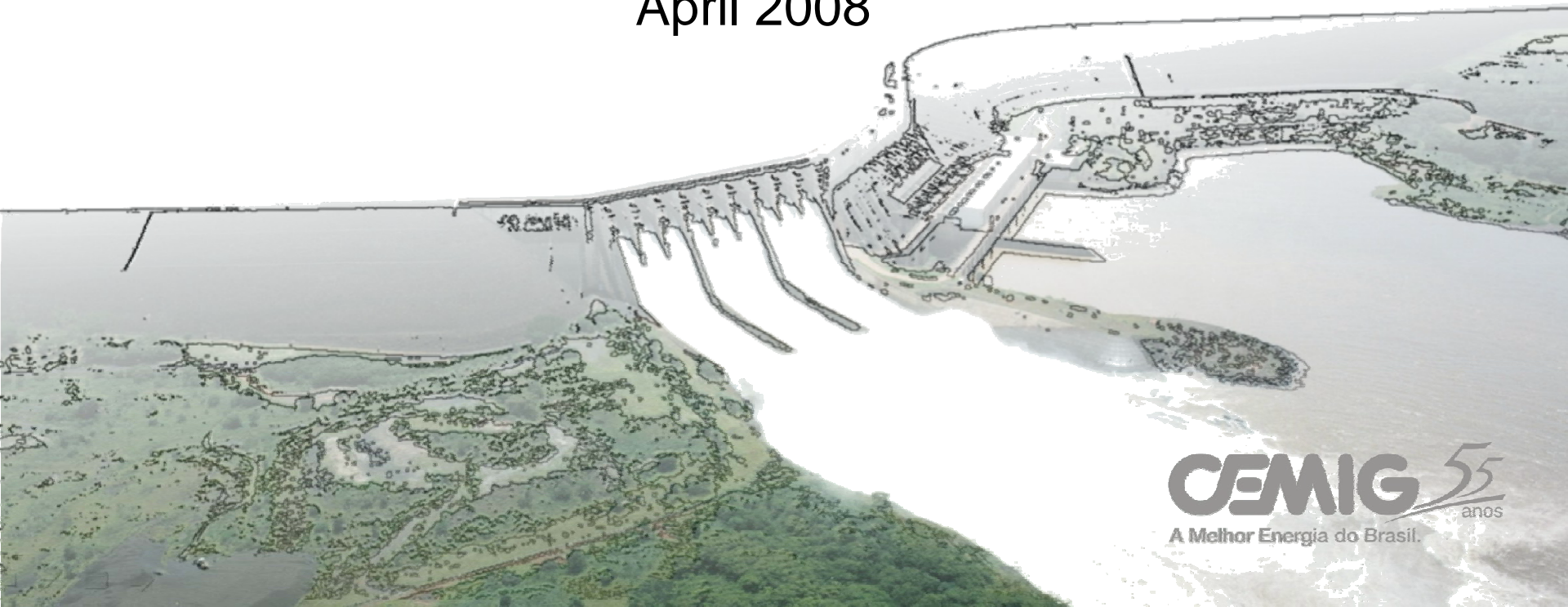




# ***Companhia Energética de Minas Gerais – CEMIG***

## ***Institutional Presentation***

April 2008



**CEMIG** 55  
anos  
A Melhor Energia do Brasil.



## Disclaimer

*Some statements contained in this presentation are “forward-looking statements” within the meaning of the US Securities Law and are subject to risks and uncertainties. Such statements are forecasts which may differ from final numbers, which are not under our control. For a discussion of the risks and uncertainties as they relate to us, please refer to our 20F form for 2006, and in particular item 3 which contains “Basic Information – Risk Factors”.*

**All figures are in BR GAAP.**



## Agenda

- ***Background***
- ***Strategy Overview***
- ***Business Outlook***
- ***Financial Highlights***
- ***Our Strategy shows Solid Results***
- ***Market Recognition***
- ***Appendix***



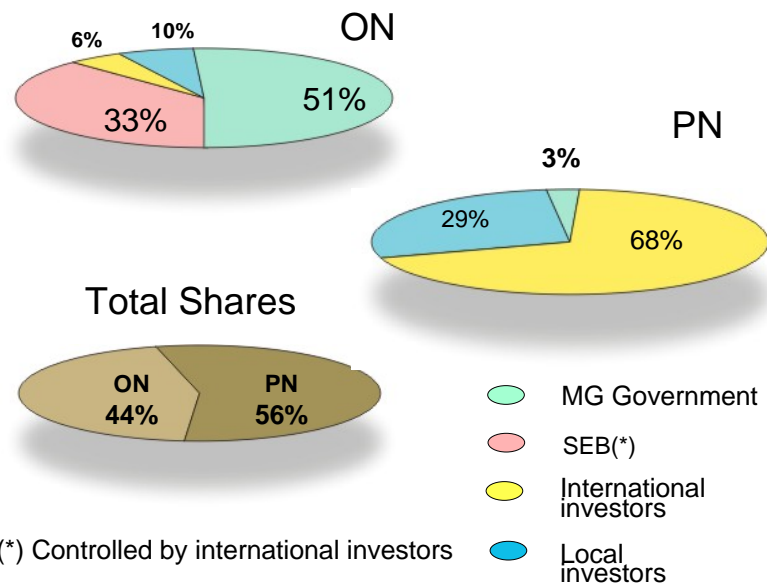
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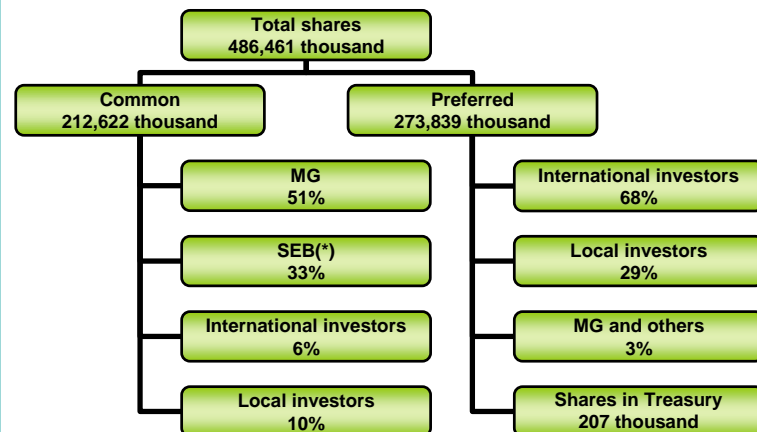


# The blend of shareholders provides long term perspective

- Our shareholder diversity provides a global business management vision focused on sustainability of the company's activities
- Listed in major stock exchanges
  - **BOVESPA (Brazil)**
    - Common shares (ON): **cmig3**
      - Daily trading volume: R\$ 3 million
    - Preferred shares (PN): **cmig4**
      - Daily trading volume: R\$ 60 million
  - **NYSE (USA)**
    - ADR (preferred shares backed - PN): **CIG**
      - Ratio : 1 ADR=1 preferred share
      - Daily trading volume: US\$ 22 million
      - Approximately 75 million ADR outstanding (15% of Total Capital)
    - ADR (common shares backed - ON): **CIG.C**
      - Ratio : 1 ADR=1 common share
  - **LATIBEX (Spain)**
    - Preferred shares : xcmig4



(\*) Controlled by international investors



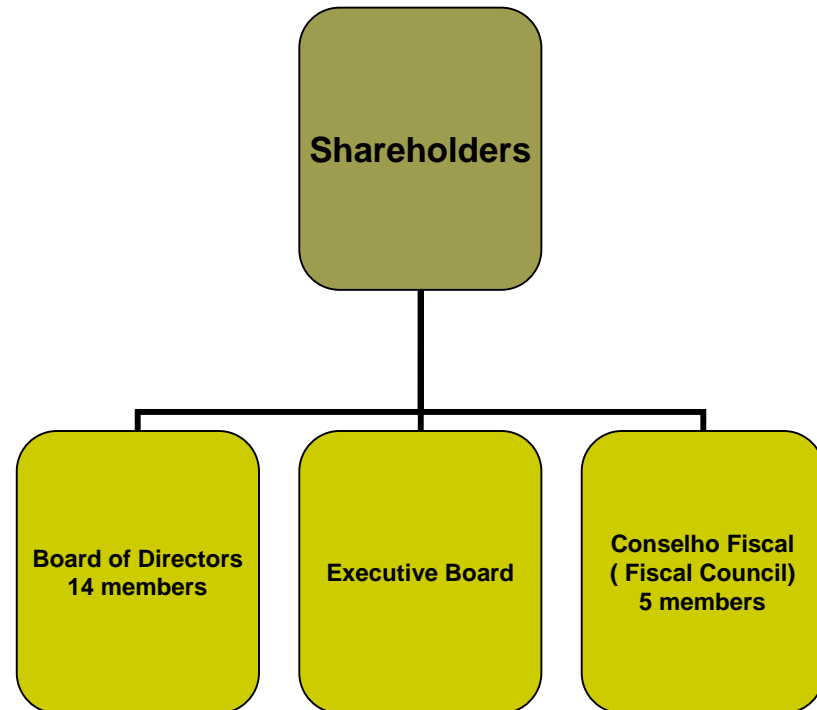
Share nominal value = R\$5.00



# Corporate Governance: implementation of best practices

## Highlights

- Code of ethics;
- 6 BoD members appointed by minority shareholders;
- BoD approves all investments above R\$5mn;
- BoD approves nomination of external auditors;
- Executive Board coordinates external auditor selection process (in compliance with the Brazilian Procurement Legislation for state owned companies);
- Fiscal Council plays Audit Committee key role, including:
  - Accounting practices;
  - Dividend policy;
  - Prevention of fraud;
  - Financial statements analysis.
- SOX compliance:
  - Sections 302 and 404 Certification;
- BOVESPA level 1;
- NYSE listed company practices.





## Sustainability: component of the business

- Social and Environmental responsibilities are a commitment to our long-term vision: they guarantee the preservation of our activities and prevent undue costs to be passed to the society through a balanced relationship with the environment and the community.
- Recognition of our actions to ensure sustainability:
  - ✓ selection to the Dow Jones Sustainability World Index for the eighth time in a row, this time as world leader in the Utilities “Supersector”;
  - ✓ Selection to the Corporate Sustainability Index of the Sao Paulo Stock Exchange (Bovespa) for the second year in a row.



- Best Distribution company of the Southeast region in Brazil
  - ✓ Cemig Distribuição S.A. won the Quality Award – IASC 2006:
    - Consumer survey organized by ANEEL – the Federal Electricity Agency;
- ISO Certification
  - ✓ Cemig Distribuição S.A. expanded the certification of its operating processes to NBR ISO 9001:2000
    - More than 80% of workforce operates in compliance with this certification;
- Best Company to Work In
  - ✓ Award for the “large companies” category, survey by Exame magazine
    - Special Award – Best and Largest Employer



## Agenda

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- *Market Recognition*





## Long Term Strategic Plan addresses sustainable growth

- Broadening of CEMIG's area of activity, focusing on the electric industry
  - Growth within Brazil's geographical area;
  - First steps towards international investments;
  - Expansion in line with Brazilian regulatory limits and sustainable growth:
    - Acting prudently
    - Adding value
  - Invest only in electricity energy related business.
- Addressing shareholders' long-term interests:
  - New dividend policy with a 50% payout and extraordinary dividends, every two years, provided cash availability.
  - Corporate governance focused on transparency and respect of minority shareholders' interests.
- Incorporation of our goals and commitments to our bylaws to secure stability of the company's long-term planning
  - Capex limited to 40% of EBITDA:
  - Debt limited to 2x EBITDA:
    - In years of acquisitions: 2.5 x EBITDA.
  - Debt limited to 40% of Total Capitalization:
    - In years with acquisitions: 50% x Total CAP.



## Human capital: alignment with the Strategic Plan

- ✓ **Performance management:** *compensation linked to business results.*
  - *Company's adequacy to new industry challenges*
  - *Engaged and stimulated employees*
- ✓ **Succession Management Program:** *involving 752 professionals in management position and 1,800 to assume strategic functions, ensures development of skills necessary to lead the company's growth.*
- ✓ **Technical and Managerial Training** *investment of R\$ 15.5 million ensures operational excellence*
- ✓ **Workplace Management:** *permanent pursuance of better quality standards*
- ✓ **Dow Jones Sustainability Index recognizes excellence of our HR**
  - *Occupational Health and Safety Index: 100%*
  - *Human Capital Development Index: 100%*
  - *Labor-law Practices Index: 92%*
- ✓ **"Proteção Brasil" award 2007: best electricity safety system**
  - *Recognition by companies and specialist professionals for improvement in work, health and safety conditions.*



## Strategic Plan Results

### ✓ Expansion:

- Acquisition of Light S.A. in 2006, through RME, a company formed in partnership with private investors:
  - Over 3.8 million consumers in 31 municipalities in the state of Rio de Janeiro;
  - Third largest electricity distributor in Brazil.
- Acquisition of TBE in 2006, a group of five power transmission companies located in the North and South of Brazil, totaling 2,000 km of transmission lines.
- Construction of a transmission line in Chile.
- Generation capacity increased more than 900 MW over the last 12 months
  - Baguari power plant construction started – 140 MW;
  - Small Hydros Program: 91MW.
- Now serving over 10 million customers units.
- Total sales of 57,892 GWh in 2007

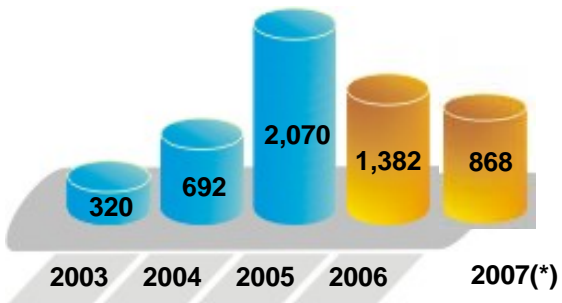


# Strategic Plan Results

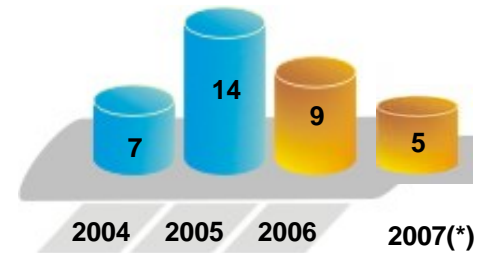
## ✓ Dividends:

