

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

LISTED COMPANY

CNPJ 17.155.730/0001-64 – NIRE 31300040127

BOARD OF DIRECTORS

SUMMARY OF MINUTES OF THE 720TH MEETING

Date, time and place: January 12, 2018, at 9.30 a.m., at the Company's head office, with participation also by telephone conference call.

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 said they had no conflict of interest in the matters on the agenda of this meeting.
- II The Board approved:**
- a) The Budget for 2018, subject to its being monitored monthly and to adjustments by this Board when necessary; and cancelation of the decision on setting of the budget for January 2018.
 - b) New Internal Regulations on Competitive Bids and Contracts.
 - c) The proposal, by the Board member Helvécio Miranda Magalhães Junior, that the members of the Board of Directors should authorize their Chair to call an Extraordinary General Meeting of Stockholders to be held on February 28, 2018 at 3 p.m.; and that in the absence of the minimum quorum the Chair should be authorized to make a second convocation of the stockholders within the legal period, to decide on: absorption by Cemig of Cemig Telecomunicações S.A. ('CemigTelecom').
 - d) The minutes of this meeting.
- III The Board authorized** signature, in 2018, of Corporate Surety Letters, as guarantor of Cemig Geração e Transmissão S.A. (Cemig GT).
- IV The Board nominated** Mr. José Maria Rabelo as sitting member of the Board of Directors of Madeira Energia S.A. ('Mesa'), to serve the remainder of the present period of office, or until a duly elected successor is sworn in.

V The Board ratified the vote in favor of the agenda by representatives of the Company in the Extraordinary General Meeting of Stockholders of:

- 1) Luce Empreendimentos e Participações S.A. (Lepsa), of December 29, 2017, on:
 - a) reduction of the share capital, the quantity of shares subscribed and paid up being unchanged;
 - b) consequent alteration of the head paragraph of Clause 5 of the By-laws;
 - c) alteration of the by-laws to reflect the provisions of Law 13303/2016;
 - d) consolidation of the bylaws;
 - e) ratification of signature, with Lepsa as Consenting Party, of the following legal instruments:
 - Second Amendment to the Contract for Fiduciary Assignment of Shares held in Guarantee, of Light S.A. (‘Light’);
 - Second Amendment to the Contract for Fiduciary Assignment of Receivables in Guarantee;
 - Third Amendment to the Contract for Fiduciary Assignment of Shares held in Guarantee (Transmissora Aliança de Energia Elétrica S.A. – Taesa’);
 - Third Amendment to the Contract for Fiduciary Assignment of Receivables in Guarantee;
 - Fourth Amendment to the Contract for Fiduciary Assignment of Shares held in Guarantee (‘Taesa’);
 - the signatories being the Companies and the former stockholders of Lepsa.

- 2) RME – Rio Minas Energia Participações S.A. (‘RME’), of December 29, 2017, on:
 - a) reduction of the share capital, the quantity of shares subscribed and paid up being unchanged;
 - b) consequent alteration of the head paragraph of Clause 5 of the By-laws;
 - c) alteration of the second paragraph of Clause 28 of the by-laws, which deals with representation of RME and granting of powers of attorney;
 - d) consolidation of the bylaws; and
 - e) ratification of signature, with RME as Consenting Party, of the following legal instruments:
 - First Amendment to the Stockholders’ Agreement of RME (principal);
 - First Amendment to the Stockholders’ Agreement of RME (conditional);
 - Second Amendment to the Contract for Fiduciary Assignment of Shares held in Guarantee (‘Light’);
 - Second Amendment to the Contract for Fiduciary Assignment of Receivables in Guarantee;
 - Third Amendment to the Contract for Fiduciary Assignment of Shares held in Guarantee (‘Taesa’);

- Third Amendment to the Contract for Fiduciary Assignment of Receivables in Guarantee; and
- Fourth Amendment to the Contract for Fiduciary Assignment of Shares held in Guarantee (‘Taesa’);
- the signatories to these documents being the stockholders of RME.

VI In relation to CemigTelecom:

- a) The Board submitted the following proposal to the EGM:

Approval and authorization of signature of the Protocol of Absorption and Justification, with CemigTelecom, so as to set out the terms and conditions to govern the absorption of CemigTelecom by this Company (Cemig).

Ratification, since this is an absorption of a wholly-owned subsidiary, of the appointment of the three expert witnesses,

Mr. Flávio de Almeida Araújo, CRC/MG 86.861,
 Mr. Francisco do Couto, CRC/MG 58.343, and
 Mr. Leonardo George de Magalhães, CRC/MG 53.140,

to provide a valuation, under and for the purposes of Article 8 of Law 6404/1976, of the Stockholders’ equity of CemigTelecom.

