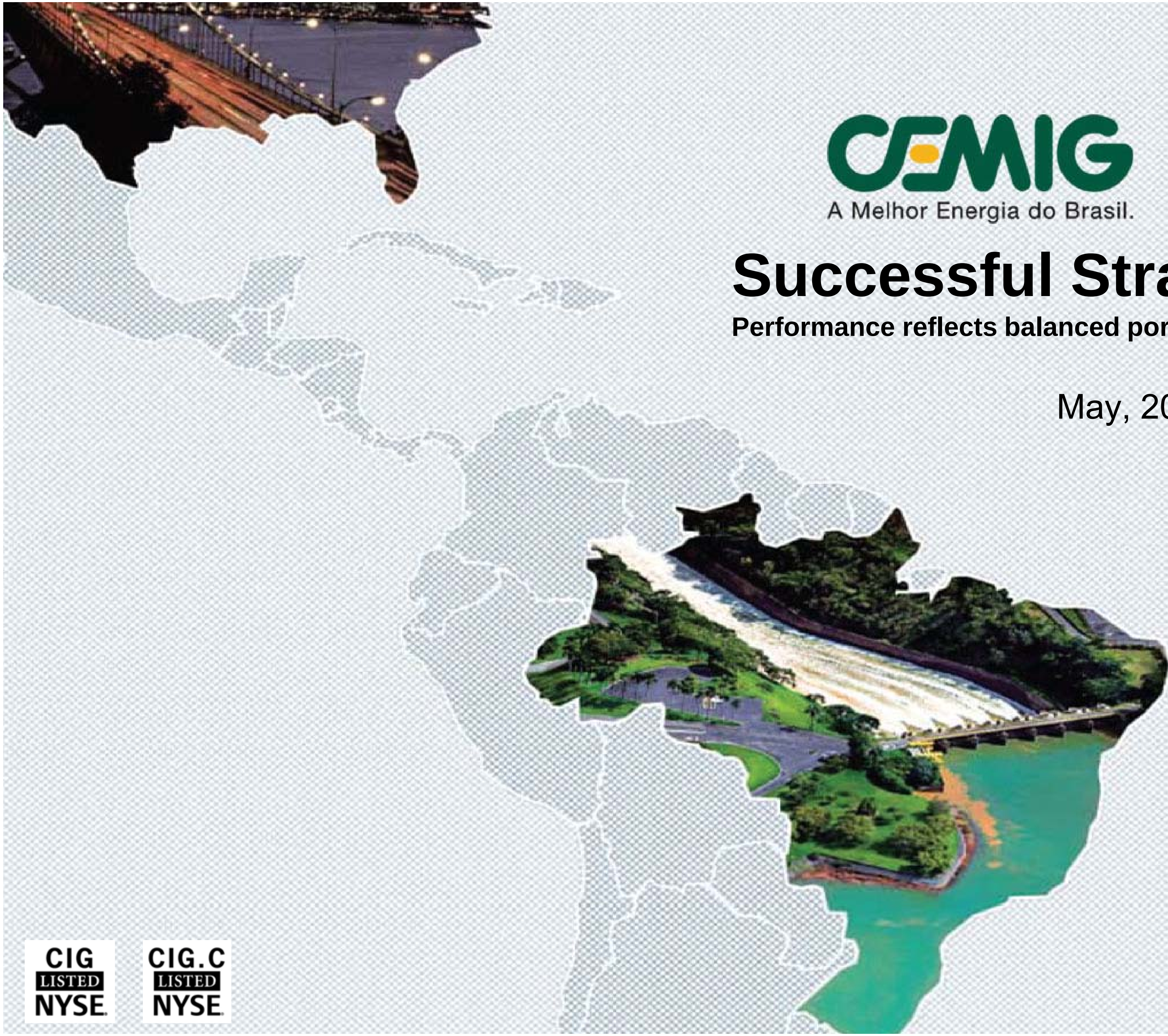
CEMIG

A Melhor Energia do Brasil.

Successful Strategy

Performance reflects balanced portfolio structure

May, 2010



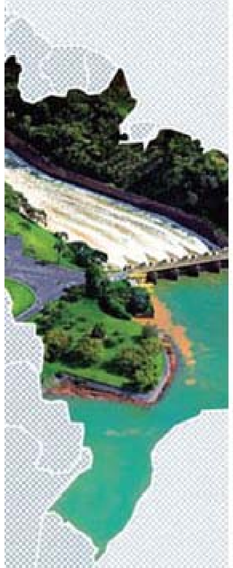
CIG LISTED NYSE

CIG.C LISTED NYSE

Disclaimer

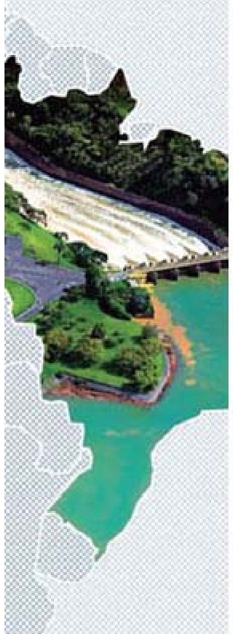
Some statements in this presentation are forward-looking statements within the meaning of the US Securities Acts and are subject to risks and uncertainties. Forward looking statements are forecasts that may differ from the final numbers and are not under our control. For a discussion of the risks and uncertainties as they relate to the Company, please refer to our Form 20F of 2008, and in particular Item 3, containing “Basic Information – Risk Factors”.

All figures are in BR GAAP.



Brazil's Leading Power Utility

Integrated Utility in Brazil	Growth in EBITDA 2004-09	Market cap of US$ 9.4B(1)	Role in industry
#1	**+90%**	**#3**(2)	**Leading consolidator**



In the Power Industry since 1952

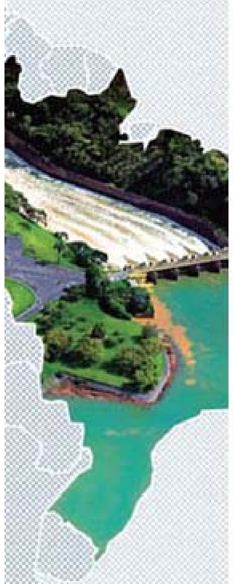
(1) As of May 12th 2010
(2) In the Power Industry

Cemig: Strength in Numbers

Number of generating plants	67
Total installed capacity	6,754 MW
Locations in Minas Gerais State	5,415
Size of concession area vs. France	Larger
Distribution lines	469,204 km
Transmission lines	7,506 km

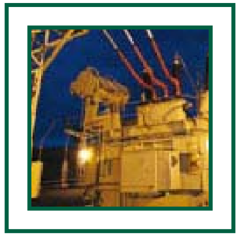


Cemig at a Glance

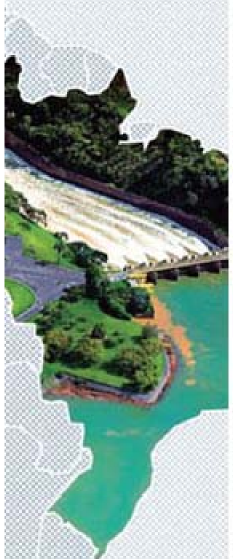


- Based in State of Minas Gerais, controlling shareholder
  - growing throughout Brazil and Chile
- Strong financial profile 2009
  - Net revenues: R$ 11.7B
  - EBITDA: R$ 4B
- Highest liquidity in sector
  - listed on 3 stock exchanges New York, São Paulo, Madrid
  - >117,000 shareholders in more than 44 countries
  - Average Daily Trading:
    - US$47M in Bovespa
    - US$33M in NYSE
- Solid dividend policy
  - 50% payout ratio
- Strong growth outlook
  - Re-pricing of energy contracts
  - Acquisitions



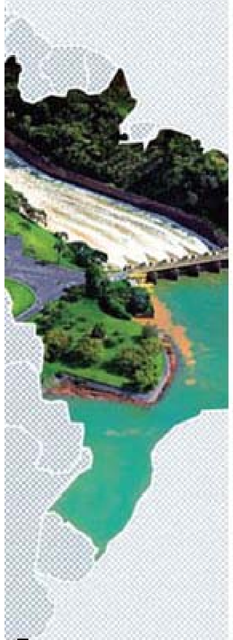




The Cemig Story – Agenda



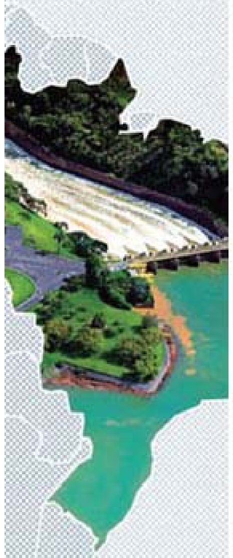
- The positioning
- The performance
- The growth

Cemig is Uniquely Positioned



1. The Brazil advantage
2. Unmatched scale
3. Diversified portfolio
4. Leader in renewable energy
5. Strong governance

An Emerging Powerhouse Economy



Latin America economy	#1
Ranking of economy in world	#10
GDP 2009	US$1.6 Trillion
GDP growth 2010 forecast*	5.8%
Population	191M
Power industry revenue - 2008	>US$80 Billion

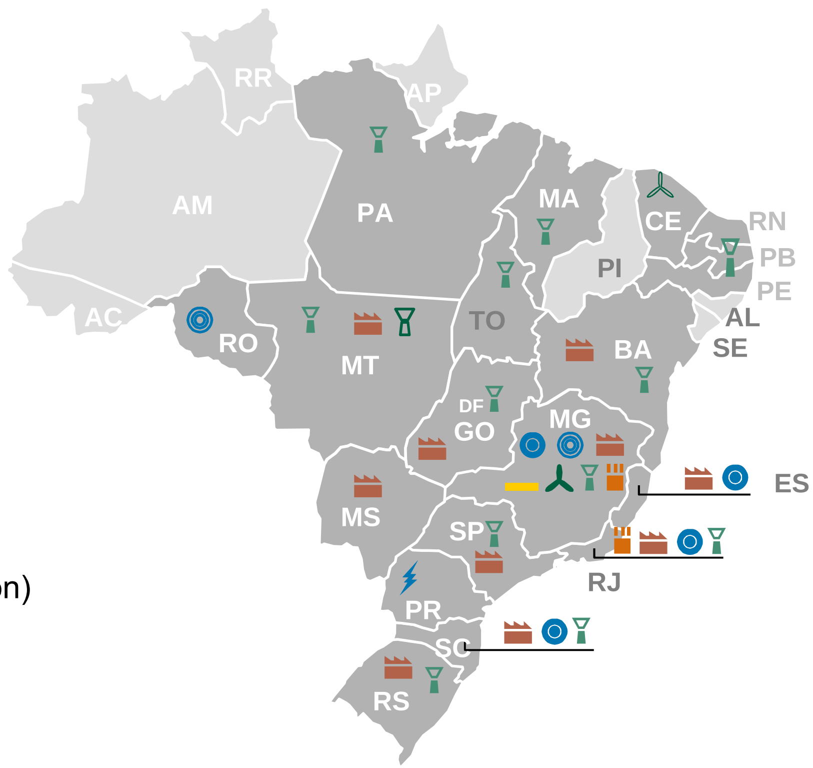
Investment grade by Moody's, Fitch and S&P

*** BACEN – Banco Central do Brasil**

Largest Integrated Utility in Brazil

#1 Electricity distributor* + #3 Largest power transmission group* + #3 Largest power generation group → **#1 Integrated utility**

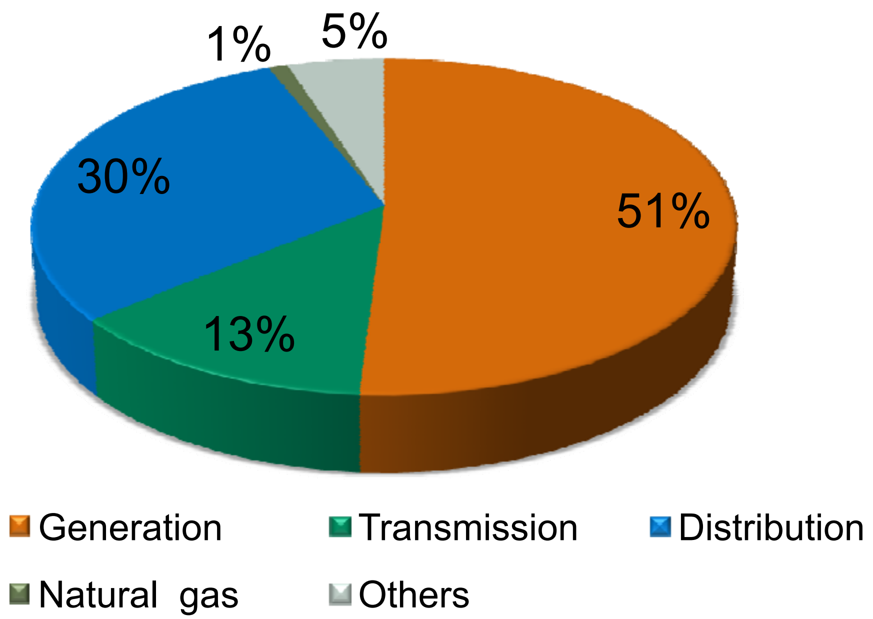
- Generation
- Generation (under construction)
- Transmission
- Transmission (under construction)
- Distribution
- Cemig "Free Consumer" Clients
- Purchase of Energy
- Wind Generation
- Wind Generation (under construction)
- Gas Distribution



* in terms of length of distribution lines

Diversified, Low Risk Business Portfolio

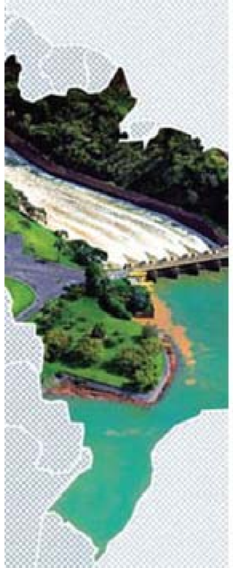
Breakdown of EBITDA (2009)



EBITDA, by company

EBITDA	2009	2008	Chge %
Cemig GT (*)	2,213	1,924	15%
Cemig D	1,426	1,606	-11%
LIGHT	154	171	-10%
Gasmig	50	50	-
TBE	123	74	66%
TAESA	30	-	-
EBITDA Cons.	**4,039**	**4,099**	**-1%**

(*)includes TAESA



Most of revenues are inflation protected

The Portfolio: guaranteeing results

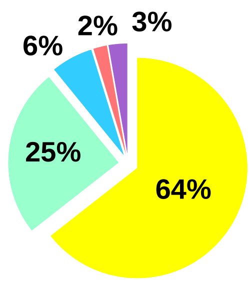
CEMIG

Figures for 2009

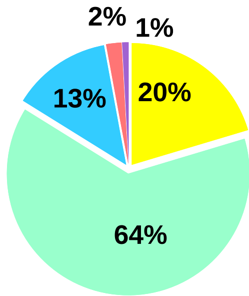
Generation

- 18 companies
- Net revenue: R$ 3.0 billion
- Net profit R$ 1.3 billion
- Ebitda: R$ 2.1 billion
- Third largest group in Brazil
- Electricity sold: 34,268 GWh

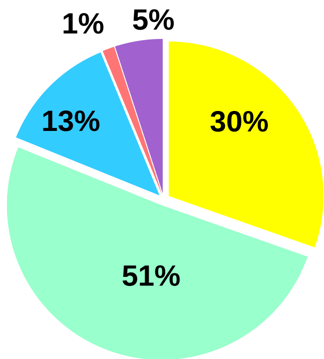
Net revenue



Net profit



Ebitda



Distribution

- 2 companies
- Net revenue: R$ 7.8 billion
- Net profit: R$ 417 million
- Ebitda: R$ 1.2 billion
- Largest in Brazil (by energy transported, number of consumers, length of network)
- Total energy transported: 5,905 GWh

Transmission

- 12 companies
- Net revenue :R$ 735 million
- Net profit: R$ 271 million
- Ebitda: R$ 517 million
- Third largest group in Brazil

Gas Distribution

- 1 company
- Net revenue : R$ 242 million
- Net profit: R$ 42 million
- Ebitda: R$ 50 million
- Fifth largest sales volume in Brazil
- Sales: 1.5 million m^3 / day

Other

- 5 companies
- Net revenue : R$ 332 million
- Net profit: R$ 18 million
- Ebitda: R$ 204 million

