

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

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

MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF STOCKHOLDERS HELD ON SEPTEMBER 10, 2013

At 11 a.m. on September 10, 2013, stockholders representing more than two-thirds of the voting stock of Companhia Energética de Minas Gerais – Cemig met in Extraordinary General Meeting at its head office, on first convocation, at the Company's head office, Av. Barbacena 1200, 21st Floor, Belo Horizonte, Minas Gerais, Brazil, as verified in the Stockholders' Attendance Book, where all placed their signatures and made the required statements. The stockholder **The State of Minas Gerais** was represented by Rodrigo Peres de Lima Netto, Procurator of the State of Minas Gerais, in accordance with the legislation.

Initially, Ms. Anamaria Pugedo Frade Barros, General Manager of Cemig's Corporate Executive Office, stated that there was a quorum for an Extraordinary General Meeting of Stockholders.

She further stated that the stockholders present should choose the Chairman of this Meeting, in accordance with Clause 10 of the Company's Bylaws. Asking for the floor, the representative of the Stockholder **The State of Minas Gerais** put forward the name of the stockholder Luiz Fernando Rolla to chair the Meeting. The proposal of the representative of the stockholder **The State of Minas Gerais** was put to debate, and to the vote, and unanimously approved.

The Chairman then declared the Meeting open and invited me, **Anamaria Pugedo Frade Barros**, a stockholder, to be Secretary of the meeting, asking me to read the convocation notice, published on August 22, 23 and 24 this year in the newspapers *Minas Gerais*, official publication of the Powers of the State, on pages 96, 74 and 50, respectively, and *O Tempo*, on pages 37, 34 and 36, respectively, the content of which is as follows:

“ COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG
LISTED COMPANY
CNPJ 17.155.730/0001-64 - NIRE 31300040127

EXTRAORDINARY GENERAL MEETING OF STOCKHOLDERS

CONVOCATION

Stockholders are hereby called to an Extraordinary General Meeting of Stockholders to be held on **September 10, 2013** at 11 a.m. at the company's head office, Av. Barbacena 1200, 21st floor, Belo Horizonte, Minas Gerais, Brazil, to decide on orientation of vote by the Company's representative at the Extraordinary General Meeting of Stockholders of **Cemig Geração e Transmissão S.A** (“**Cemig GT**”) on the following matters.

- a) **Ratification of appointment** of the expert accountants who, in accordance with and for the purposes of Article 8 of Law 6404/1976, have prepared the Investment Valuation Opinion which valued Transmissora Aliança de Energia Elétrica S.A. as recorded in the accounts of Cemig GT;
- b) **Approval** of the said Valuation Opinion.
- c) **Reduction of the share capital of Cemig GT**

from R\$ 3,296,785,358.90 (three billion two hundred ninety six million seven hundred eighty five thousand three hundred fifty eight Reais and ninety centavos)
to R\$ 963,371,711.80 (nine hundred sixty three million three hundred seventy one thousand seven hundred eleven Reais and eighty centavos),

with consequent alteration of the head paragraph of Article 5 of the by-laws of Cemig GT.

Any stockholder who wishes to be represented by proxy at the said General Meeting of Stockholders should obey the terms of Article 126 of Law 6406 of 1976, as amended, and of the sole paragraph of Clause 9 of the Company's by-laws, by exhibiting at the time, or depositing, preferably by September 6, 2013, proofs of ownership of the shares, issued by a depositary financial institution, and a power of attorney with specific powers, at Cemig's Corporate Executive Office (*Superintendência da Secretaria Geral*) at Av. Barbacena, 1200, 19th Floor, B1 Wing, Belo Horizonte, Minas Gerais.

Belo Horizonte, August 8, 2013.

Dorothea Fonseca Furquim Werneck
Chair of the Board of Directors. ”

The Chairman then asked the Secretary to read the Proposal of the Board of Directors, which deals with the agenda, the content of which is as follows:

“ PROPOSAL
BY THE BOARD OF DIRECTORS TO THE
EXTRAORDINARY GENERAL MEETING OF STOCKHOLDERS
TO BE HELD ON SEPTEMBER 10, 2013.

