

# COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

LISTED COMPANY

CNPJ 17.155.730/0001-64 – NIRE 31300040127

## BOARD OF DIRECTORS

### SUMMARY OF MINUTES OF THE 533<sup>RD</sup> MEETING

**Date, time and place:** March 15, 2012 at 9.00 a.m. at the company's head office,  
Av. Barbacena 1200, 21th Floor, Belo Horizonte, Minas Gerais, Brazil.

**Meeting Committee:** Chair: Dorothea Fonseca Furquim Werneck;  
Secretary: Anamaria Pugedo Frade Barros

#### **Summary of proceedings:**

**I Conflict of interest:** The Chair asked the board members present whether any of them had conflict of interest in relation to the matters on the agenda of this meeting, and all stated there was no such conflict of interest, except the following board members :

Dorothea Fonseca Furquim Werneck, Paulo Sérgio Machado Ribeiro, and  
Marco Antonio Rodrigues da Cunha –

who stated that they had conflict of interest in relation to:

signature of a contract with the State of Minas Gerais for restitution of an amount relating to the administrative deposit made by Cemig with the State, for guarantee of a tax execution;

and

Eduardo Borges de Andrade, Paulo Roberto Reckziegel Guedes,  
Saulo Alves Pereira Junior, Bruno Magalhães Menicucci, and  
Tarcísio Augusto Carneiro –

who stated that they had conflict of interest in relation to:

constitution of a consortium between Cemig GT and EDP – Energias do Brasil S.A.

**II Scrutiny:** The Chair reported that the Committees of the Board of Directors had examined all the matters on the agenda, and recommended their approval.

#### **III The Board approved:**

- a) The Technical Feasibility Study on offsetting of tax credits, which is the grounds for the accounting of deferred tax credits contained in the 2011 financial statements.
- b) **Increase in the Authorized Capital** of Empresa de Transmissão Serrana S.A. – **ETSE**, up to a limit of sixty million, eight hundred ninety three thousand Reais, to be paid up to the extent that there is a need for capital injections from Empresa Catarinense de Transmissão de Energia S.A. – **ECTE**, concomitantly with subscription of the respective shares; orienting vote in favor of the increase, and of the consequent alteration of the Bylaws of ETSE, by the representative of Cemig at meetings of ECTE that decide on this matter.
- c) **Increase in the Registered Capital** of Empresa Norte de Transmissão de Energia S.A. – **ENTE**, by sixteen million, seven hundred and five thousand and eight Reais and eighty four centavos, with the related adaptation of the Company's Bylaws; orienting vote in favor of the representative of Cemig in the Ordinary and Extraordinary General Meetings of Stockholders to be held, concurrently, on March 19, 2012, on this matter.

- d) **Increase in the Registered Capital** of Empresa Paraense de Transmissão de Energia S.A. – **ETEP**, in the amount of seven million seven hundred ninety seven thousand six hundred and eighty Reais and fifty five centavos, with the related adaptation of the Company’s Bylaws; orienting vote in favor by the representative of Cemig at the Ordinary and Extraordinary General Meetings of Stockholders to be held, concurrently, on March 19, 2012, on this matter.
- e) **Increase in the Registered Capital** of Empresa Amazonense de Transmissão de Energia Elétrica S.A. – **EATE**, in the amount of thirty one million one hundred forty thousand three hundred and forty three Reais and twenty two centavos, with the related adaptation of the Company’s Bylaws; orienting vote in favor by the representative of Cemig at the Ordinary and Extraordinary General Meetings of Stockholders to be held, concurrently, on March 19, 2012, in relation to this subject.
- f) The proposal of Board member Lauro Sérgio Vasconcelos David, that the members of the Board of Directors should authorize their Chair to call the Ordinary and Extraordinary **General Meetings of Stockholders** to be held, jointly, on April 27, 2012, at 10.30 a.m.; and, in the absence of a quorum, to make second convocation of stockholders within the legal period.
- g) The minutes of this meeting.

**IV The Board approved** the Report of Management and financial statements for 2011 and the respective complementary documents, and submitted them to the Ordinary General Meetings of Stockholders to be held on April 27, 2012.