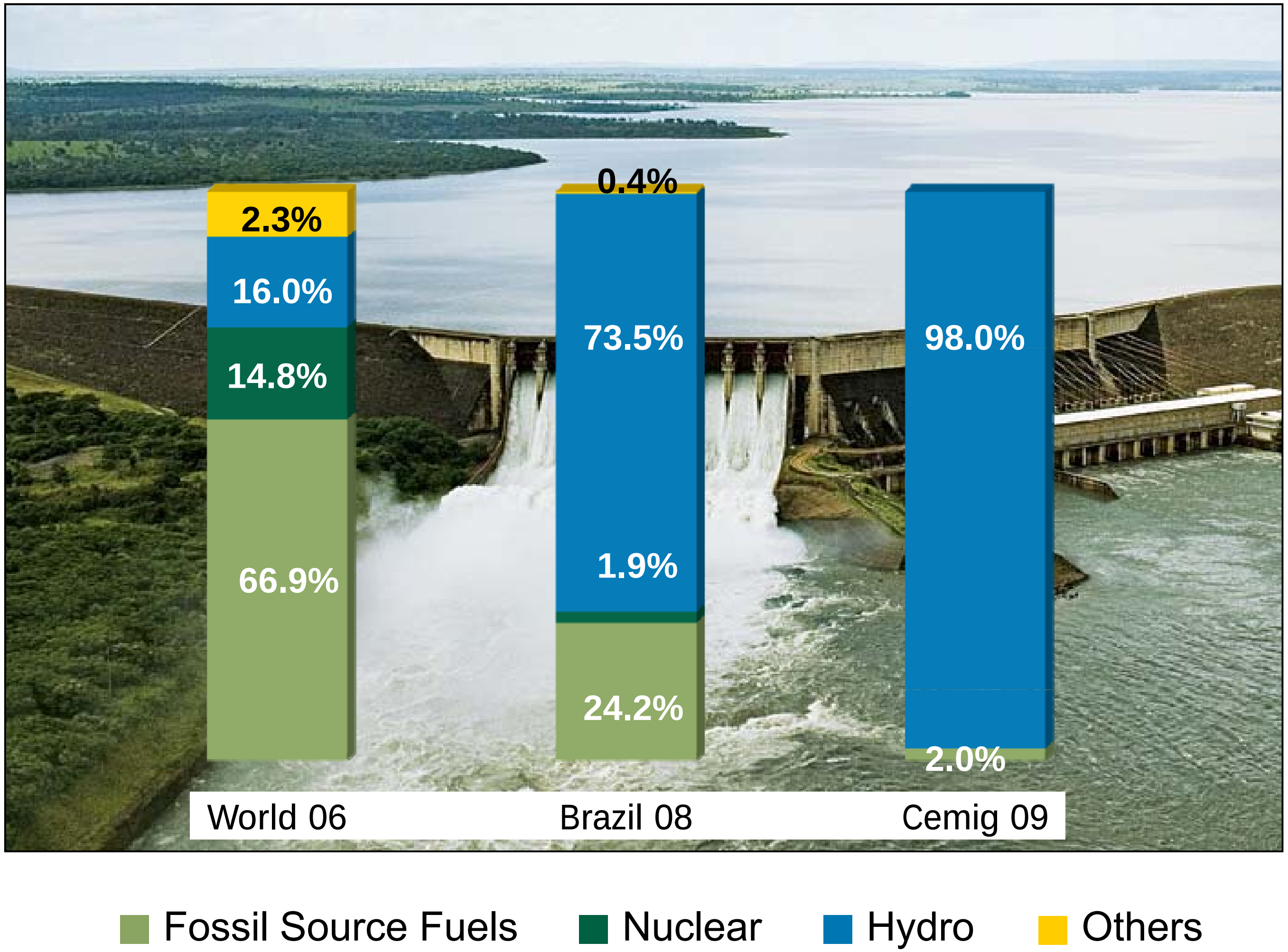
Holding company

- Net revenue : R$ 345,000
- Net profit: (R$ 185) million
- Ebitda: (R$ 44) million

Intercompany transactions total R$ 329 million

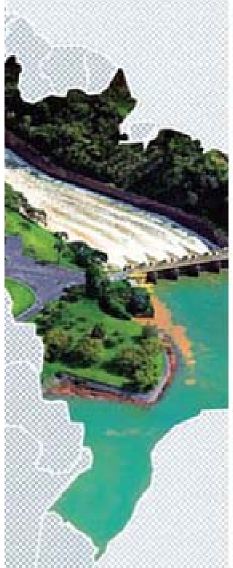
Leader in Renewable Hydro Energy

Generation by Source

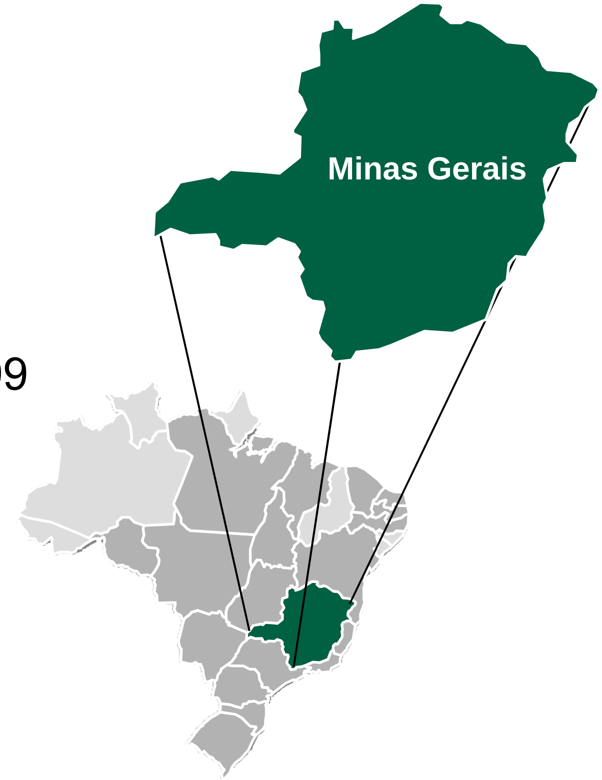


Best-in-Class Corporate Governance

CEMIG



- ✓ Minas Gerais, controlling shareholder – a positive influence
  - one of fastest growing, investor-friendly states in Brazil
  - growth and profitability interest aligned with minority shareholders
  - 6 from a total of 14 members are appointed by minority shareholders
- ✓ Pro-market corporate bylaws include
  - Minimum 50% dividend payout
  - Capex limited to 40% of EBITDA
  - Net debt limited to 2.5x EBITDA
  - Net debt limited to 50% of total cap.
- ✓ Leader in sustainability
  - only Latin American utility in DJSI since 1999
- ✓ Present in the Global Dow Index



Dow Jones Sustainability Indexes
Member 2009/10

The Global Dow
The Best of One World

Corporate Responsibility Prime
rated by oekom research

The Cemig Story – Agenda

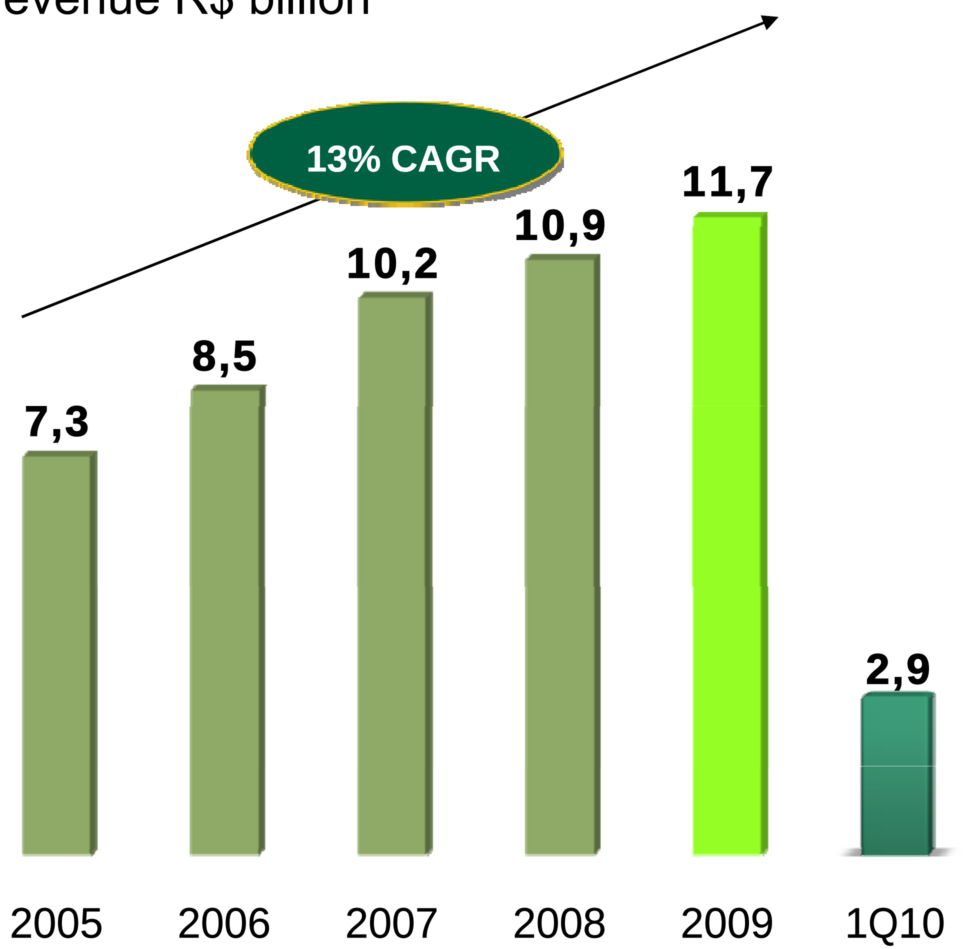
The positioning

The performance

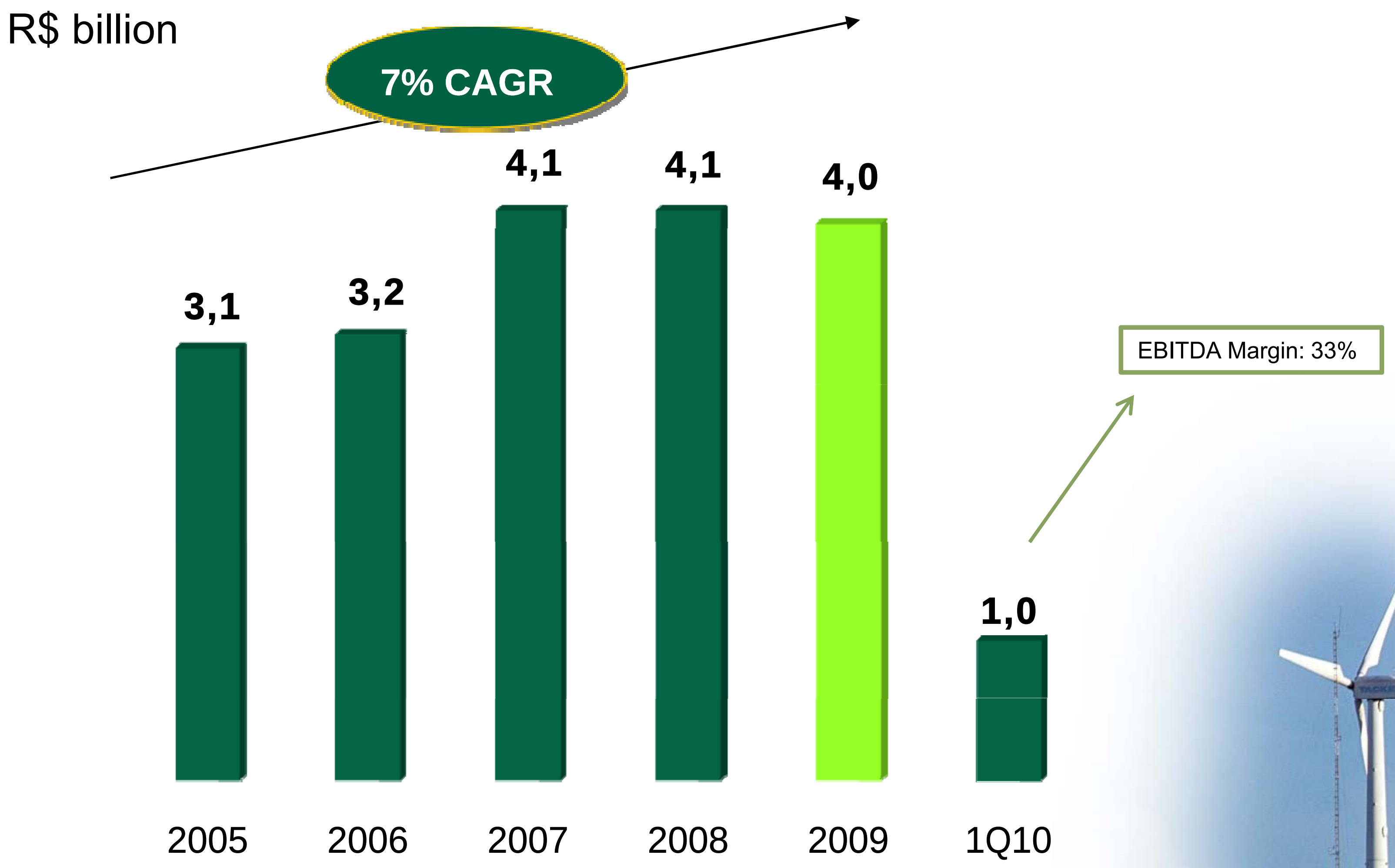
The growth

Strong Revenue Growth

Net operating revenue R$ billion

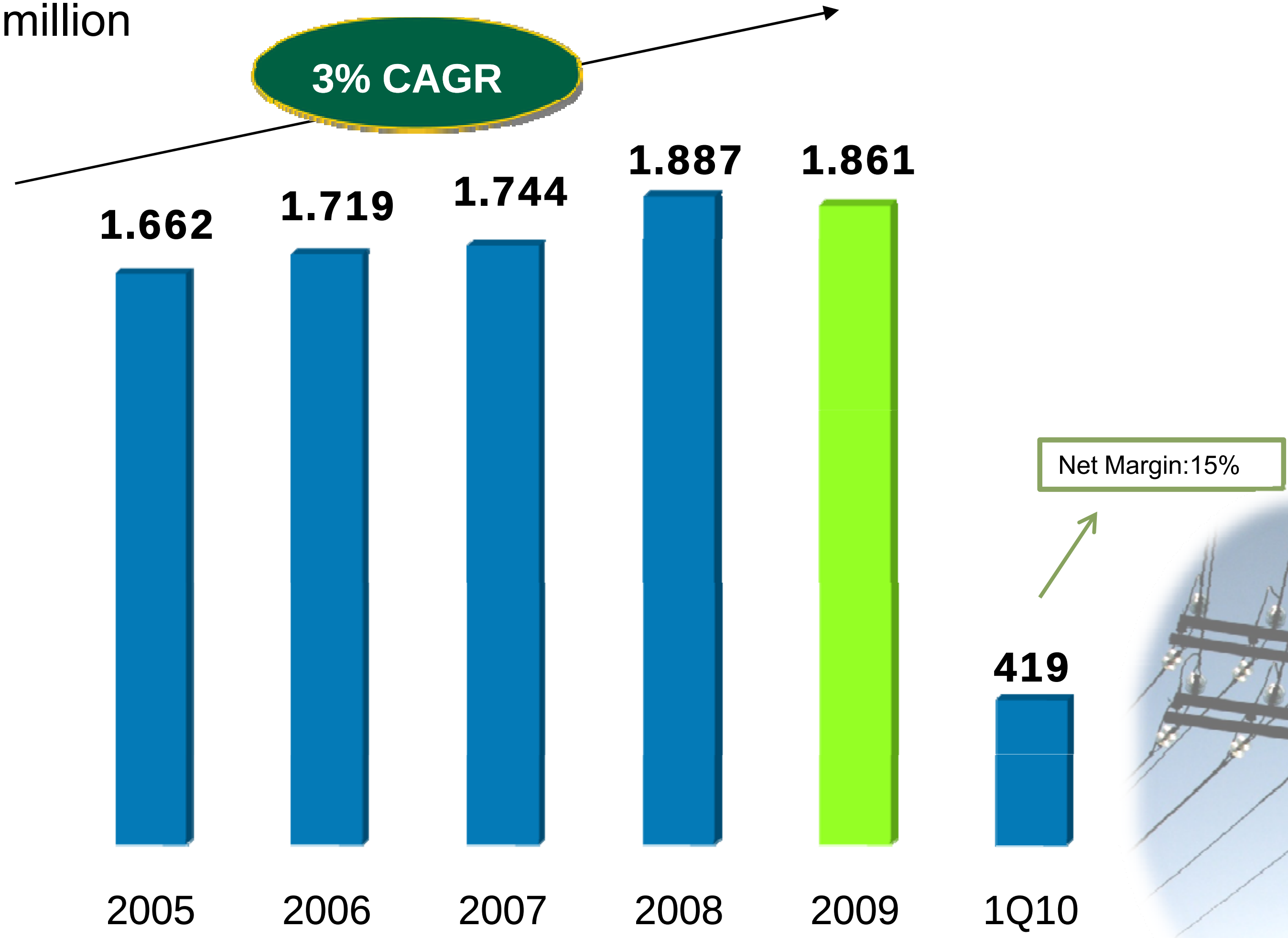


Similar Growth in EBITDA



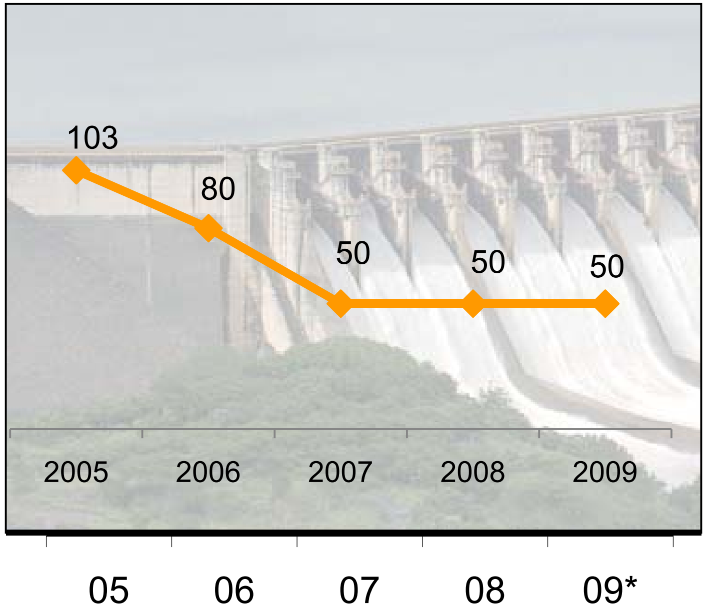
Net Income Continues to Expand

R$ million

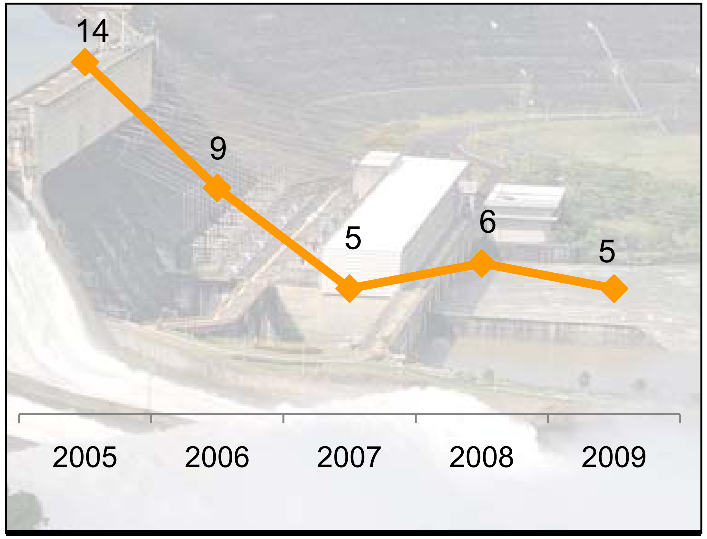


Attractive and Secure Dividend Payout

Dividend Payout
(% of Net Income)



