

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

LISTED COMPANY
CNPJ 17.155.730/0001-64 – NIRE 31300040127

MINUTES OF THE ORDINARY AND EXTRAORDINARY GENERAL MEETINGS OF STOCKHOLDERS

HELD, CONCURRENTLY, ON

APRIL 29, 2011

At 4 p.m. on April 29, 2011, 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 Av. Barbacena 1200, 21th Floor, Belo Horizonte, Minas Gerais, Brazil, as verified in the Stockholders' Attendance Book, where all those present signed and made the required statements.

The stockholder The State of Minas Gerais was represented by Mr. Marco Antonio Rebelo Romanelli, General Attorney of the State of Minas Gerais, in accordance with the legislation.

The following were also present: Mr. Aristóteles Luiz Menezes Vasconcellos Drummond. Member of the Audit Board; KPMG Auditores Independentes, represented by Mr. Marco Túlio Fernandes Ferreira, CRCMG 58176, and Mr. Roberto Caixeta Barroso, CRCMG 078086/O-8; and the Chief Officers Luiz Fernando Rolla and Maria Celeste Morais Guimarães.

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 Chairperson 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 Maria Celeste Morais Guimarães 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 opened and invited me, Anamaria Pugedo Frade Barros, a stockholder, to be Secretary of the Meeting, requesting me to proceed to reading of the convocation notice, published in the newspapers *Minas Gerais*, official publication of the Powers of the State, on April 1, 2 and 5, *O Tempo*, on April 1, 2 and 3, and *Gazeta Mercantil* on April 1, 4 and 5 of this year, the content of which is as follows:

“COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

LISTED COMPANY
CNPJ 17.155.730/0001-64 ; NIRE 31300040127

ORDINARY AND EXTRAORDINARY GENERAL MEETINGS OF STOCKHOLDERS CONVOCATION

Stockholders are hereby called to an Ordinary and an Extraordinary General Meeting of Stockholders, to be held, concurrently, on April 29, 2011 at 4 p.m. at the company's head office, Av. Barbacena 1200, 21st floor, in the city of Belo Horizonte, Minas Gerais, Brazil, to decide on the following matters:

- 1 **Examination, debate and voting** on the Report of Management and the Financial Statements for the year ended December 31, 2010, and the respective complementary documents.
- 2 **Allocation of the net profit** for the year 2010, in the amount of R\$ 2,257,976,000, in accordance with Article 192 of Law 6404, of December 15, 1976, as amended.
- 3 **Dividends:** Decision on the form and date of payment of the obligatory dividend and complementary dividends, in the amount of R\$ 1,196,074,000.
- 4 **Changes to the Bylaws**, to change the names of the following Chief Officers' Departments:
 - **From:** *Department of Business Development and Corporate Control of Subsidiaries and Affiliates*
To: *Department of Business Development*
 - **From:** *Department of Finance, Investor Relations and Financial Control of Holdings*
To: *Department of Finance and Investor Relations.*
 – with the consequential changes to the following parts of the Bylaws:

Clause 11:	Paragraph 3;		
Clause 18:			
Clause 21:	Paragraph 3;		
	Paragraph 4,	Subclauses “g” and “j”;	And
Clause 22:	Head paragraph:	Sub-item I –	subclauses “b” and “i”
		Sub-item III, and its	subclauses “b”, “c”, “n” and “p”;
		Sub-item VII –	subclause “k”;
		Sub-item VIII, and its	subclauses “d”, “m” and “p”;
		Sub-item IX –	subclauses “c” and “f”; and
	Paragraph 4.		

- 5 **Election** of the sitting and substitute members of the Audit Board, due to the completion of their period of office; and setting of their remuneration.
- 6 Setting of the remuneration of the Company's Managers.
- 7 **Orientation of the vote** of the Company's representative in the Ordinary and Extraordinary General Meetings of Stockholders of **Cemig Distribuição S.A.** (“**Cemig D**”), also to be held, concurrently, on April 29, 2009, as to the following:
 - a) Examination, debate and voting on the Report of Management and the Financial Statements for the year ended December 31, 2010, and the respective complementary documents.
 - b) Allocation of the net profit for the business year 2010, in the amount of R\$ 441,002,000, to offsetting of the accumulated loss at December 31, 2010; and offsetting of the remaining balance of the accumulated loss, in the amount of R\$ 268,225,000, with the Retained Earnings Reserve, in the amount of R\$ 204,202,000, and the amount of R\$ 64,023 from the Legal Reserve.
 - c) Recommendation to the Executive Board to prepare studies with a view to an application to the National Electricity Agency, Aneel, for permission for reduction of capital, to compensate for the effect of non-payment of dividends in 2010, caused by the adoption of International Financial Reporting Standards, if this reduction of capital is advantageous for permitting flow of funds from the Company to Cemig.

- d) Changes to the Bylaws to change the names of the following Chief Officers' Departments:
- i) **From:** *Department of Business Development and Corporate Control of Subsidiaries and Affiliates*
To: *Department of Business Development*
 - ii) **From:** *Department of Finance, Investor Relations and Financial Control of Holdings*
To: *Department of Finance and Investor Relations.*

– with the consequential changes to the following parts of the Bylaws:

Clause 7:	Paragraph 2;		
Clause 13:			
Clause 16:	Paragraph 3;		
	Paragraph 4,	Subclauses “g” and “j”;	and
Clause 17:	Head paragraph:	Sub-item I –	subclauses “b” and “i”
		Sub-item III, and its	subclauses “b”, “c”, “n” and “p”;
		Sub-item VI –	subclause “j”;
		Sub-item VII, and its	subclauses “d”, “m” and “p”;
		Sub-item IX –	subclauses “c” and “f”;
	Paragraph 4.		

