

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

LISTED COMPANY

CNPJ 17.155.730/0001-64 – NIRE 31300040127

BOARD OF DIRECTORS

SUMMARY OF MINUTES OF THE 696TH MEETING

Date, time and place: June 9, 2017 at 9.30 a.m. at the company's head office.

Meeting Committee: Chair: José Afonso Bicalho Beltrão da Silva;
Secretary: Anamaria Pugedo Frade Barros

Summary of proceedings:

I Conflict of interest: The Board members listed below stated that they had no conflict of interest with the matters on the agenda of the meeting, with the exception of the Board members

.....
Arcângelo Eustáquio Torres Queiroz and Antônio Carlos de Andrada Tovar,
.....

who stated themselves to have conflict of interest in relation to this item:

.....
2017 PDVP Programmed Voluntary Retirement Plan / Additional budget allocation.
.....

These members withdrew from the meeting room at the time of discussion and voting on those matters, returning after the vote on them had been taken, to proceed with the meeting.

II The Board approved:

a) An additional budget allocation in 2017 to be used by Cemig for expenses on severance of employees.

b) The following proposal by the Chair, to be in effect on July 1, 2017, or such later date as this Board may decide:

– Mr. Raul Lycurgo Leite no longer to be Chief Counsel.

– Election as Chief Counsel, to serve the rest of the present period of office, i.e. until the first meeting of the Board of Directors after the Annual General Meeting of 2018, of:

.....
Mr. Luciano de Araújo Ferraz – Brazilian, divorced, lawyer, domiciled in Belo Horizonte, Minas Gerais at Rua Matias Cardoso 236/1104, Santo Agostinho, CEP 30170-050, bearer of Identity Card M-2714321-SSPMG and CPF 767187276-87.
.....

c) The minutes of this meeting.

III The Board authorized:

- a) Use of funds deposited in a restricted deposit account property of Cemig to acquire preferred shares in
- RME – Rio Minas Energia Participações S.A. (‘RME’) and
 - Luce Empreendimentos e Participações S.A. (Lepsa);

and Signature of the Second Amendment to the Stockholders’ Agreement of RME and the Second Amendment to the Stockholders’ Agreement of Lepsa,

to reflect the concession of a new ‘window’ of dates for exercise and a new date for partial exercise of the put option.

- b) Increase in the share capital of
- Guanhães Energia S.A. (‘Guanhães’), to up to
 - three hundred forty eight million two hundred eighty eight thousand Reais,
- and the related injection of capital, by Light Energia S.A., in an amount corresponding to its holding in the total share capital of that company.

IV The Board nominated Mr. Raul Lycurgo Leite to be Chief Counsel and Chief Regulatory Officer of Transmissora Aliança de Energia Elétrica S.A. (‘Taesa’), with effective start date July 1, 2017, able to be postponed by a further decision of this Board.

V The Board oriented:

- a) the representative(s) of the Company to vote in favor of the agenda, in the Extraordinary General Meetings of Stockholders of Lepsa and RME:
- on approval of signature of the Stockholders’ Agreements stated in Item III above,
 - and on ratification of the contracting of legal advisers;
- b) the members nominated by the Company for the Board of Directors of Light S.A. (‘Light’), directly and/or through RME and/or Lepsa, to vote in favor of the agenda in a meeting of the Board of Directors of Light, on increase in the total share capital of Guanhães, of up to four million five hundred ninety six thousand Reais; and the consequent alteration of the By-laws.

VI The Board re-ratified Board Spending Decision (CRCA) 020/2017, to alter the estimated cost of the 2017 PDVP Voluntary Retirement Plan, the other provisions of that CRCA remaining unchanged.

VII The Chair informed the meeting that the Executive Board, as from July 1, 2017, will be as follows:

Chief Executive Officer:	Bernardo Afonso Salomão de Alvarenga;
Deputy CEO:	Bernardo Afonso Salomão de Alvarenga;*
Chief Trading Officer:	Dimas Costa;
Chief Business Development Officer:	César Vaz de Melo Fernandes;
Chief Distribution and Sales Officer:	Luís Fernando Paroli Santos;
Chief Finance and Investor Relations Officer:	Adézio de Almeida Lima;
Chief Generation and Transmission Officer:	Franklin Moreira Gonçalves;
Chief Corporate Management Officer:	José de Araújo Lins Neto;
Chief Counsel:	Luciano de Araújo Ferraz;
Chief Officer for Human Relations and Resources:	Maura Galuppo Botelho Martins;
Chief Institutional Relations and Communication Officer:	Luís Fernando Paroli Santos.**

* on interim basis while also serving as Chief Executive Officer;

** on interim basis while also serving as Chief Distribution and Sales Officer.

VIII Compliance: The Chief Officer elected declared – in advance – that he is not subject to any prohibition on exercise of commercial activity, that he does not occupy any post in a company which could be considered to be a competitor of the Company, and that he does not have nor represent any interest conflicting with that of Cemig; and made a solemn commitment to become aware of, obey and comply with the principles, ethical values and rules established by the Code of Professional Conduct and Ethical Principles of Cemig, and the Code of Ethical Conduct of Government Workers and Senior Administration of the State of Minas Gerais.

IX Comment: The following spoke on subjects and business of interest to the Company.

The Chair;	
Chief Officer:	César Vaz de Melo Fernandes;

The following were present:

Board members:	José Afonso Bicalho Beltrão da Silva, Allan Kardec de Melo Ferreira, Arcângelo Eustáquio Torres Queiroz, Daniel Alves Ferreira, Helvécio Miranda Magalhães Junior, José Pais Rangel, Marco Antônio de Rezende Teixeira, Marco Antônio Soares da Cunha Castello Branco, Nelson José Hubner Moreira, Patrícia Gracindo Marques de Assis Bentes, Saulo Alves Pereira Junior,	Aloísio Macário Ferreira de Souza, Bruno Magalhães Menicucci, Carolina Alvim Guedes Alcoforado, Samy Kopit Moscovitch, Antônio Dirceu Araújo Xavier, Carlos Fernando da Silveira Vianna, José João Abdalla Filho, Luiz Guilherme Piva, Marina Rosenthal Rocha, Ricardo Wagner Righi de Toledo, Tarcísio Augusto Carneiro, Wieland Silberschneider;
Board member and Chief Officer:	Bernardo Afonso Salomão de Alvarenga;	
Chief Officers :	Adézio de Almeida Lima, César Vaz de Melo Fernandes, Dimas Costa, José de Araújo Lins Neto, Luís Fernando Paroli Santos, Maura Galuppo Botelho Martins;	
Secretary:	Anamaria Pugedo Frade Barros.	

Signed by: Anamaria Pugedo Frade Barros.