- R\$ 1.3 billion were paid in 2007, representing 80% of 2006 net income:
  - Interest on Equity: R\$ 169mn (as announced last year);
  - Complementary dividend: R\$ 716mn;
  - Extraordinary dividend: R\$ 497mn;
- Proposal to General Shareholders Meeting to pay R\$ 868 million in 2008, representing 50% of 2007 net income
- Proposal 2% of stock dividends

**Dividends  
(R\$ Million)**



**Dividend Yield  
(%)**



(\*) Proposal to be approved by shareholders



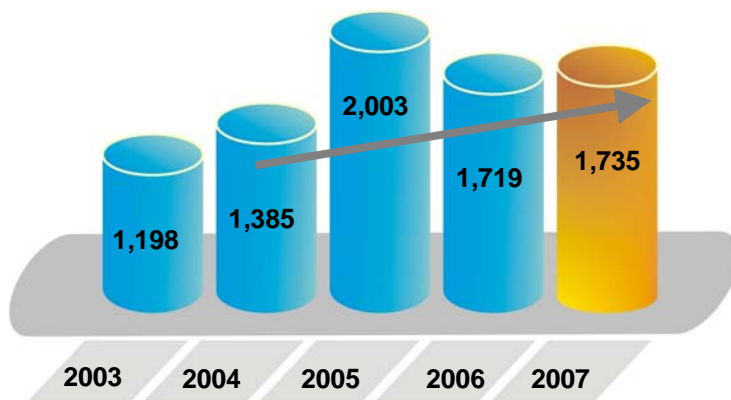
# Strategic Plan Results

## ✓ Solid Financial Situation:

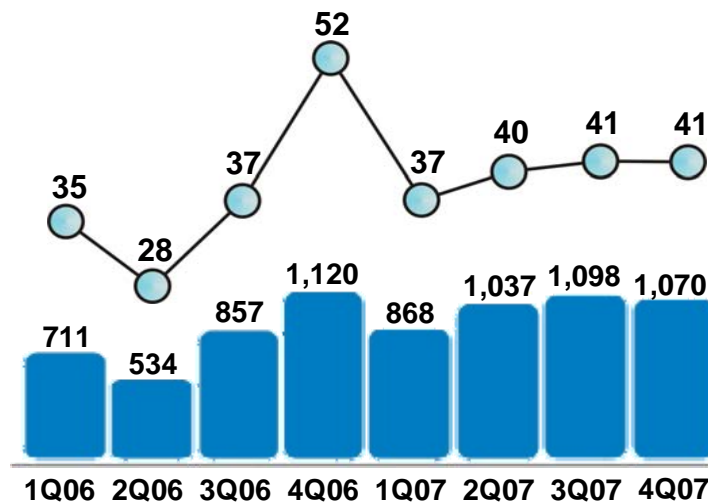
- Complying with Strategic Plan commitments;
- Return on investment compatible with each business risk;
- Extended debt profile and lower costs.

### Net income

R\$ mn

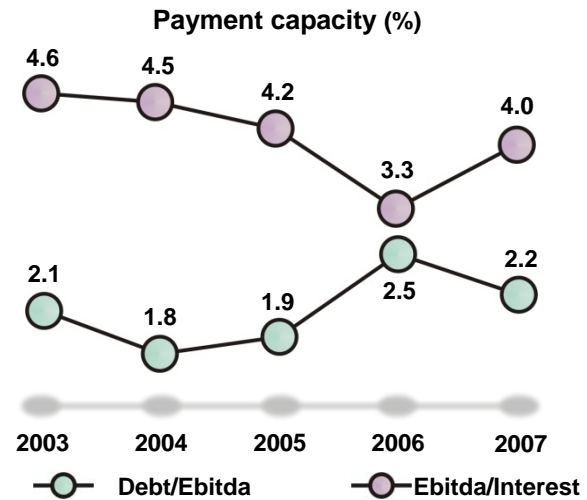
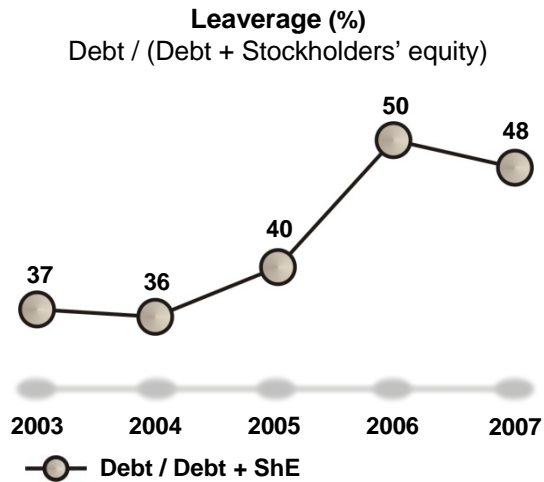


### Ebitda (R\$m), Ebitda margin (%)

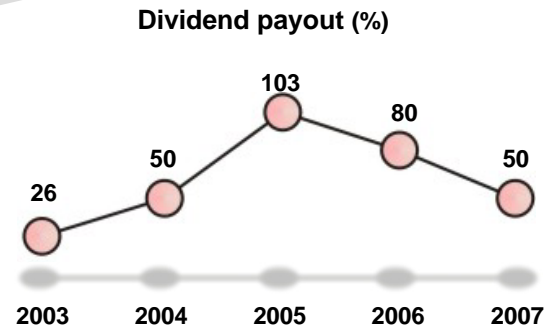
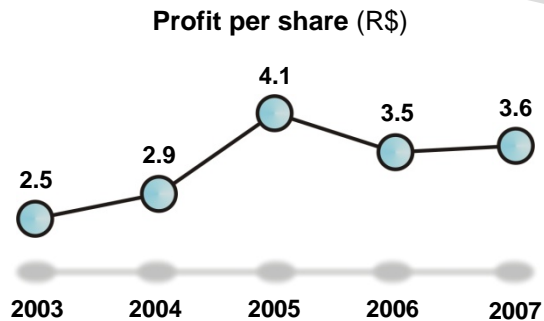




# Continuous improvement of our indicators



## Indicators' Performance in line with Long Term Strategic Plan





# The blend of business assures sustainable growth

## Cemig Corporation

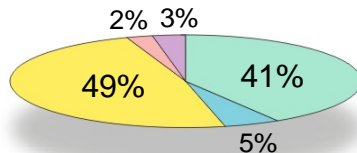
### Power Generation

- 10 companies
- Revenue: R\$ 3.035 billion
- 55% free consumers
- 45% distributors
- Net income R\$ 787 million
- Ebitda: R\$ 1,643 million
- Sales Volume 33,665 GWh
- 7% market share
- Sixth largest in Brazil

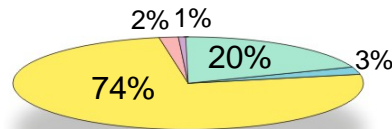
### Power Transmission

- 5 companies
- Revenue R\$ 532 million
- Net Income R\$ 102 million
- Ebitda R\$ 249 million
- 5% market share
- Sixth largest in Brazil

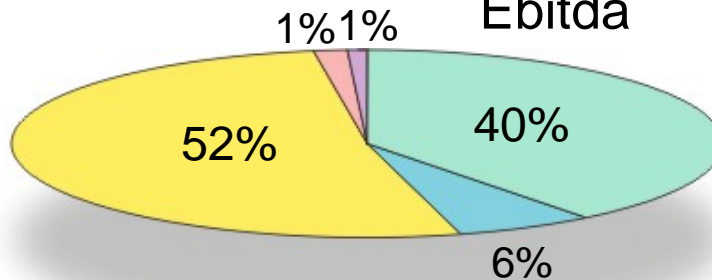
### Net Income



### Gross Revenue



### Ebitda



### Others

- 3 companies
- Revenue R\$ 86 million
- Net income R\$ 58 million
- Ebitda R\$ 40 million

### Holding Co.

- Revenue R\$ 40 million
- Net income (R\$ 176) million
- Ebitda (R\$ 37 million)

### Electricity Distribution

- 2 companies
- Revenue R\$ 11.940 billion
- 88% captive market
- 12% grid usage
- Net income R\$ 919 million
- Ebitda R\$ 2.121 billion
- Sales Volume 25,697 GWh
- 10% market share
- Largest in Brazil (transport)

### Gas Distribution

- 1 company
- Revenue R\$ 297 million
- Net income R\$ 46 million
- Ebitda R\$ 56 million
- Sales Volume 643 million m3
- 4 % market share
- Sixth largest in Brazil

• Valores referentes ao ano de 2007



## Discipline in investing

# Leadership in Consolidation of Brazil's Electricity Sector

- Focus on: generation, transmission and distribution of electricity and natural gas
- Return compatible with each business risk
- Strategic partnerships
  - High standards of corporate governance
  - Transparency on project's economic-financial evaluation
  - Access to low cost financing
- Value adding through:
  - Projects with attractive return
  - Reduction of operational costs
- Complying with the principle of sustainability
  - Projects that are environmentally correct
  - Respect for the interests of the community we serve
- Focus on long term
  - Carrying out the Long-Term Strategic Plan
  - Leadership in consolidation of the Brazilian electricity sector



## Sustainability





## Results reflect fundamentals and long-term vision

- ✓ Organizational re-structuring addresses the consolidation process of electricity industry
- ✓ Operational excellence aligned with reduction of costs
- ✓ Strategic Plan guidelines establish high priority for value adding investments
- ✓ Risk management addresses all major processes
- ✓ Corporate governance is a constantly evolving corporate value
- ✓ Financial management focused on the improvement of credit quality and financing cost reduction
- ✓ Major clauses of the Bylaws ensure sustainability and governance
- ✓ Commitment to return for investors

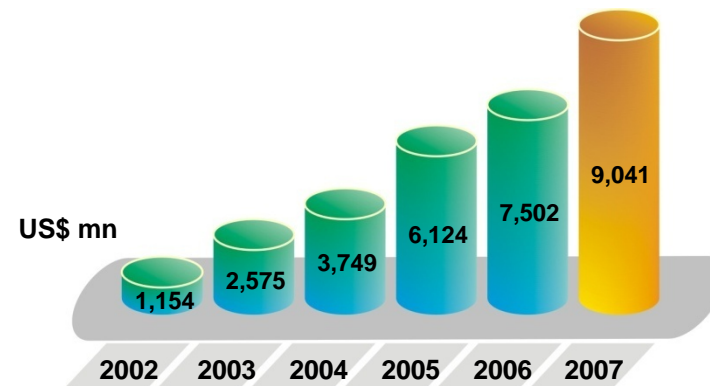


## Strategic Plan consolidates Cemig as a world class company

Total Assets	<b>R\$ 24.3 bilion</b>
Consolidated debt	<b>R\$ 7.6 bilion</b>
Stockholders' equity	<b>R\$ 8.4 bilion</b>
Consolidated net sales revenue (2007)	<b>R\$ 10.2 bilion</b>

*Commitment to growth and adding value, which along with the Strategic Plan have resulted in the market's recognition.*

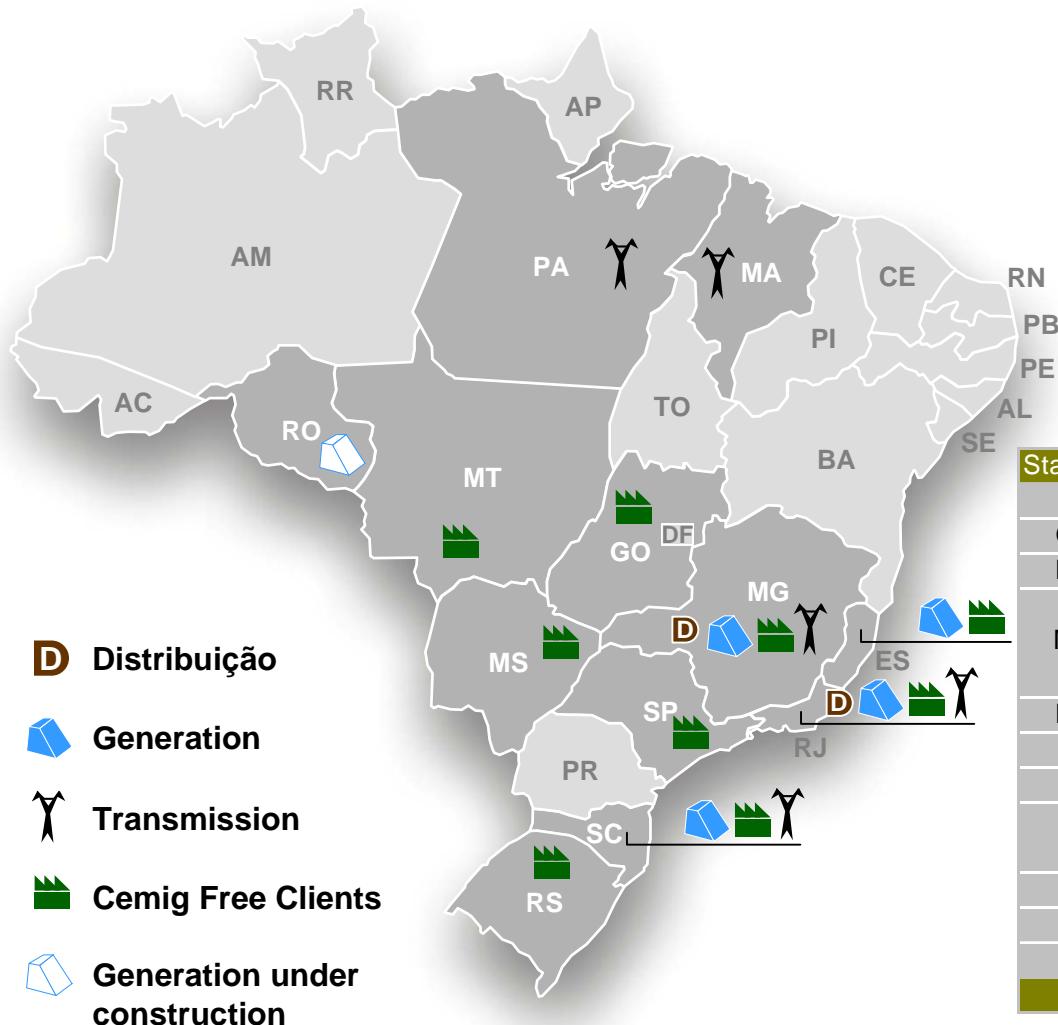
### Market capitalization





# We are consolidating Brazilian leadership

Supply  
**13,236 GWh**  
 93 contracts with  
 Distributors and  
 Traders



- D** Distribuição
- Generation
- Transmission
- Cemig Free Clients
- Generation under construction

States	Type	Consumers	GWh	MW	km
ES	Free	1	40	55	
GO	Free	1	18		
MA					29
MG	GT + subsidiaries (free + auction)	115	29,254	6,501	4,948
	Captive		20,694		
MS	Free	1	12		
MT	Free	1	66		
PA					288
RJ	Cemig, free	3	48	112 <sup>(2)</sup>	16
	Light		5,791 <sup>(1)</sup>		
RS	Free	1	33		
SC	Free	6	84	10	19
SP	Free	5	1,852		
<b>Total</b>		<b>134</b>	<b>57,892</b>	<b>6,678</b>	<b>5,300</b>

(1) 25% from Light, (2) 13% from Light



## Looking ahead to the future...



### Investment in Chile:

- Charrúa – Nueva Temuco transmission line  
220 kV, 190 km
- Concession period : 20 years
- Partner : Alusa (51%)
- Total investment: US\$ 63.4 million
- Annual revenue: US\$ 6.5 million
- Financing: 70% of the investment
- Capital injected by Cemig so far: US\$ 6 million
- Project began: June 2005
- Environmental license given: February 2007
- Works begin: March 2007
- Operational start up : July 2008

Development of management capacity to operate in regulatory environments of other countries.