- e) Election of the sitting and substitute members of the Audit Board, due to the completion of their period of office.

8 Orientation of the vote of the Company's representative in the Ordinary and Extraordinary General Meetings of Stockholders of **Cemig Geração e Transmissão S.A.** (“**Cemig GT**”), also to be held, concurrently, on April 29, 2009, as to the following:

- a) Examination, debate and voting on the Report of Management and the Financial Statements for the year ended December 31, 2010, and the respective complementary documents.
- b) Allocation of the net profit for the year 2010, in the amount of R\$ 1,084,110,000, and of the balance in the Retained Earnings account, in the amount of R\$ 101,909,000.
- c) Decision on the form and date of payment of the Interest on Equity and the complementary dividends, in the amount of R\$ 1,131,813,000.

d) Changes to the Bylaws to change the names of the following Chief Officers' Departments:

- i) **From:** *Department of Business Development and Corporate Control of Subsidiaries and Affiliates*
To: *Department of Business Development*
- ii) **From:** *Department of Finance, Investor Relations and Financial Control of Holdings*
To: *Department of Finance and Investor Relations.*

– with the consequential changes to the following parts of the Bylaws:

Clause 7:	Paragraph 2;		
Clause 13:			
Clause 16:	Paragraph 3;		
	Paragraph 4,	Subclauses “g” and “j”;	and
Clause 17:	Head paragraph:	Sub-item I –	subclauses “b” and “i”
		Sub-item III, and its	subclauses “b”, “c”, “n” and “p”;
		Sub-item VI –	subclause “j”;
		Sub-item VII, and its	subclauses “d”, “m” and “p”;
		Sub-item IX –	subclauses “c” and “f”;
	Paragraph 4.		

- e) Election of the sitting and substitute members of the Audit Board, due to the completion of their period of office.

Any stockholder who wishes to be represented by proxy at the said General Meetings of Stockholders should obey the terms of Article 126 of Law 6406/1976, as amended, and of the sole paragraph of Clause 9 of the Company's Bylaws, depositing, preferably by April 27, 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 Secretariat Office at Av. Barbacena 1200, 19th floor, B1 Wing, Belo Horizonte, Minas Gerais, or showing them at the time of the meeting.

Belo Horizonte, March 28, 2011.

Dorothea Fonseca Furquim Werneck
Chair of the Board of Directors

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In accordance with Item 1 of the agenda the Chair then placed in debate the Report of Management and the Financial Statements for the year ended December 31, 2010, and respective complementary documents, explaining that they have been widely disclosed in the press, since they were placed at the disposal of stockholders by a notice published in the newspapers *O Tempo*, and *Valor Econômico*, on March 30 and 31 and April 1st of 2011, and in the newspapers *Minas Gerais* and *O Tempo*, on April 16 and *Valor Econômico*, on April 19 of 2011.

In conclusion, she put the Report of Management for the business year ended December 31, 2010, and the related complementary documents, to the vote. They were approved, with abstention by the persons legally prevented from voting, and the following funds: BB Top Ações Dividendos FI, BB Top Ações Índice de Sustentabilidade Empresarial FI, BB RPPS Ações Governança Previdenciário FI, BB Top Multimercado Balanceado FI Longo Prazo, BB Brasil Ações Dividendos FI and Brasilprev Top Ações Dividendos FI.

Continuing the proceedings, the Chair requested the Secretary to read the Proposal by the Board of Directors, which deals with items 2 to 4, 7 and 8 of the convocation, and also the Opinion of the Audit Board thereon, the contents of which documents are as follows:

“ PROPOSAL
BY THE
BOARD OF DIRECTORS
TO THE
ORDINARY AND EXTRAORDINARY
GENERAL MEETINGS OF STOCKHOLDERS
TO BE HELD, CONCURRENTLY, ON
APRIL 29, 2011.

Dear Stockholders:

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

– *whereas:*

- a) under Law 6404/1976, as amended, and Clause 17, Subclause “h” of the Bylaws, the Board of Directors must make a prior statement of its position on the Report of Management and the accounts of the Company’s Executive Board;
- b) pursuant to Article 192 of Law 6404 as amended, and Clauses 27 to 31 of the Bylaws, the financial statements for 2010 report net profit of R\$ 2,257,976,000 and include a balance of accumulated losses of R\$ 238,043,000 relating to adjustments for prior years due to the adoption of new accounting rules;
- c) as a result of the new accounting rules, a new valuation was made of the generation assets of the subsidiaries whose accounting balances were significantly lower than fair value, with an increase in assets, with counterpart in Stockholders’ equity, of R\$ 1,495,823,000, net of tax effects, in the initial adoption; and as a result of this new valuation there was an increase in depreciation expense, with an impact of R\$ 134,171,000 on the net profit for 2010;
- d) there is an opportunity to simplify the names of the following Chief Officers’ Departments, by changing them as follows:
From: *Department of Business Development and Corporate Control of Subsidiaries and Affiliates*
To: *Department of Business Development*
From: *Department of Finance, Investor Relations and Financial Control of Holdings*
To: *Department of Finance and Investor Relations.*
- e) Cemig Geração e Transmissão S.A. (“**Cemig GT**”) and Cemig Distribuição S.A. (“**Cemig D**”) are wholly-owned subsidiaries of Companhia Energética de Minas Gerais (“Cemig”) and will hold Extraordinary General Meetings of Stockholders to change their Bylaws on the same date as Cemig makes changes to its Bylaws;
- f) Cemig GT and Cemig D will hold Ordinary and Extraordinary General Meetings of Stockholders by April 29, 2011;

g) Clause 21, Paragraph 4, Sub-clause “g” of the Bylaws of Cemig states as follows:

“Clause 21...

