

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 DECEMBER 26, 2013

At 3 p.m. on December 26, 2013, stockholders representing more than two-thirds of the voting stock of **Companhia Energética de Minas Gerais – Cemig** met in Extraordinary General Meeting, on first convocation, at the Company's head office, Av. Barbacena 1200, 21st Floor, Santo Agostinho, 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 Cleber Reis Grego, State Procurator of Minas Gerais, of the Official of the General Attorney of the State, in accordance with the legislation in force. The Member of the Audit Board Mr. Bruno Gonçalves Siqueira was also present.

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 Chair of this Meeting, in accordance with Clause 9 of the Company's by-laws. Asking for the floor, the representative of the stockholder **The State of Minas Gerais** proposed the name of **Bethsaida de Oliveira Pena**, representative of the stockholder **Caixa de Previdência dos Funcionários do Banco do Brasil – Previ**, 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 Chair 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 10, 11 and 12 this year in the newspapers *Minas Gerais*, official publication of the Powers of the State, on pages 60, 52 and 61, respectively, and *O Tempo*, on pages 33, 8 and 38, 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 December 26, 2013 at 3 p.m. at the Company's head office, Av. Barbacena 1200, 21st Floor, Belo Horizonte, Minas Gerais, Brazil, to decide on the following:

1 Authorization, verification and approval of **an increase in the Company's share capital**

from R\$ 4,813,361,925.00
to R\$ 6,294,208,270.00,
with issuance of 296,169,269 new nominal preferred shares
by capitalization of R\$ 1,480,846,345.00 from the Capital Reserve account,
with, as a consequence,
distribution of a stock dividend of 30.765323033%, in new nominal, preferred shares,
each with nominal value R\$ 5.00.

2 Alteration of the Company's by-laws, by such redrafting of the head paragraph of Article 4 of the by-laws as is necessary to reflect the above change in the Registered Capital.

3 Authorization for the Executive Board

- to take the necessary measures for the stock dividend of 30.765323033% to be distributed in new nominal preferred shares each with nominal value of R\$ 5.00, to holders of common and preferred shares comprising the registered share capital of R\$ 4,813,361,925.00 whose names are on the Company's Nominal Share Registry on the date on which that General Meeting of Stockholders is held;
- to sell on a securities exchange the whole numbers of nominal shares resulting from the sum of the remaining fractions, arising from the said stock dividend, and to share the net proceeds of the sale, proportionately, among the stockholders;
- to establish that all the shares resulting from this stock dividend shall have the same rights as those shares from which they originate; and
- to pay to the stockholders, proportionately, the result of the sum of the remaining fractions, simultaneously with the payment of the first installment of the dividends for the year 2013.

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 6406/76, as amended, and the sole sub-paragraph of Clause 9 of the Company's by-laws, producing at the time of the meeting, or, preferably, depositing by Dec. 23, 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 Secretariat Office at Av. Barbacena 1200, 19th floor, B1 Wing, Belo Horizonte, Minas Gerais, Brazil.

Belo Horizonte, December 9, 2013

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

The Chair then asked the Secretary to read the Proposal by the Board of Directors, dealing with the matters on the agenda, and the Opinion of the Audit Board on it. The contents of these documents are as follows:

“ PROPOSAL

BY THE BOARD OF DIRECTORS

TO THE EXTRAORDINARY GENERAL MEETING OF STOCKHOLDERS

TO BE HELD ON DECEMBER 26, 2013

Dear Stockholders:

The Board of Directors of Companhia Energética de Minas Gerais – Cemig,

– **WHEREAS:**

- Article 169 of Law 6404/1976, as amended, provides for increase of the registered Share Capital of the Company through capitalization of profits or reserves;
- on September 30, 2013 the amount of Cemig's Capital Reserve account was R\$3,405,579,000;
- attribution of a stock dividend, to all stockholders, in the form of preferred shares will result in higher liquidity for the preferred shares, since it will result in holders of common shares becoming also holders of preferred shares;

– now proposes to you the following:

a) Authorization, verification and approval of an increase in the Company's 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,
each with nominal unit value of R\$	5.00	(Five Reais)
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%,
each with nominal unit value of R\$ 5.00 (Five Reais),
in new nominal, preferred shares,

b) Alteration of the by-laws to reflect the increase, redrafting the head paragraph of Clause 4, to the following:

“Clause 4 The share capital of the Company is R\$ 6,294,208,270.00, (six billion two hundred ninety four million two hundred eight thousand two hundred seventy Reais), represented by:

- 420,764,708 (four hundred twenty million seven hundred sixty four thousand seven hundred eight) nominal common shares each with nominal value of R\$ 5.00; and
- 838,076,946 (eight hundred thirty eight million seventy six thousand nine hundred forty six) nominal preferred shares, each with nominal value of R\$ 5.00”.

c) Authorization for the Executive Board, in relation to the stock dividend:

- (i) to attribute the stock dividend, of 30.765323033% in new nominal preferred shares, each with nominal value of R\$ 5.00, to holders of common and preferred 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) whose names are on the Company's Nominal Share Registry on the date on which the General Meeting of Stockholders that decides on this proposal is held.
- (ii) to sell on a securities exchange the whole numbers of nominal shares resulting from the sum of the remaining fractions, arising from the said stock dividend, and to share the net proceeds of the sale, proportionately, among the stockholders;
- (iii) to establish that all the shares resulting from this stock dividend shall have the same rights as the preferred shares existing before the said stock dividend; and
- (iv) to pay to the stockholders, proportionately, the result of the sum of the remaining fractions, simultaneously with the payment of the first installment of the dividends for the year 2013.

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

Belo Horizonte, December 9, 2013,

Dorothea Fonseca Furquim Werneck
Djalma Bastos de Moraes
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
Newton Brandão Ferraz Ramos
Tarcísio Augusto Carneiro
Saulo Alves Pereira Junior ”

“ OPINION OF THE AUDIT BOARD

The members of the Audit Board of Companhia Energética de Minas Gerais – Cemig, undersigned, in performance of their functions under the law and under the by-laws, have examined the Proposal made by the Board of Directors to the Extraordinary General Meeting of Stockholders to be held on December 26, 2013, as follows:

a) Authorization, verification and approval of an increase in the Company’s 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,
each with nominal unit value of	R\$	5.00	(Five Reais)
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 unit value of	R\$	5.00	(Five Reais)

b) Alteration of the by-laws to reflect the increase, redrafting the head paragraph of Clause 4, to the following:

“Clause 4 The share capital of the Company is R\$ 6,294,208,270.00, (six billion two hundred ninety four million two hundred eight thousand two hundred seventy Reais), represented by:

- 420,764,708 (four hundred twenty million seven hundred sixty four thousand seven hundred eight) nominal common shares each with nominal value of R\$ 5.00; and
- 838,076,946 (eight hundred thirty eight million seventy six thousand nine hundred forty six) nominal preferred shares, each with nominal value of R\$ 5.00”.

c) Authorization for the Executive Board, in relation to the stock dividend:

- (i) to attribute the stock dividend, of 30.765323033% in new nominal preferred shares, each with nominal value of R\$ 5.00, to holders of common and preferred 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) whose names are on the Company’s Nominal Share Registry on the date on which the General Meeting of Stockholders that decides on this proposal is held.
- (ii) to sell on a securities exchange the whole numbers of nominal shares resulting from the sum of the remaining fractions, arising from the said stock dividend, and to share the net proceeds of the sale, proportionately, among the stockholders;
- (iii) to establish that all the shares resulting from this stock dividend shall have the same rights as the preferred shares existing before the said stock dividend; and
- (iv) to pay to the stockholders, proportionately, the result of the sum of the remaining fractions, simultaneously with the payment of the first installment of the dividends for the year 2013.

After carefully analyzing the said proposal, and considering, further, that the legal rules applicable to the matters have been complied with, the opinion of the members of the Audit Board is in favor of their approval by the said Meeting.

Belo Horizonte, December 19, 2013

Signed:

Aristóteles Luiz Menezes Vasconcellos Drummond,
Thales de Souza Ramos Filho,
Aliomar Silva Lima,

Lauro Sander,
Bruno Gonçalves Siqueira,
Salvador José Cardoso de Siqueira”.

The Chair then put the Proposal made by the Board of Directors to this meeting to debate, and to the vote, and it was approved unanimously.

There being no further business, the Chair 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 Chair, 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.