Inter-American Development Bank releases first tranche: US\$25mn



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## Our business portfolio seeks lower risk exposure

- Power generation
  - More competitive environment
    - Regulated market : long term contracts with distributors sales through public auctions.
    - Un-regulated market : medium term contract with large clients. Contract terms bilaterally negotiated.
- Power transmission
  - Most successful regulation
  - Stable cash flow: fixed income alike investment
- Electric energy distribution
  - Strongly regulated
    - Operating expenses: Full pass-through mechanism. Yearly adjustment for non controllable costs and inflation.
    - 5 year rate setting review: sharing productivity gains with users
    - Revenues come from grid use and sales to captive market
- Natural gas distribution
  - Same concession area of Cemig Distribuição
  - Partnership with Petrobrás
- Telecommunication backbone services
  - Synergy: usage of power transmission lines for fiber optics cables
    - 60% of capacity used by Cemig Group



## Power Generation: Cemig

Cemig's consolidated generation assets (December/07)

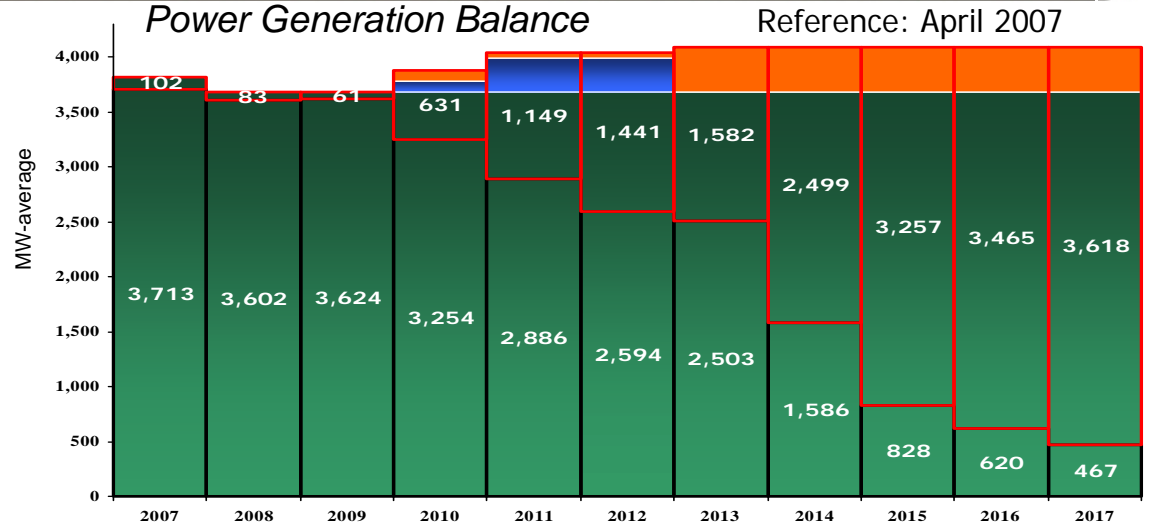
Plant	Installed capacity (MW)	Efective Power (MW Average)
<b>Largest hydroelectric plants</b>		
São Simão	1,710	1,281
Emborcação	1,192	497
Nova Ponte	510	276
Jaguara	424	336
Miranda	408	202
Três Marias	396	239
Volta Grande	380	229
Irapé	360	206
Aimorés	162	84
Light Geração (13,54%)	112	70
Others	839	497
<b>Total hydro-electric</b>	<b>6,493</b>	<b>3,918</b>
<b>Total thermal</b>	<b>184</b>	<b>123</b>
<b>Wind</b>	<b>1</b>	<b>0</b>
<b>Total</b>	<b>6,678</b>	<b>4,041</b>

- Cemig provides 7% of Brazil's generation capacity and supplies 19% of Brazil's free customers market



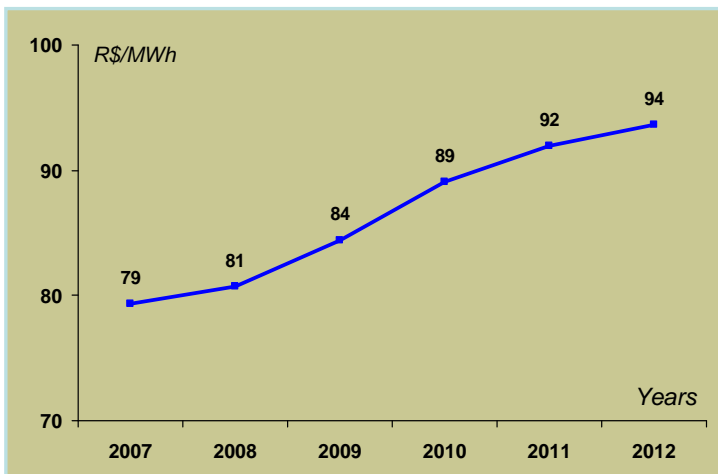
# Our power generation contracts start re-pricing in 2010

• 2010-2012: country's supply-demand balance will be very tight



Guidance for 2007-2012

■ Own resources    
 ■ Realized energy purchase    
 ■ Planned energy purchase  
 Requirements contracted    
  Renewals/New contracts



• Actual contract prices + forward price trend for the re-contracting.  
 • After 2014 all free customer's contracts will have been re-priced

Reference = June 2007





# Power Generation: 2007 Auctions

- **New Energy Regular Auctions:**

- July, 26, 2007: A-3 auction, power delivery from 2010, 15 years long contract:
  - Only Thermo Power sold 1,304 MWAvg at R\$ 135/MWh + fuel costs in case of dispatch.
- October, 16, 2007: A-5 auction, power delivery from 2012, 30/15 years long contract:
  - 715 MWAvg Hydro at R\$ 123.95/MWh;
  - 1,597 MWAvg Thermo at R\$ 128.37 + fuel costs in case of dispatch.
- 2008 Auctions
  - A-3 scheduled to June, 17<sup>th</sup> ;
  - A-5 scheduled to July, 16<sup>th</sup> .

- **Reserve Energy Auction**

- Scheduled for April, 30<sup>th</sup> , 2008;
- 118 Biomass generation plants qualified, totalling 7,811 MW;
- 15 year long contracts.

- **Old Energy Auction:**

- Every year on last working day of November;
- Power delivery from the next year on;
- 8 year long contracts (can be from 3 to 15 years).

- **New Energy Special Auctions – Madeira River Projects:**

- Santo Antônio Power Plant: December 10, 2007:
  - 3,150 MW of installed capacity
  - 2,218 MWAverage of energy > Capacity Factor (CF) of 69%;
  - Price: R\$78.87/MWh (equivalent to R\$99/MWh for a traditional 55% CF Hydro Power in Brazil)
  - Winner consortium:
    - 10% Cemig
    - 39% Furnas
    - 20% Equity Fund (Santander-Banif)
    - 17.6% Odebrecht
    - 12.4% Andrade Gutierrez
  - Start-up schedule:
    - 140 MW in 2012; 860 MW in 2013; 860 MW in 2014; 860 MW in 2015 and 430 MW in 2016
- Jirau: 3,326 MW of installed capacity, start-up in 2013.
  - Auction scheduled to May 9, 2008
  - Effective power of 2,000 Average MW
  - Capacity factor of 60%



# Power Generation: Brazilian Potential

January 2007

	<i>State</i>	<i>Construction</i>	<i>Existing</i>	<i>Green Field</i>	<b>TOTAL</b>
<b>North</b>	<b>AC</b>	0	0	1.058	1.058
	<b>AM</b>	0	250	20.219	20.469
	<b>AP</b>	0	0	1.739	1.739
	<b>PA</b>	2.625	5.770	41.920	50.315
	<b>RO</b>	33	242	13.122	13.397
	<b>RR</b>	0	5	5.257	5.262
	<b>TO</b>	0	1.415	5.059	6.474
<b>Northeast</b>	<b>AL</b>	0	1.500	2.682	4.182
	<b>BA</b>	25	6.799	5.210	12.034
	<b>CE</b>	0	4	21	25
	<b>MA</b>	0	114	2.341	2.455
	<b>PB</b>	0	4	7	11
	<b>PE</b>	0	750	819	1.569
	<b>PI</b>	0	113	436	549
	<b>RN</b>	0	0	2	2
	<b>SE</b>	0	1.500	2.665	4.165
<b>Southeast/ Center-west</b>	<b>DF</b>	0	30	0	30
	<b>GO</b>	400	4.840	7.100	12.340
	<b>MS</b>	90	3.336	2.544	5.970
	<b>MT</b>	152	801	16.699	17.652
	<b>ES</b>	25	212	1.065	1.302
	<b>MG</b>	1.168	10.095	12.463	23.726
	<b>RJ</b>	30	1.089	2.125	3.244
	<b>SP</b>	40	10.764	4.303	15.107
<b>South</b>	<b>PR</b>	739	14.502	8.927	24.168
	<b>RS</b>	734	2.605	8.099	11.438
	<b>SC</b>	1.434	1.525	4.491	7.450
<b>Total</b>	<b>7.497</b>	<b>68.263</b>	<b>170.373</b>	<b>246.133</b>	

Amazon Forest states ←

Source: Eletrobras (SIPOT)

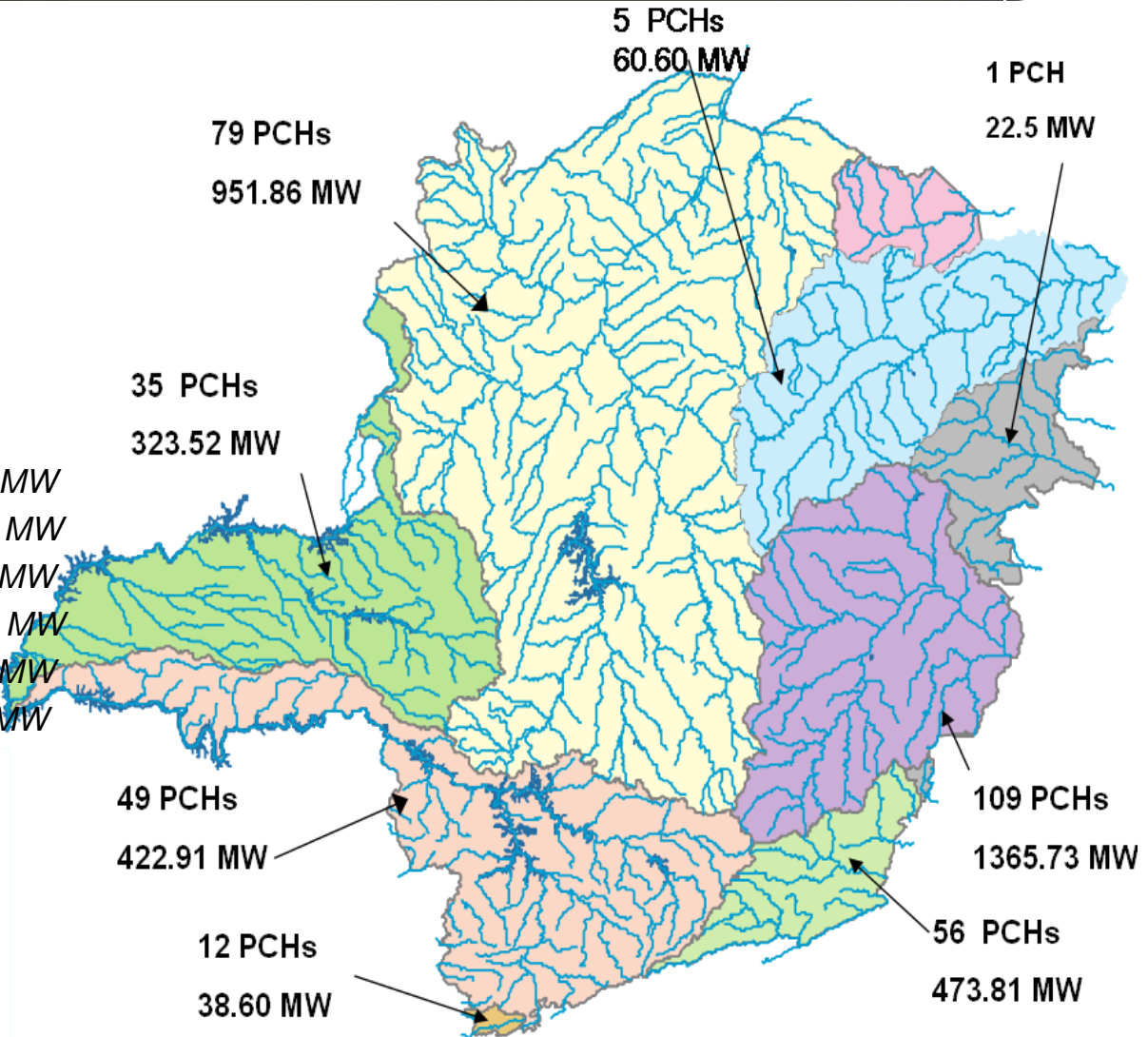


# Business Opportunities: Small Hydros Program

- Short-term supply alternative
- Successful funding format:
  - 30% Equity
    - Cemig 49%
    - Private Investor 51%
  - 70% Debt
    - BNDES
- Current status
  - 6 plants contracted : 91 MW
 

PCH Cachoeirão	27 MW
PCH Pipoca	20 MW
PCH Senhora do Porto	12 MW
PCH Dores de Guanhões	14 MW
PCH Jacaré	9 MW
PCH Furtuna II	9 MW
  - Investments of R\$ 380 million
- Under Negotiation
  - 16 Plants
  - 236 MW os installed capacity

(\*) PCH = Small Hydro Power Plant





## Business Opportunities: biomass cogeneration

### *Sugar and ethanol potencial in Minas gerais*

Plants	Quantity	Generatn. (MWa*)	Surplus (MWa*)
Existing	26	530	420
Expected	59	2046	1755
With Protocol	34	1191	953
Without Protocol**	13	591	591
Other***	12	264	211
<b>TOTAL</b>	<b>85</b>	<b>2576</b>	<b>2175</b>

\* Average generation in 6 months of the year

\*\* Data provided to Cemig on consultation access

\*\*\* Crushing data from 9 mills with no expected startup date

Note: Protocol entered into with the State of Minas Gerais

- ✓ Approximately 75% of the plants are located in the heavy-industry region known as the Minas Triangle
- ✓ Generation available from April to September, the dry season for the hydro power plants



# Power Transmission: Cemig

## Cemig Consolidated - length of transmission network, km (December/07)

	2003	2004	2005	2006	2007
500-kV lines	2,163	2,163	2,165	2,592	2,488
345-kV lines	1,921	1,942	1,976	1,969	2,001
230-kV lines	745	751	751	803	824
Total	4,829	4,856	4,892	5,364	5,313

- Operational Start-up of two transmission lines in 2007:
  - Itutinga-Juiz de Fora (Transudeste) - 345 kv, 34 km;
  - Irapé-Araçuaí (Transirapé) - 230 kv, 15 km.
- Cemig Corporation stands for 5% of Brazil's transmission capacity;
- Sixth largest transmission company.



