

COMPANHIA ENERGÉTICA DE MINAS GERAIS CEMIG

CNPJ 17.155.730/0001-64 – NIRE 31300040127

MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF STOCKHOLDERS HELD ON JULY 23, 2018

On the twenty third day of July of the year two thousand and eighteen at 11 a.m., at Avenida Barbacena 1,219, 23rd Floor, B Wing, Santo Agostinho, Belo Horizonte, Minas Gerais, Brazil, 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, 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 the State Procurator Mr. Wallace Alves dos Santos, for the Office of the General Attorney of the State of Minas Gerais, in accordance with the current legislation.

Initially, Mr. **Carlos Henrique Cordeiro Finholdt**, a stockholder and on behalf of Cemig's Corporate Executive Office, stated that there was a quorum for an Extraordinary General Meeting of Stockholders; and that the stockholders present should choose the Chair of this Meeting, in accordance with Clause 11 of the Company's by-laws.

Asking for the floor, the representative of the stockholder **The State of Minas Gerais** put forward the name of **Neila Maria Barreto Leal**, representative of the stockholder **Bernardo Afonso Salomão de Alvarenga**, to chair the meeting.

The proposal of the representative of the stockholder **The State of Minas Gerais** was put to debate, and subsequently to the vote, and approved unanimously, that is to say by 389,348,730 votes.

The Chair then declared the meeting open and invited me, Carlos Henrique Cordeiro Finholdt, for Cemig's Corporate Executive Office, to be secretary of the meeting, and asked me to read the convocation notice, which was published, on June 21, 22 and 23, 2018 in the publications: *Minas Gerais*, official journal of the Powers of the State, on pages 25, 33 and 23 respectively; and in the newspaper *O Tempo*, on pages 13, 25 and 21, respectively, the content of which is as follows:

“ **COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG**
CNPJ 17.155.730/0001-64 – NIRE 31300040127
EXTRAORDINARY GENERAL MEETING OF STOCKHOLDERS
JULY 23, 2018
CONVOCAÇÃO

Stockholders are hereby called to an Extraordinary General Meeting of Stockholders to be held on July 23, 2018 at 10 a.m., at the company’s head office, Av. Barbacena 1219, 23rd floor, Belo Horizonte, Minas Gerais, Brazil, to decide on:

- Election of members of the Audit Board nominated by the majority stockholder, to serve the rest of the current period of office.

Stockholders may opt to exercise their right to vote through the remote voting system, in accordance with CVM Instruction 481/2009, by sending the related Remote Voting Form via their custody agent, or the mandated bank, or directly to the Company.

Proxy votes

Any stockholder who wishes to be represented by proxy at the said General Meeting of Stockholders should obey the precepts of Article 126 of Law 6406 of 1976, as amended, and of §2 of Article 10 of Clause 10 of the by-laws, by exhibiting at the time, or previously depositing at the Company’s head office, preferably by July 19, 2018, the proof of ownership of the shares, issued by the depository financial institution, an identity document, and a power of attorney with specific powers, at Cemig’s Corporate Executive Office (*Superintendência da Secretaria Geral*) at Av. Barbacena 1219 – 23rd Floor, Belo Horizonte, Minas Gerais, Brazil.

Belo Horizonte, June 19, 2018 Adézio de Almeida Lima – Chair of the Board of Directors ”

The representative of the stockholder **The State of Minas Gerais** stated that the Office of the General Attorney of the State, as formal representative of the controlling stockholder, would make a statement of position to this Meeting in the terms of Official Letter OF 0079/2018, of May 16, 2018.

In accordance with CVM Instruction 481/2009, the Chair then asked the Secretary to read the spreadsheet of summary consolidated voting, recording the votes given by Remote Voting Forms, published to the Market on July 20 of this year, which will be at the disposal of stockholders for any consultation.

The Chair then stated that an Extraordinary General Meeting of Stockholders had been held on July 11, 2018, at which, due to approval of the Company’s new by-laws, to adapt to Federal Law 13,303 of June 30, 2016 and Minas Gerais State Decree 47154 of February 20, 2017, the members of the Audit Board nominated by the holders of preferred shares were elected; and at that meeting it was not possible for the majority stockholder to nominate members for the Audit Board.

The representative of **The State of Minas Gerais** then put forward the following nominations for membership of the Audit Board:

As sitting members:

José Afonso Bicalho Beltrão da Silva	– Brazilian, married, economist, resident and domiciled in Belo Horizonte, MG at Rua Curitiba 2233/501, Lourdes, CEP 30170-122, bearer of Identity Card MG568870, issued by the Minas Gerais State Public Safety Department, and CPF nº 098044046-72;
Marco Antônio de Rezende Teixeira	– Brazilian, married, lawyer, resident and domiciled in Belo Horizonte, MG, at Rua Senhora das Graças 64/801, Cruzeiro, CEP 30310-130, bearer of Identity Card M611582, issued by the Minas Gerais State Public Safety Department, and CPF 371515926-04; and
Camila Nunes da Cunha Pereira Paulino	– Brazilian, married, public relations executive, resident and domiciled in Belo Horizonte, Minas Gerais at Rua Eugênio Murilo Rubião 185/601, Anchieta, CEP 30310-540, bearer of Identity Card MG11491274, issued by the Public Safety Department of Minas Gerais State, and CPF 053194916-89;

– and as their respective substitute members:

Helvécio Miranda Magalhães Junior	– Brazilian, single, doctor, resident and domiciled in Belo Horizonte, MG, at Rua Cláudio Manoel 735/1104, Funcionários, CEP 30140-100, bearer of Identity Card 161715-0, issued by the Minas Gerais State Public Safety Department, and CPF 561966446-53;
Flávia Cristina Mendonça Faria Da Pieve	- Brazilian, married, lawyer, resident and domiciled in Belo Horizonte, Minas Gerais at Rua Fábio Couri 155/502, Torre 2, Luxemburgo, CEP 30380-560, bearer of Identity Card M8033108, issued by the Public Safety Department of Minas Gerais State, and CPF 037964286-73; and
Wieland Silberschneider	– Brazilian, divorced, economist, domiciled in Belo Horizonte, Minas Gerais, at Rua Herculano de Freitas 1210/301, Gutierrez, CEP 30441-023, bearer of Identity Card MG-1072289, issued by the Minas Gerais State Civil Police (PCMG), and CPF 451960796-53.

Asking for the floor, the representative of the stockholder **BNDES Participações S.A. (BNDESPar)**, although not being part of the group voting on this occasion, stated the understanding that obedience to the prohibitions in Article 17 of the State Companies Law for nominations to an Audit Board, independently of the legal dispute on whether they are mandatory, are the best corporate governance practice for formation of the Audit Board, in that they ensure a higher level of professionalism, and recommended that all the Company’s stockholders should adopt them in their nominations.

It was also the understanding of **BNDESPar** that, in spite of the juridical support for this election and for the nominations made for it, considering the transitory nature of the court decision, given as it was in an interim remedy and already subject to contestation, it would be prudent for the controlling stockholder of the Company to aim for a composition of the Audit Board in line with the view taken by the CVM in Case 19957.004466/2018-41, to avoid any later need for re-composition of that Board, even before the end of the current period of office, which would harm the continuity of its work. **BNDESPar** also alerted the meeting that the other requirements and prohibitions in the State Companies Law should be complied with, including the need for one of the nominees to be a government employee with a permanent link to the public administration.

The representative of the stockholder **The State of Minas Gerais** then reported that the Judiciary of Minas Gerais State had granted a request for urgent relief in the following terms:

- “ a) suspending the effect of the recommendation / decision issued by the CVM contained in Official Announcement 227/2018/CVM/SEP/GEA-1 (SEI 19957.005738/2018-20); and thus requiring the CVM to abstain from opening any administrative proceedings tending to punish the controlling stockholder, or Cemig, in any case where the reason for action is application of the prohibitions stated in §2 of Article 17 of Law 13303/2016 in relation to the members of Cemig’s Audit Board, until any subsequent court decision, on penalty of a fine in the event of non-compliance;
- b) consequent order that Cemig should urgently (subject to the minimum timing required by the law and by its by-laws), in a General Meeting of Stockholders, elect the members of its Audit Board, based on the names already put forward by **The State of Minas Gerais**, as majority stockholder, on May 16, 2018, subject to the requirement in Article 26 of Law 13303/2016, as regulated by State Decree 47154/2017, but without the prohibitions established by that Law in relation to the members of the Board of Directors (§ 2º of Article 17 of Law 13303/2016); on penalty of a procedural fine in the event of non-compliance with the decision.”

The nominations of the representative of the stockholder **The State of Minas Gerais** were put to debate, and to the vote, and approved by a majority of votes, as follows:

Group	Votes in favor	Votes against	Abstentions
Sitting and substitute member:			
José Afonso Bicalho Beltrão da Silva and Helvécio Miranda Magalhães Júnior	83,211,485	14,147,598	32,423,830
Marco Antônio de Rezende Teixeira and Flávia Cristina Mendonça Faria Da Pieve	83,211,484	14,147,598	32,423,827
Camila Nunes da Cunha Pereira Paulino and Wieland Silberschneider	83,211,484	14,147,597	32,423,826

The Audit Board members elected declared – in advance – that they are not subject to any prohibition on exercise of commercial activity, that they are not subject to any of the prohibitions in Law 6404/1976 or Law 13303/2016, nor in Minas Gerais State Decree 47154/2017, and that they comply with the criteria and requirements of the applicable legislation and regulations; they 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 of Companhia Energética de Minas Gerais – Cemig, and the Code of Ethical Conduct of Government Workers and Senior Administration of the State of Minas Gerais.

The Chair stated that, subject to swearing-in of the new members of the Audit Board being conditional upon presentation of the declaration statements contained in the applicable federal and state legislation, the composition of the Audit Board is now as follows:

Audit Board

Sitting members:	Substitute members:
José Afonso Bicalho Beltrão da Silva,	Helvécio Miranda Magalhães Júnior,
Marco Antônio de Rezende Teixeira,	Flávia Cristina Mendonça Faria Da Pieve,
Camila Nunes da Cunha Pereira Paulino,	Wieland Silberschneider,
Rodrigo de Mesquita Pereira,	Michele da Silva Gonsales,
Cláudio Morais Machado;	Carlos Roberto de Albuquerque Sá.

The meeting being opened to the floor, since no-one else wished to speak, the Chair ordered the meeting suspend for the time necessary for writing of the minutes.

The session being reopened, the Chair put the said minutes to debate and to the vote, and they were approved unanimously, that is to say, by 389,348,730 votes; verifying that they had been signed, she closed the meeting.

For the record, I, Carlos Henrique Cordeiro Finholdt, Secretary, wrote these minutes and sign them, together with all those present.