

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

LISTED COMPANY – CNPJ: 17.155.730/0001-64

NOTICE TO STOCKHOLDERS

Proposal for capital increase

We hereby advise stockholders that at its meeting held on December 9, 2013, the Board of Directors of **Cemig** decided to **propose** the following to the **General Meeting of Stockholders** to be held on December 26, 2013:

- **INCREASE OF SHARE CAPITAL, AND STOCK DIVIDEND:**

a) Increase in the Company's registered share capital:

from	R\$ 4,813,361,925.00	(four billion eight hundred thirteen million three hundred sixty one thousand nine hundred twenty five Reais)
to	R\$ 6,294,208,270.00,	(six billion two hundred ninety four million two hundred eight thousand two hundred seventy Reais)
with issuance of	296,169,269	(two hundred ninety six million one hundred sixty nine thousand two hundred sixty nine)
new nominal preferred shares,		
by capitalization of	R\$ 1,480,846,345.00	(one billion four hundred eighty million eight hundred forty six thousand three hundred forty five Reais)
from the Capital Reserve account,		
with consequent distribution,		to holders of the shares comprising the registered share capital of R\$ 4,813,361,925.00 (four billion eight hundred thirteen million three hundred sixty one thousand nine hundred twenty five Reais)
of a stock dividend of	30.765323033%,	in new nominal, preferred shares,
each with nominal value of	R\$ 5.00.	

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b) Entitlement; ex-date:

For shares trading on the São Paulo Stock Exchange (BM&FBovespa S.A.), stockholders of record on December 26, 2013 shall be entitled to the stock dividend, and the shares will trade ex- this stock dividend on the day immediately following the date on which the said General Meeting of Stockholders is held.

c) Date of credit of the stock dividend

The shares arising from the stock dividend will be credited on January 3, 2014.

d) In accordance with §1º of Article 25 of Brazilian Federal Revenue Service Normative Instruction 25/2001, the unit cost of acquisition attributed to the shares of the stock dividend is R\$ 5.00.

e) In accordance with Normative Instruction 168/91 of the Brazilian Securities Commission (*Comissão de Valores Mobiliários – CVM*), the amount resulting from the sale, in Reais, of the fractions resulting from calculation of the stock dividend will be paid to the holders of those fractions together with the payment of the first installment of the dividend for the business year of 2013.

We reiterate that the stock dividend is conditional upon ratification by the Extraordinary General Meeting of Stockholders, to be held on December 26, 2013.

Stockholders whose shares are not held in custody by the CBLC and whose registration details are not up-to-date should visit any branch of Banco Itaú Unibanco S.A. (the Institution which administers Cemig's Nominal Share Registry System), carrying their personal identification documents, for the necessary updating.

Belo Horizonte, December 10, 2013

Luiz Fernando Rolla
Chief Finance and Investor Relations Officer