## Power Transmission tariff review and auctions

- Allowed return on asset approach (existing assets in 1995):
  - Benchmark WACC: currently 8.45%;
  - Tariff review: WACC enlarged to 9.18%;
  - Asset base review every 10 years (2 cycles).
- 2007 Tariff Review:
  - Due since 2005;
  - New methodology disclosed on March, 09, 2007;
  - Small part of Cemig's revenue was reviewed. As a result our total transmission revenue was reduced by 3%;
  - Asset base review shall occur in 2008.



# Electricity Distribution: Cemig

(December/07)

Cemig - Length of network, km	2004	2005	2006	2007
<b>SUB-TRANSMISSION</b>	16,086	16,040	16,788	16,676
161-kV lines	55	55	55	55
138-kV lines	10,504	10,521	11,254	11,145
69-kV lines	4,544	4,481	4,513	4,510
Lines below 69 kV	983	983	966	966
<b>DISTRIBUTION</b>	367,437	379,400	402,539	429,560
Overhead distribution network	82,819	83,826	92,083	90,524
Underground urban distribution network	708	759	1,767	1,049
Overhead distribution network in rural areas	283,910	294,815	308,689	337,987
<b>TOTAL</b>	383,523	395,440	419,327	446,236

- Cemig supplies 10% of Brazil's captive market
- Largest distribution company (by km of lines, number of consumers and transported energy)



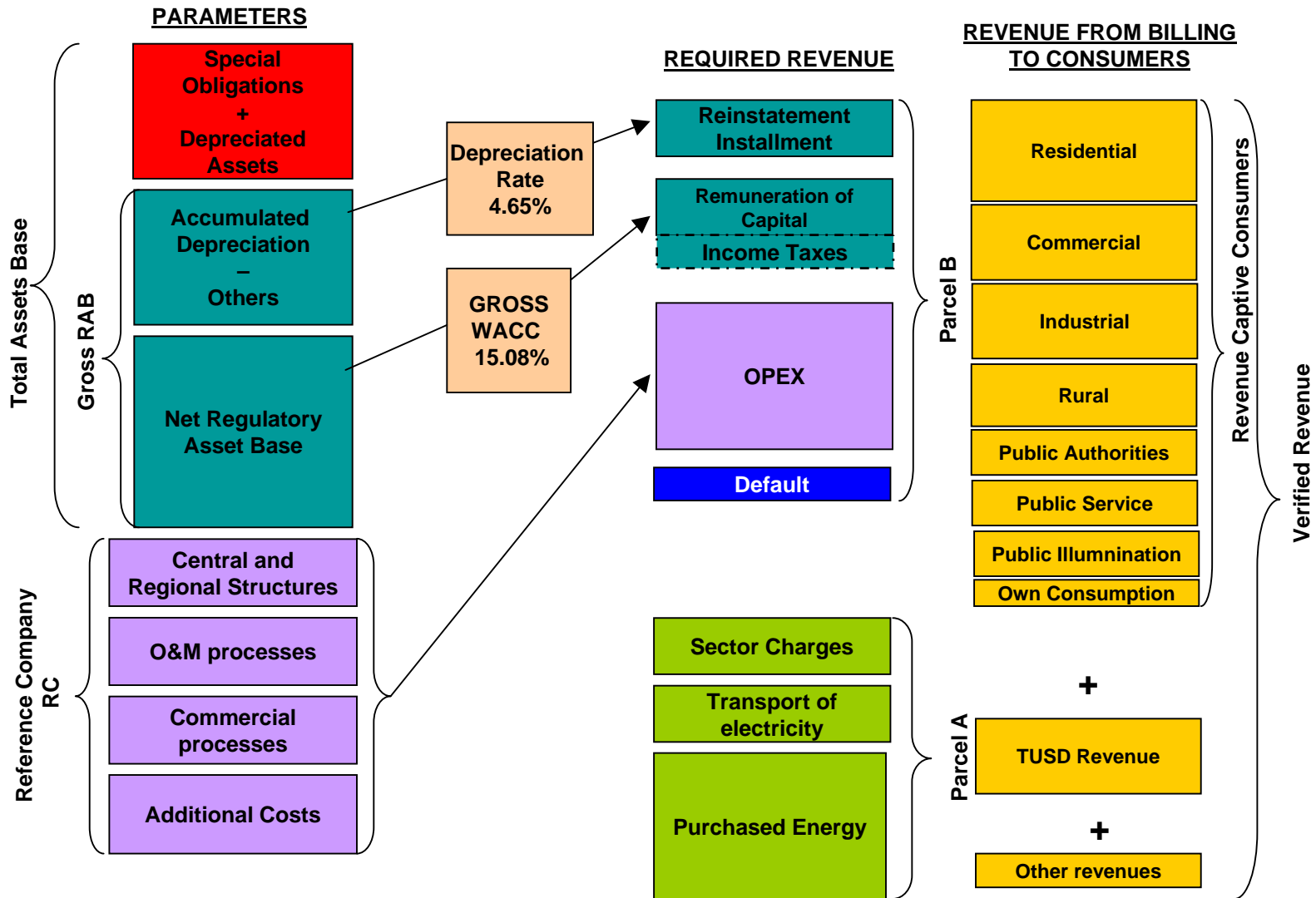
## Electricity Distribution tariff review

- Allowed return on asset approach:
  - Benchmark WACC: currently 11.26%;
  - Tariff review: WACC will be 9.95%.
- New Tariff Review methodology:
  - Reference company model disclosed:
    - Black box opened.
  - Asset base review every 10 years (2 cycles): CEMIG in 2013;
  - Regulatory energy losses and delinquency rate specific for each concession area;
  - Special obligation financed asset depreciation will be granted in the long run;
  - X Factor: excluded the influence of Consumers Satisfaction Index.
- 2007 Reviews
  - Coelce, Eletropaulo, Escelsa, Celpa, Elektro, Enersul, Bandeirante and CPFL
  - Outcome accordingly to the methodology
  - Reductions due to ROA and non-controllable costs
- Cemig Distribution Companies tariff reviews:
  - Cemig Distribuição: -12,24% valid from April 8, 2008 forward.
  - Light: November, 2008.





# Tariff Review Process





# Capital Expenditures

Business	Actual			Planned
	2005	2006	2007	2008
	(million Reais)			
<b>Cemig Geração e Transmissão</b>	<b>417</b>	<b>157</b>	<b>315</b>	<b>334</b>
Generation	397	99	281	210
Transmission - basic grid	20	58	34	124
<b>Cemig Distribuição</b>	<b>691</b>	<b>1,229</b>	<b>601</b>	<b>1,184</b>
Sub-transmission	26	83	67	393
Distribution	665	1,146	534	791
Expansion and strengthening of existing netw	276	217	310	381
"Light for Everyone" program	291	884	124	276
Others	98	45	100	134
<b>Cemig Holding Company</b>	<b>58</b>	<b>558</b>	<b>10</b>	<b>43</b>
Injection of capital	54	33	6	37
Other	4	1	4	6
In RME: 25% - acquisition of Light	-	175	-	-
Acquisition of TBE transmission companies	-	349	-	-
<b>Total capital expenditure projects</b>	<b>1,166</b>	<b>1,944</b>	<b>926</b>	<b>1,561</b>

Figures for 2008 estimated under 2008-2012 corporate planning.



## Agenda

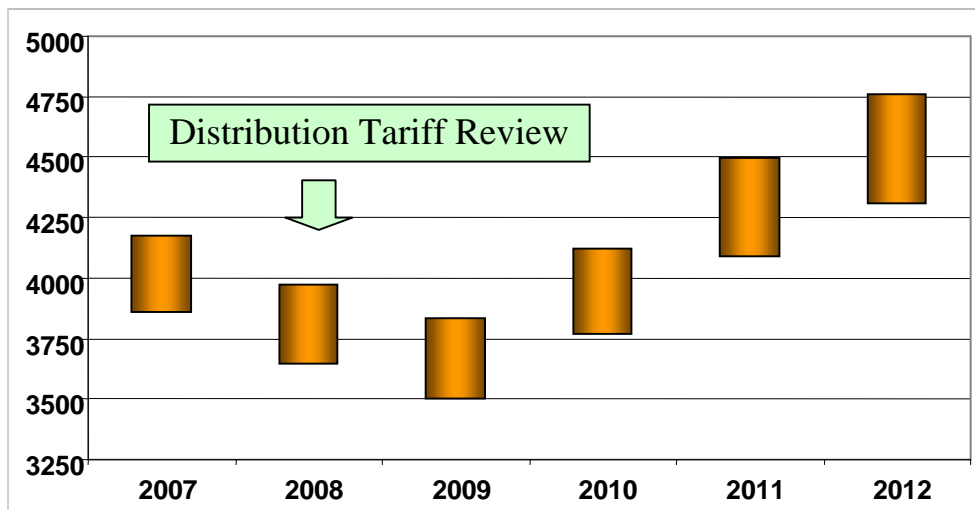
- *Background*
- *Strategy Overview*
- *Business Outlook*
- ***Financial Highlights***
- *Our Strategy shows Solid Results*
- *Market Recognition*



# Guidance 2007/2012

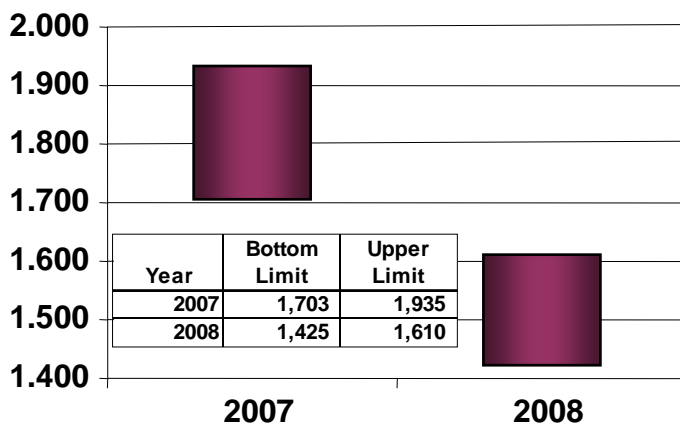
## Consolidated EBITDA

(Constant June 2007 R\$ million)

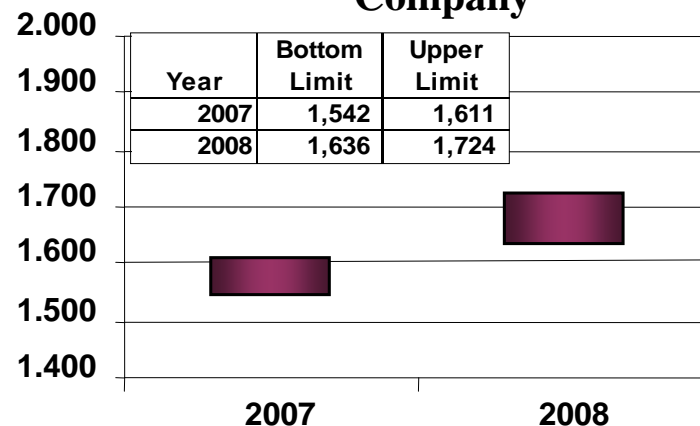


Year	Bottom Limit	Upper Limit
2007	3,859	4,175
2008	3,647	3,971
2009	3,501	3,831
2010	3,769	4,125
2011	4,091	4,499
2012	4,307	4,761

### Distribution Company



### Generation and Transmission Company





## How we will finance our growth

- Our strategy encompasses key elements in financing our expansion
  - We will seek partners who can add value via:
    - reduced need for equity;
    - transparency of the economic/financial projects valuation;
    - access to low-cost financing.
  - Maximization of cash management:
    - Generation of surplus;
    - Rollover of maturing debt.
  - Search for the best opportunities to raise funds to finance expansion;
  - Continual improvement of our credit risk rating.