§4 The following decisions shall require a vote by the Executive Board: ...

- g) approval, upon proposal by the Chief Executive Officer, prepared jointly with the Chief Officer for Business Development and Corporate Control of Subsidiaries and Affiliates and the Chief Officer for Finance, Investor Relations and Financial Control of Holdings, of the statements of vote in the General Meetings of the wholly-owned and other subsidiaries, affiliated companies and of 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 Implement Plan;”

– *now proposes to you the following:*

I) Allocation of the net profit for 2010, in the amount indicated above, as follows:

- 1) R\$ 112,899,000, being 5% of the net profit, should be allocated to the Legal Reserve, in accordance with sub-clause “a” of the Sole sub-paragraph of Clause 28 of the Bylaws.
- 2) R\$ 1,196,074,000 should be allocated as dividends to those stockholders whose names are on the company’s Nominal Share Register on March 29, 2011, as follows:
 - R\$ 1,128,988,000 to be allocated as obligatory dividends to the Company’s stockholders, corresponding to 50% of the net profit in accordance with sub-clause “b” of the Sole sub-paragraph of Clause 28 of the Bylaws and the applicable legislation.
 - R\$ 67,086,000 to be allocated as complementary dividends, corresponding to 50% of the resulting effect on the 2010 net profit arising from the new valuation of the generation assets.
- 3) R\$ 590,591,000 to be allocated to the Retained Earnings Reserve, for use in payment of expenses, taxes and debt servicing;
- 4) R\$ 13,351,000 to be used for injection of capital into Transchile Charrúa Trasmisión S.A, corresponding, at December 31, 2010 to US\$ 8,012,000, as per Board Spending Decision (CRCA) 030/2010, of May 27, 2010, and CRCA 084/2010 of December 23, 2010.
- 5) R\$ 30,424,000 to be used for injection of capital into Usina Termelétrica de Barreiro S.A, as per CRCA 023/2010, of May 6, 2010, and CRCA 067/2010, of November 19, 2010.
- 6) R\$ 52,714,000 to be used for injection of capital into Empresa Brasileira de Transmissão de Energia S.A. (EBTE), in accordance with CRCA 056/2008, of September 17, 2010.
- 7) R\$ 980,000 to be used for injection of capital into Axxiom Soluções Tecnológicas S.A., as per CRCA 058/2010, of September 17, 2010.
- 8) R\$ 238,043,000 to be allocated for absorption of the accumulated loss relating to adoption of the new accounting rules;
- 9) R\$ 62,555,000 to be held in Stockholders’ equity in the Reserve under the Bylaws account referred to in Clause 28, Sole Paragraph, Sub-clause “c”, and Clause 30, of the Bylaws.

– *the payments of dividends to be made in two installments, by June 30 and December 30, 2011, and these dates may be brought forward, in accordance with the availability of cash and at the option of the Executive Board.*

Appendix 1 gives a summary of Cemig’s Cash Budget for 2011, characterizing the inflow of funds and disbursements for compliance with the allocations of the profit for the year.

Appendix 2 summarizes the calculation of the dividends proposed by Management, in accordance with the Bylaws.

II) Changes to the Bylaws, as follows:

1- To change the following names of Chief Officers’ Departments:

From: *Department of Business Development and Corporate Control of Subsidiaries and Affiliates*
 To: *Department of Business Development*

From: *Department of Finance, Investor Relations and Financial Control of Holdings*
To: *Department of Finance and Investor Relations.*

2- Consequent alteration of Paragraph 3 of Clause 11, to the following:

“Clause 11...

§3 Positions on the support committees to the Boards of Directors of the subsidiaries and affiliated companies, the filling of which is the competency of the Company, shall be filled by Members of the Boards of the respective subsidiaries or affiliated companies.

The Chief Business Development Officer shall always be appointed as one of the members of such committees, who shall always act in shared activity with the Chief Finance and Investor Relations Officer or any other Chief Officer.”

3- Consequent alteration of Clause 11, to the following:

“Clause 18:

The Executive Board shall be made up of 11 (eleven) Executive Officers, who may be stockholders, resident in Brazil, elected by the Board of Directors, comprising: Chief Executive Officer; Deputy Chief Executive Officer; Chief Finance and Investor Relations Officer; Chief Corporate Management Officer; Chief Distribution and Sales Officer; Chief Generation and Transmission Officer; Chief Trading Officer; Chief Business Development Officer; Chief Officer for the Gas Division; Chief Counsel; and Chief Institutional Relations and Communication Officer.”

