
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 May 12, 2011 at 11 a.m. at the company's head office, Av. Barbacena 1200, 21st floor, in the city of Belo Horizonte, Minas Gerais, to decide on the following matters:

- 1 Expansion**, in the business year 2011, of the **maximum limit** set by Subclause (d) of Paragraph 7 of Clause 11 of the Bylaws, on the consolidated amount of funds destined to **capital expenditure and acquisition of any assets**, in the year, from 40% (forty per cent) **to 42%** (forty two per cent) of the Company's **Ebitda** (Earnings before interest, taxes, depreciation and amortization).
- 2 Change in the composition of the Board of Directors**, as a result of resignation.
- 3 Orientation of the vote of the representatives of Cemig** (Companhia Energética de Minas Gerais) in the Extraordinary General Meetings of Stockholders of **Cemig D** (Cemig Distribuição S.A.) and of **Cemig GT** (Cemig Geração e Transmissão S.A.) to be held on the same day for which the EGM of Cemig is called, to make changes in the composition of their Boards of Directors, if the composition of the Board of Directors of **Cemig** is changed.

Under Article 3 of CVM Instruction 165 of December 11, 1991, adoption of the multiple voting system for election of members of the company's Board requires the vote of stockholders representing a minimum percentage of 5% (five per cent) of the voting stock.

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 paragraph of Clause 9 of the Company's Bylaws, depositing, preferably by May 10, 2011, 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 at Av. Barbacena, 19th floor, B1 Wing, Belo Horizonte, Minas Gerais, or showing them at the time of the meeting.

Belo Horizonte, April 15, 2011.

Djalma Bastos de Moraes
Vice-Chairman of the Board of Directors

PROPOSAL BY THE BOARD OF DIRECTORS TO THE EXTRAORDINARY GENERAL MEETING OF STOCKHOLDERS TO BE HELD ON MAY 12, 2011.

Dear Stockholders:

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

– *whereas:*

- a) it is the responsibility of the Department of Finance, Investor Relations and Financial Control of Holdings to consolidate and prepare the Annual Budget for the business year, obeying the Multi-year Strategic Implementation Plan, and to submit it for examination to the Executive Board and to the Board of Directors;
- b) under Clause 21, Paragraph 2 of the Company's Bylaws, the Annual Budget must reflect the Company's Multi-year Strategic Implementation Plan and must give details of operational revenue and expenses, costs and capital expenditure, cash flow, the amount to be allocated to payment of dividends, investments from the company's own funds or funds of third parties, and any other data that the Executive Board considers to be necessary;
- c) under Subclause "c" of Paragraph 4 of Article 21, it is the responsibility of the Executive Board to examine the Annual Budget, which must reflect the Multi-Year Strategic Implementation Plan then in effect, and also revisions to it, and to submit it to the Board of Directors for approval;
- d) the Budget for 2011 specifies figures that result in financial ratios exceeding those stipulated in Cemig's Bylaws;
- e) Paragraph 7 of Clause 11 of the Bylaws of Cemig specifies that in the management of the Company and the exercise of the right to vote in subsidiaries, affiliated companies and consortia, the Board of Directors and the Executive Board shall faithfully obey and comply with certain targets, including the following:
 - to limit the consolidated debt ratio measured as $\{ (\text{net debt}) / (\text{net debt plus stockholders' equity}) \}$ to 40% (forty per cent); and
 - to limit the consolidated amount of funds allocated to capital expenditure and to the acquisition of any assets, in each business year, to the equivalent of a maximum of 40% (forty per cent) of the company's Ebitda (Earnings before interest, taxes, depreciation and amortization);
- f) it is expected that, at the end of 2011, these indicators will be at the following levels:
 - consolidated debt ratio, measured as $\{ (\text{net debt}) / (\text{net debt plus stockholders' equity}) \}$: 43.0% (forty three per cent);
 - consolidated amount of funds allocated to capital expenditure and to the acquisition of any assets: a maximum of 42% (forty per cent) of the company's Ebitda;
- g) the Board of Directors has authorized that the target specified in Paragraph 7 of Clause 11 of the Bylaws, i.e. the consolidated ratio of $\{ (\text{net debt}) / (\text{net debt plus stockholders' equity}) \}$ be expanded to 43.0% (forty three per cent), for the year 2011;
- h) an Extraordinary General Meeting of Stockholders of Cemig will be held to change the composition of the Board of Directors;

i) Clause 11, §1, of Cemig’s Bylaws states:

“§1 The structure and composition of the Board of Directors and of the Executive Board of the company shall be identical in the wholly-owned subsidiaries Cemig Distribuição S.A and Cemig Geração e Transmissão S.A., with the exception that only the subsidiary Cemig Distribuição S.A shall have a Chief Energy Distribution and Sales Officer and the respective Department, and only the subsidiary Cemig Geração e Transmissão S.A. shall have a Chief Energy Generation and Transmission Officer and the respective Department.”;

j) Clause 8 of the Bylaws of Cemig D and of Cemig GT states:

Clause 8: “The Company’s Board of Directors shall be made up of 14 (fourteen) members and an equal number of substitute members. One of the members shall be its Chairman and another its Vice-Chairman, all being subject to election and dismissal at any time by the General Meeting of Stockholders, for a period of office of 3 (three) years, and able to be reelected.