Approval of the Valuation Opinion on the Stockholders’ equity of CemigTelecom, at book value, prepared by the three experts, in the terms of and for the purposes of Article 8 of Law 6404/1976.

Authorization for absorption of CemigTelecom by Cemig, and subsequently, its extinction.

Authorization for Cemig to be the successor of CemigTelecom, in all its rights and obligations, for all purposes of law and otherwise.

Authorization for transfer to Cemig, by absorption, of all the establishments, tangible and intangible assets and goods, inventories, real estate property, credits, assets, rights, employees, stockholdings, contracts, obligations, liabilities, tax books and tax invoices, controls, records, accounting, documents, systems and information of CemigTelecom, including the shares in Ativas Data Center S.A. (Ativas), which are 19.6% of the share capital of Ativas, and the contracts related to that stockholding interest.

- b) The Board oriented the representatives of the Company to vote, at the EGM of CemigTelecom, in favor of this absorption, and on cancellation of the registry of CemigTelecom as a company registered for listing with the Brazilian Securities Commission (CVM).
- c) The Board authorized, as the case may be, signature of the documents necessary for amendment of the Private Deed of the Second Issue of Non-convertible Debentures of CemigTelecom, with asset guarantee and additional surety guarantee, in a single series, for public distribution with restricted placement efforts, in the amount of twenty seven million Reais, signed on May 10, 2017 with Pentágono S.A. Distribuidora de Títulos e Valores Mobiliários, with the Company as consenting party, or total early redemption of the debentures issued by CemigTelecom on May 10, 2017.

The terms and conditions in these documents shall be the subject of specific analysis and decision by the Executive Board, based on the applicable legislation and on no further burden being placed upon the Company in relation to the original contracting.

- d) The Board authorized start of the procedure for disposal of telecommunications assets not appropriate for the Company's main activity and assignment of the contracts associated with these assets, through administrative proceedings for exemption from tender.

VII Votes against:

The Board members Carlos Eduardo Lessa Brandão and Patrícia Gracindo Marques de Assis Bentes voted against approval of the 2018 budget.

VIII Conditional vote: The Board member Arlindo Magno de Oliveira gave approval to the 2018 budget conditional upon non-inclusion of disposal of Cemig's stockholding interest in Light.

IX Comments: The following made comments on subjects of interest to the Company:

The Chair;		
Board members:	Patrícia Gracindo Marques de Assis Bentes, Carlos Eduardo Lessa Brandão, Arlindo Magno de Oliveira, Arcângelo Eustáquio Torres Queiroz,	Hermes Jorge Chipp, Daniel Alves Ferreira, Marcelo Gasparino da Silva, José Pais Rangel;
Chief Officers:	Adézio de Almeida Lima,	Luciano de Araújo Ferraz, José Maria Rabelo;
General managers:	Leonardo George Magalhães,	Tarcísio Albuquerque Queiroz;
Manager:	Marcelo Pereira de Carvalho;	
Director of CemigTelecom	Fernando Augusto Campos.	
The following were present:		
Board members:	José Afonso Bicalho Beltrão da Silva, Marco Antônio de Rezende Teixeira, Bernardo Afonso Salomão de Alvarenga, Antônio Dirceu Araújo Xavier, Arcângelo Eustáquio Torres Queiroz, Arlindo Magno de Oliveira, Carlos Eduardo Lessa Brandão, Daniel Alves Ferreira, Helvécio Miranda Magalhães Junior, Hermes Jorge Chipp, José Pais Rangel, Marco Antônio Soares da Cunha Castelo Branco, Patrícia Gracindo Marques de Assis Bentes,	Marcelo Gasparino da Silva, Nelson José Hubner Moreira, Agostinho Faria Cardoso, Alexandre Silva Macedo, Aloísio Macário Ferreira de Souza, Antônio Carlos de Andrada Tovar, Geber Soares de Oliveira, Luiz Guilherme Piva, Manoel Eduardo Lima Lopes, Otávio Silva Camargo, Paulo Sérgio Machado Ribeiro, Ricardo Wagner Righi de Toledo, Wieland Silberschneider;
Member of the Audit Board:	Edson Moura Soares;	
Chief Officers:	Adézio de Almeida Lima,	Luciano de Araújo Ferraz, José Maria Rabelo;
General Managers:	Leonardo George Magalhães,	Tarcísio Albuquerque Queiroz;
Manager:	Marcelo Pereira de Carvalho,	
Director of Cemig Telecom:	Fernando Augusto Campos,	
Secretary:	Anamaria Pugedo Frade Barros.	

Signed by:) Anamaria Pugedo Frade Barros.