemig opted to subscribe the totality of those shares.

As a result Cemig has increased its holding in the total share capital of RME from 25% to 60.65%, while continuing to hold a 50% equity interest in the voting shares of RME; and has increased its holding in the total share capital of Lepsa from 25% to 61.06%, while maintaining its 50% interest in the voting shares of Lepsa.

As a result the indirect interest held by Cemig in the share capital of Light S.A. ('Light'), through RME and Lepsa, has increased from 6.41% to 15.86%.

Cemig also has a directly-held stockholding interest of 26.06% in the share capital of Light.

Cemig will keep its stockholders and the market duly informed on all new information related to this subject. On May 31, 2016 Cemig signed the following two documents:

Cemig will keep its stockholders and the market duly informed on all new information on this subject.”

Rio de Janeiro, November 21, 2016.

Ana Marta Horta Veloso
Chief Business Development and IR Officer