4- Consequent alteration of Paragraph 3 and of Sub-items “g” and “j” of Paragraph 4 of Clause 21, to read as follows:

“Clause 21 -

§3 The Company’s Multi-year Strategic Implementation Plan and the Annual Budget shall be prepared and updated annually, by the end of each business year, to be in effect in the following business year. They shall be prepared under the coordination of the Chief Executive Officer and the Chief Officer for Finance and Investor Relations, respectively, and, in relation to the affiliates and subsidiaries, jointly with the Chief Business Development Officer and, at all times, in all aspects, with the participation of all the Company’s Chief Officers. The Multi-Year Strategic Implementation Plan and the Annual Budget shall be submitted to examination by the Executive Board and, subsequently, to approval by the Board of Directors.

§ 4 g) approval, upon proposal by the Chief Executive Officer, prepared jointly with the Chief Officer for Business Development and the Chief Officer for Finance and Investor Relations, 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 Implement Plan;

j) authorization of provisions in the company’s accounts in an amount less than R\$ 14,000,000.00 (fourteen million Reais), upon proposal by the Chief Officer for Finance and Investor Relations;

5- Consequent alterations of the following parts of the head paragraph of Clause 22 –

Subclauses “b” and “i” of Sub-item I;

Sub-item III and its subclauses “b”, “c”, “n” and “p”;

Subclause “k” of Sub-item VII;

Sub-item VIII and its subclauses “d”, “m” and “p”;

and Subclauses “c” and “f” of Sub-item IX

– to read as follows:

“Clause 22...

I – To the Chief Executive Officer:

b) to coordinate the preparation, consolidation and implementation of the Company’s Multi-Year Strategic Implementation Plan; in the case of the affiliated companies and jointly-controlled subsidiaries, jointly with the Chief Officer for Business Development and in all cases with the participation of the other Chief Officers of the Company;

i) to propose the appointments to Management positions and the Audit Boards of the wholly-owned subsidiaries, and of Fundação Forluminas de Seguridade Social – Forluz, after hearing the Chief Officer for Finance and Investor Relations, and of the Company’s subsidiaries and affiliated companies and of the consortia in which the Company participates, after hearing the Chief Officer for Business Development, expect in the case of the wholly-owned subsidiaries Cemig Distribuição S.A. and Cemig Geração e Transmissão S.A., for which the provisions of §4 of Clause 12 and §3 of Clause 18 of these Bylaws prevail.

VII – To the Chief Trading Officer:

- k) in coordination with the Chief Business Development Officer’s Department, to manage the trading, of the Company’s carbon credits.

VIII – To the Chief Business Development Officer:

- d) to coordinate, jointly with the Chief Executive Officer, the preparation and consolidation of the Company’s Multi-Year Strategic Implementation Plan, and with the Chief Officer for Finance and Investor Relations, of the Annual Budget in relation to the affiliated companies and subsidiaries;
- m) to propose, jointly with the Chief Officer for Finance and Investor Relations, to the Executive Board, for approval or for submission to the Board of Directors or to the General Meeting of Stockholders, depending on the competency defined in these Bylaws, matters relating to injections of capital, exercise of the right of preference and making of voting agreements in the subsidiaries and affiliates and in the consortia in which the company participates;
- p) to coordinate, jointly with the Chief Officer for Finance and Investor Relations, processes of disposal of equity interests held by the Company, subject to the provisions of the legislation and regulations from time to time in force;

IX – To the Chief Officer for the Gas Division:

- c) to carry out research, analyses and studies of investments and new technologies related to oil and gas, jointly with the Office of the Chief Business Development Officer;
- f) to propose to the Executive Board, jointly with the Chief Officer for Finance and Investor Relations and the Chief Officer for Business Development, the multi-year plan for capital expenditure and expenses of other special-purpose companies associated with the oil and gas activities;”.

6- Consequent alteration of Paragraph 4 of Clause 22, to the following:

“Clause 22...

- § 4 Projects developed by the Company under the aegis of the Chief Business Development Officer’s Department, once structured and constituted, should be assumed by the respective Chief Officer’s Department responsible for their construction, execution, operation and commercialization, as defined in these Bylaws.”.

III) **Notes:** That the representative of Cemig in the Ordinary and Extraordinary General Meetings of stockholders of Cemig Distribuição S.A. and of Cemig Geração e Transmissão S.A., also to be held, concurrently, on April 29, 2011, should vote in favor of the matters on the agenda, that is to say the following:

Cemig D

- a) Examination, debate and voting on the Report of Management and the Financial Statements for the year ended December 31, 2010, and the respective complementary documents.
- b) allocation of the net profit for the year, in the amount of R\$ 441,002,000, to offset the accumulated loss at December 31, 2010; the balance remaining of the loss after this offsetting, in the amount of R\$ 268,225,000, to be offset with the Retained Earnings Reserve, in the amount of R\$ 204,202,000, and R\$ 64,023 from the Legal Reserve.
- c) Recommendation to the Executive Board to prepare studies with a view to an application to the National Electricity Agency, Aneel, for permission for reduction of capital, to compensate for the effect of non-payment of dividends in 2010, which in turn results from the adoption of International Financial Reporting Standards, if this reduction of capital is advantageous for permitting flow of funds from the Company to Cemig.
- d) Changes to the Bylaws to change the following names of the Chief Officers’ Departments:

From: Department of New Business Development and Corporate Control of Subsidiaries and Affiliates

To: Department of New Business Development

From: Department of Finance, Investor Relations and Financial Control of Holdings

To: Department of Finance and Investor Relations.