### Cash Flow Statement (consolidated) Values in million of Reais

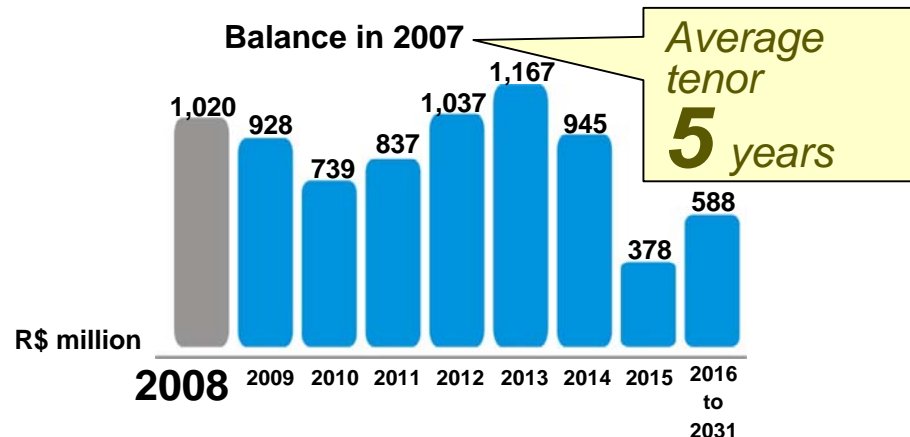
	2007	2006
<b>Cash at start of period</b>	<b>1,402</b>	<b>1,344</b>
<b>Cash from operations</b>	<b>3,213</b>	<b>2,185</b>
Net income	1,735	1,719
Depreciation and amortization	778	672
Suppliers	34	125
Other adjustments	666	(331)
<b>Financing activity</b>	<b>(1,359)</b>	<b>(533)</b>
Financing obtained	1,056	2,266
Payment of loans and financing	(1,855)	(1,927)
Loans and financing	800	1,200
Other	(1,360)	(2,072)
<b>Investment activity</b>	<b>(1,190)</b>	<b>(1,719)</b>
Investments outside the concession area	(109)	(553)
Investments in the concession area	(1,393)	(1,472)
Special obligations - consumer contributions	268	306
Other	44	125
<b>Cash at the end of period</b>	<b>2,066</b>	<b>1,402</b>



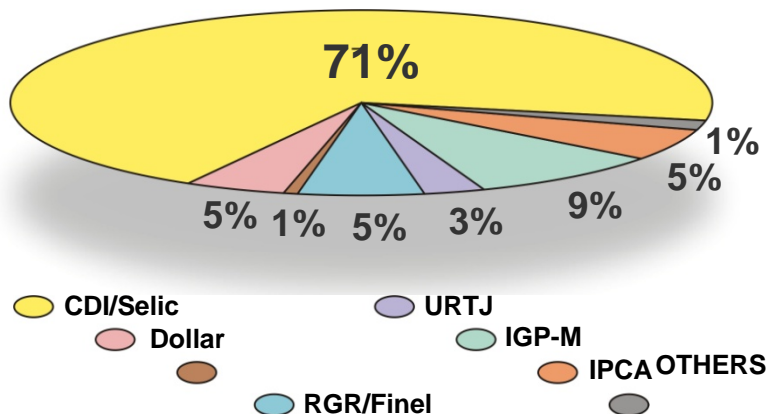
## Indicators show superior credit quality

- ✓ **Credit quality kept at sufficient levels for a low risk rating over the long term**
  - **Moody's: AA3.br; Fitch: A+.br**
- ✓ **Reduction of exposure to FX rate risk**
- ✓ **Exposure in CDI and Selic rates aligned to expectation of reduction of interest rates**
- ✓ **Introduction of IPCA inflation as indexor (Cemig D Debentures – R\$400 million)**
- ✓ **Transactions in 2007 totaled R\$ 1.4 billion**

## Maturity timetable



## Indexors used



## Debt, consolidated

R\$/million	12/31/2007	CEMIG consolidated	CEMIG GT	CEMIG D
Debt		7,639	3,112	2,752
Debt in foreign currency		457 (6%)	120 (4%)	258 (9%)
Net debt (1)		5,625	2,210	2,127
Ebitda / Interest (2)		4.53		
Debt / Ebitda(2)		1.96		
Net debt / (Stockholder's equity + Net debt) (2)		47.66%		

(1) Net debt = Total debt – Cash and cash equivalents – Regulatory Asset (RTE/BNDES)

(2) As defined in loan contracts signed with ItaúBBA

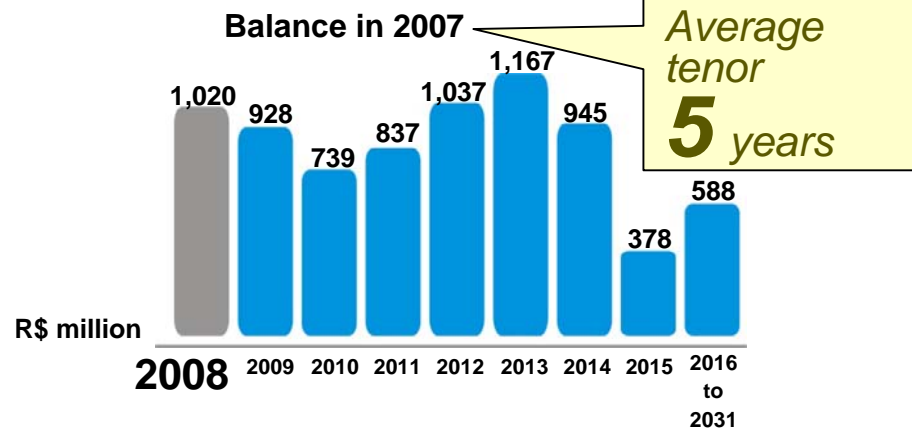
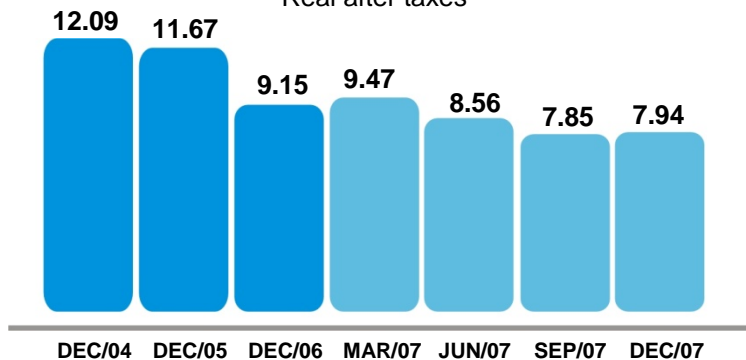


# Indicators show superior credit quality

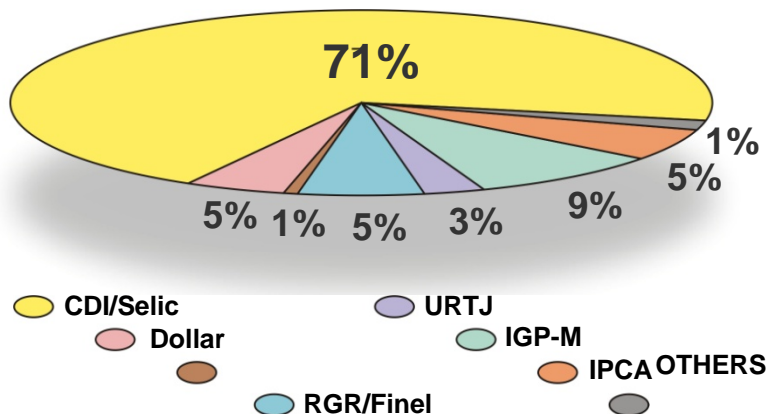
## Maturity timetable

### Average cost (%)

Real after taxes



### Indexors used



### Debt, consolidated

R\$/million	12/31/2007	CEMIG consolidated	CEMIG GT	CEMIG D
Debt		7,639	3,112	2,752
Debt in foreign currency		457 (6%)	120 (4%)	258 (9%)
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## A business portfolio focused on electricity

Company	2007					
	Electricity sales GWH	Net revenue R\$ million	Ebitda R\$ million	Debt R\$ million	Consumers	Employees
Cemig GT	31,813	2,666	1,696	3,112	177	2,276
Cemig D	20,694	5,976	1,867	2,752	6,440,085	8,317
RME (25%)	5,791	1,253	254	488	3,880,570 <sup>(3)</sup>	3,627 <sup>(3)</sup>
TBE	-	68	61	144	-	58
Others	(406) <sup>(4)</sup>	283	195	1,143 <sup>(2)</sup>	-	-
<b>Total, consolidated</b>	<b>57,892</b>	<b>10,246</b>	<b>4,073</b>	<b>7,639</b>	<b>10,320,832</b>	<b>14,518<sup>(1)</sup></b>

**(1) Includes employees of Cemig holding company.**

**(2) Includes R\$ 990 million from FIDC fund.**

**(3) Includes 100% of Light.**

**(4) Net of sales by IPPs (1,853 GWh); and eliminating inter-company (2,259 GWh).**



## Expansion of consolidated net income

✓ *Result shows growth consistent with solid fundamentals*

- *Growing productivity in all areas*
- *Continuous improvement in operational margins*
- *Diversification of the risk inherent to each business through integrated structure*

### Statement of Results (Consolidated) Values in millions of reais

	2007	2006	4th Q. 2007	4th Q. 2006
Net Revenue	10,246	8,467	2,627	2,171
Operating Expenses	(6,951)	(5,917)	(1,750)	(1,244)
<b>EBIT</b>	<b>3,295</b>	<b>2,550</b>	<b>877</b>	<b>927</b>
<b>EBITDA</b>	<b>4,073</b>	<b>3,222</b>	<b>1,070</b>	<b>1,120</b>
Financial Result	(356)	(50)	(195)	(11)
Non-Operating Result	(10)	(37)	23	(24)
Provision for Income Taxes, Social Cont & Deferred Income Tax	(623)	(527)	43	(71)
Employee Participation	(455)	(210)	(455)	(210)
Minority Shareholders	(116)	(7)	(27)	(5)
<b>Net Income</b>	<b>1,735</b>	<b>1,719</b>	<b>266</b>	<b>606</b>
<b>Net Margin</b>	<b>17%</b>	<b>20%</b>	<b>10%</b>	<b>28%</b>



## Consolidated net revenue

- ✓ *Growth in net revenue reflects business diversification, and positive effects of acquisitions (RME/Light S.A. and TBE companies)*
- ✓ *Cemig Distribution provides 58% of total net revenue*

### Operating Revenues (consolidated) Values in million of Reais

	2007	2006	4th Q. 2007	4th Q. 2006
Sales to end consumers	12,050	10,226	3,147	3,004
TUSD	1,314	1,202	246	201
Subtotal	13,364	11,428	3,393	3,205
Supply + Transactions in the CCEE	1,236	909	353	217
Revenues from Trans. Network	632	588	167	130
Gas Supply	297	298	88	78
Others	261	209	21	60
<b>Subtotal</b>	<b>15,790</b>	<b>13,432</b>	<b>4,022</b>	<b>3,690</b>
Deductions	(5,544)	(4,965)	(1,395)	(1,519)
<b>Net Revenues</b>	<b>10,246</b>	<b>8,467</b>	<b>2,627</b>	<b>2,171</b>



## Operating Expenses

### Operating Expenses (consolidated) Values in millions of reais

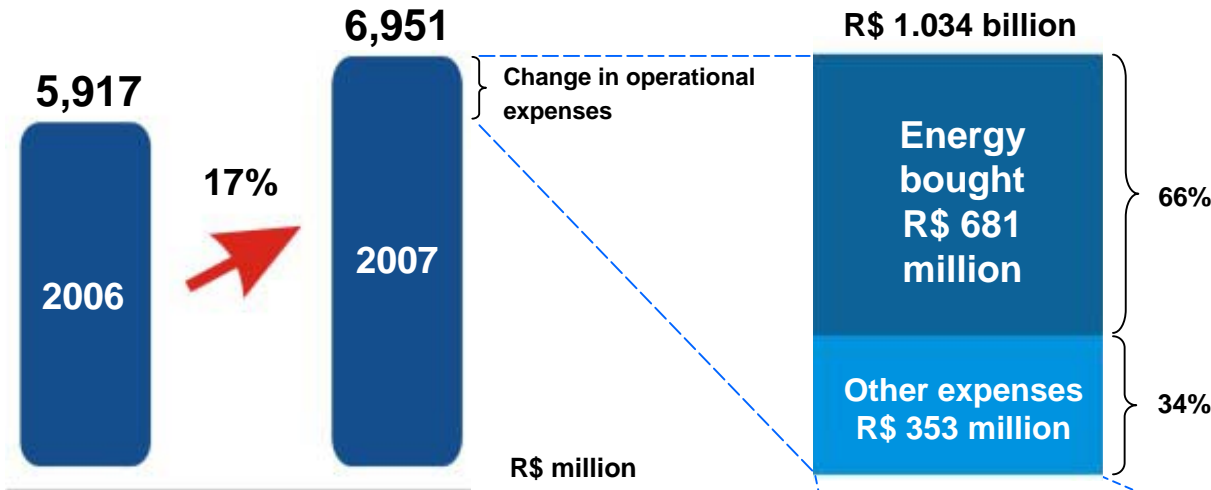
	2007	2006	4th Q. 2007	4th Q. 2006
Purchased Energy	2,794	2,113	844	507
Personnel/Administrators/Councillors	968	1,088	172	180
Depreciation and Amortization	778	672	193	193
Charges for Use of Basic Transmission Network	650	664	49	43
Contracted Services	619	504	180	161
Post-Retirement Employee Benefits	123	170	30	54
Materials	94	82	27	23
Royalties	137	139	35	45
Gas Purchased for Resale	154	158	53	39
Operating Provisions	291	52	80	(65)
Other Expenses	343	275	87	64
<b>Total</b>	<b>6,951</b>	<b>5,917</b>	<b>1,750</b>	<b>1,244</b>

- ✓ *Cemig Distribuição contributes with 65 % of total costs*
  - *Non-controllable costs are 53.73%*
  - *Controllable costs (PMSO) are 46,27%*



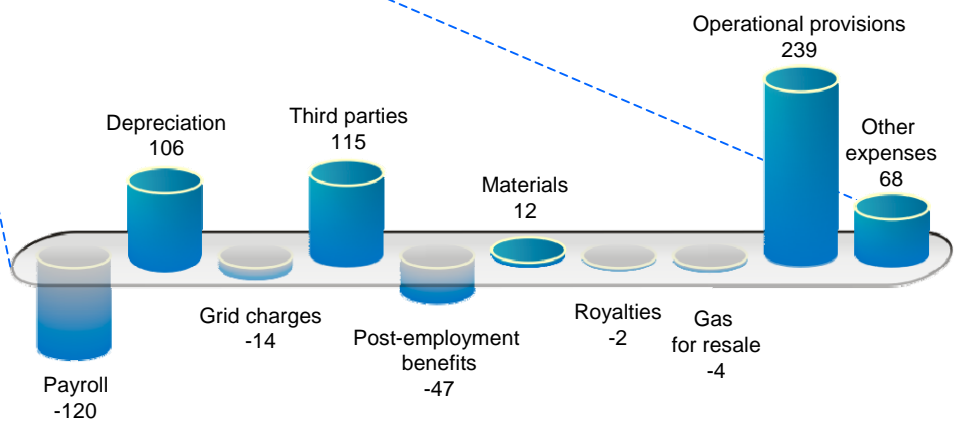
# Consolidated Expenses: Evolution

## Consolidated



- Bought energy accounts for 66% of the increase in operational expenses
- Bought energy expenses are passed through to the tariff