Dividend Yield
(%)



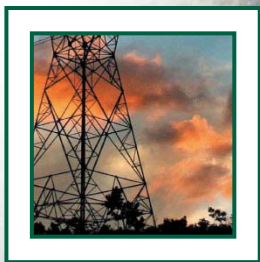
✓ Proposal for 2009 Net Income distribution was approved:

- Dividends of R$ 931 million
  - Dividends per share: R$1.50
- Stock Dividend of 10%

Strong Balance Sheet to Support Growth

(March 31th, 2010)

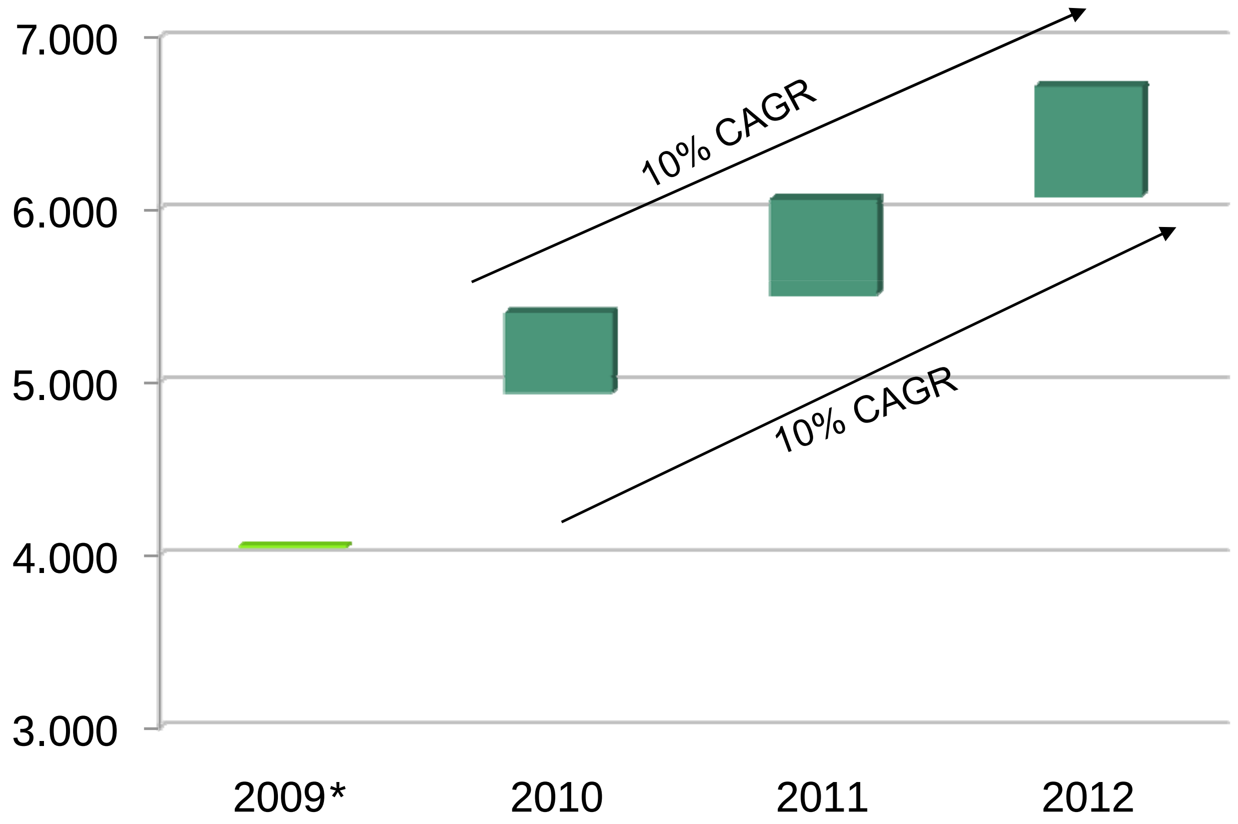
Net debt to EBITDA	1.7X
Debt in foreign currency(*)	2%
Cash on hand	R$4.5 B
Net Revenue 1Q2010	R$ 2.9B



* Net of financial hedging

Growth Set to Continue

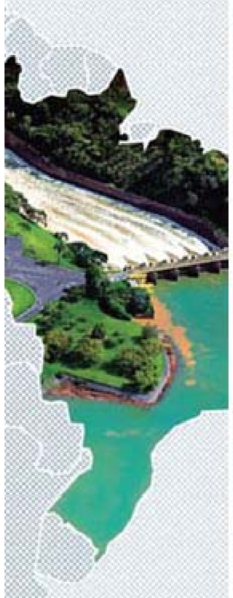
EBITDA guidance[1] 2009-2012 R$ million
(upper + lower limits of range)



* Actual

(1) Constant currency as of June 2009. Considers just the existing assets. Will be revised by May 2010

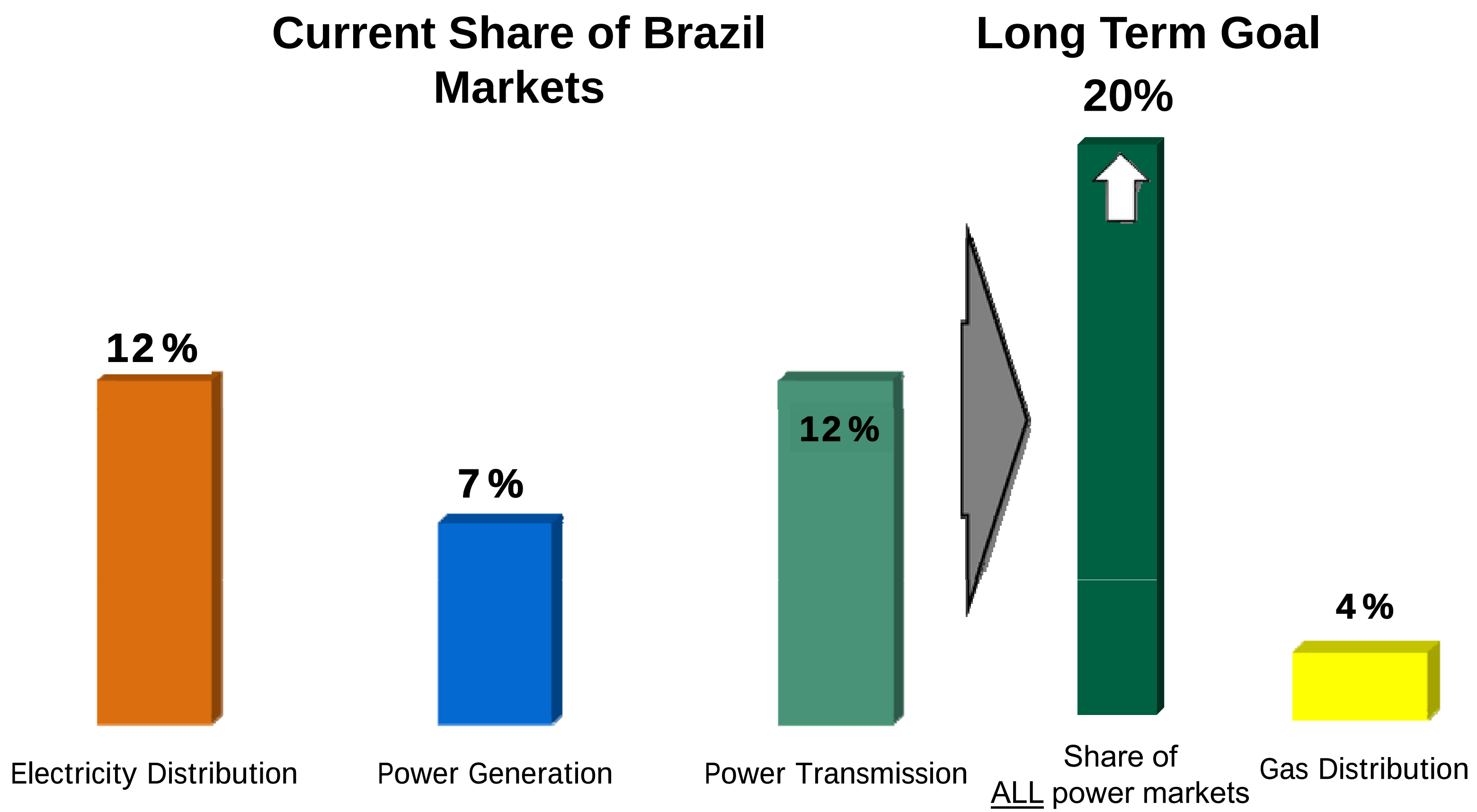
The Cemig Story – Agenda



- The positioning
- The performance
- **The growth**

Clear Long Term Goals

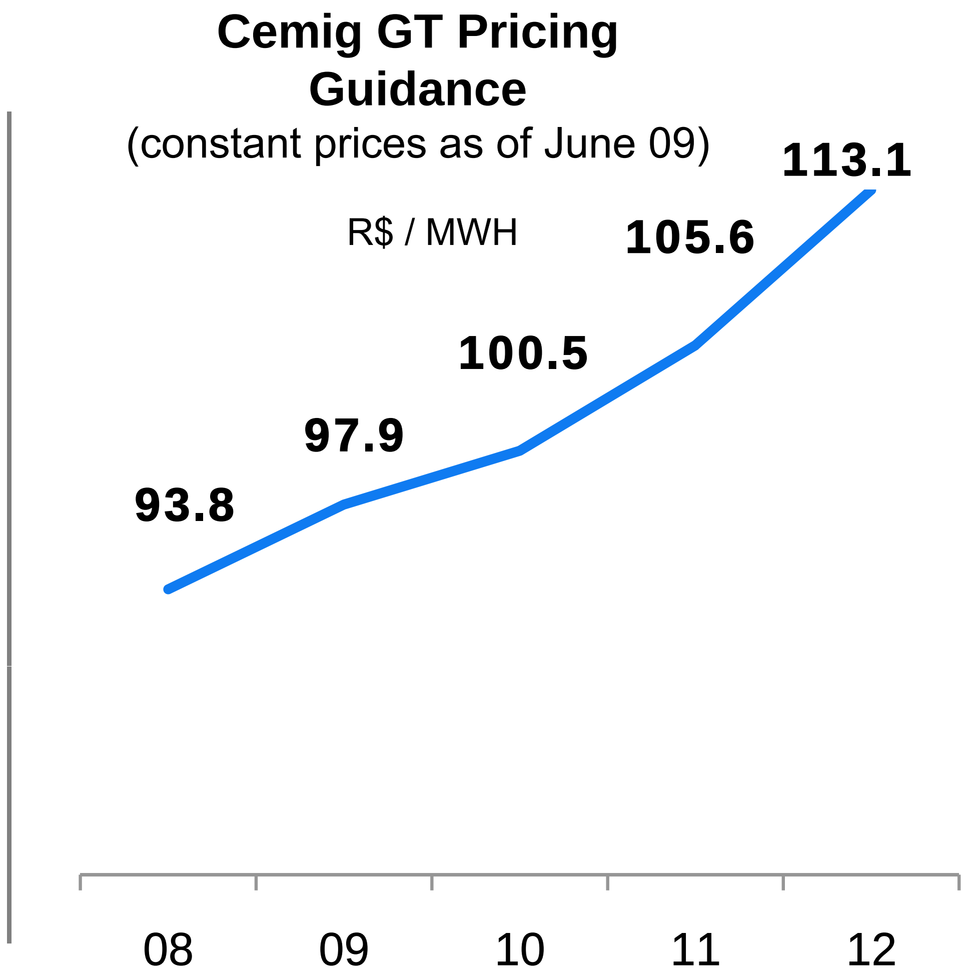


Growth Drivers

1	Leverage price increases	
2	Geographic expansion	
3	Improve operating efficiency	

GROWTH DRIVER #1

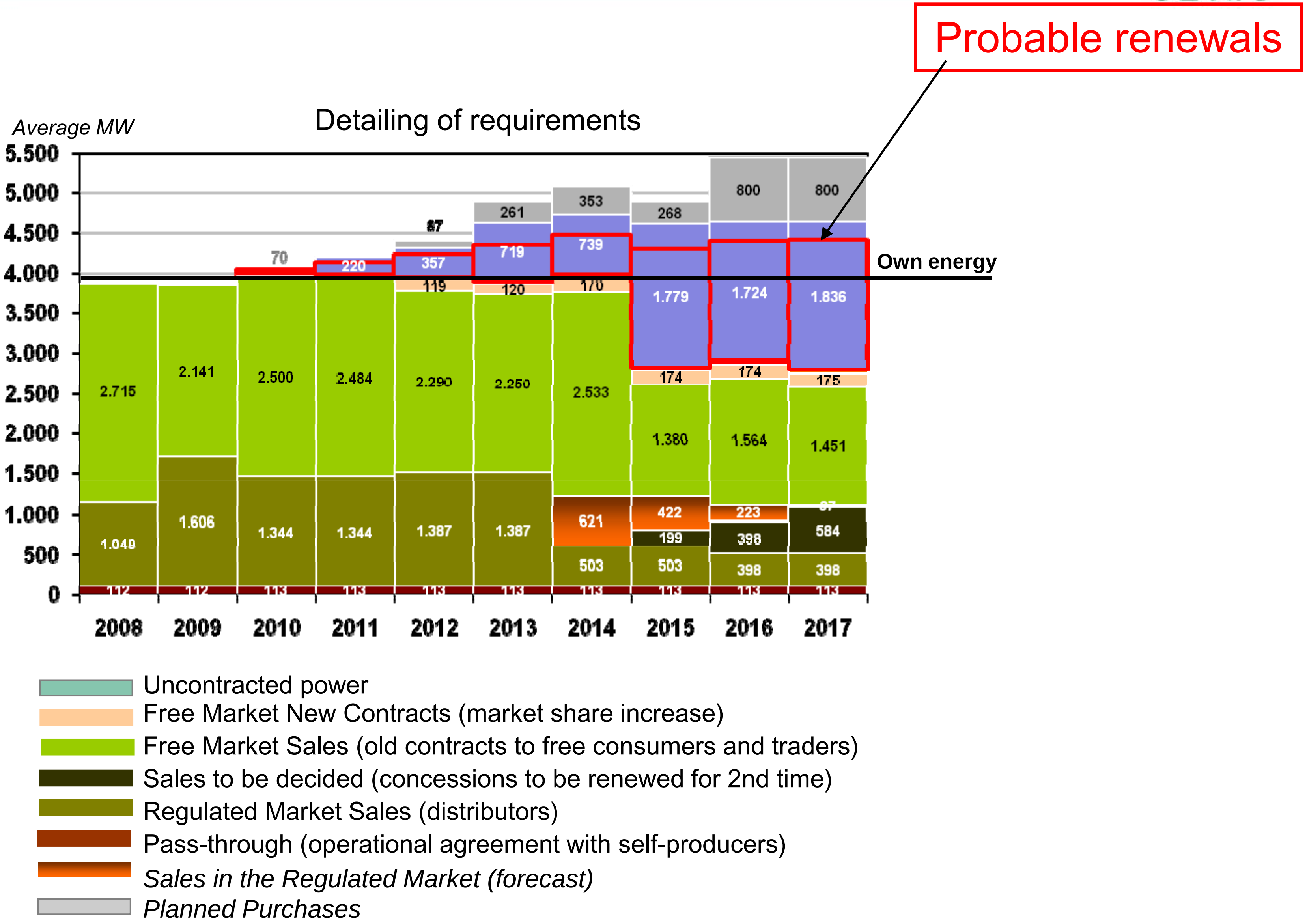
Re-Pricing of Power Sales Contracts



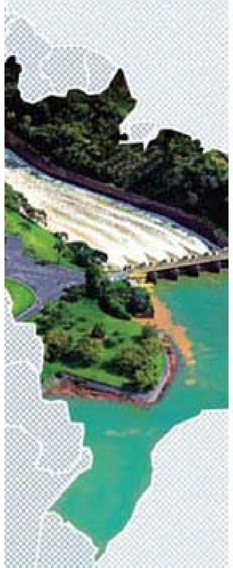
- Large upside beyond 2010

GROWTH DRIVER #1

Cemig GT - Balance of supply and demand



Geographic Expansion



Geographic focus

- Within Brazil and selected international investments

Business focus

- Businesses we know – power generation and transmission, electricity distribution, gas