– with the consequential changes to the following parts of the Bylaws:

Clause 7:	Paragraph 2;		
Clause 13:			
Clause 16:	Paragraph 3;		
	Paragraph 4,	Subclauses “g” and “j”;	and
Clause 17:	Head paragraph:	Sub-item I –	subclauses “b” and “i”
		Sub-item III, and its	subclauses “b”, “c”, “n” and “p”;
		Sub-item VI –	subclause “j”;
		Sub-item VII, and its	subclauses “d”, “m” and “p”;
		Sub-item IX –	subclauses “c” and “f”; and
	Paragraph 4.		

- e) Election of the sitting and substitute members of the Audit Board, due to the ending of the current period of office.

Cemig GT

- a) Examination, debate and voting on the Report of Management and the Financial Statements for the year ended December 31, 2010, and the respective complementary documents.
- b) Allocation of the net profit for the year 2010, in the amount of R\$ 1,084,110 mil, and of the balance of retained earnings, in the amount of R\$ 101,909,000:
- c) Decision on the form and date of payment of dividends and Interest on Equity , in the amount of R\$ 1,131,813,000.
- d) Changes to the Bylaws to change the following names of the Chief Officers' Departments:

From: *Department of New Business Development and Corporate Control of Subsidiaries and Affiliates*

To: *Department of New Business Development*

From: *Department of Finance, Investor Relations and Financial Control of Holdings*

To: *Department of Finance and Investor Relations.*

– with the consequential changes to the following parts of the Bylaws:

Clause 7:	Paragraph 2;		
Clause 13:			
Clause 16:	Paragraph 3;		
	Paragraph 4,	Subclauses "g" and "j";	and
Clause 17:	Head paragraph:	Sub-item I –	subclauses "b" and "i"
		Sub-item III, and its	subclauses "b", "c", "n" and "p";
		Sub-item VI –	subclause "j";
		Sub-item VII, and its	subclauses "d", "m" and "p";
		Sub-item IX –	subclauses "c" and "f"; and
	Paragraph 4.		

- e) Election of the sitting and substitute members of the Audit Board, due to the ending of their period of office.

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, March 28, 2011.

Board of Directors

Chair	Dorothea Fonseca Furquim Werneck	
Vice-Chair	Djalma Bastos de Morais	
	João Camilo Penna	Eduardo Borges de Andrade
	Luiz Carlos Costeira Urquiza	Saulo Alves Pereira Junior
	Antônio Adriano Silva	Francelino Pereira dos Santos
	Maria Estela Kubitschek Lopes	Paulo Márcio de Oliveira Monteiro
	Arcângelo Eustáquio Torres Queiroz	Guy Maria Villela Paschoal
	Paulo Roberto Reckziegel Guedes	Renato Torres de Faria

APPENDIX 1

CASH BUDGET FOR 2011		
COMPANHIA ENERGÉTICA DE MINAS GERAIS - CEMIG		
Current R\$ '000		
Item	Total 2011	%
<u>A – INITIAL BALANCE</u>	<u>291,749</u>	<u>-</u>
<u>B – FUNDS</u>	<u>2,097,717</u>	<u>100.0</u>
Others	66,751	3.2
Capital resources	2,030,966	96.8
<u>C – DISBURSEMENTS</u>	<u>2,331,373</u>	<u>100.0</u>
Capital expenditure program	435,662	18.7
Expenses budget	104,036	4.5
Taxes	34,366	1.5
Debt servicing	452,189	19.4
Dividends	1,196,074	51.3
Others	109,046	4.7
<u>D – FINAL BALANCE (A+B-C)</u>	<u>58,093</u>	<u>-</u>

APPENDIX 2

CALCULATION OF PROPOSED DIVIDENDS

	31.12.2010 R\$ '000
(1) Calculation of:	
<u>Minimum Dividend required by the Bylaws for the preferred shares</u>	
(i) Nominal value of the preferred shares	1,920,724
Percentage applied to the nominal value of the preferred shares	10.00%
Amount of the dividends by the first payment criterion	192,072
(ii) Stockholders' equity	11,476,133
Preferred shares as % of Stockholders' equity (net of shares held in Treasury)	56.27%
Portion of Stockholders' equity represented by the preferred shares	6,457,620
Percentage applied to the portion of Stockholders' equity represented by the preferred shares	3.00%
Amount of the dividends by the second payment criterion	193,729
<u>Minimum dividends required by the Bylaws for the Preferred Shares</u>	193,729
(2) Calculation of the Obligatory Dividend	
Net profit for the year	2,257,976
Obligatory dividend = 50.00% of net profit	1,128,988
(3) <u>Net dividends proposed:</u>	1,196,074
Total of the dividends proposed for the preferred shares	673,294
Total of the dividends proposed for the common shares	522,780
Dividend per share, R\$	
Minimum Dividends required by the Bylaws for the Preferred Shares	0.50
Obligatory Dividend	1.75
Dividends proposed	1.75

**“ 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 Bylaws, have examined the proposals made by the Board of Directors to the Ordinary and Extraordinary General Meetings of Stockholders to be held concurrently on April 29, 2011, for allocation of the net profit for the year 2010, in the amount of R\$ 2,257,976,000 as follows:

- 1 R\$ 112,899,000, being 5% of the net profit, should be allocated to the Legal Reserve, in accordance with sub-clause “a” of the Sole sub-paragraph of Clause 28 of the Bylaws.
- 2 R\$ 1,196,074,000 should be allocated as dividends to those stockholders whose names are on the company’s Nominal Share Register on March 29, 2011, as follows:
 - R\$ 1,128,988,000 to be allocated as obligatory dividends, corresponding to 50% of the net profit, in accordance with sub-clause “b” of the sole sub-paragraph of Clause 28 of the Bylaws and the applicable legislation.
 - R\$ 67,086,000 to be allocated as complementary dividends, corresponding to 50% of the impact on the 2010 net profit arising from the new valuation of the generation assets.
- 3 R\$ 590,591,000 to be allocated to the Retained Earnings account, for use in payment of expenses, taxes and servicing of debt.
- 4 R\$ 13,351,000 to be used for injection of capital into Transchile Charrúa Trasmisión S.A, corresponding, at December 31, 2010 to US\$ 8,012,000, as per Board Spending Decision (CRCA) 030/2010, of May 27, 2010, and CRCA 084/2010 of December 23, 2010.
- 5 R\$ 30,424,000 to be used for injection of capital into Usina Termelétrica de Barreiro S.A, as per CRCA 023/2010, of May 6, 2010, and CRCA 067/2010, of November 19, 2010.
- 6 R\$ 13,059,000 to be used for injection of capital into Empresa Regional de Transmissão de Energia S.A. (ERTE), in accordance with CRCA 056/2008, of September 17, 2010.
- 7 R\$ 980,000 should be allocated to injection of capital into Axxiom Soluções Tecnológicas S.A., as per CRCA 058/2010, of September 17, 2010.
- 8 R\$ 238,043,000 to be allocated for absorption of the accumulated loss relating to adoption of the new accounting rules;
- 9 R\$ 62,555,000 to be held in Stockholders’ equity in the account Reserve under the Bylaws provided for by sub-clause “c” of the sole sub-paragraph of Clause 28 and by Clause 30 of the Bylaws.

– the payments of dividends to be made in two installments, by June 30 and December 30, 2011, and these dates may be brought forward, in accordance with the availability of cash and by decision of the Executive Board.

After carefully analyzing the proposals referred to, 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 those Meetings.

Belo Horizonte, March 28, 2011.

Aristóteles Luiz Menezes Vasconcellos Drummond, Luiz Guaritá Neto, Thales de Souza Ramos Filho, Vicente de Paulo Barros Pegoraro, Helton da Silva Soares”.

The Chair then placed in debate the Proposal of the Board of Directors in relation to Items 2 to 4, 7 and 8 of the convocation notice. It was subsequently put to the vote, and approved with the abstention of the following Funds: BB Top Ações Dividendos FI, BB Top Ações Índice de Sustentabilidade Empresarial FI, BB RPPS Ações Governança Previdenciário FI, BB Top Multimercado Balanceado FI Longo Prazo, BB Brasil Ações Dividendos FI and Brasilprev Top Ações Dividendos FI.

Continuing with the agenda, the Chair informed the meeting that the period of office of the members of the Audit Board ended on today's date, and that a new election should thus be held for the said Board, with a period of office of 1 (one) year, that is to say, up to the Ordinary General Meeting of Stockholders to be held in 2012. The Chair said that this election would be carried out with separate voting, for candidates indicated by holders of preferred shares and those indicated by minority holders of common shares. This being so, the Chair put to debate the election of the sitting and substitute members of the Audit Board.

The representative of the stockholders Caixa de Previdência dos Funcionários do Banco do Brasil-PREVI, Fundação dos Economistas Federais-FUNCEF and BB Top Ações Dividendos FI, BB Top Ações Índice de Sustentabilidade Empresarial FI, BB Top Ações Ibovespa Indexado FI, BB Top Ações Ibovespa Ativo FI, BB Top Ações IBRX Indexado FI, BB Ações Energia FI, BB RPPS Ações Governança Previdenciário FI, BB Top Multimercado Balanceado FI Longo Prazo, BB Brasil Ações Dividendos FI, Brasilprev Top A FIA, Brasilprev Top Ações Dividendos FI, Brasilprev Top Plus FIA, BB Previdência Ações FI, BB Silverstone FI MM Crédito Privado, BB Ações 22 FI RF and BB Ações IBRX Ativo then asked for the floor and, also as representative of holders of preferred shares, proposed the following appointments to the Audit Board:

Sitting Members:

Vicente de Paulo Barros Pegoraro – Brazilian, married, retired, resident and domiciled in Brasília, Federal District, at SHIS QI 402, Block D, Apto. 110, Asa Sul, CEP 70236-040, bearer of Identity Card 004826419, issued by the Public Safety Department of the Federal District, and CPF 004826419-91;

Newton de Moura – Brazilian, married, bank employee of the Federal Savings Bank, resident and domiciled in Divinópolis, Minas Gerais, at Avenida Sete de Setembro 1064/701, Centro, CEP 35500-011, Bearer of Identity Card M-358258, issued by the Public Safety Department of Minas Gerais State, and CPF 010559846-15.