- Increase in operational provisions mainly due to Light consolidation





## Cemig Geração e Transmissão

- ✓ *Increasing profitability, growth in sales and strict expense control*

### Statement of Results (Consolidated) - CEMIG GT Values in millions of *reais*

	2007	2006	4th Q. 2007	4th Q. 2006
Net Revenue	2,666	2,243	714	575
Operating Expenses	(1,193)	(1,064)	(338)	(261)
<b>EBIT</b>	<b>1,473</b>	<b>1,179</b>	<b>376</b>	<b>314</b>
<b>EBITDA</b>	<b>1,696</b>	<b>1,387</b>	<b>432</b>	<b>376</b>
Financial Result	(333)	(319)	(106)	(110)
Non-Operating Result	(3)	(2)	(7)	(1)
Provision for Income Taxes, Social Cont & Deferred Income Tax	(280)	(194)	(32)	(27)
Employee Participation	(110)	(50)	(110)	(50)
<b>Net Income</b>	<b>747</b>	<b>614</b>	<b>121</b>	<b>126</b>



## Cemig Distribuição

### Growth in sales

- In the quarter:
  - Revenue up 24.18% from 4<sup>th</sup> quarter 2006
  - Higher operational profit
  - Strong Ebitda growth
- In the year:
  - 10.28% growth in revenue compared to previous year
  - Strong Ebitda growth

### Statement of Results (Consolidated) - CEMIG D

Values in millions of *reais*

	2007	2006	4th Q. 2007	4th Q. 2006
Net Revenue	5,976	5,419	1,638	1,319
Operating Expenses	(4,526)	(4,363)	(1,206)	(913)
<b>EBIT</b>	<b>1,450</b>	<b>1,056</b>	<b>432</b>	<b>406</b>
<b>EBITDA</b>	<b>1,867</b>	<b>1,423</b>	<b>544</b>	<b>497</b>
Financial Result	8	189	(13)	43
Non-Operating Result	(43)	(25)	(17)	(4)
Provision for Income Taxes, Social Cont & Deferred Income Tax	(312)	(300)	(6)	(78)
Employee Participation	(332)	(150)	(332)	(150)
<b>Net Income</b>	<b>771</b>	<b>770</b>	<b>64</b>	<b>217</b>



## Agenda

- *Background*
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# Market Recognition



Included in the DJSI for the 8th year running. Selected as worldwide leader of the Utilities "Supersector".



Prêmio Anefac  
Transparency Trophy, 2007.



Best Disco of the  
Southern Region



Guia Exame – Você S/A 2006  
Included in "150 Best Companies to Work For" for 2006, as the best one amongst the large cap companies



"Most Admired Company in Brazil" in "energy suppliers" category.



Included in Bovespa  
Corporate  
Sustainability Index.



## *Investor Relations*

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Phone: (55 31) 3506-5024

Fax: (55 31) 3506-5025



## Accounting criteria for Financial Statements consolidation

- RME owns 52,247% stake on Light and, under the accounting rules, consolidates 100% of the financial statements of its subsidiary;
- Cemig owns 25% of RME, and thus consolidates 25% of Light, applying a 11.5% reduction in the line “Minority interest”.
  - for the other companies in the group, figures are consolidated in proportion of Cemig’s holding;
- In this presentation:
  - we have maintained the RME information compatible with the financial statements: 25%;
  - figures for the assets are labeled LIGHT S.A., and stake adopted is 13,54%;
  - figures for people – number of employees, consumers – are informed as 100% of Light and of TBE.



## Glossary

**Average outage frequency (FEC):** Average number of outages suffered in a given period per consumer, in a given group of consumers.

**Debt coverage index:** Ebitda divided by total financial expenses in the year. This gives a figure for the company's capacity to pay debt servicing.

**Deferred Tariff Adjustment (RTD):** Every four years Aneel decides on a "periodic" tariff *review* for each electricity distributor, to adjust the level of annual adjustments to preserve the financial equilibrium of the concession contracts, coverage of efficient operational costs and adequate remuneration of investment. On April 8, 2003, this adjustment for Cemig was set provisionally at 31.53%, but the final adjustment decided was 44.41%, and the percentage difference of 12.88% will be applied to Cemig's tariffs in "deferred" format: i.e., as an addition to each of the annual tariff adjustments decided for the years 2004 through 2007, cumulatively. The difference between the adjustment to which Cemig Distribuição is entitled and the tariff in fact charged to consumers has been recognized in Cemig's financial reporting as a Regulatory Asset.

**Ebitda:** Earnings before interest, tax, depreciation and amortization – a measure of a company's operational cash flow, providing an indicator of the cash flow generated by a company's principal business.

**Ebitda margin:** Ebitda/net operating revenue. This provides a view of the company's cash generation capacity.

**Hedge:** Financial mechanism for protection against fluctuations in prices – e.g. of commodities -, or variables such as interest rates or exchange rates.

**Hydroelectric power plant:** A generating plant that uses the mechanical energy of falling water to operate electricity generators.

**Manageable costs:** Costs that essentially depend on the efficacy of corporate management, such as personnel expenses, materials, outsourced services, etc. – also referred to as controllable costs.

**Net margin:** Net income / Net operating revenue – an indication of a business's profitability.

**Outage time per consumer (DEC):** Average service outage time per consumer in a given group of consumers over the specified period.

**The Extraordinary Tariff Recomposition (RTE):** This was a tariff adjustment granted by the government in December 2001 to the distributors and generators of the regions where rationing was imposed. It was one of the conditions of the *General Accord for the Electricity Sector*: an increase of 2.9% in the tariff of residential consumers (with the exception of Low-Income Residential Consumers), and an increase of 7.9% for other consumers. Its purpose was to make good the losses suffered by distributors and generators as a result of the reduction of consumption imposed by the government. The duration of the adjustment varies in accordance with the time necessary to recover the loss of each concession holder.

**The CCC (Fuel Consumption Account):** This account was created to accumulate funds to cover the increase in costs associated with greater use of thermal generation plants in the event of drought – since the marginal operating costs of thermal plants are greater than those of hydroelectric plants. All Brazil's electricity companies are obliged to make an annual contribution to the CCC, calculated on the basis of estimates of the amount of fuel likely to be required by the thermal plants in the following year.



## Glossary

**The CDE (Energy Development) Account:** This is a source of subsidies to make alternative energy sources such as wind and biomass more competitive, and promote universalization of electricity services. It is funded by annual payments made by the concession holders for the use of public assets, and also from penalty payments imposed by Aneel for infringements.

**The CRC (Results Compensation Account):** Before 1993, electricity concession holders in Brazil were given a guarantee of a rate of return on their investment in the assets used in the provision of electricity to clients, and the tariffs charged to clients were uniform over the whole country. Profits generated by the more profitable concession holders were reallocated to the less profitable concession holders, in such a way that the rate of return on assets was equal to the national average for all of the companies. Though the results for the majority of Brazil's electricity concession holders were deficits, these were posted by the federal government as *assets* in the "CRC account" of each company. When the CRC Account, and the concept of guaranteed return, were abolished, concession holders that had positive balances in their "CRC accounts" were able to offset these balances against any liabilities owed to the federal government.

**The CVA – the Offsetting Account for Variations of "Portion A" items:** "Portion A" is the list, used in the calculation of the electricity distributors' annual tariff adjustments, of the utility's cost items that are not under its own control. The CVA mechanism compensates for changes in the list's total over the year to the new tariff date. The variation – positive or negative – is passed on in the tariff adjustment .

**The Global Reversion Reserve (RGR):** This is an annual amount included in the costs of concession holders to generate a fund for expansion and improvement of public electricity services. The amounts are paid monthly to Eletrobrás, which is responsible for the management of the resulting fund, and are to be employed in the Procel mechanism.

**Thermal power plant:** A generating plant that converts chemical energy contained in fossil fuels into electricity.

**Total return to stockholders:** Sum of the dividend yield and the percentage appreciation in the stock price.

**TUSD – Toll for Use of the Distribution System:** This is paid by generation companies, and by Free Consumers, for the use of the distribution system belonging to the distribution concession holder to which the generator or Free Consumer is connected, and is revised annually in accordance with inflation and the investments made by the distributor in the previous year for maintenance and expansion of its network. The amount is: the quantity of energy contracted with the distribution concession holder for each link point, in kW, multiplied by a tariff in R\$/kW set by Aneel.

**Volt:** Unit of the electrical potential at which energy is supplied.

**Voltage:** For the purposes of efficient transport of electrical energy over transmission lines from the generating plant to the consumer, there are various levels of transmission voltage. Similarly, electricity is used by consumers at various different voltage levels.

**Watt (W):** Unit of power required for a device to operate. 1,000 watts is a kilowatt (kW), 1 million watt is a Megawatt (MW), and 1 billion watts is a Gigawatt (GW).

**Watt-hour:** Measure of energy (work done by electric power): The kilowatt hour, Megawatt hour, Gigawatt hour and Terawatt hour (KWh, MWh, GWh, TWh) respectively represent 1,000, 1 million, 1 billion and 1 trillion watt-hours.



## Appendix

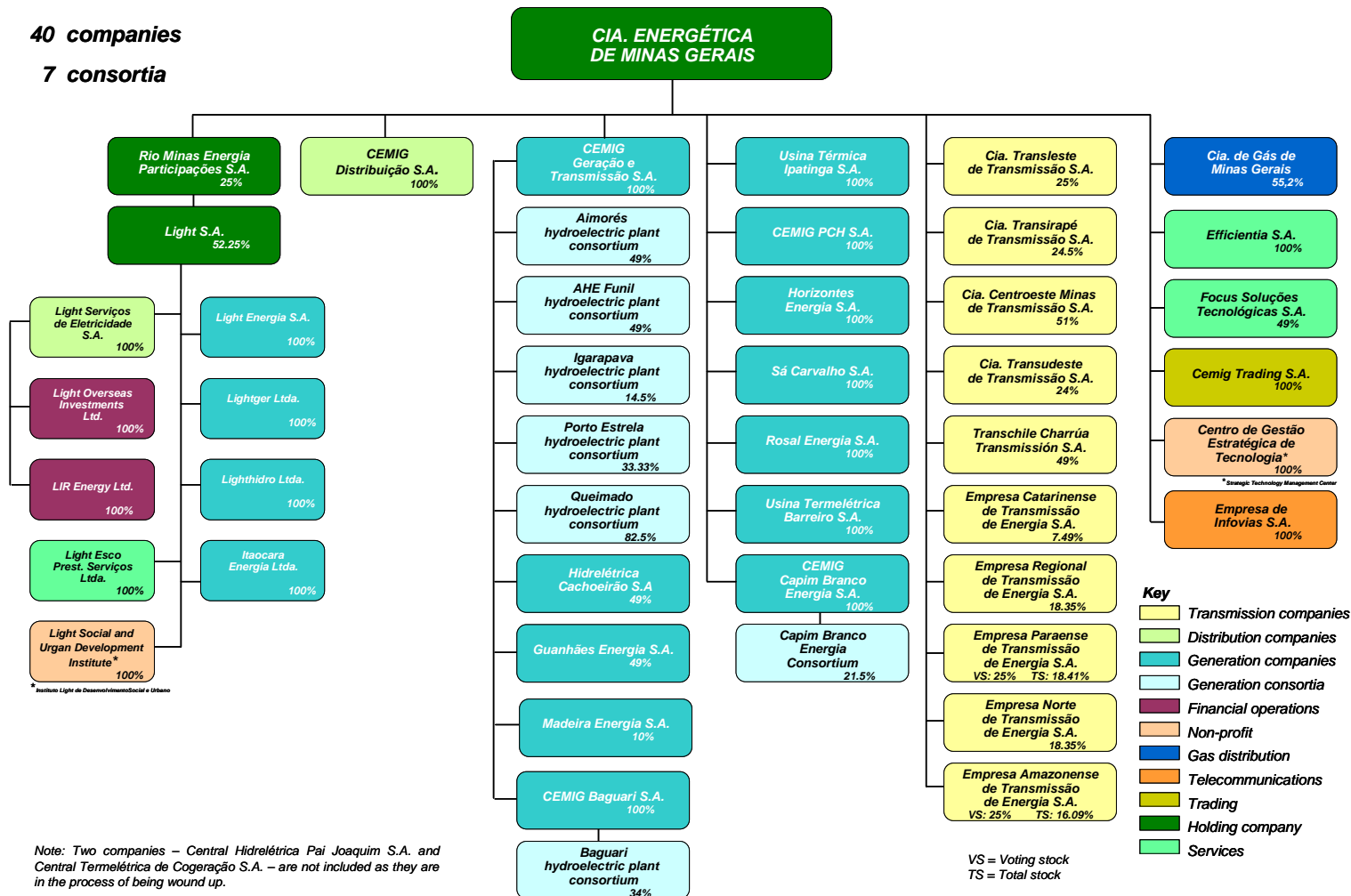
- ***Background***
- ***Business Outlook***
- ***Financial market for Cemig***



# Business Structure

40 companies

7 consortia



Note: Two companies – Central Hidrelétrica Pai Joaquim S.A. and Central Termelétrica de Cogeração S.A. – are not included as they are in the process of being wound up.



# Brazil Outlook



## Economics

- Largest Latin America economy
- 8th largest world economy
- GDP (2006): US\$ 1,067 billion.
- GDP expected CAGR (5yrs): 4%.
- Flow of Trade (2006): US\$ 229 billion.
- Inhabitants: 188 million.
- Area: 8.5 million km<sup>2</sup>.
- Currency: Reais (BRL) \* US\$1 = R\$ 1.70
- Reserves: US\$ 183 billion

## Economic Development Acceleration Plan (PAC)

- Federal plan to invest US\$ 250 billion in infrastructures projects over 2007-2010.
- Electric Power Generation: US\$ 35 billion.
- Electric Power Transmission: US\$ 7 billion.
- Renewable Fuel projects\*: US\$ 9 billion.