**V The Board authorized:**

- a) Signature of a contract with the State of Minas Gerais for restitution of an amount relating to an administrative deposit made by Cemig in favor of the State for guarantee of execution in a tax matter, relating to Case n° 0024.02.628192-3.
- b) Constitution of a consortium, between Cemig GT and CPFL Energia S.A. (CPFL), with ownership in the proportion of 51% by CPFL and 49% by Cemig GT, to participate in the Aneel Auction of the concession for the São Manoel Hydroelectric Plant, and receipt of the grant of that concession, should it be awarded to the consortium.
- c) Constitution of a consortium, between Cemig GT and EDP – Energias do Brasil S.A., with ownership in the proportion of 51% by EDP and 49% by Cemig GT, to participate in the Aneel Auction of the concession for the Sinop Hydroelectric Plant, and receipt of the grant of that concession, should it be awarded to the consortium.
- d) Signature of a Free Leasing (*Comodato*) Agreement, with Mr. Vicente de Paulo Resende, and with Cemig GT as consenting party, in relation to the area on the banks of the reservoir of the Três Marias Hydroelectric Plant, with period of validity up to July 8, 2015, able to be extended upon signature of an amendment.
- e) Signature of a Free Leasing (*Comodato*) Agreement, with Mr. Eduardo de Souza Pereira, with Cemig GT as consenting party, relating to the area on the banks of the reservoir of the São Bernardo Hydroelectric Plant, with period of validity of 60 months, able to be extended for equal periods, by signature of an amendment, up to August 19, 2025.
- f) Acquisition, by Transmissora Aliança de Energia Elétrica S.A. (**Taes**a), of shares held by **Abengoa** Concessões Brasil Holding S.A., representing 50% of the Share Capital of União de Transmissoras de Energia Elétrica Holding S.A. (Unisa), which has equity holdings in the share capital of the transmission companies:
  - ATE Transmissora de Energia S.A.,
  - ATE II Transmissora de Energia S.A.,
  - ATE III Transmissora de Energia S.A. and
  - STE–Sul Transmissora de Energia S.A.

**VI Allocation of net profit:** The Board submitted to the Annual General Meeting, to be held on April 27, 2012, proposals for allocation of the net profit of 2011, in the amount of R\$ 2,415,450,000 and a balance of retained earnings of R\$ 128,979,000:

- 1) R\$ 109,210, or 4.52% of the net profit, to the Legal Reserve, but not to cause that reserve to exceed 20.00% of the registered Share Capital.
- 2) R\$ 1,294,041,000, as dividends, to those stockholders whose names are on the company's Nominal Share Register on the date of the said General Meeting of Stockholders, as follows:
  - a) R\$ 1,207,725,000 as obligatory dividends, corresponding to 50% of the net profit; and
  - b) R\$ 86,316,000 as further dividends in addition to the minimum obligatory dividend.
- 3) R\$ 1,141,178,000 to be held in Stockholders' equity in the Reserve under the Bylaws.

– the payments of dividends to be made in two installments, by June 30 and December 30, 2012, and these dates may be brought forward, in accordance with the availability of cash and at the option of the Executive Board.

**VII The Board submitted** to the Ordinary and Extraordinary General Meetings of Stockholders to be held, concurrently on April 27, 2012, the following proposals:

**A) Authorization, verification and approval of an increase in the registered Share Capital**

- |                       |                      |   |
|-----------------------|----------------------|---|
| – from                | R\$ 3,412,072,910.00 | (three billion four hundred twelve million seventy two thousand nine hundred ten Reais)   |
| to                    | R\$ 4,265,091,140.00 | (four billion two hundred sixty five million ninety one thousand one hundred forty Reais)   |
| with issuance of      | 170,603,646          | (one hundred seventy million, six hundred and three thousand, six hundred forty six)  |
| of which              | 74,567,417           | new shares, each with par value of R\$ 5.00 (five Reais), (seventy four million five hundred sixty seven thousand four hundred and seventeen) are nominal common shares,                |
| and                   |                      | 96,036,229 (ninety six million thirty six thousand two hundred twenty nine) are nominal preferred shares,   |
| by capitalization of  | R\$ 853,018,230.00   | (eight hundred fifty three million eighteen thousand two hundred thirty Reais),   |
| of which              | R\$ 821,527,465.32   | (eight hundred twenty one million five hundred twenty seven thousand four hundred sixty five Reais and thirty two centavos)   |
|                       | from                 | the Retained Earnings Reserve, and  |
|                       | R\$ 31,490,764.68    | (thirty one million four hundred ninety thousand seven hundred sixty four Reais and sixty eight centavos)   |
|                       | from                 | incorporation of installments 13 to 16, paid as principal, under Clause 5 of the Contract for Assignment of the Remaining Balance Receivable on the Results Compensation (CRC) Account, |
| – a stock dividend of | 25%,                 | in new shares, being distributed, consequently, to stockholders, of the same type as those held and each with nominal value of R\$ 5.00.  |