Dear Stockholders:

The Board of Directors of Companhia Energética de Minas Gerais (Cemig),

– *whereas:*

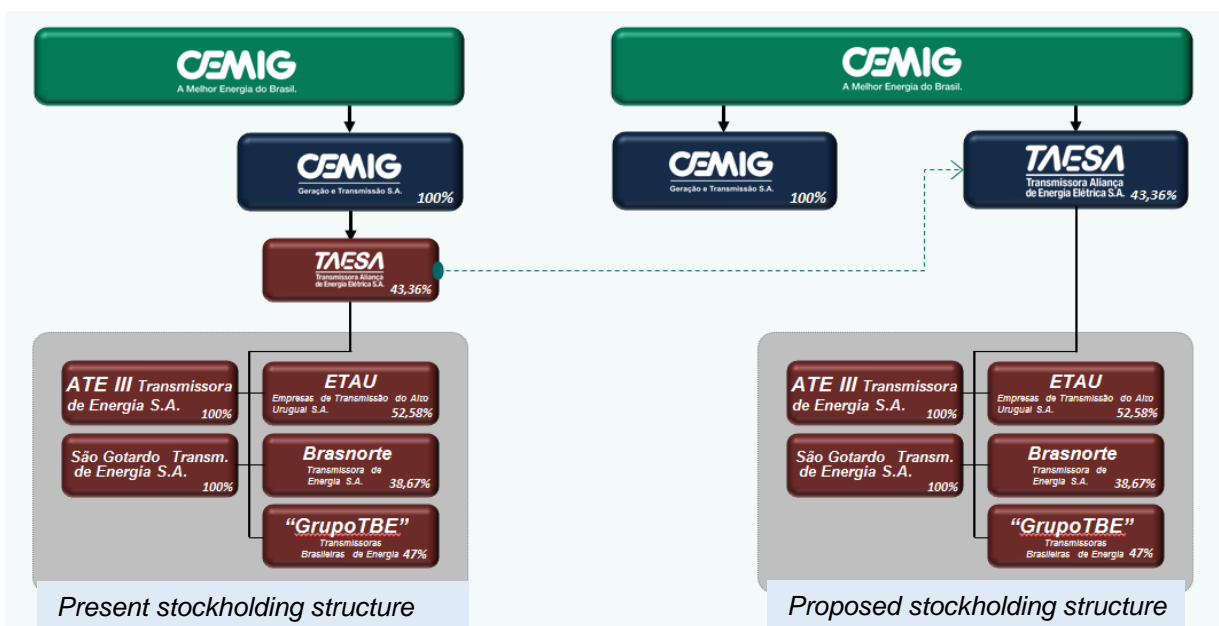
- a) the Company signed, as guarantor of all the obligations, the Share Purchase Agreement with Terna S.p.A., governing the acquisition by **Cemig GT** of 173,527,113 shares in Terna Participações S.A. – Terna, equivalent to 85.27% of the voting capital and 65.86% of the total share capital of that Company;
- b) the Brazilian Electricity Regulator (*Agência Nacional de Energia Elétrica, or Aneel*), by its Authorizing Resolution 2107/2009, ruled that the stockholding of Cemig GT in Terna Participações S.A. should be transferred to Companhia Energética de Minas Gerais – **Cemig** by December 31, 2012, the application for prior consent for which transfer was filed with Aneel on June 27, 2012;
- c) Cemig GT signed, with Fundo de Investimento em Participações Coliseu (“FIP Coliseu”),
 - 1 - a Stockholders' Agreement, the objective of which was to regulate the exercise of voting rights, the manner of administration and the investment and capitalization policy of Terna and its subsidiaries and affiliated companies, and the rules for placing charge upon and transfer of the shares, and the right of preference in subscription of shares; and
 - 2 - the Commitment Undertaking which, among other commitments, establishes the terms and conditions for the exercise by FIP Coliseu of the option to sell all or part of the shares in Terna to Cemig GT on October 30, 2014;
- d) on November 3, 2009 the transaction for acquisition of Terna was completed, and the name of Terna was changed to Transmissora Aliança de Energia Elétrica S.A. – **Taesa**;
- e) on June 27, 2012, Cemig filed with Aneel a request for prior consent to the transfer of the stockholding interest in Taesa owned by Cemig GT to **Cemig**, through reduction of the share capital of Cemig GT;
- f) Aneel issued Authorizing Resolution 4108/2013, of May 14, 2013, published on May 29, 2013, consenting to the transfer to Cemig of the holdings in Taesa owned by Cemig GT, with reduction of the share capital of Cemig GT, within 120 (one hundred and twenty) calendar days from publication of that resolution;
- g) Cemig GT owns the following equity interest in the share capital of Taesa:

293,072,229 (two hundred ninety three million seventy two thousand two hundred twenty nine), common shares, representing 43.36% (forty three point three six per cent) of the common shares;

and

155,050,644 (one hundred fifty five million fifty thousand six hundred forty four) preferred shares, representing 45.34% (forty five point three four) of the preferred shares;