\* Ethanol, Biodiesel and Alcohol pipeline

## Electric Power Industry

- Power Generation
  - ✓ Installed Capacity: 99 GW.
  - 81.2% Hydro; 9.4% Natural Gas
  - 2.1% Nuclear; .5% Coal
  - 1.4% Oil; 4.4% Others
  - ✓ 15% of power output are investor owned
  - ✓ 2005 revenues: US\$ 12.5 billion
- Power Transmission
  - ✓ National Network: 85,399 km.
  - ✓ 2005 revenues: US\$ 2.7 billion
  - ✓ Integrated System Peak Demand: 64,371MW
- Electricity Distribution
  - ✓ Energy Consumption: 347,371 GWh.
  - 44% industries and 25% householders
  - ✓ 99% countrywide penetration
  - ✓ More than 50% of South America
  - ✓ Peak Demand comparable to UK
  - ✓ 2005 revenues of US\$ 26.7 billion

Source: Brazilian Institute for Geography and Statistics (IBGE), Brazilian Electricity Regulator (ANEEL), Brazilian Association of Transmission Companies (ABRATEE), Energy Research Company (EPE). \*Exchange rate in Feb/22/2008





## Minas Gerais State Key Figures

- Land area larger than any European country:
  - 7% of Brazil's land area.
- 19.6 million inhabitants.
- Second largest industrial park in Brazil:
  - Stands for 10% of GNP.
- Located in the most economically developed region of the country:
  - 78% of the Brazilian consumer market.
- Second largest exporting state: US\$ 15.6 billion:
  - Stands for 11.38% of Brazil's total exports.
- Major industries: mining, steel, agricultural (including ethanol):
  - High global demand for these goods.



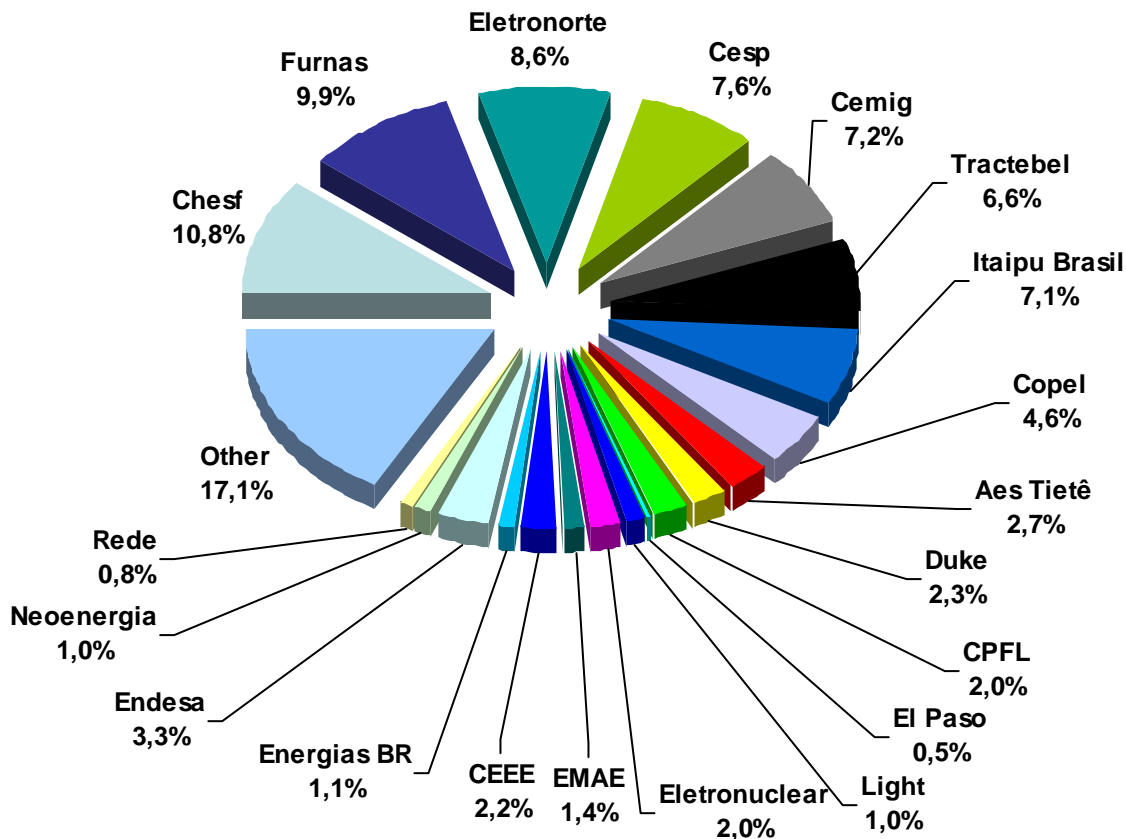
*(2006 figures)*



# Power Generation: Brazil

## Brazilian power generation capacity

(% of total installed capacity – Dec-2006 )



Source: ANEEL

### Comments

- Federal state-owned companies still have the greatest installed capacity
- Social and environmental issues are the most critical points for expanding existing capacity
- Fair setting of the “price ceiling” at auctions is crucial for the feasibility of new projects



## Power Generators are the most exposed to risks

- Regulated market
  - Concessions granted based on the least price approach.
  - Power purchase contract:
    - Auctions organized by a Federal agency:
      - Final buyer : Electricity Distributors.
    - New capacity : longer term, no market risk, inflation adjusted;
    - Existing capacity: shorter term, volume reduction at the distributor discretion, inflation adjusted.
- Unregulated market (free market)
  - Target: large industrial clients, large businesses;
  - Price freely negotiated: conditions , term, inflation adjustment;
  - Usually take or pay contracts.



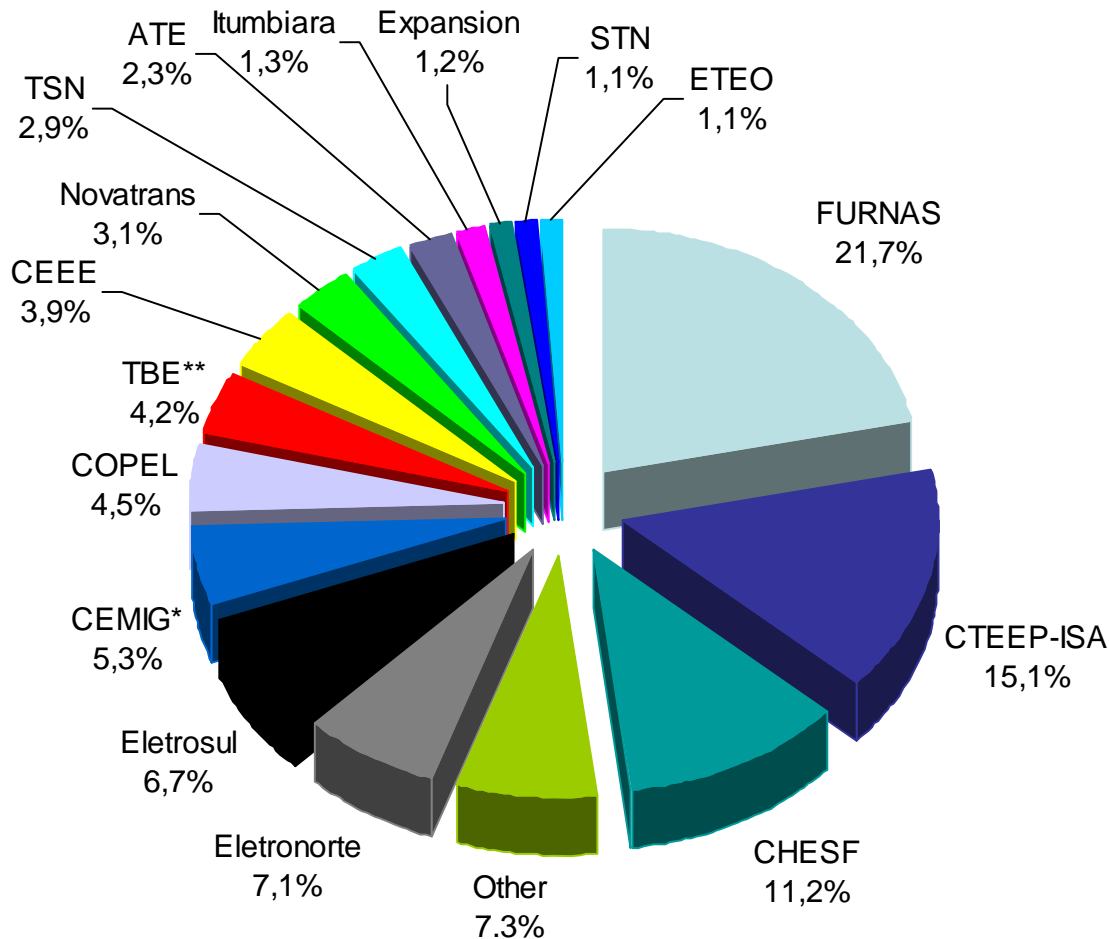
## Power Generation Price Trend

- Price will behave differently according to the nature of the contract to be auctioned by ANEEL:
  - Existing capacity (so called “old energy”) contracts:
    - power to be supplied in a year from now;
    - Term of 8 years;
    - Imply distributor ‘s forecasted demand risk:
      - Contractual volume can be reduced.
  - New capacity (so called “new energy”) contracts:
    - Power to be supplied in three or five years from now;
    - Term of 30 years;
    - No risk on the contractual volume reduction by distributors.



# Power Transmission: Brazil

(2006 installed capacity)



## Comments

- Infrastructure companies have won the auctions for new lines, particularly Spanish companies.
- The format for the expansion of new lines – auction based on the lowest RAP (Annual Permitted Revenue) – has attracted investors.

\* Includes the 21% stake in TBE;

\*\* Deducting the 21% stake in CEMIG

Source: ANEEL (TECHNICAL NOTE No. 082/2006 – SRT/ANEEL of Jun-27-2006)



## Transmission regulation is the most successful one

- Competition for concession contract:
  - Cap price approach;
  - Allowed revenue: the winner bid is the lowest revenue earned from users;
  - 30-year long concession.
- Stable Cash flow
  - Guaranteed contracts signed with users:
    - Receivables pledged as guarantees;
    - Annual inflation adjustment;
    - Revenue secured regardless the use of the asset;
- Low operating risk:
  - Penalties are applied only in the case of bad maintenance or poor performance.
- Fixed income alike investment.



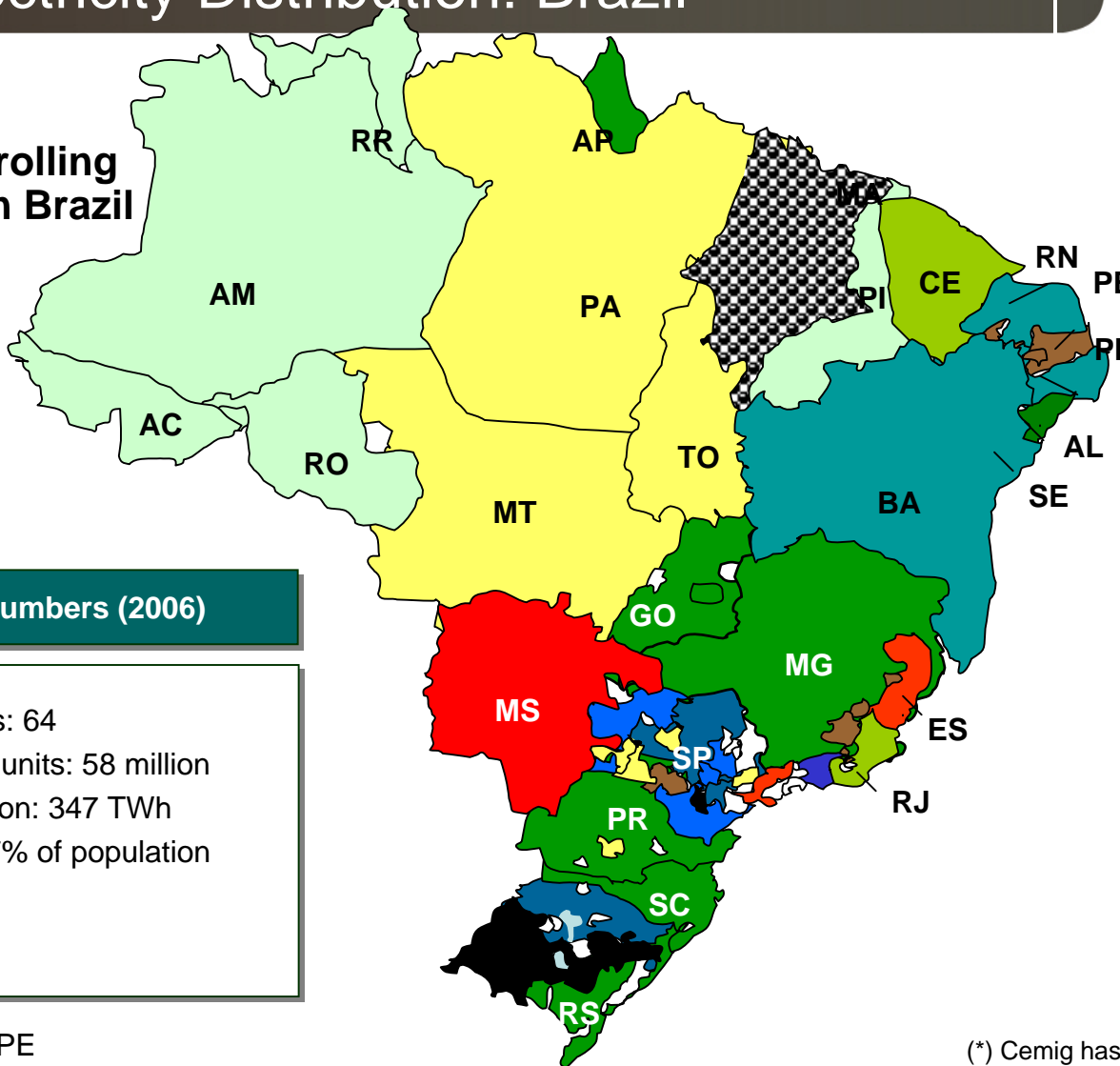
## Transmission network expansion

- Facilities built before 1995:
  - Concession will expire on July 8, 2015;
  - 20-year extension may be granted at ANEEL discretion;
  - Allowed return to be reviewed in a near future;
- Expansion projects can be carried out in three ways:
  - New concessions to be granted through auctions:
    - Projects are selected by the ONS in light of the National Grid needs;
    - Auctions are organized by ANEEL;
    - Contracts are standard and term is for 30 years;
    - Bids are made on annual revenue.
  - Authorization to build, directly requested by the ANEEL:
    - In certain cases, ANEEL may request any utility to build a transmission line or a substation of regional impact.
  - Acquisition of existing facility.