Type of investments

- Acquisitions – main driver of short term growth
- Greenfield projects – vehicle for long term growth

Disciplined investment criteria

Record of Successful Acquisitions

Disciplined Approach

- Record of 5 acquisitions in last 5 years totaling R$ 4.9B (excluding debt)

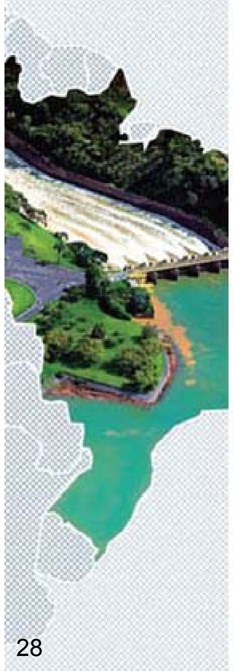
Case Study: Light (Disco)

- A stake was bought for R$ 172M in 2006 (with full payback in 2 years)
- Cemig doubled its stake in Light in 2010: R$785 million for 13.03%
  - IRR of the transaction for the shareholder is 11% in real

Case Study: TBE (Transco)

- Acquired TBE stake for R$ 348M in 2006
- Cemig increased its stake in TBE: R$ 505M paid in 2009
  - (Return >13% real, 91% EBITDA margin)
- In October 2009 Cemig acquired another stake in TBE: R$ 100M, approximately

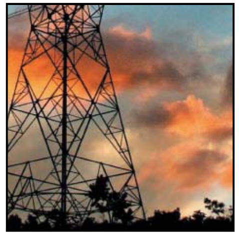
Record of Successful Acquisitions



Case Study: Wind Farms in Ceara (Genco)

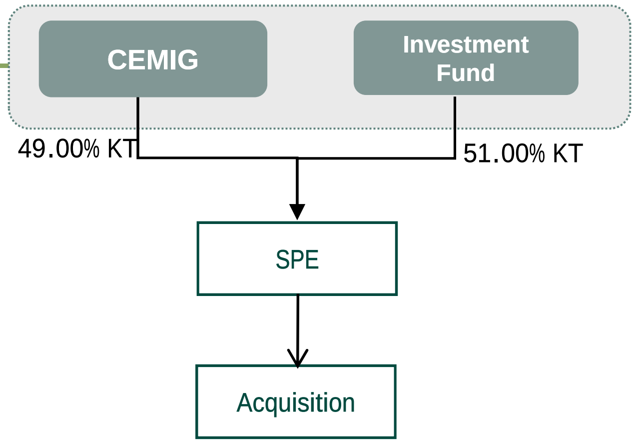
- Acquired 49% stockholdings in three wind farms in February 2009
- Price paid for the shares: R$ 223 million

Case Study: Terna (Transco)



- Acquired 32% stake in 3,753 Km of transmission lines
- Payment of R$ 1.05 billion in November 2009
- IRR of 10.6% for the base case and 12.5% including additional gains

Case Study: New Business Model

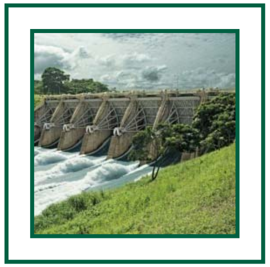
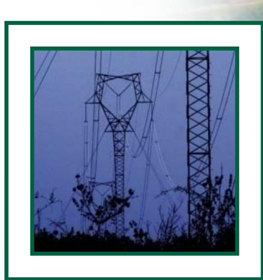


- Partnerships with Investment Funds in recent acquisitions (Terna and Light) creates a new growth driver
- Minority stake allows Cemig to mantain a strategic and competitive position

Continually Improving Operating Efficiencies

CEMIG

- Continuous technological improvement
- Cost reduction program
  - 150 cost cutting initiatives
  - Voluntary Retirement Programs:
    - From 2008 to 2011: 1,500 employees
  - Automatization, new processes
  - Centralization of activities
  - Expense reduction related to materials, services and other expenses

Clear Priorities for 2010

Priorities

1. Execute cost reductions
2. Integrate Terna and Light acquisitions
3. Participate in green fields
4. Select new acquisitions

Why Invest in Cemig

- Leading power utility in Brazil
- Powerful drivers fueling growth
- Sound Balance Sheet
- Consistent profitable track record
- Strong Dividend Policy
- World Leader in Sustainability

A Melhor Energia do Brasil.

A Melhor Energia do Brasil.

Appendix

Agenda

- Background
- Strategy Overview
- Business Outlook
- Acquisitions
- Results
- Market Recognition
- Regulatory Framework
- Others

Brazilian GDP growth is **driven by domestic market**

Economics

- **Largest Latin America economy**
- **10th largest world economy**
- **GDP (2009): US$ 1.57 trillion (-0.2%) ***
- **Inhabitants: 192 million**
- **Area: 8.5 million km^2**
- **Currency[(1)]: Reais (BRL) – US$1 = R$ 1.75**
- **Reserves[(1)]: US$ 239 billion**

Economic Development Acceleration Plan – Second Phase (PAC 2)

- Federal plan to invest US$ 545 billion in the period of 2011-2014
- Electric Power Generation: US$ 65 billion
- Electric Power Transmission: US$ 15 billion
- Renewable Fuel projects[(2)]: US$ 571 million
- Energy Efficiency: R$ 628 million

(2) Ethanol, Biodiesel and Alcohol pipeline

Investment Grade
(S&P, Fitch and Moody´s)

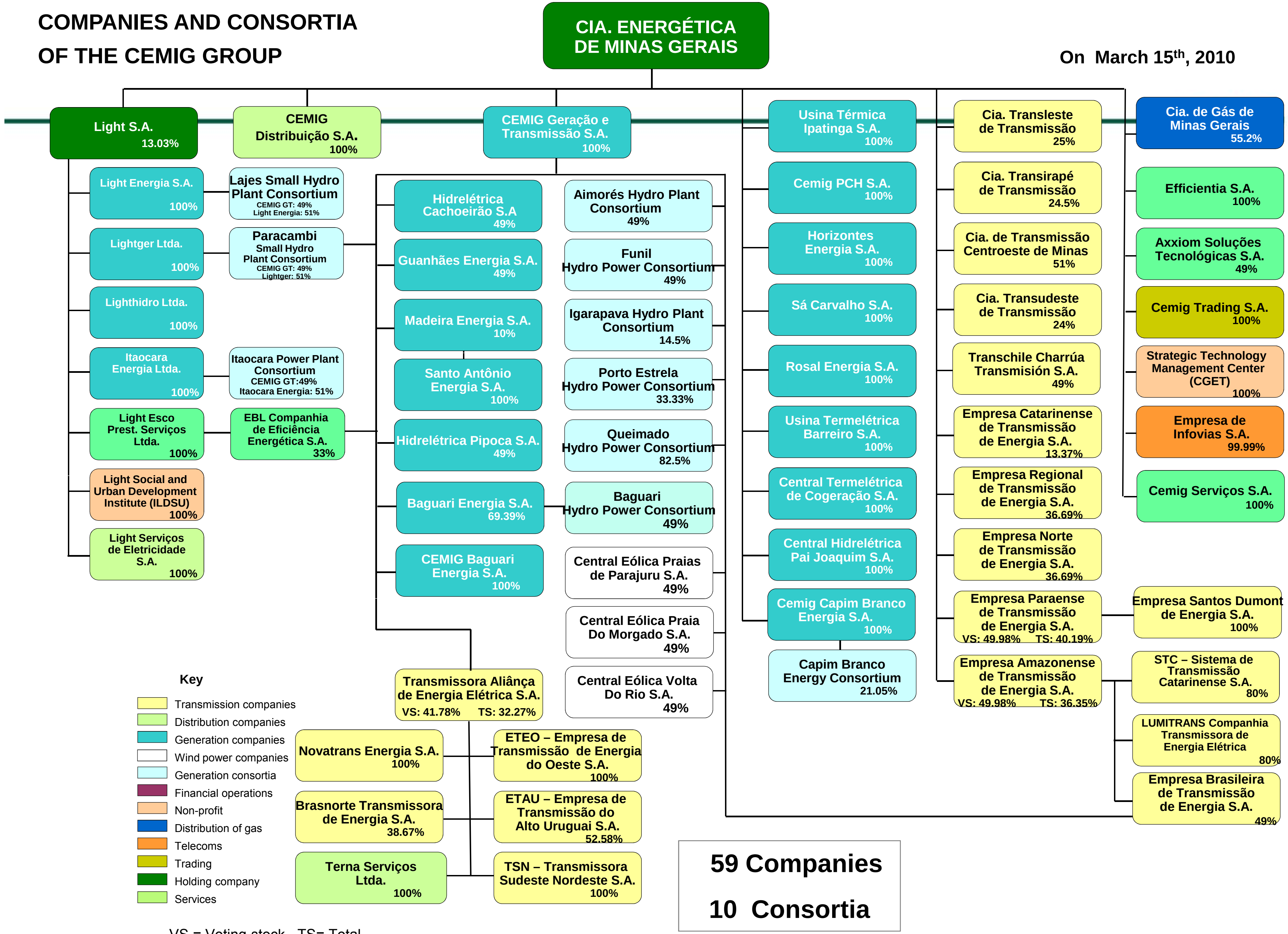
Electric Power Industry

- Power Generation
  - ✓Installed Capacity: 107 GW
    76% Hydro; 11% Natural Gas; 5% Oil;
    1% Biomass; 2% Nuclear; 1% Coal
- Power Transmission
  - ✓National Network: 102,000 km
  - ✓Peak Demand in 2009: 64.04 GWh/h
- Electricity Distribution
  - ✓Energy Consumption: 388,204 GWh
    43% industries and 26% householders
  - ✓99% penetration countrywide
  - ✓More than 50% of South America
  - ✓Peak Demand comparable to UK

Source: Brazilian Institute for Geography and Statistics (IBGE), Brazilian Electricity Regulator (ANEEL), Brazilian Association of Transmission Companies (ABRATEE), Energy Research Company (EPE).

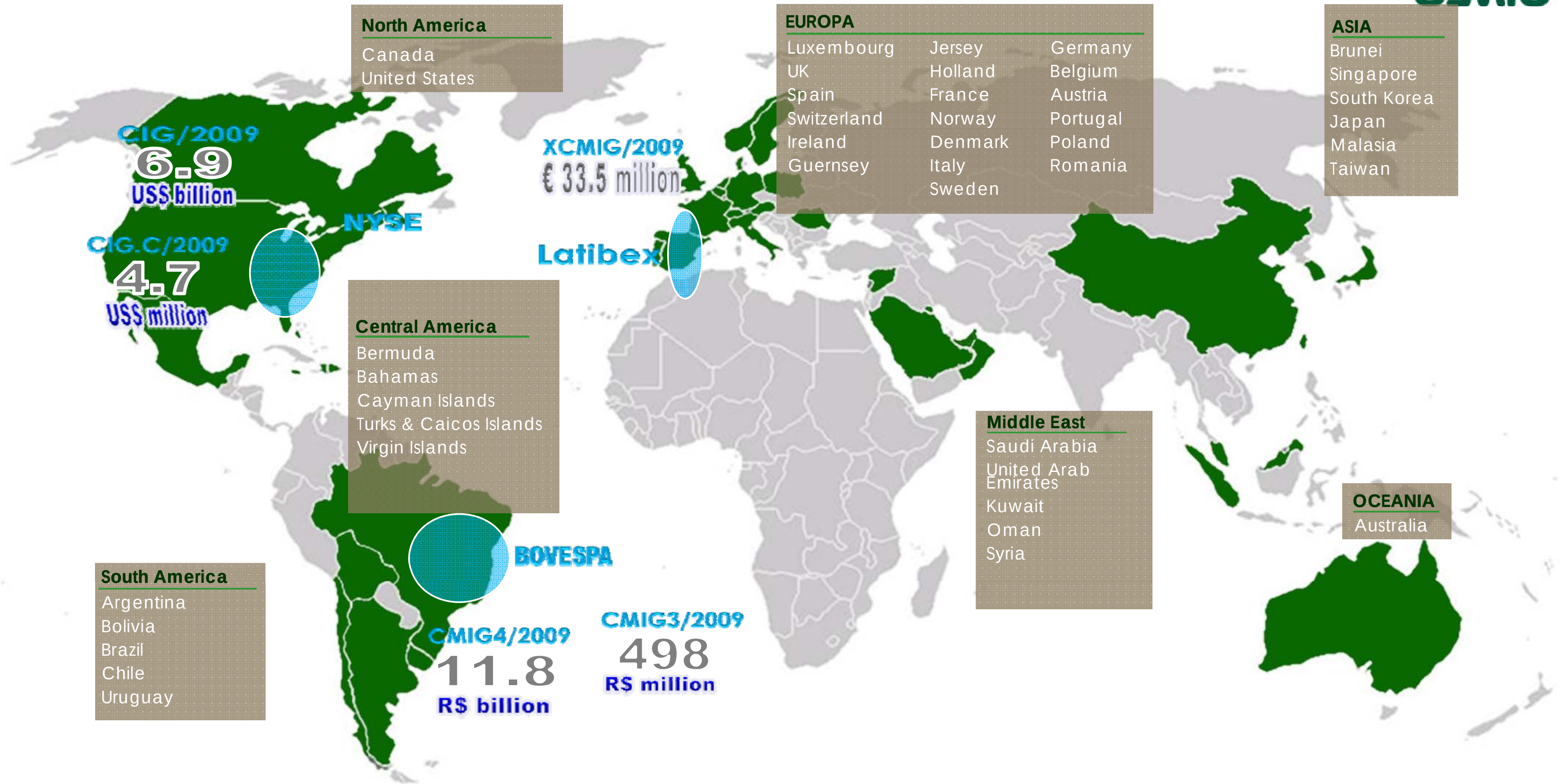
(1) As of December 31, 2009 , (*) Forecast

COMPANIES AND CONSORTIA OF THE CEMIG GROUP



VS = Voting stock TS= Total stock

Strong shareholders base assures liquidity

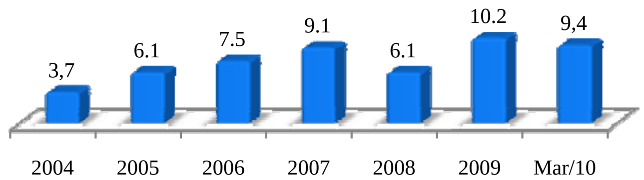


Average Daily Trading Volume - 2010

Bovespa: R$ 47 million
NYSE: US$ 33 million

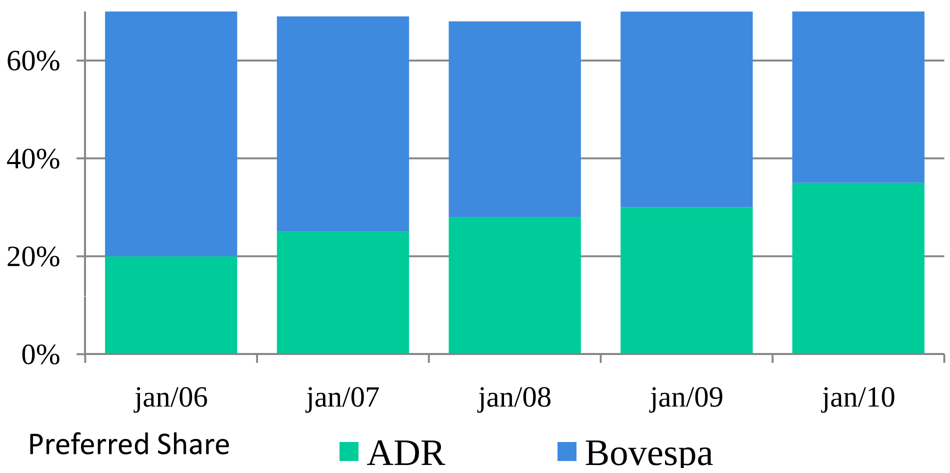
- **Our Shares are traded in 3 Stock Exchanges**
- **117,000 shareholders over 44 countries**

