

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

LISTED COMPANY

CNPJ 17.155.730/0001-64 – NIRE 31300040127

BOARD OF DIRECTORS

SUMMARY OF MINUTES OF THE 537TH MEETING

Date, time and place: May 24, 2012 at 3.40 p.m. at the company's head office,
Av. Barbacena 1200, 21th Floor, Belo Horizonte, Minas Gerais, Brazil.

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

Summary of proceedings:

I Conflict of interest: The Chair asked the Board members present whether they had any conflict of interest in the matters on the agenda of this meeting, and all said there was no such conflict of interest, except the Board members

Eduardo Borges de Andrade,
Saulo Alves Pereira Junior,
Bruno Magalhães Menicucci,
Tarcísio Augusto Carneiro,

Paulo Roberto Reckziegel Guedes,
Newton Brandão Ferraz Ramos,
José Augusto Gomes Campos and

who stated that they had conflict of interest in relation to the replacement of CPFL Energia S.A. by CPFL Geração de Energia S.A. in the consortium that will take part in the contracting of electricity generated by the São Manoel Hydroelectric Plant.

II The Board approved:

- a) The proposal by Board member Lauro Sérgio Vasconcelos David that the members of the Board of Directors should authorize their Chairman to call an Extraordinary General Meeting of Stockholders to be held on June 19, 2012, at 2.30 p.m.; and in the event of there not being a quorum, to make second convocation within the legal period, to decide on the matter in Item IV, below.
- b) The proposal by the Chair to change the composition of the following committees:
 - the Board of Directors Support Committee;
 - the Human Resources Committee;
 - the Strategy Committee;
 - the Business Development and Subsidiaries and Affiliates Committee; and
 - the Finance, Audit and Risks Committee.
- c) the minutes of this meeting.

III The Board authorized signature of a Real Estate Rental Agreement with Companhia de Gás de Minas Gerais – **Gasmig**, for the property at Rua Dr. José Américo Cançado Bahia, 1009, Cidade Industrial, Contagem, Minas Gerais, for sixty months, able to be extended for the same period by signature of an amendment.

IV The Board submitted to the Extraordinary General Meeting of Stockholders, for approval, the ratification of the Company having, in 2011, exceeded the limits specified in subclauses “b” and “d” of Paragraph 7 of Article 11 of the by-laws, corresponding to:

- the consolidated ratio {Net debt/(Net debt + Stockholders’ equity)} being 52.4%; and
- the consolidated amount of funds destined to capital expenditure and the acquisition of any assets of the Company being 71.7% of the Company’s Ebitda (Earnings before interest, taxes, depreciation and amortization).

V The Board ratified the following target, mentioned in Paragraph 7 of Clause 11 of the Bylaws, having been exceeded in 2011, the provisions of Paragraph 9 of that Clause being complied with:

- the Company’s consolidated debt being less than or equal to 2.41 times the company’s Ebitda (Earnings before interest, taxes, depreciation and amortization).

VI The Board ratified Board Spending Decision (CRCA) 020/2012, to replace CPFL Energia S.A. by CPFL Geração de Energia S.A. as a participant in the Consortium to be constituted with Cemig GT, to take part in the Aneel Auction, and as the case may be to receive the Concession, for the São Manoel Hydroelectric Plant, the other terms of that CRCA remaining unchanged.

VII Withdrawn from the Agenda: The item relating to contracting of group life insurance was withdrawn from the agenda.

VIII Conflict of interest: the Board members

Eduardo Borges de Andrade, Saulo Alves Pereira Junior, Bruno Magalhães Menicucci, Tarcísio Augusto Carneiro	Paulo Roberto Reckziegel Guedes, Newton Brandão Ferraz Ramos, José Augusto Gomes Campos and
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withdrew from the meeting room during the discussion of the matter relating to the replacement of CPFL Energia S.A. by CPFL Geração de Energia S.A. in the Consortium related to the São Manoel Hydroelectric Plant, referred to in Item VI above, because they believed there was conflict of interest on the matter, and returned only after the decision on the subject by the other Board members.

IX The following spoke on matters of interest to the Company:

Board members;		
General managers:	Leonardo George de Magalhães,	Emilio Castelar Piris Pereira;
Manager:	Arthur Saraiva Sette e Camara.	

The following were present:

Board members:	Dorothea Fonseca Furquim Werneck, Djalma Bastos de Morais, Antônio Adriano Silva, Eduardo Borges de Andrade, Guy Maria Villela Paschoal, João Camilo Penna, Paulo Roberto Reckziegel Guedes, Saulo Alves Pereira Junior, Adriano Magalhães Chaves,	Fernando Henrique Schüffner Neto, Franklin Moreira Gonçalves, Newton Brandão Ferraz Ramos, Bruno Magalhães Menicucci, Christiano Miguel Moisés, José Augusto Gomes Campos, Lauro Sérgio Vasconcelos David, Paulo Sérgio Machado Ribeiro, Tarcísio Augusto Carneiro;
General managers:	Leonardo George de Magalhães,	Emilio Castelar Piris Pereira;
Manager:	Arthur Saraiva Sette e Camara;	
Secretary:	Anamaria Pugedo Frade Barros.	