The Chair then placed in debate, and, subsequently, put the nomination proposed above to the vote – separately, with only holders of preferred shares participating in the vote – and the appointments proposed by the representative of the stockholders Caixa de Previdência dos Funcionários do Banco do Brasil-PREVI, Fundação dos Economistas Federais-FUNCEF e BB Top Ações Dividendos FI, BB Top Ações Índice de Sustentabilidade Empresarial FI, BB Top Ações Ibovespa Indexado FI, BB Top Ações Ibovespa Ativo FI, BB Top ações IBRX Indexado FI, BB Ações Energia FI, BB RPPS Ações Governança Previdenciário FI, BB Top Multimercado Balanceado FI Longo Prazo, BB Brasil Ações Dividendos FI, Brasilprev Top A FIA, Brasilprev Top Ações Dividendos FI, Brasilprev Top Plus FIA, BB Previdência Ações FI, BB Silverstone FI MM Crédito Privado, BB Ações 22 FI RF e BB Ações IBRX Ativo were approved, with the City of Philadelphia Public Employees Retirement System abstaining. Asking for the floor, the representative of the stockholder AGC Energia S.A., for the minority common stockholders, proposed, as a Sitting Member of the Audit Board:

Mr. Helton da Silva Soares – Brazilian, married, accountant, resident and domiciled in Belo Horizonte, Minas Gerais, at Rua Alvarenga Peixoto 832/301, Lourdes, CEP 30180-120, bearer of Identity Card MG-6392717, issued by the Civil Police of the State of Minas Gerais, and of CPF N° 000185326-08; and as his substitute member,

Mr. Rafael Cardoso Cordeiro – Brazilian, separated, engineer, resident and domiciled at Belo Horizonte, Minas Gerais, at Rua Montevideu, 515/600, Sion, CEP 30315-560, bearer of Identity Card M-9165153, issued by the Public Safety Department of the state of Minas Gerais, and CPF 037496966-32.

The above nominations were placed in debate and, subsequently, put to the vote – separately – and were approved, with the following funds abstaining: BB Top Ações Dividendos FI, BB Top Ações Índice de Sustentabilidade Empresarial FI, BB RPPS Ações Governança Previdenciário FI, BB Top Multimercado Balanceado FI Longo Prazo, BB Brasil Ações Dividendos FI and Brasilprev Top Ações Dividendos FI.

Asking for the floor, the representative of the stockholder The State of Minas Gerais, as majority stockholder, put forward the following nominations for members of the Audit Board:

Sitting Members:

Aristóteles Luiz Menezes Vasconcellos Drummond – Brazilian, married, journalist, resident and domiciled in Rio de Janeiro, Rio de Janeiro State, at Av. Rui Barbosa 460/801, Flamengo, CEP 22250-020, bearer of Identity Card 1842888, issued by the Félix Pacheco Institute, and CPF nº 026939257-20;

Luiz Guaritá Neto – Brazilian, married, engineer and entrepreneur, resident and domiciled in Uberaba, MG State, at Rua dos Andradas 705/1501, Nossa Senhora da Abadia, CEP 38025-200, bearer of Identity Card M-324134, issued by the Public Safety Department of Minas Gerais State, and CPF nº 289118816-00;

Thales de Souza Ramos Filho – Brazilian, married, doctor, resident and domiciled in Juiz de Fora, Minas Gerais, at Rua Severino Meireles 67, Passos, CEP 36025-040, bearer of Identity Card M-290728, issued by the Public Safety Department of Minas Gerais State, and CPF nº 003734436-68;

– and as their respective Substitute Members:

Marcus Eolo de Lamounier Bicalho – Brazilian, married, economist, resident and domiciled in Belo Horizonte, Minas Gerais, at Rua Adolfo Radice 114, Mangabeiras, CEP 30315-050, bearer of identity card M-1033867, issued by the Public Safety Department of Minas Gerais State, and CPF nº 001909696-87;

Ari Barcelos da Silva – Brazilian, married, company manager, resident and domiciled in Rio de Janeiro, RJ, at Rua Professor Hermes Lima 735/302, Recreio dos Bandeirantes, CEP 22795-065, bearer of Identity Card 2027107-7, issued by CRA-RJ, and of CPF 006124137-72; and

Aliomar Silva Lima – Brazilian, married, economist, resident and domiciled in Belo Horizonte, Minas Gerais at Rua Aimorés 2441/902, Lourdes, CEP 30140-072, bearer of Identity Card MG-449262, issued by the Public Safety Department of Minas Gerais State, and CPF nº 131654456-72.

The nominations by the stockholder The State of Minas Gerais were placed in debate and, subsequently, put to the vote, and approved, with the following funds abstaining: BB Top Ações Dividendos FI, BB Top Ações Índice de Sustentabilidade Empresarial FI, BB RPPS Ações Governança Previdenciário FI, BB Top Multimercado Balanceado FI Longo Prazo, BB Brasil Ações Dividendos FI and Brasilprev Top Ações Dividendos FI.

The Members of the Audit Board elected declared – in advance – that they are not subject to any prohibition on exercise of commercial activity, and assumed a solemn undertaking to become aware of, obey and comply with the principles, ethical values and rules established by the Code of Ethical Conduct of Government Workers and Senior Administration of the State of Minas Gerais.