Market Capitalization (US$Billion)



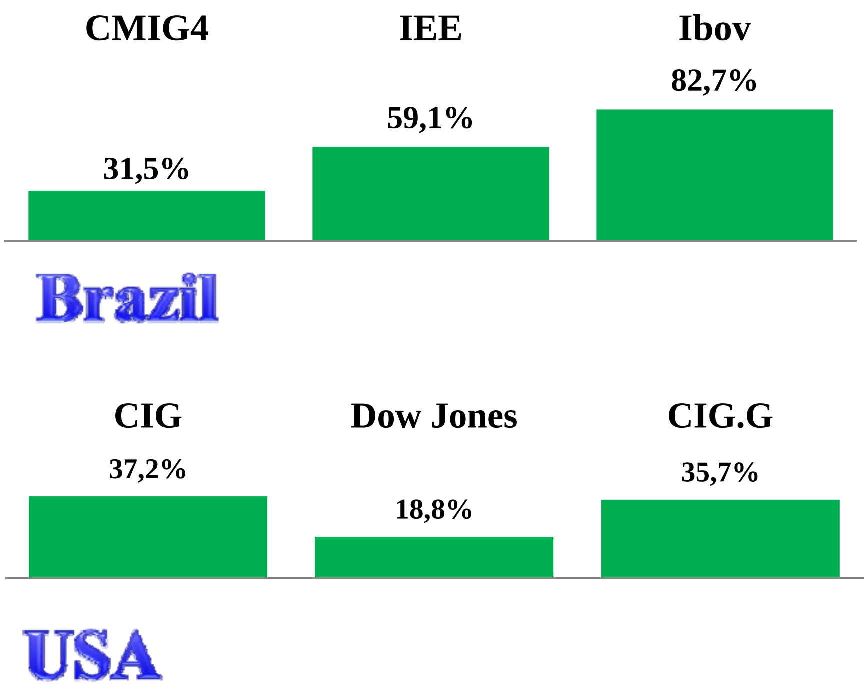
Cemig: a global investment option

Non-Brazilian investors as % of free float*



* Free float = all shares in circulation except those held by the State of Minas Gerais and SEB.

Share performance in 2009

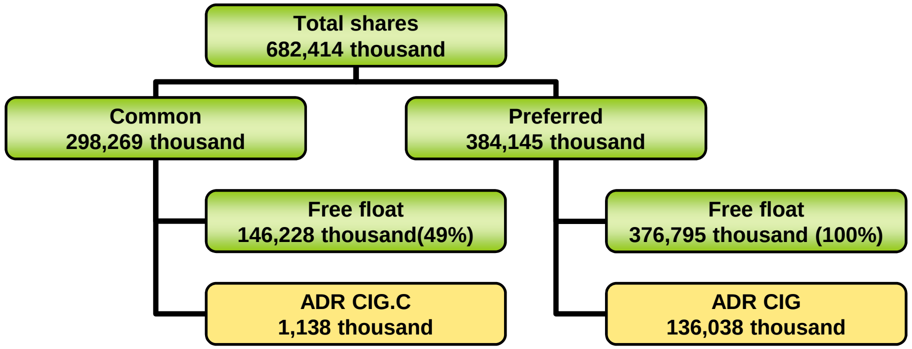


- ✓ The percentage of non-Brazilian investors in Cemig's stockholding base is growing every year.
  - Cemig has shareholders in more than 40 countries.
  - The percentage of investors holding ADRs has increased by more than 50% in 4 years
- ✓ Cemig; one of only 3 Brazilian companies, and the only Latin American utility, in the Global Dow Index.

The blend of shareholders provides long term perspective

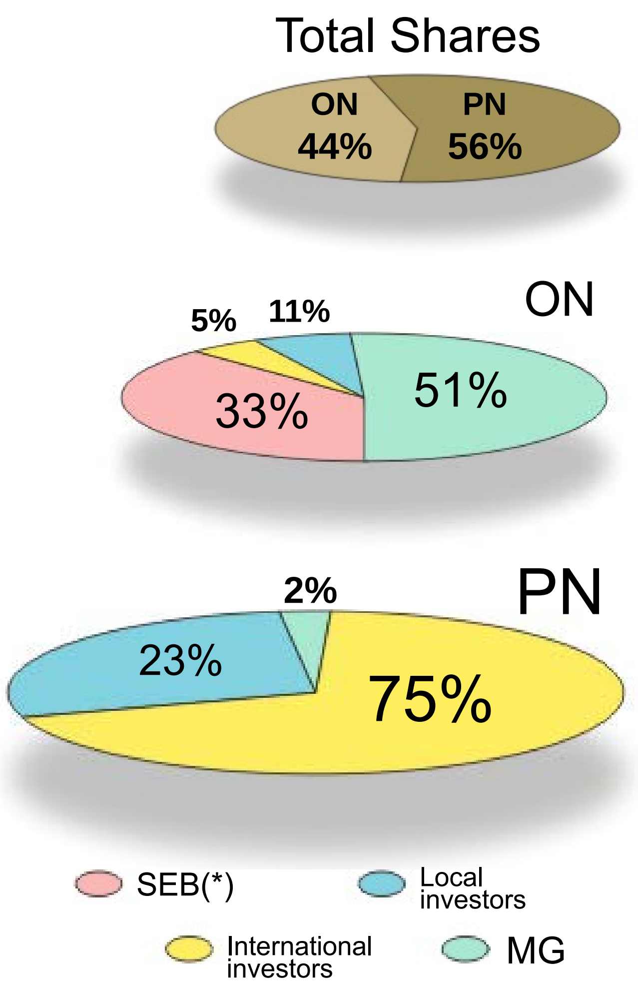
- Our shareholder diversity provides a global business management vision focused on sustainability of the company's activities

- Listed in major stock exchanges
  - **BOVESPA (Brazil)**
  - **NYSE (USA)**
  - **LATIBEX (Spain)**



Share nominal value = R$5.00

ADR outstanding approximately 20% of total shares
1 ADR = 1 share in Bovespa

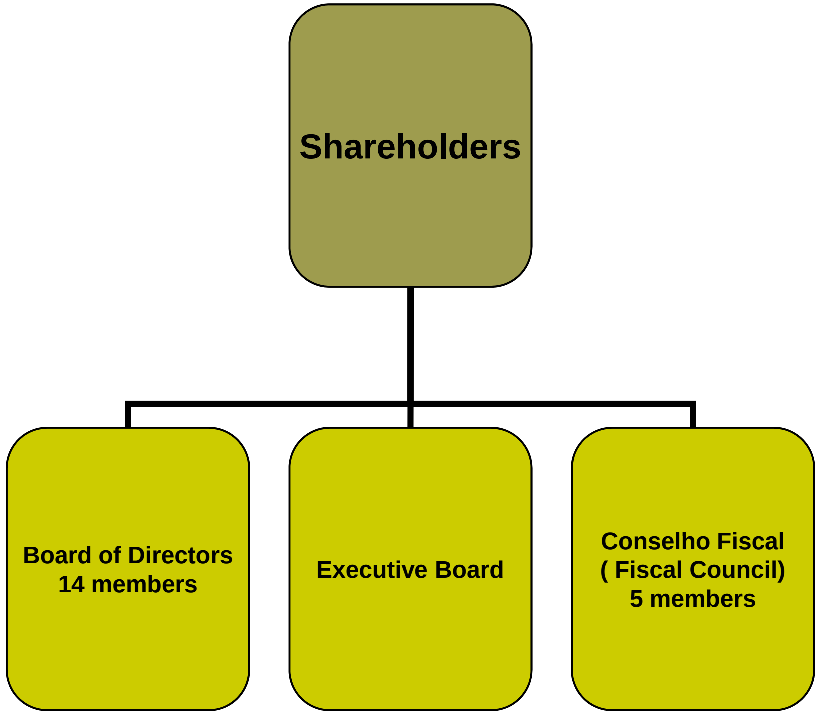


(*) Controlled by international investors

Corporate Governance: implementation of best practices

Highlights

- Code of ethics;
- 6 BoD members appointed by minority shareholders;
- BoD approves all investments above R$14mn;
- 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.



Leadership in sustainability, a core value at Cemig

- Social and Environmental responsibilities
- Long-term vision commitment
- To guarantee the preservation of our activities
- 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:
  - Selected member of Dow Jones Sustainability World Index for the **tenth** time in a row, now world leader in Utilities “Supersector”
  - Selected member of Corporate Sustainability Index of the Sao Paulo Stock Exchange (Bovespa) for the **fourth** year in a row.

Why is Cemig Sustainable?

1. Financial Strength
2. Strategic Management
3. Commitment to clients
4. Profitable Investments
5. Technological Innovation
6. Commitment to stakeholders
7. Dedication towards the environment
8. Focus on Renewables
9. Care for human capital
10. Social Responsibility

Dow Jones Sustainability Indexes
Member 2009/10

Índice de Sustentabilidade Empresarial ISE 2009–2010

Global Compact

- In 2009 Cemig joined the Global Compact and published its “Corporate Social Responsibility” handbook.

The principles of the Global Compact

1. Businesses should support and respect the protection of internationally proclaimed human rights in their area of influence; and
2. make sure that they are not complicit in human rights abuses.
3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. elimination of all forms of forced and compulsory labor;
5. the effective abolition of child labor; and
6. elimination of discrimination in respect of employment and occupation.
7. Businesses are asked to support a precautionary approach to environmental challenges;
8. undertake initiatives to promote greater environmental responsibility; and
9. encourage the development and diffusion of environmentally friendly technologies.
10. Businesses should work against corruption in all its forms, including extortion and bribery.

The Largest Integrated Utility in Brazil

Generation
6,754 MW of capacity

Free Customers
25% share

Transmission
7,506 Km

Retail
Largest distribution company

Distribution
469,204 Km

Net Income and Ebitda per company (R$ Million)

Net Income per Company

Company	1Q10	1Q09	Change%	2009	2008	Change%
Cemig Geração/Transmissão (*)	256	232	10%	1.309	986	33%
Cemig Distribuição	83	40	108%	338	709	-52%
Light	16	23	-30%	78	129	-40%
Gasmig	12	10	20%	42	47	-11%
Cemig Telecom	6	6	0%	28	23	22%
TAESA	18	-		12		
TBE	24	10	140%	79	36	119%
Cemig Consolidated	419	336	25%	1.861	1.887	-1%

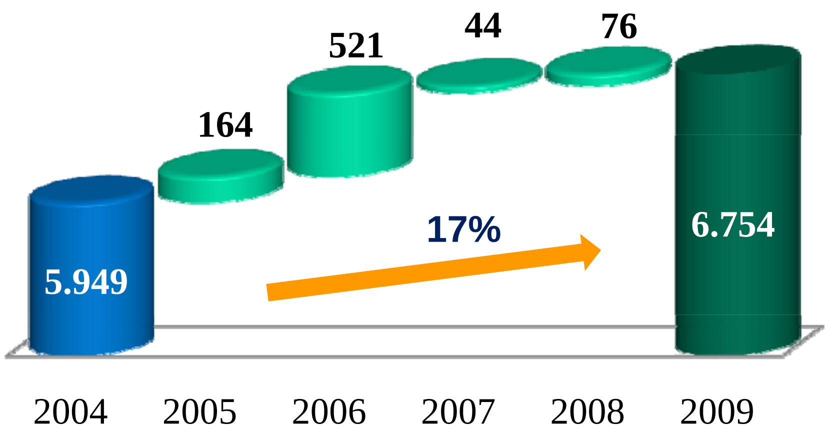
Ebitda per Company

Company	1Q10	1Q09	Change%	2009	2008	Change%
Cemig Geração/Transmissão(*)	542	481	13%	2.402	1.924	25%
Cemig Distribuição	272	166	64%	946	1.606	-41%
Light	36	88	-59%	296	329	-10%
Gasmig	17	11	55%	50	50	0%
Cemig Telecom	16	16	0%	62	51	22%
TAESA	52	-	-	29	-	-
TBE	42	20	110%	123	74	66%
Cemig Consolidated	950	781	22%	4.039	4.099	-1%

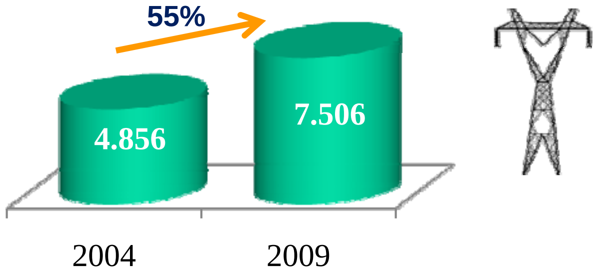
(*)Includes TAESA

Strategic Plan Results

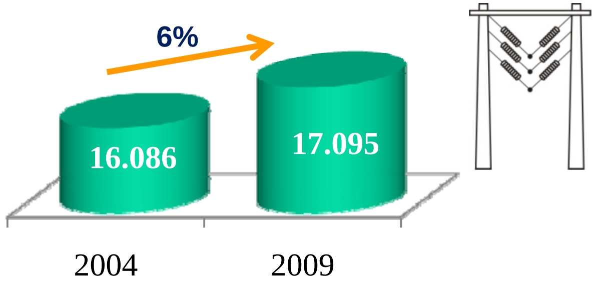
Power Generation



Transmission lines - km

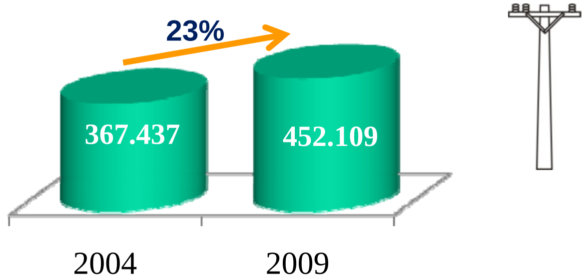


Sub-transmission lines -km

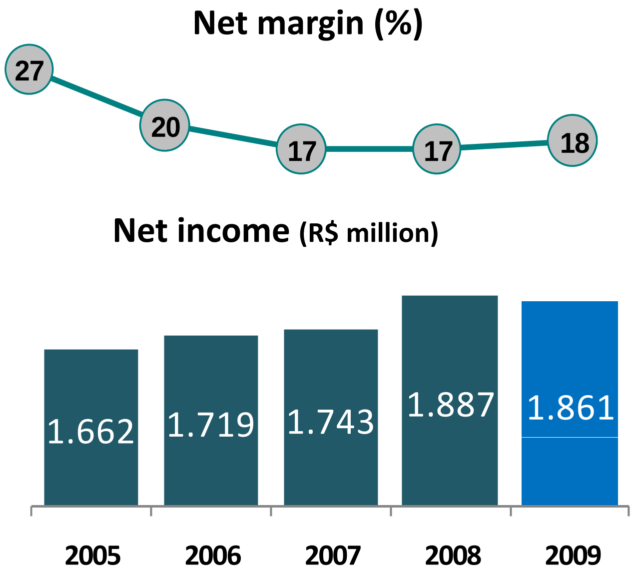


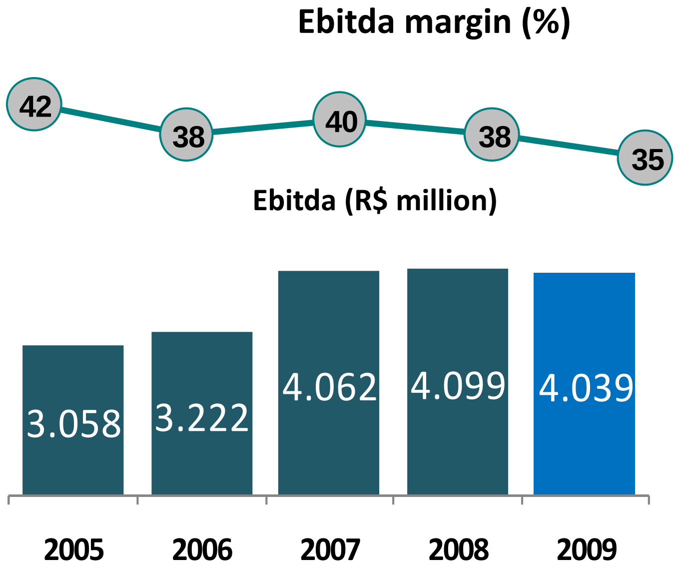
✓ Our power matrix ensures **higher operational margins**