- h) the Corporate Governance Committee of the State of Minas Gerais, through the Planning, Management and Finance Coordination Chamber, authorized reduction of the share capital of Cemig GT, and alteration of its bylaws, under its attributions and competencies specified in Decree 45644/2011, through Official Letters OF.CCGPGF nº 348/12 of November 7, 2012, and OF.CCGPGF nº 264/13 of June 18, 2030, specifying that the Company must inform and provide justification to the Corporate Governance Committee as soon as the reduction is carried out and the exact value known, and recognizing that the drafting of the head paragraph of Article 5 of the bylaws of Cemig GT shall be decided when the amount of capital is finally calculated;
- i) the accounting experts Flávio de Almeida Araújo – CRC/MG 86.861, Mário Lúcio Braga – CRC/MG 47.822 and Leonardo George de Magalhães – CRC/MG 53.140 have prepared a Valuation Opinion of the Investment “Taesa”, by the equity method, described in Article 248 of Law 6404/1976, which requires that the value of the investment shall be calculated by application to the book value of an affiliated or subsidiary investee company of the percentage of the equity interest held in it;
- j) the reduction of capital will be R\$ 2,333,413,647.10 (two billion three hundred thirty three million four hundred thirteen thousand six hundred forty seven Reais and ten centavos), representing the value of the investment recorded in the books of account of Cemig GT on April 30, 2013, recognized by the equity method, to be adjusted according to the results of Taesa up to the actual date of transfer;
- k) the reduction in the Share Capital will have no negative effect on the activities of Cemig GT, since it is equivalent only to the transfer of shares of Taesa to the Company;
- l) with the reduction in Share Capital, the limits of indebtedness specified in the restrictive financial covenants present in some of the financing contracts signed by Cemig GT may be exceeded – but there will be no material risk of occurrence of early maturity of the debt or application of any penalty, since the covenants are based on calculations at the end of each half year, and on December 31, 2013, when the first calculation following the reduction of the capital occurs, the only remaining financing contract will be that with Banco ItaúBBA, maturing on January 2, 2014, and this bank has already consented to the said reduction of capital;
- m) after the said transfer, the stockholding structure relating to the Company’s investment in Taesa will be as follows:



- n) by reason of the transfer, Cemig will assume all the rights and obligations of Cemig GT in the Stockholders’ Agreement and in the Commitment Undertaking of Taesa, including the commitment, stated in the Commitment Undertaking, to exercise of the option for FIP Coliseu to sell shares in Taesa;

- o) Article 173 of Law 6404 of 1976 establishes that the General Meeting of Stockholders may decide on reduction of the share capital if it deems the share capital to be excessive;
- p) under Article 174 Law 6404/1976, prior consent of a general meeting of the holders of debentures of Cemig GT must be obtained for reduction of the share capital of Cemig GT, and the reduction of the share capital shall become effective only 60 (sixty) days after the publication of the minutes of the General Meeting that decides on the subject, the purpose of this period being to enable present creditors of Cemig GT to make any statements of position in relation to the reduction of the capital;
- q) Cemig GT is a wholly-owned subsidiary of the Company, and will hold an Extraordinary General Meeting to decide on the reduction of its share capital, by transfer to Cemig of ownership of the shares in Taesa currently held by Cemig GT;
- r) Clause 21, § 4 Sub-clause “g”, of the by-laws of Cemig states:

“ Clause 21 The following decisions shall require a decision by the Executive Board:

...

- g) approval, upon proposal by the Chief Executive Officer, prepared jointly with the Chief Business Development Officer and the Chief Finance and Investor Relations Officer, of the statements of vote in the General Meetings of the wholly-owned and other subsidiaries, affiliated companies and in the consortia in which the Company participates, except in the case of the wholly-owned subsidiaries Cemig Distribuição S.A. and Cemig Geração e Transmissão S.A., for which the competency to decide on these matters shall be that of the General Meeting of Stockholders, and decisions must obey the provisions of these Bylaws, the decisions of the Board of Directors, the Long-term Strategic Plan and the Multi-year Strategic Implementation Plan; ”

– now proposes to you as follows:

Orientation of the representative of the Company in the Extraordinary General Meeting of Stockholders of Cemig Geração e Transmissão S.A. (Cemig GT) to vote in favor of:

- a) Ratification of the appointment of the 3 (three) expert accountants, namely Flávio de Almeida Araújo – CRC/MG 86.861, Mário Lúcio Braga – CRC/MG 47.822 and Leonardo George de Magalhães – CRC/MG 53.140, who, in accordance with and for the purposes of Article 8 of Law 6404/1976, prepared the Investment Valuation Opinion on the investment in Taesa, recorded in the books of account of Cemig GT.
- b) Approval of the Valuation Opinion prepared in accordance with Article 8 of Law 6404 of 1976, valuing the investment in Transmissora Aliança de Energia Elétrica S.A. – Taesa recorded in the books of account of Cemig GT, recognized by the equity method, such valuation to be adjusted in accordance with the results of Taesa up to the actual date of the transfer.

- c) Reduction of the share capital of Cemig GT

from R\$ 3,296,785,358.90 (three billion two hundred ninety six million seven hundred eighty five thousand three hundred fifty eight Reais and ninety centavos)

to R\$ 963,371,711.80 (nine hundred sixty three million three hundred seventy one thousand seven hundred eleven Reais and eighty centavos),

with consequent alteration of the head paragraph of Article 5 of the by-laws of Cemig GT, to read as follows:

“Clause 5 The Company’s registered capital is R\$ 963,371,711.80 (nine hundred sixty three million three hundred seventy one thousand seven hundred eleven Reais and eighty centavos), represented by 2.896.785.358 (two billion eight hundred ninety six million seven hundred eighty five thousand three hundred fifty eight) nominal common shares without par value.”

The reduction shall take place by transfer to Cemig, sole stockholder of Cemig GT, of the following equity interest in Transmissora Aliança de Energia Elétrica S.A. – Taesa:

293,072,229 (two hundred ninety three million seventy two thousand two hundred twenty nine), common shares, representing 43.36% (forty three point three six per cent) of the common shares; and

155,050,644 (one hundred fifty five million fifty thousand six hundred forty four) preferred shares, representing 45.34% (forty five point three four) of the total number of preferred shares;

(referred to jointly as “the Shares in Taesa”), valued by the equity method at

R\$ 2,333,413,647.10 (two billion three hundred thirty three million four hundred thirteen thousand six hundred forty seven Reais and ten centavos),

based on the value of the investment recorded in the books of account of Cemig GT on April 30, 2013, (“the Transfer”),

and is conditional upon prior approval by the holders of debentures of Cemig GT, in accordance with Article 174, Paragraph 3, of Law 6404/1976; and

the final value of the reduction of capital will be adjusted to reflect the results of Taesa up to the actual date of the transfer, thus affecting the amount of the Share Capital that will appear in the head paragraph of Clause 5 of the bylaws of Cemig GT.

As can be seen, the objective of this proposal is to meet legitimate interests of the stockholders and of the Company, and as a result it is the hope of the Board of Directors that you, the stockholders, will approve it.

Belo Horizonte, August 8, 2013.

Dorothea Fonseca Furquim Werneck
Djalma Bastos de Moraes
Arcângelo Eustáquio Torres Queiroz
Eduardo Borges de Andrade
Guy Maria Villela Paschoal
João Camilo Penna
Joaquim Francisco de Castro Neto ”

Paulo Roberto Reckziegel Guedes
Tadeu Barreto Guimarães
Wando Pereira Borges
Bruno Magalhães Menicucci
Luiz Augusto de Barros
José Augusto Gomes Campos

The Chairman then stated that a copy of the said Valuation Opinion on the Investment in Taesa had been distributed, and that there was a need to adjust the final amount of the reduction of the share capital of Cemig GT, in accordance with the amount of its equity gain or loss on its subsidiaries, on the base date August 31, 2013, as specified in the Proposal by the Board of Directors to this Meeting.

However, (he continued,) the provision for this adjustment was not stated in the convocation notice, and for this reason he proposed that a further Extraordinary General Meeting of Stockholders of Cemig should be called for orientation of vote of the representative of the Company in the Extraordinary General Meeting of Stockholders of Cemig GT, containing the final amount of this reduction of share capital.

This proposal of the Chairman was submitted to debate and, subsequently, to a vote, and approved unanimously.

There being no further business, the Chairman opened the meeting to the floor, and since no-one wished to make any statement, ordered the session suspended for the time necessary for the writing of the minutes. The session being reopened, the Chairman, after putting the said minutes to debate and to the vote and verifying that they had been approved and signed, closed the meeting.

For the record, I, Anamaria Pugedo Frade Barros, Secretary, wrote these minutes and sign them together with all those present.