**B) Consequent redrafting of the head paragraph of Clause 4 of the Bylaws, to the following:**

“Clause 4 The company’s Share Capital is R\$ 4,265,091,140.00 (four billion two hundred sixty five million ninety one thousand one hundred forty Reais), represented by:

- a) 372,837,085 (three hundred seventy two million eight hundred thirty seven thousand eighty five) nominal common shares each with par value of R\$ 5.00; and
- b) 480,181,143 (four hundred eighty million one hundred eighty one thousand one hundred forty three) nominal preferred shares each with nominal value of R\$ 5.00.”

**C) Authorization for the Executive Board to take the following measures in relation to the stock dividend:**

- a) to attribute a stock dividend of 25 per cent, in new shares, of the same type as those held and with nominal value of R\$ 5 (five Reais), to holders of the shares making up the capital of R\$ 3,412,072,910.00 (three billion four hundred twelve million seventy two thousand nine hundred and ten Reais), whose names are in the company’s nominal share registry on the date of the General Meeting of Stockholders that decides on this proposal;
- b) 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;
- c) to establish that all the shares resulting from the said stock dividend shall have the same rights as those shares from which they originate; and
- d) to pay to the stockholders, proportionately, the result of the sum of the remaining fractions jointly with the first installment of the dividends for the year 2011.

**D) That the representative of Cemig in the Ordinary General Meetings of Stockholders of Cemig Distribuição S.A. and Cemig Geração e Transmissão S.A., also to be held on April 27, 2012, should vote in favor of the matters on the agenda.**

**VIII Conflict of interest:** The Board members

Dorothea Fonseca Furquim Werneck, Paulo Sérgio Machado Ribeiro, and  
Marco Antonio Rodrigues da Cunha –

withdrew from the meeting room at the time of discussions of the matter relating to:

signature of a contract with the State of Minas Gerais, for restitution of an administrative deposit made by the company for guarantee of a tax execution, mentioned in item V, sub-clause “a”, above,

since they believed that there was a conflict of interest in relation to the subject, and returned only after the decision on this matter had been made by the other Board members.

**IX Conflict of interest:** The Board members

Eduardo Borges de Andrade, Paulo Roberto Reckziegel Guedes,  
Saulo Alves Pereira Junior, Bruno Magalhães Menicucci, and  
Tarcísio Augusto Carneiro

withdrew from the meeting room at the time of the discussion of the matter relating to

constitution of a consortium between Cemig GT and EDP-Energias do Brasil S.A., mentioned in item V, sub-clause “c”, above,

since they believed that there is conflict of interest on this subject, and returned only after the decision on this matter had been made by the other Board members.

**X Debate:** The board members and the Chief Officer Luiz Fernando Rolla **spoke** on general matters and business of interest to the Company.

**XIII The following were present:**

<b>Board members:</b>	Dorothea Fonseca Furquim Werneck, Djalma Bastos de Moraes, Antônio Adriano Silva, Arcângelo Eustáquio Torres Queiroz, Eduardo Borges de Andrade, Francelino Pereira dos Santos, Guy Maria Villela Paschoal, Joaquim Francisco de Castro Neto, João Camilo Penna,	Paulo Roberto Reckziegel Guedes, Saulo Alves Pereira Junior, Fernando Henrique Schüffner Neto, Bruno Magalhães Menicucci, Cezar Manoel de Medeiros, Franklin Moreira Gonçalves, Lauro Sérgio Vasconcelos David, Marco Antonio Rodrigues da Cunha, Paulo Sérgio Machado Ribeiro, Tarcísio Augusto Carneiro;
<b>Representatives of KPMG Auditores Independentes;</b>		
<b>Audit Board:</b>	Aristóteles Luiz Menezes Vasconcellos Drummond, Luiz Guaritá Neto, Thales de Souza Ramos Filho,	Vicente de Paulo Barros Pegoraro, Rafael Cardoso Cordeiro, Aliomar Silva Lima, Ari Barcelos da Silva;
<b>Chief Officer:</b>	Luiz Fernando Rolla;	
<b>Secretary:</b>	Anamaria Pugedo Frade Barros.	