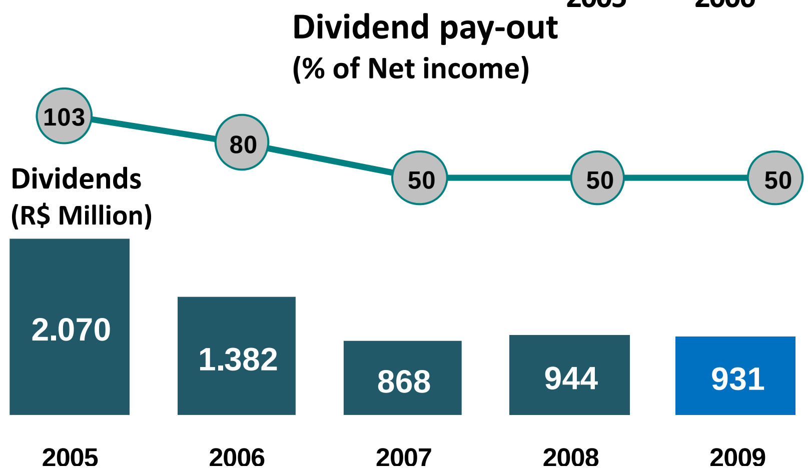
Distribution lines -km



Strategic Plan Results







Results reflect **long-term vision**

- Company's structure oriented towards electricity sector consolidation
- Operational excellence aligned with costs reduction
- Investment criteria defined by Strategic Plan to add value
- Risk management ensures reliable processes
- Corporate governance as a corporate value constantly evolving
- Financial management to improve credit quality and cost reduction
- Sustainability and governance contained in Company’s bylaws
- Committed to provide investors’ return on investment

Financial Highlights

Income Statement – consolidated (R$ million)	1Q10	1Q09	Change %
Net Revenue	2,910	2,362	23%
EBITDA	950	781	22%
EBITDA Margin %	35	34	3%
Net Income	419	336	25%
Net Margin %	15	15	-

Balance Sheet – consolidated (R$ million)	1Q10	2009
Cash and Cash Equivalents	4,495	4,425
Total Assets	30,050	28,866
Total Financial Debt	11,825	11,292
Shareholders´ Equity	10,731	10,276
Net Debt (1)	7,330	6,868
Net debt / (stockholders' equity + net debt)	41%	40%

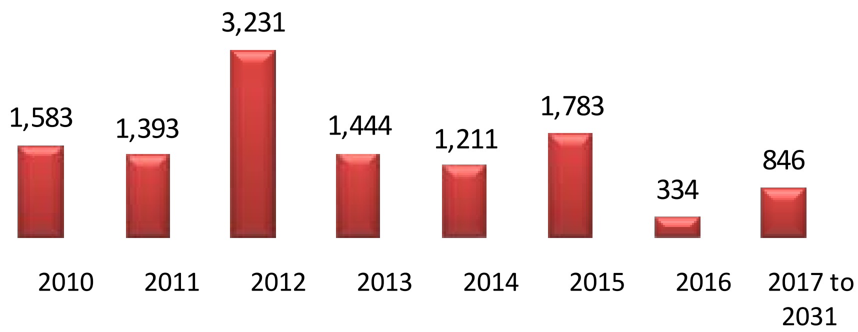
(1) Net Debt = Total Debt – Cash and Cash Equivalents

- ✓ Fundamentals remain solid
- ✓ Financial discipline
- ✓ Financial Management focused on long term

Debt profile lengthened with reduction of costs

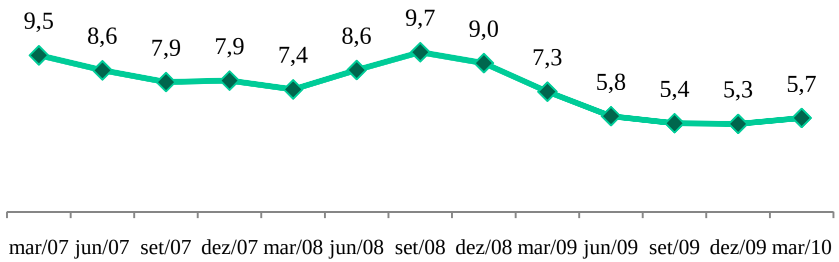
Maturities timetable (R$ Million)

Average tenor: 4 years



✓ Emission of debentures has promoted the lengthened of our debt from 3 to 3.9 years and has reduced our exposure to CDI, from 72% to 76%

Cost of Debt (% real)



Consolidated debt, March 31, 2010 (R$ Million)

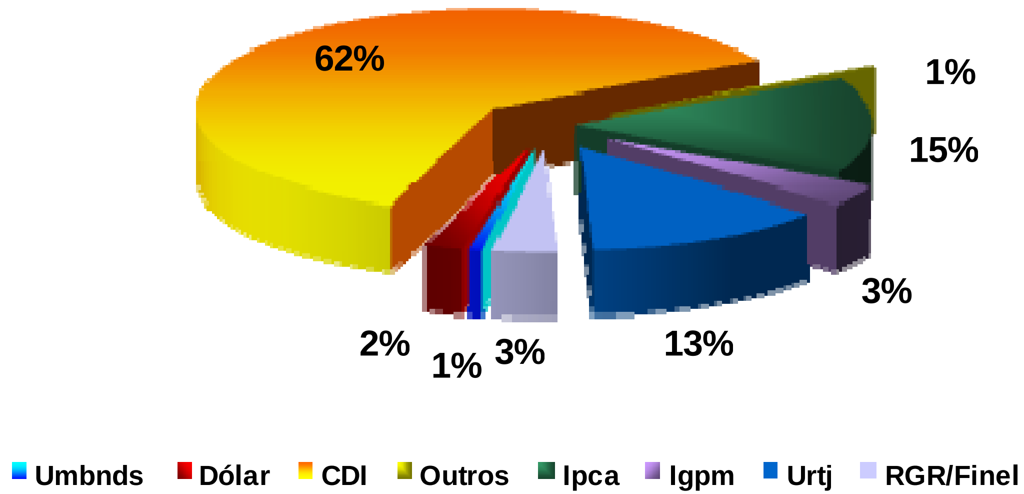
	CEMIG consolidated		CEMIG GT		CEMIG D	
Total debt	11,825		7,005		2,672	
Debt in foreign currency	296	2.5%	38	0.5%	176	6.6%
Net debt (1)	7,330		4,051		2,198	
EBITDA / interest	5.04		5.91		3.20	
Net debt / EBITDA	1.74		1.64		2.62	
Net debt / (shareholders' Equity + Net debt)	40.6%		51.5%		44.6%	

(1) Net debt = total debt less (cash and cash equivalents).

Financial discipline to lower debt cost and reduce FX exposure

Main indexors

March 31, 2010



Main Creditors (R$ million)

Debenturistas	**R$ 4,366 (37%)**
Banco do Brasil	**R$ 2,474 (21%)**
BNDES	**R$ 1,340 (11%)**
Banco Itaú BBA(*)	**R$ 1,019 (7%)**
Bradesco(*)	**R$ 722 (6%)**
Unibanco	**R$ 424 (4%)**
Eletrobrás	**R$ 405 (3%)**
Votorantim	**R$ 159 (1%)**

(*) – *Includes FIDC (*Receivables Investment Fund)

Superior credit capacity recognized by the major rating agencies

CEMIG

FitchRatings		A+.bra	Cemig H, Cemig GT and Cemig D	National scale
Moody's	Investment Grade	Aa1.br	Cemig GT and Cemig D	National scale
		Aa2.br	Cemig H	National scale
		Baa3	**Cemig GT and Cemig D**	**Global scale**
		Ba1	Cemig H	Global scale
STANDARD & POOR'S		brAA-	Cemig GT and Cemig H	National scale
		brAA	Cemig D	National scale
		BB	Cemig H, Cemig GT and Cemig D	Global scale

Solid fundamentals assured by excellent financial management, stable profitability, strong cash generation and robust corporate governance.

Opportunities of raising funds to finance expansion

Cemig is ready to enjoy market liquidity

CEMIG

Local Bank Market

- Debt rollover
- Assignment of receivables
- Project Finance (Cemig as a minority shareholder)

Local Capital Market

- Debêntures are the major source of funds for investment (long term and inflation indexed)
- Securitizations

International Capital Market

- Eurobonds (high liquidity, long term, but proceeds used only to refinance existing debt)
- Perpetual bonds as a viable alternative in the long run

Multilateral Agencies

- CAF, JBIC, KfW, World Bank, IDB
- Long term
- Attractive costs
- Tax breaks on remittance of interests

- **Eletrobrás:** long term, attractive costs, but restricted to rural electrification

Agenda

- Background
- **Strategy Overview**
- Business Outlook
- Acquisitions
- Results
- Market Recognition
- Regulatory Framework
- Others

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
  - Invest only in the power industry and gas distribution related business

- Addressing shareholders' long-term interests:
  - Dividend policy: minimum a 50%of net income payout and extraordinary dividends, provided cash availability (stated in the bylaws)
  - Corporate governance focused on transparency and respect of minority shareholders' interests

- Incorporation of our goals and commitments to our bylaws secures stability of the company's long-term planning
  - Capex limited to 40% of EBITDA:
  - Net Debt limited to 2x EBITDA (2.5 x with acquisitions)
  - Net Debt limited to 40% of Total Capitalization (50% with acquisitions)

…**Investment policy** to guarantee sustainable growth

- **Pillars of our activity**:
  - Focus on electricity sector and related activities
  - Profitability: return compatible with each business
  - Partnerships with strategic investors: corporate governance
- **Growth through new projects,** long-term vision
  - Opportunities in electricity generation and transmission
- **Acquisitions, drivers for short-term growth**
- **Investment Criteria Selection**:
  - Investments that add value to our shareholders
  - Continuous technological and operational improvement
  - Best management practices
- **Guarantees to ensure profitability (stated in the bylaws):**
  - Investment only in power generation, transmission and distribution and gas&oil projects that offer rates of return compatible with the risk of each business but higher than the level projected in the Strategic Plan, with the exception of legal obligations.
  - Operational expenses and revenues of electricity distribution companies, must be kept aligned to the tariff adjustments and reviews.

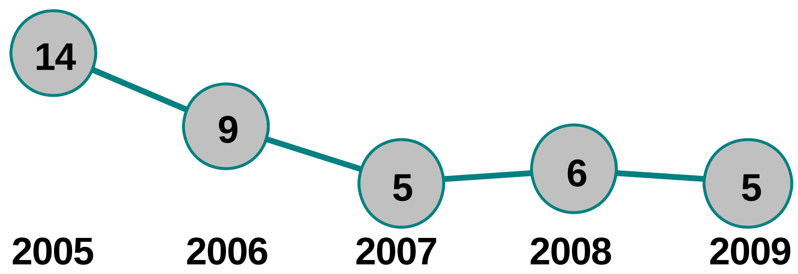
Strategic Plan Results: Dividends

✓ Approved proposal for 2009 Net Income distribution:

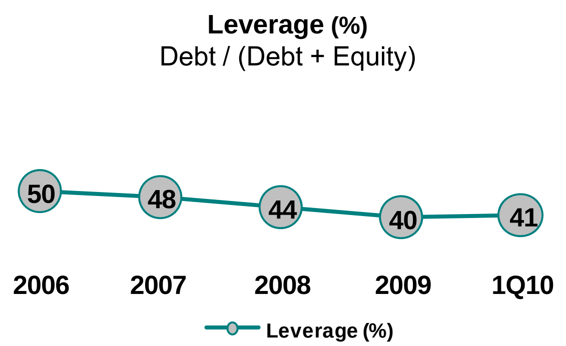
- Dividends of R$ 931 million
  - Dividends per share: R$1.50
- Stock Dividend of 10%

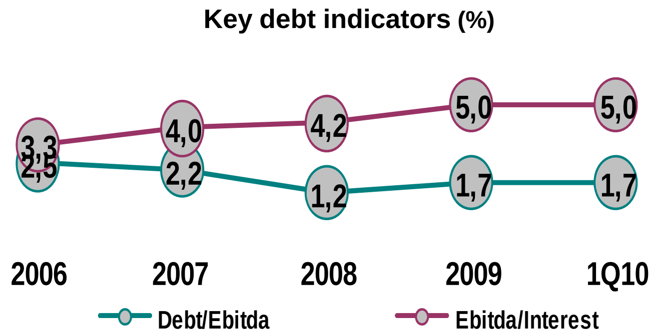
Dividends
(R$ Million)

Dividend Yield (%)

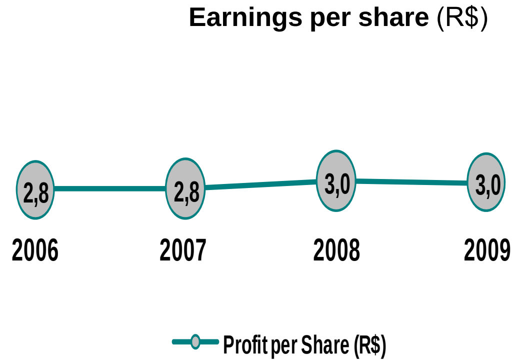


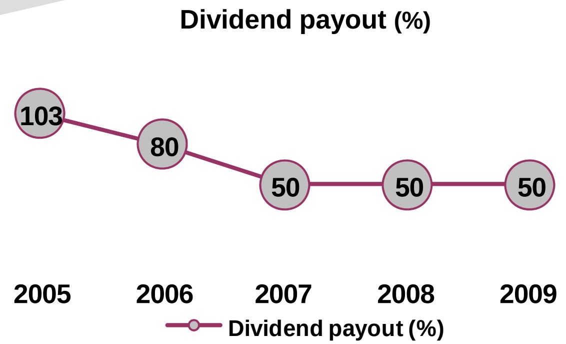
Continuous improvement of our KPI





Key performance indicators in line with Long Term Strategic Plan





Agenda

- Background
- Strategy Overview
- Business Outlook
- Acquisitions
- Results
- Market Recognition
- Regulatory Framework
- Others

Basics of our business portfolio

- 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
- Electricity 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 (Petrobrás 40% and Cemig 55%)
- Telecommunication backbone services
  - Synergy: usage of power transmission lines for fiber optics cables
    - 60% of capacity used by Cemig Group

Power Generation: Cemig

Installed Capacity (March/10)

Plant	Installed capacity (MW)	Efective Power (MW Average)
Largest hydroelectric plants		
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 (13,06%)	112	70
Others	901	511
Total hydro-electric	**6,555**	**3,932**
Total thermal	**184**	**83**
Wind	**15**	**7**
Total	**6,754**	**4,021**

- Cemig provides 7% of Brazil’s generation capacity and supplies 20% of Brazil’s free customers market

Power Generation: Expansion

New generation projects: continuous growth

- ✓ Start Up of Baguari Hydroelectric Plant
  - Installed Capacity: 140 MW
  - Cemig's Participation: 34%
  - 120 days earlier than the initial schedule
- ✓ Start Up of Parajuru Wind Plant
  - 28.8 MW of installed capacity
  - Cemig's Participation: 49%

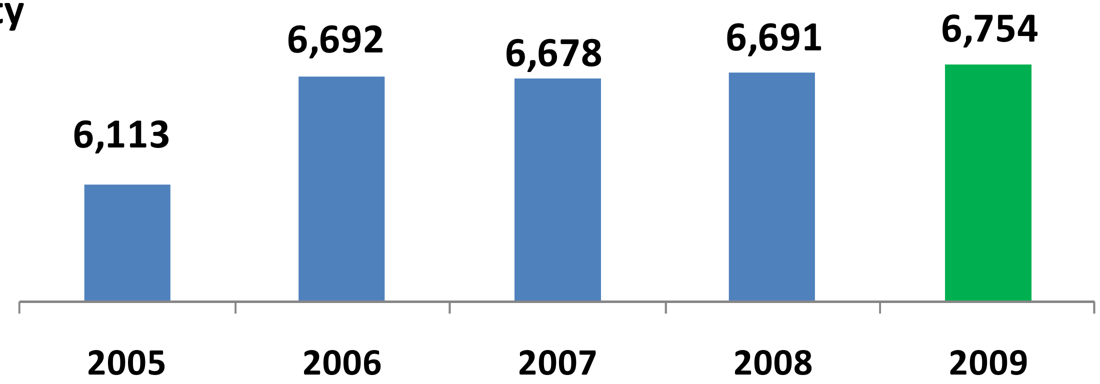
- ✓ Presence in the wind sector is strategic
  - Brazilian potential estimated to be 140 GW
  - By the end of the year, an additional 70.8 MW will be inaugurated by Cemig
  - We are studying more than 400 MW in new projects through partnerships
- ✓ **Cemig's new installed generation capacity: 6,754 MW**

Power Generation: Expansion

- Acquisitions:
  - 3 wind farms – from Energimp S.A.: R$ 223 million (49%).
- New projects

Plant	Installed capacity (MW)	Cemig stake (%)	Start up date
Cachoeirão Small Hydro Plant	27	49%	**2009**
Baguari Hydro Plant	140	34%	**2009**
Wind farms	100	49%	**2009/2010**
Small Hydro Plants	107	49%	2010/2011
Santo Antônio	3,150	10%	2012
Itaocara Hydro Plant*	194	49%	2013