Continuing with the agenda, the Chair put to debate the remuneration of the Managers of the Company and the Members of the Company's Audit Board. Asking for the floor, the representative of the Stockholder The State of Minas Gerais asked the Chair to put the following proposal before the stockholders for consideration:

- 1 To allocate, taking into account that the Company currently has eleven Chief Officers, a Global Annual Amount for Remuneration of the Management and the Audit Board, comprising the Board of Directors, the Executive Board and the Audit Board, of up to R\$ 16,400,000.00 (sixteen million, four hundred thousand Reais), including health insurance for the Chief Officers, to be contracted at the same level of the Health Plan in force for the employees of the Company, the Chief Executive Officer to receive monthly fees of R\$ 35,000.00 (thirty five thousand Reais) and the other Directors, individually, the amount of R\$ 30,000.00 (thirty thousand Reais); the present amounts received by the Chief Officers as paid leave, bonuses and other benefits of any nature to be adjusted, consequently, in the same proportion.
- 2 To establish that the monthly remuneration of each one of the members of the Board of Directors – excluding those sitting and substitute Members who exercise the position of Chief Officers, and subject to the condition relating to the payment of jeton mentioned in Item 3 below – should be equivalent to 20% (twenty per cent) of that earned, on average, by a Chief Officer of the Company, i.e. R\$ 6,090.91 (six thousand and ninety Reais and ninety one centavos).
- 3 To establish that the sitting members of the Board of Directors should receive 50% (fifty per cent) of the monthly remuneration stipulated, the rest being divided into jetons paid to the sitting Member or to the substitute member who replaces that Member during meetings. In the event of there being more than one meeting in the month, the jeton will be divided proportionately over the number of meetings held, and received by the sitting Member or by the substitute Member who replaces that Member; in the event of there not being a meeting in the month, the sitting Member shall receive the total amount of the monthly remuneration; in the event of there being a meeting in the month and neither the sitting Member nor his or her substitute Member attending, the portion relating to the jeton shall not be payable, and the sitting Member shall receive the fixed portion.
- 4 To establish that sitting and substitute Members of the Board of Directors or the Audit Board who are resident in other municipalities than that of the head office of the Company shall be reimbursed expenses of travel and accommodation necessary for their attendance at the meetings or carrying out their functions, and that they shall also receive, as cost support, the equivalent of, approximately, 10% (ten per cent) of the total monthly remuneration of the Member, for each meeting they attend.
- 5 To establish that the compensation of the Executive Board and the remuneration of the Members of the Board of Directors and the Audit Board shall be paid on the same dates as the remuneration of the Company's employees.
- 6 To establish that the monthly remuneration of each Sitting Member of the Audit Board should be equivalent to 10% (ten per cent) of the average remuneration of a Chief Officer of the Company, i.e. R\$ 3,045.45 (three thousand forty five Reais and forty five centavos); and also that the monthly remuneration of each Substitute Member of the Audit Board be equivalent to 80% (eighty per cent) of the monthly remuneration of the Sitting Member, i.e. R\$ 2,436.36 (two thousand four hundred and thirty six Reais and thirty six centavos), in both cases excluding the benefits normally applicable under the Law.
- 7 To establish remuneration equivalent to that referred to in Item 2 above, for the substitute Members of the Board of Directors who sit on the Board of Directors' Support Committee – excluding those Members who exercise the position of Chief Officers and obeying the criteria mentioned in Item 3 above.

- 8 To establish that Substitute Members of the Board of Directors who take part in the Board of Directors' Support Committee – excluding those board members who hold positions of Chief Officer – should receive only the remuneration relating to Item 7 above, even if they replace Sitting Members in meetings.
- 9 To establish that Sitting Members of the Board of Directors who take part in the Board of Directors' Support Committee – excluding those board members who hold positions of Chief Officer – should receive only the remuneration relating to Item 3 above. The proposal by the representative of the stockholder The State of Minas Gerais was placed in debate and, subsequently, put to the vote, and was approved, with Caixa de Previdência dos Funcionários do Banco do Brasil – Previ voting against the proposal, since it believed there was inconsistency between the information given in items 13.2 and 13.16 of the Reference Form filed with the Brazilian Securities Commission (*Comissão de Valores Mobiliários*) in relation to these General Meetings of Stockholders, and with the following Funds abstaining: BB Top Ações Dividendos FI, BB Top Ações Índice de Sustentabilidade Empresarial FI, BB RPPS Ações Governança Previdenciário FI, BB Top Multimercado Balanceado FI Longo Prazo, BB Brasil Ações Dividendos FI and Brasilprev Top Ações Dividendos FI. The Chair pointed out that the Chief Officers had, thus, received an increase in their remuneration of 29.6%, and the CEO an increase of 25.44%, noting that the CEO had previously stated himself to be in agreement with the differentiation in the increase, in compliance with the majority stockholder's policy of reduction of costs.

The Chair then stated that the publications by Cemig specified in Law 6404 of December 15, 1976, as amended, will be made not only in the newspaper *Minas Gerais*, the official publication of the Powers of the State, but also in *O Tempo*, without prejudice to possible publication in other newspapers.

The meeting being opened to the floor, the stockholder Rubens Antonio França took the floor and offered his congratulations to the present Executive Board.

However, continuing, he recommended that for the next elections, the same criteria for choice should be used, thus avoiding the occurrence of isolated events such as those published in the media about a former Chief Officer and a former General Manager. The meeting still being open to the floor, the representative of the stockholder The State of Minas Gerais took the floor and once again congratulated the Executive Board, the members of the Board of Directors and the Audit Board, and the employees, for the Company's performance and the excellent work that done by all of them. In conclusion, he thanked and congratulated the Corporate Executive Office team.

The meeting remaining open to the floor, and since no-one else wished to speak, the Chair 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.