§1 The members of the Board of Directors must, obligatorily, be the same members of the Board of Directors of the sole stockholder, Cemig.”;

– *now proposes to you as follows:*

- 1) – to authorize expansion, in the business year 2011, of the maximum limit set by Subclause (d) of Paragraph 7 of Clause 11 of the Bylaws, on the consolidated amount of funds allocated to capital expenditure and the acquisition of any assets, in the year, to 42% (forty two per cent) of the Company’s Ebitda (Earnings before interest, taxes, depreciation and amortization); and
- 2) – that the representatives of Cemig in the Extraordinary General Meetings of Stockholders of Cemig Distribuição S.A. (“Cemig D”) and Cemig Geração e Transmissão S.A. (“Cemig GT”) to be held on the same day as the EGM of Cemig should vote in favor of the alteration of the composition of the Board of Directors, if there is a change in the composition of the Board of Directors of Cemig.

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, April 15, 2011.

Dorothea Fonseca Furquim Werneck – Chair
 Djalma Bastos de Moraes – Vice-Chairman
 Antônio Adriano Silva – Member
 Arcângelo Eustáquio Torres Queiroz – Member
 Eduardo Borges de Andrade – Member
 Francelino Pereira dos Santos – Member
 Guy Maria Villela Paschoal – Member

João Camilo Penna – Member
 Luiz Carlos Costeira Urquiza – Member
 Paulo Roberto Reckziegel Guedes – Member
 Ricardo Coutinho de Sena – Member
 Saulo Alves Pereira Junior – Member
 Renato Torres de Faria – Member

APPENDIX 1

12.6 Information about the Board of Directors:

Name: Leonardo Maurício Colombini Lima

Age: 65

Profession: Accountant

CPF: 065276716-87

Date of birth: 05/04/1946

Position: Substitute member

Date of election: May 12, 2011

Date of swearing-in: May 12, 2011

Period of office: April 29, 2009 through the AGM to be held in 2012.

Other positions or functions held or exercised in the Company: Does not hold any other position.

Whether was elected by the controlling stockholder or not: Yes

12.7. Please supply the information mentioned in item 12.6 in relation to the members of the committees formed under the Bylaws, and also of the audit committee, the risk committee, the finance committee and the remuneration committee, even if such committees or structures are not created by the Bylaws:

Does not hold any other position.

12.8 For each of the Managers and members of the Audit Board, supply:

a. Résumé, containing the following information:

I. Principal professional experience in the last 5 years, indicating:

- **Name of company:**
- **Position and functions inherent to the position**
- **Principal activity of the company in which experience took place, highlighting the companies or organizations that comprise (i) the economic group of the issuer, or (ii) of partners with direct or indirect interests of 5% or more of a single class or type of securities of the issuer**

Mr. Colombini Lima is Brazilian, married, an accountant, resident and domiciled in Belo Horizonte, Minas Gerais, and bearer of Identity Card RG GO 705600, issued by the Public Safety Office of Goiás, and CPF N° 065276716-87. He was born on April 5, 1946.

He has a degree in accounting from Professor Antônio Carlos University of Barbacena, specialization in Financial Management and Economics from UNA, Belo Horizonte, and specialization in Auditing, Economics and Finance from São Paulo University (USP).

In the Minas Gerais State Government, from 2003 he was Special Advisor to the State Finance Department, Under-secretary of the State Treasury, and Deputy Finance Secretary. Since May 2010 he has been State Finance Secretary, and a member of the Boards of Directors of the Minas Gerais State Development Bank (BDMG), of MGI Minas Gerais Participações, and of Gasmig (Companhia de Gás de Minas Gerais).

In the federal government he was Special Assistant to the Head of the Private Office of the President of the Republic. He is a career employee of the Brazilian Central Bank. Among other posts he has been Division Chief Auditor, Deputy Head of the Financial Administration Department, and Deputy Regional Delegate and Regional Delegate of the Central Bank in Minas Gerais. He has also been Chairman of the Audit Board of the Central Bank Pension Fund Foundation. In the private sector he has been a consultant in the financial, administrative and accounting areas of several companies of Brasília and of Minas Gerais, including Siderúrgica Belgo-Mineira (now Arcelor-Mittal), where he was a member of the Board of Directors for 7 years, and also companies of Goiás and the Federal District.

ii. Indication of all the management posts that the person occupies or has occupied in companies registered with the CVM

b. Description of any of the following events that have taken place during the last 5 years:

- i. any criminal conviction:** *None*
- ii. any condemnation in an administrative proceeding of the CVM, and the penalties applied** *None*
- iii. any court or administrative judgment against which there is no further appeal which has suspended or disqualified the person from carrying out any professional or commercial activity:**
None

12.9 Conjugal relationship, stable union or family relationship up to the second degree between:

- a. managers of the Company**
- b. (i) managers of the Company and (ii) managers of companies that directly or indirectly control the Company**
- c. (i) managers of the Company or of its directly or indirectly controlled subsidiaries and (ii) parties that directly or indirectly control the Company**
- d. (i) managers of the Company and (ii) managers of companies that directly or indirectly control the Company**

None, for all the sub-items above.

12.10. State any relationships of subordination, provision of service or control maintained, in the last 3 business years, between the proposed manager of the Company and:

- a. a company directly or indirectly controlled by the issuer**

He is a member of the Board of Directors of Cemig D, Cemig GT and Gasmig.

- b. a direct or indirect controlling stockholder of the issuer**

Yes: He is Finance Secretary of the State of Minas Gerais.

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- c. if material: supplier, client, debtor or creditor of the issuer, of its subsidiary, or parent companies or subsidiaries of any of these parties**

He has no relationship with any supplier, client, debtor or creditor of the Company, of its subsidiary or parent companies, or subsidiaries of any of such parties.