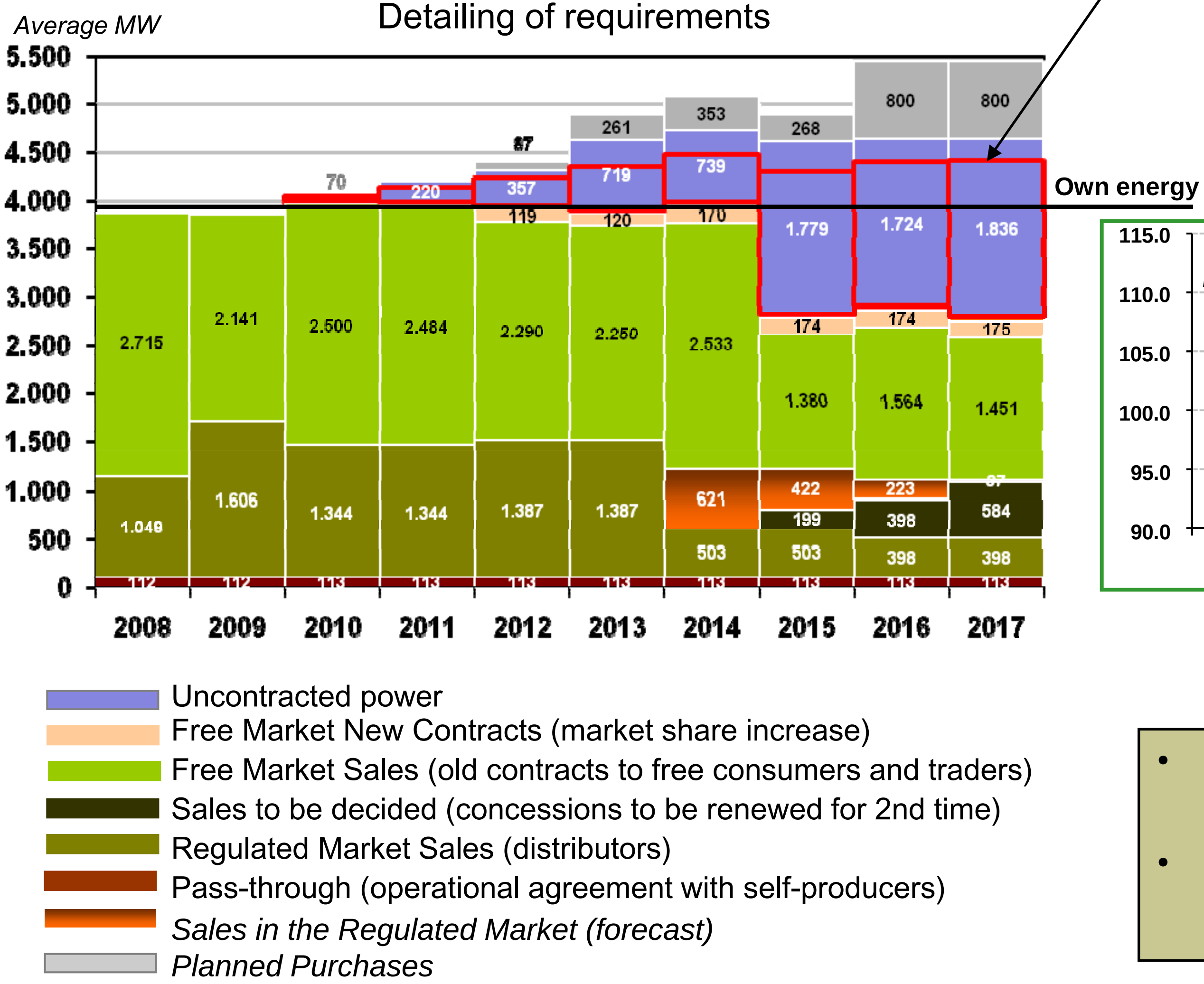
Installed capacity (MW)



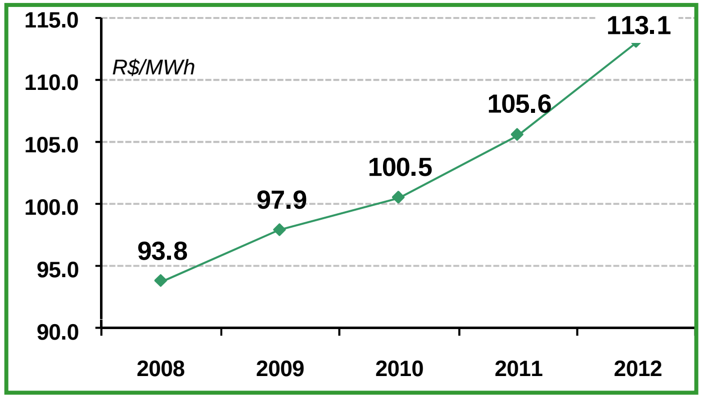
*In partnership with **Light**

Our power generation contracts start re-pricing in 2010

Cemig GT - Balance of supply and demand



Guidance for 2009-2012
Constant prices as of June/09

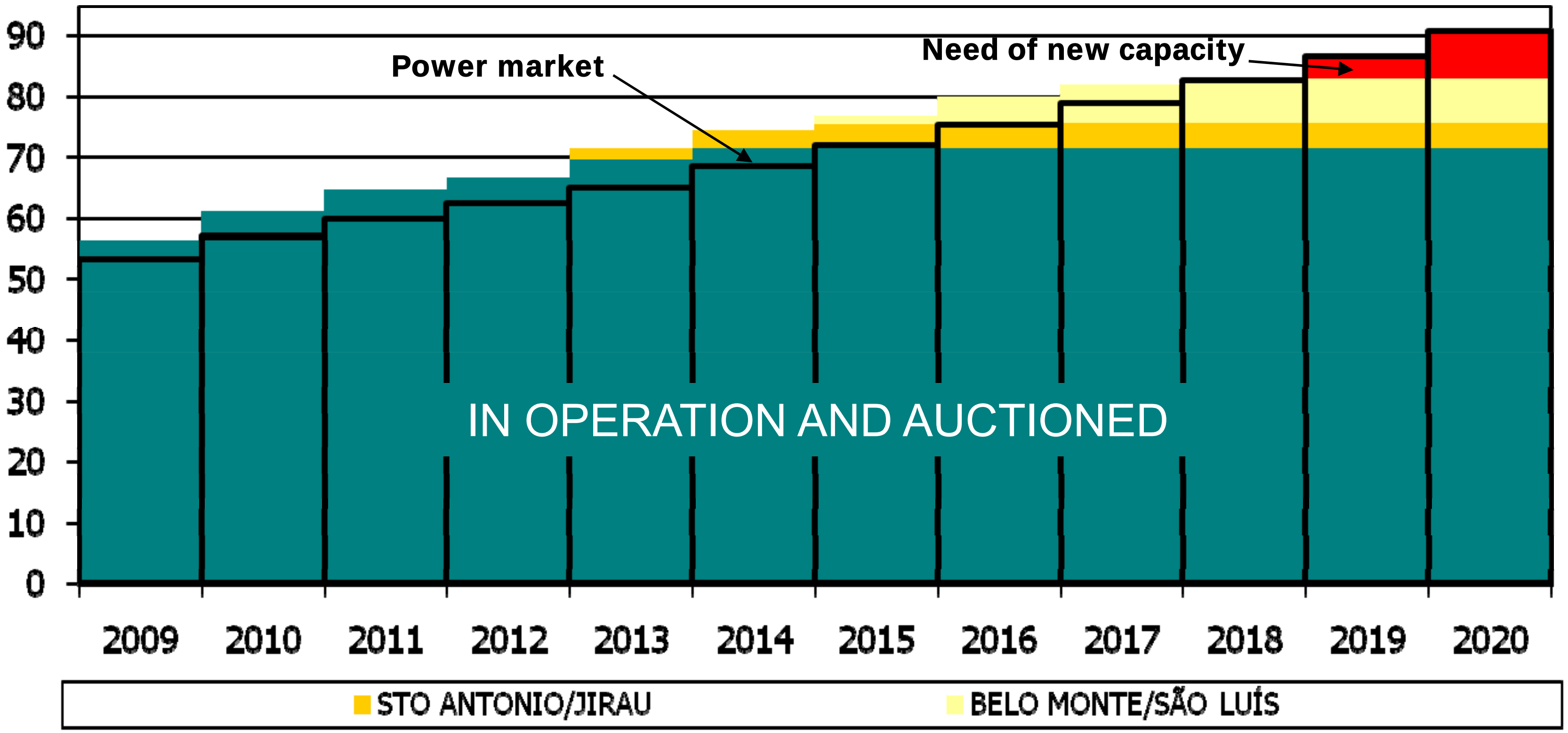


- Actual contract prices + forward price trend for the re-contracting.
- After 2014 most of free customer's contracts will have been re-priced

Supply–Demand balance in the Brazilian System

Structural electricity balance

(Assuming: restrictions on supply of natural gas according to Petrobrás commitment term)



Sources: PMO Nov 2009, Cemig research.

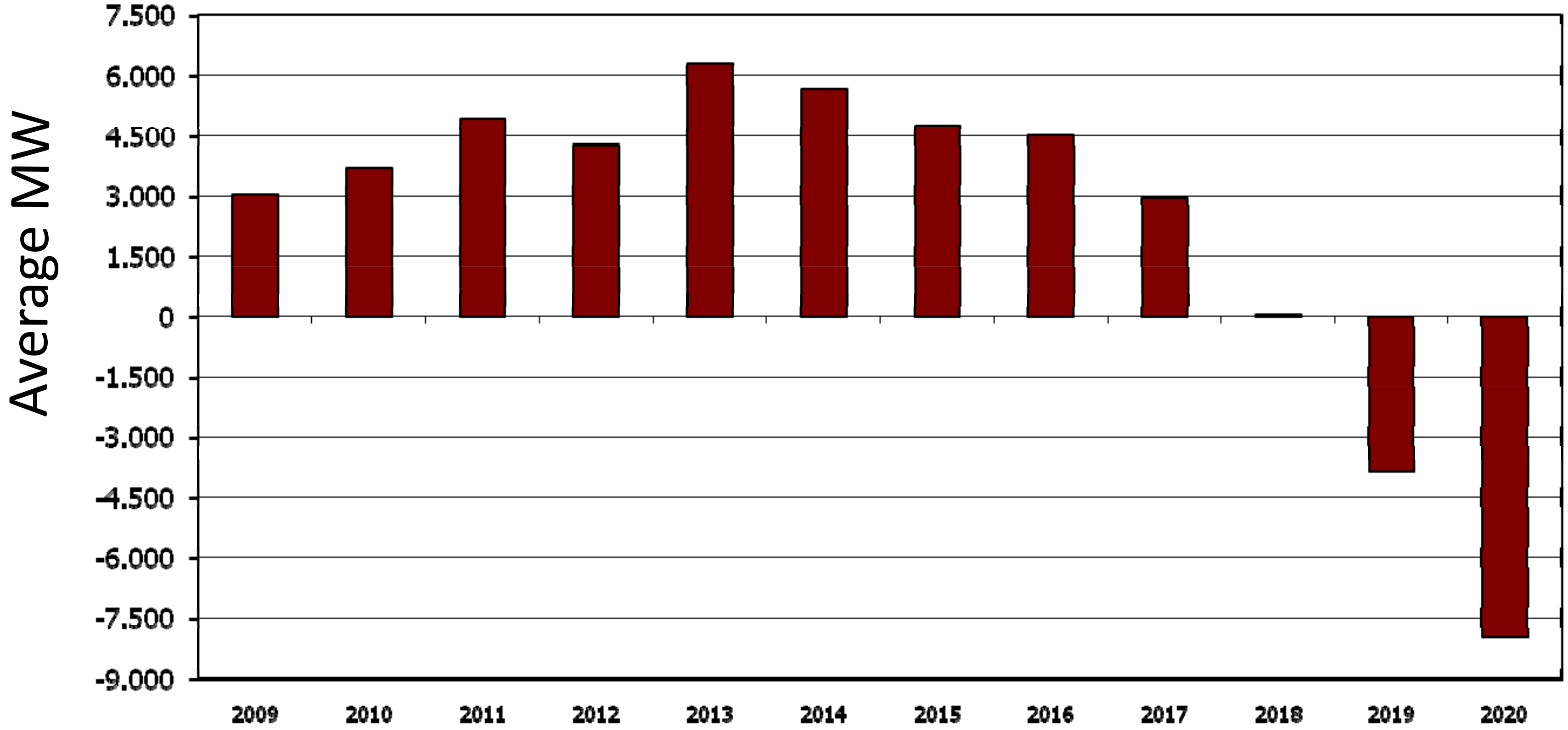
GDP growth of 0.5% in 2009, 5,5% in 2010 and 4,0% in 2011+, average market growth of 4.5% (1.2% in 2009).

Belo Monte (Xingú RIver – 11,233 MW and São Luiz (Tapajós River) 8,381 MW

Supply–Demand balance in the Brazilian System

Structural electricity balance (surpluses and deficits)

(Assuming: restrictions on supply of natural gas according to Petrobrás commitment term)



Sources: PMO Nov 2009, Cemig research.

GDP growth of 0.5% in 2009, 5,5% in 2010 and 4,0% in 2011+, average market growth of 4.5% (1.2% in 2009).

Power Generation Auctions:2009/2010

- Adjustment Auction:
  - 2009 Auction
    - February, 20th
      - 990 MWAvg in 10 and 4 months long contracts
      - Average price: R$ 145.67/MWh
      - Cemig GT sold 262 Avg MW @ R$ 145.73 / MWh

- Existing Generation Auctions:
  - A-1 – November, 30th
    - Price cap of R$ 100/MWh
    - No sales

- 2009 New Energy Auctions:
  - A-3 : August 27th
    - 11 MWAvg in 15 and 30 years long term contracts
    - Average price: R$ 144.54/MWh
    - Power will be delivered from 2012
  - Wind Generation: December 14th
    - 783 MWAvg in 20 years long term contracts
    - “Reserve type “ auction
    - Power will be delivered from 2012
    - Average price: R$ 148.39/ MWh

- Special Auctions: Belo Monte
  - 2010
  - 11,233 MW
  - 30 years long contracts

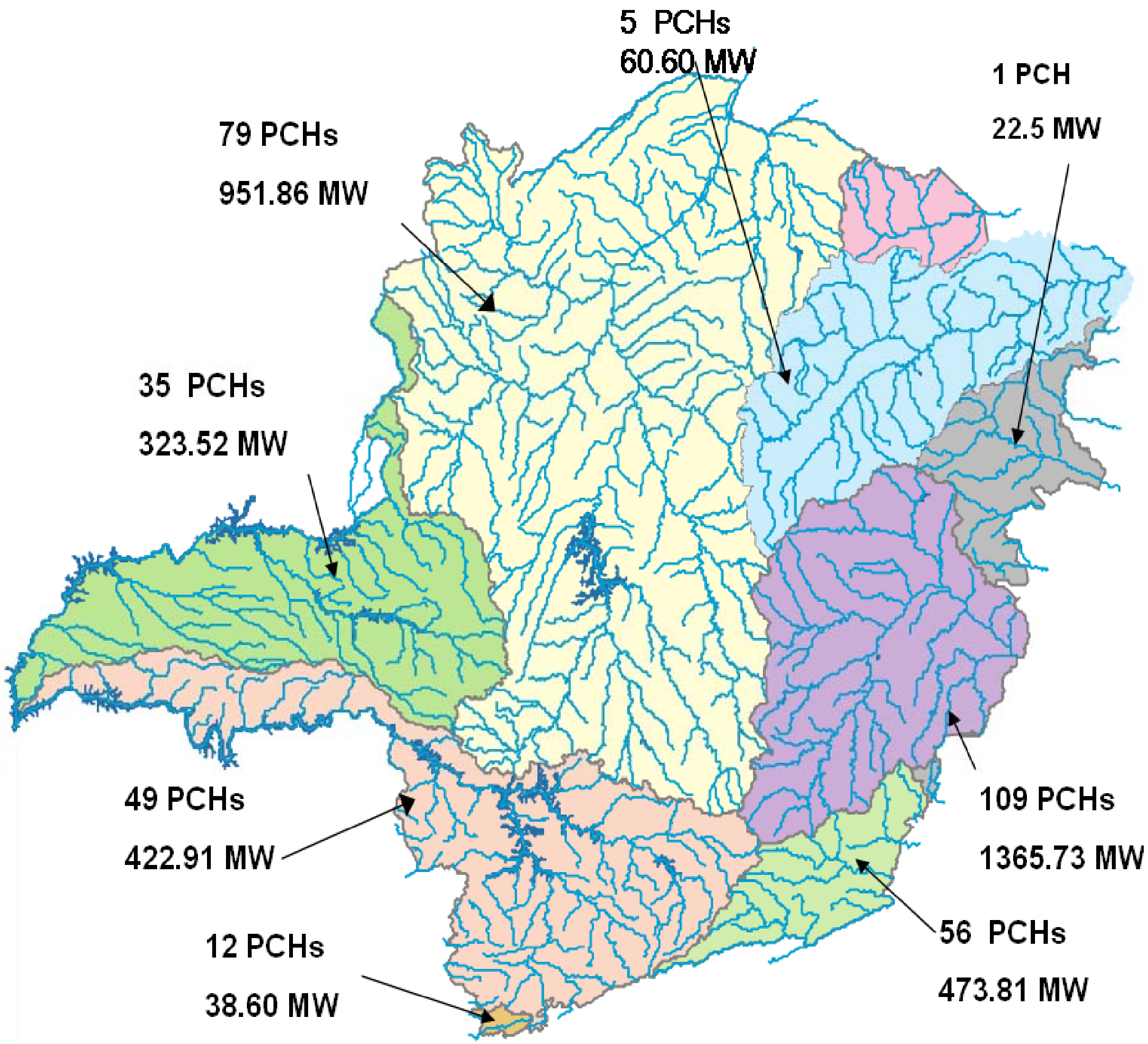
- 2010 New Energy Auctions
  - First Half of 2010
    - Canceled in December 2009 due to delays in the issuance of environmental licenses from the enrolled Hydroelectric Power Plants
    - 15 year long thermo contracts and 30 years long for hydro
    - Power would be delivered from 2015
    - Price Cap: R$ 144 / MWh

Business Opportunities: Small Hydros Program

- ***Short-term supply alternative***
- ***Successful funding format:***
  - *30% Equity*
    - *Cemig 49%*
    - *Private Investor 51%*
  - *70% Debt*
    - *BNDES*
- ***Current status:***

- Cachoeirão Small Hydro Power Plant (27 MW) in commercial operation;
- Pipoca Small Hydro Power Plant (20 MW) estimated to start operation in the 1st half of 2010;
- 04 Small Hydro Power Plants (44 MW) construction is estimated to begin in the 1st half of 2010 (Fortuna II, Dores de Guanhães, Senhora do Porto e Jacaré);
- 05 Small Hydro Power Plants (77 MW) construction is estimated to begin in the 2nd half of 2010.