# Electricity Distribution: Brazil

## Main controlling groups in Brazil



- AES
- Ashmore
- Cataguazes
- Endesa
- EDP
- State-owned, Federal
- State-owned, Indiv. State
- Grupo Rede
- GP Investimentos
- Neo Energia
- VBC
- RME (\*)
- Other



## Brazil Numbers (2006)

- Companies: 64
- Consumer units: 58 million
- Consumption: 347 TWh
- Access: 97% of population

Source: Aneel, EPE

(\*) Cemig has 13% stake





## Electricity Distribution business is the most regulated one

- Allowed return on asset approach:
  - Benchmark WACC: currently 11.26%;
  - 2008 tariff review: WACC reduced to 9.98%.
- Operating expenses:
  - Full passed through mechanism:
    - Energy purchase expenses under certain circumstances.
  - Yearly inflation adjusted;
  - Tracking account for offsetting estimated expenses.
- Revenues come from:
  - Charges on D grid use by the access free users;
  - Sales to captive users.
- 5 year rate setting review:
  - Sharing productivity gains with users.
- Distributors are supposed to buy power to meet 100% of the forecasted demand, through auctions organized by Federal Agency – ANEEL:
  - In case a large consumption client (eligible as free consumer) chooses another supplier, distributor are allowed to reduce the contractual volume at the same amount;
  - If the growth is poor, contractual volume can be reduced by 4% yearly.



## Opportunities: financial market high liquidity

### **Bank Loans**

- Debt rollover
- Assignment of receivables

### **Local Capital Market**

- Debentures are the major funding source (long-term, denominated in Wholesale Prices Index [IGP-M])
- FIDC (receivables fund)

### **International Capital Market**

- Eurobonds
- Perpetual bonds

### **Multilateral Agencies**

- IFC, JBIC, CAF
- Long Term
- Tax breaks on remittance of interests



# Progressive reduction in personnel expenses

**Seniority Bonus  
(anuênio)  
elimination**



*Nov 2005*

**Bylaws  
alteration**



*Oct 2007*

**Especial bonus  
elimination:**

**16.7%**



*Nov 2007*

**Efficiency program  
with  
Consultants**

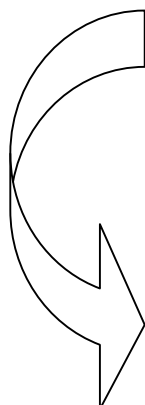


*Jan 2008*

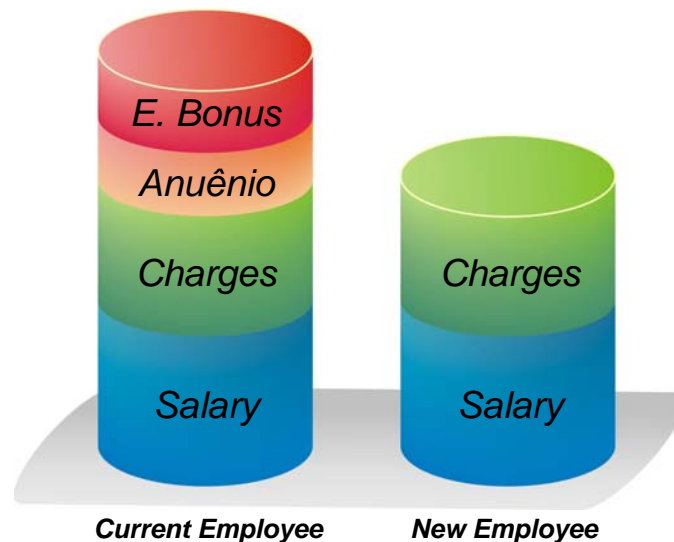
**Voluntary  
dismissal program**



*Mar 2008*



- Net Revenue
- Operational Expenses
- Operational Result
- Financial Result
- Non Operational Result
- Earnings Before Income Taxes
- Profit Shares**
- Minority Interests
- Net Income

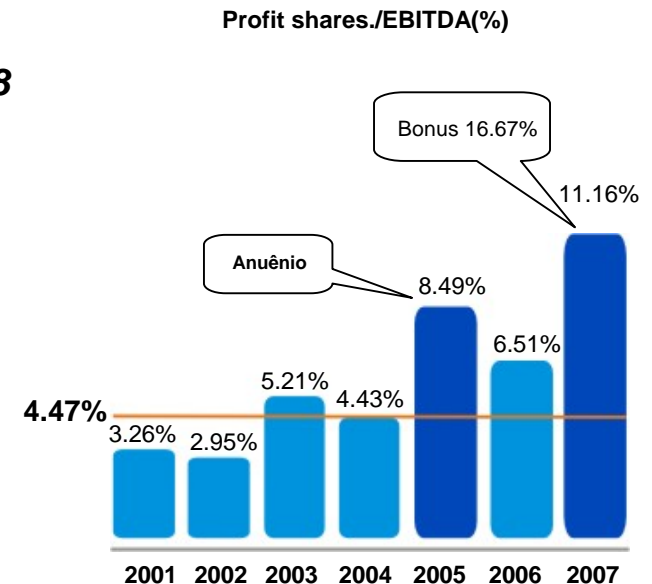




## Profit shares: investment with adequate return

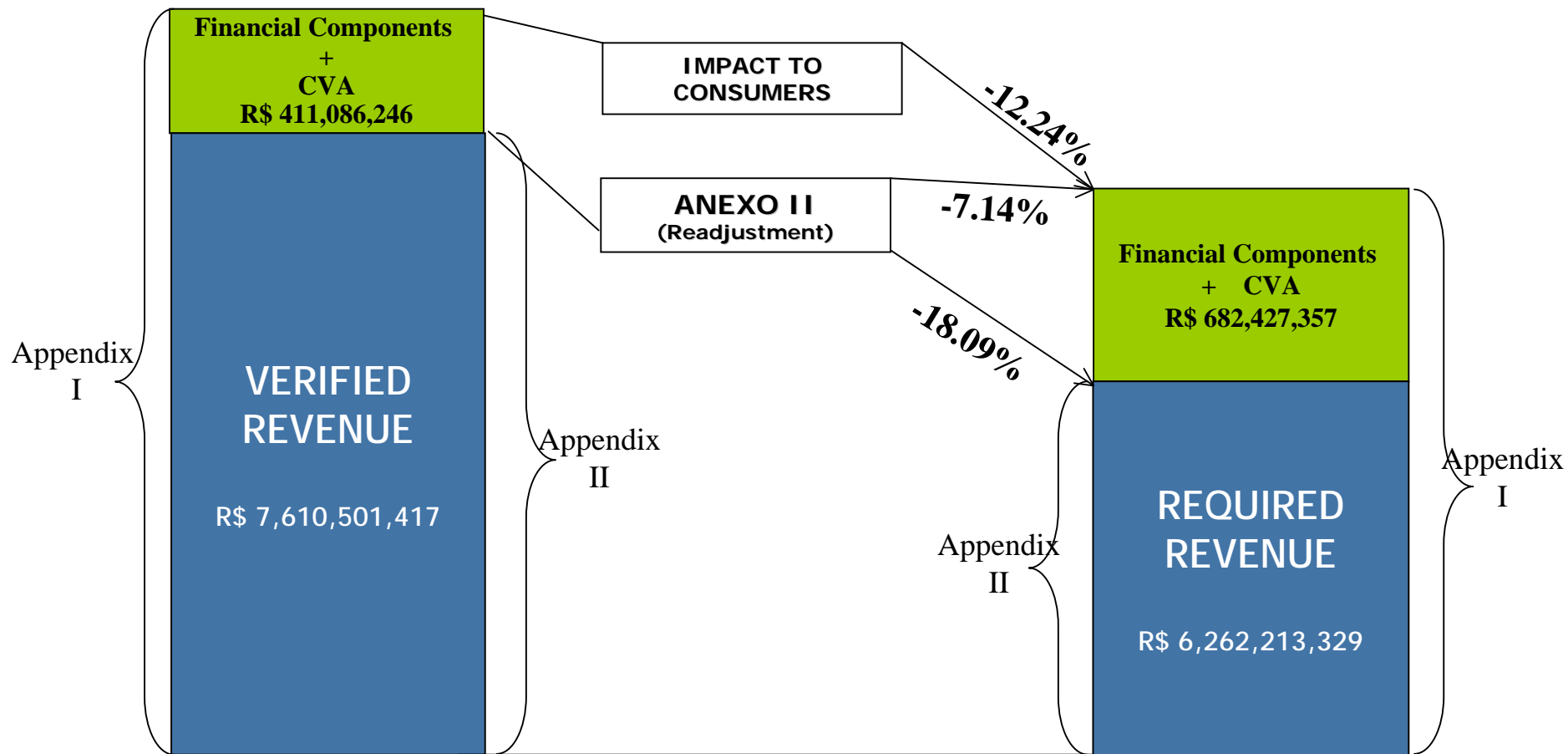
- ✓ **Extraordinary Profit Shares payment, totaling R\$358 million**
  - **16.67% especial bonus elimination for futures employees hired from November 2007:  $IRR = 14.48\%$**
  - **Includes productivity and real rise, paid in a unique installment**
  - **Compensation linked to business results from 2008**
  - **Expected turnover of 300 employees/year**

- ✓ **Voluntary dismissal program in place.**
  - **Permanent**
  - **Almost fully provisioned**
  - **Cash impact: one year return**
  - **Expected adherence: 1,800 employees**





# Readjustment and Impact on Tariff

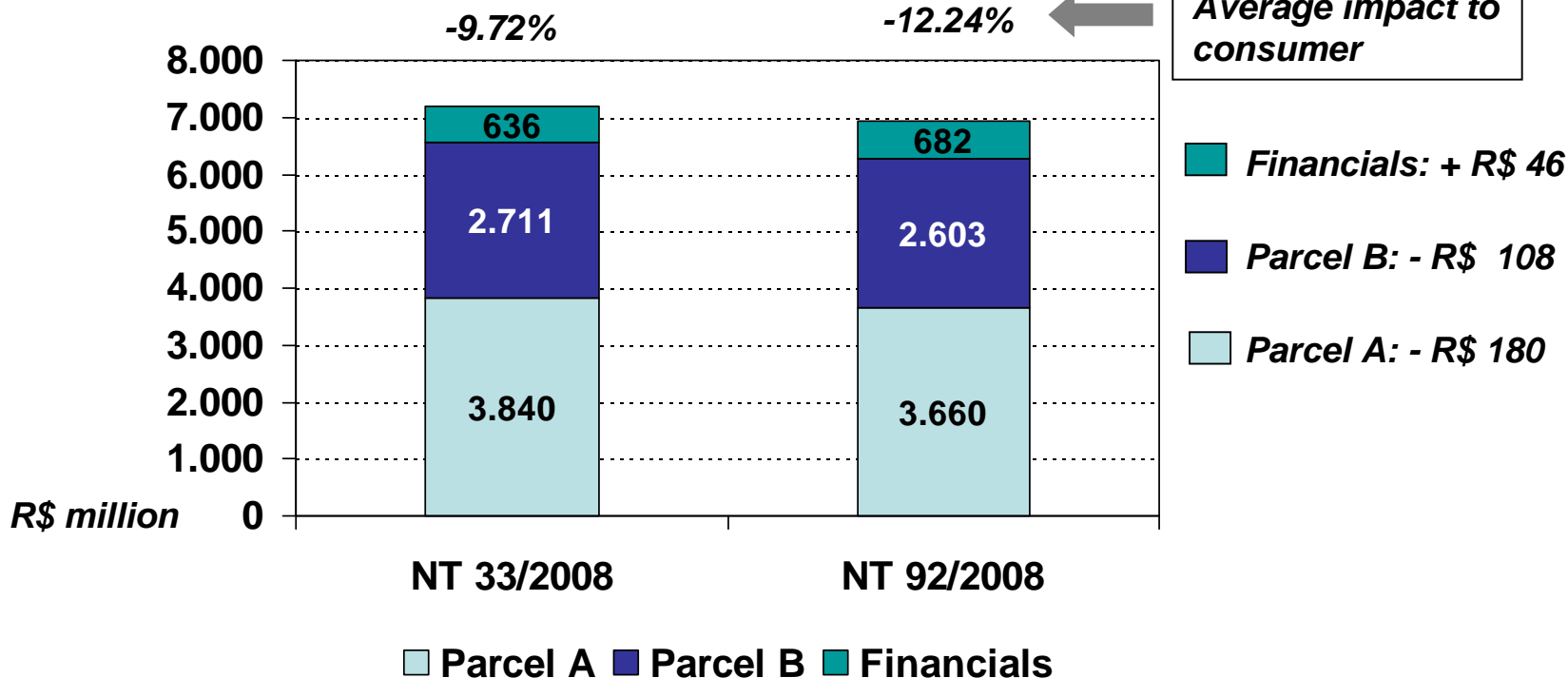


Anex I: Tariffs billed to consumers, including RTE, CVA and financial components, without taxes.

Anex II: Tariffs considered “clean”, base for posterior readjustments posteriores, without taxes (ICMS, Pasep/Cofins)



# NT 33/2008 vs NT 92/2008



- From 9.72% to 12.24%, two thirds are explained by the Parcel A variation and one third by the Parcel B variation.
- The impact on Parcel B was diminished by the increase on the financial components and was only of R\$ 63.5 million, or 0.84% of the Required Revenue.



## Revisão 2003 vs Revisão 2008

### 2003

- Regulatory Ebitda Margin: 21.2%
- Losses coverage: inadequate
- Market Growth: 3.7% p.a. (with risk of being lower; at the time, was 2.0% p.a.)
- X Factor (Xe): 1.25%

### 2008

- Regulatory Ebitda Margin: 21%
- Losses coverage: sufficient
- Market Growth: 3.17% p.a. ( less risk than in 2003)
- X Factor (Xe) : 0.84%