PCH = Small Hydro Power Plant



Business Opportunities: biomass cogeneration

Sugar and ethanol potencial in Minas gerais

Plants	Quantity*	Generatn. (MWa**)	Surplus (MWa**)
Existing	12	750	300
Expected	22	2,416	1,631
Total	34	3,166	1,931

* Just includes plants available to generate and sell power
**Average generation in 6 months of the year

- ✓ 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
- ✓Solutions offered by Cemig through its subsidiaries:
  - Connection of Plants to the national electricity grid.
  - Sale of excess electricity generated not consumed by the Plant itself.
  - Formation of corporate partnerships, creating Special-purpose Companies, to implement or retrofit thermal plants.

Brazilian hydroelectric power generation potential

Situation as of June 2009, MW

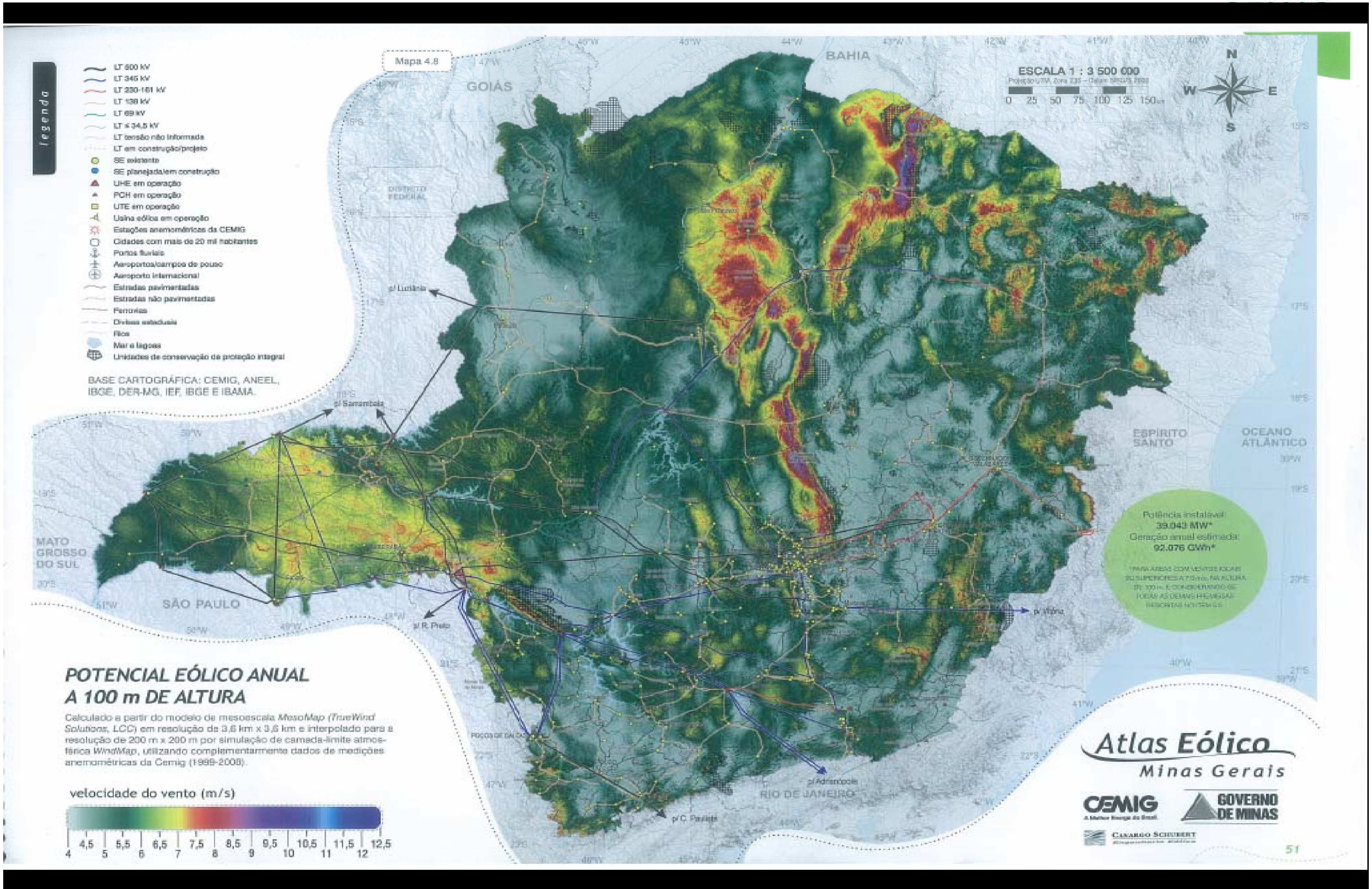
Region	State	Operation & Construction	Estimated	Overall total
NORTH	AC	-	1,058	1,058
	AM	250	19,750	20,000
	AP	68	1,739	1,807
	PA	8,455	39,631	48,086
	RO	397	12,492	12,889
	RR	5	5,257	5,262
	TO	2,324	4,350	6,674
NORTHEAST	AL	1,582	2,687	4,269
	BA	6,883	5,148	12,031
	CE	4	21	25
	MA	664	1,558	2,222
	PB	4	7	11
	PE	746	820	1,566
	PI	119	407	526
	RN	-	2	2
	SE	1,581	2,665	4,246
SOUTHEAST	ES	457	922	1,379
	MG	12,123	12,099	24,222
	RJ	1,360	1,880	3,240
	SP	10,978	4,183	15,161
CENTER-WEST	DF	30	-	30
	GO	5,871	6,218	12,089
	MS	3,549	2,426	5,975
	MT	1,826	15,882	17,708
SOUTH	PR	15,557	8,628	24,185
	RS	4,221	6,770	10,991
	SC	3,617	3,315	6,932
	Total	82,671	159,915	242,586

Amazon region:

Estimated capacity to be developed is 63% of the total available

Source: Eletrobrás (SIPOT).

Wind power potential of Minas Gerais



Santo Antônio hydro plant – basic information

- 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% FIP (Investment Fund) Amazônia Energia
  - 18.6% 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
- Construction on schedule

Santo Antônio hydro plant – basic information

- Low-fall plant (13.9 m), average estimated flow 568 m^3/s, lake 271 km^2, resulting in lower ratio between reservoir area and total energy generated than in other Amazon region plants: index of 0.09
  - Balbina (250 MW, 2,360 km^2 reservoir): index 9.44
  - Samuel (217 MW, 584 km^2 reservoir): index 2.69
  - Manso (210 MW, 387 km^2 reservoir): index 1.84
  - Tucuruí (4,000 MW, 2,414 km^2 reservoir): index 0.61
  - Belo Monte (11,000 MW, 440 km^2 reservoir): index 0.04
- Low population on banks of Madeira River:

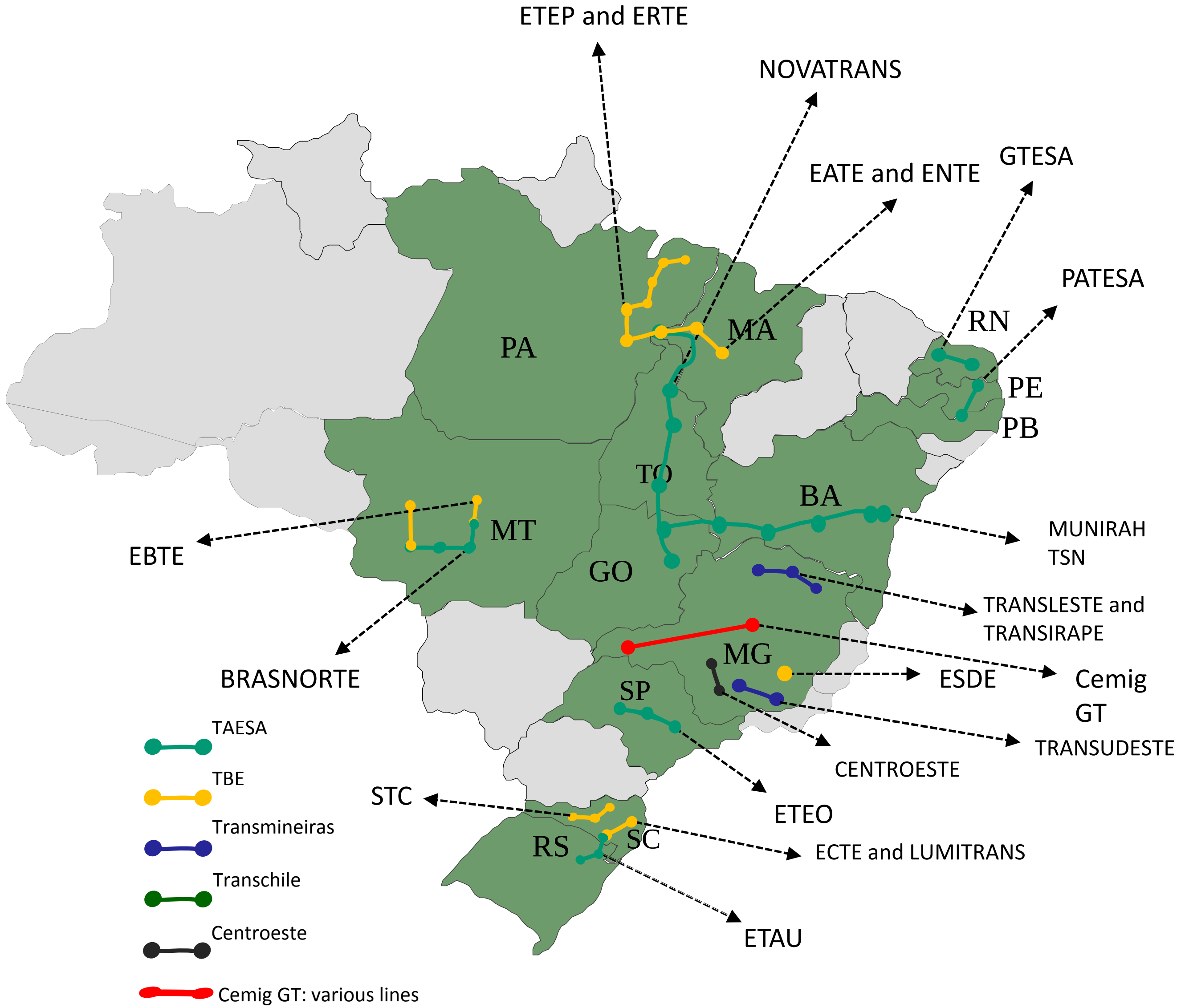
  1,762 people affected ,in 415 homes
- EPC Group
  - Construction leaders:
    - Norberto Odebrecht and Andrade Gutierrez
  - Manufacturers of rotors and generators:
    - Alstom, VA Tech Hydro and Voith

Power Transmission Capacity

	2005	2006	2007	2008	2009
525-Kv lines	0	0	0	51	77
500-kV lines	2.165	2.592	2.488	2.788	3.594
345-kV lines	1.976	1.969	2.001	2.001	2.167
230-kV lines	751	803	824	915	1.668
Total	4.892	5.364	5.313	5.755	7.506

- Charrúa – Nueva Temuco transmission line start-up in Jan. 2010:
  - 220 kV, 205 km
- Cemig stands for 12% of Brazil´s market

Transmission: Present all over Brazil

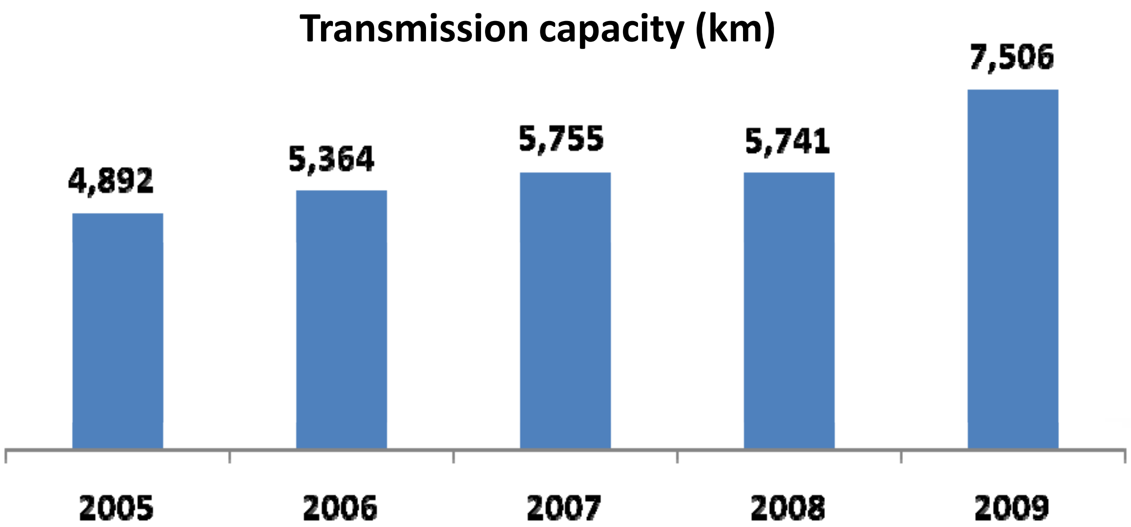


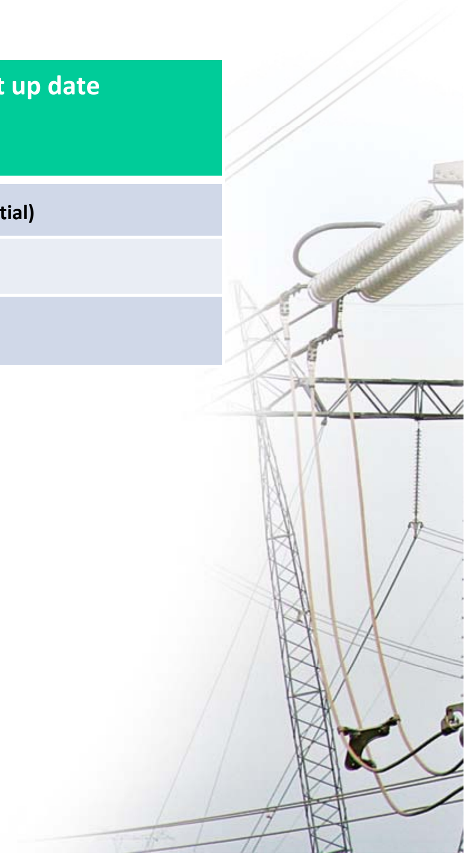
- ✓ Cemig is now Brazil's third largest transmission group:
- ➢ Total lines: 7,506 Km
- ➢ Consolidated Permitted Annual Revenue (RAP): R$ 859 million, including Transchile
- ➢ Present in 13 States of Brazil and in Chile

Power Transmission: Expansion

- ✓ Acquisitions in 2009:
  - Taesa (formerly Terna): R$ 2.03 billion (R$ 957 million in 2010, with 100% acceptance of the minority shareholders)
  - Increased stake in TBE: R$ 605 million

ASSETS	RAP (Permitted Annual Revenue) - R$ million	Cemig stake (%)	Start up date
EBTE (775km)[1]	27.3	68%[3]	06/2010 (partial)
Transm. Centro Oeste	10.5	51%	03/2010
Santos Dumont substation[2]	8.3	40%[3]	05/2011



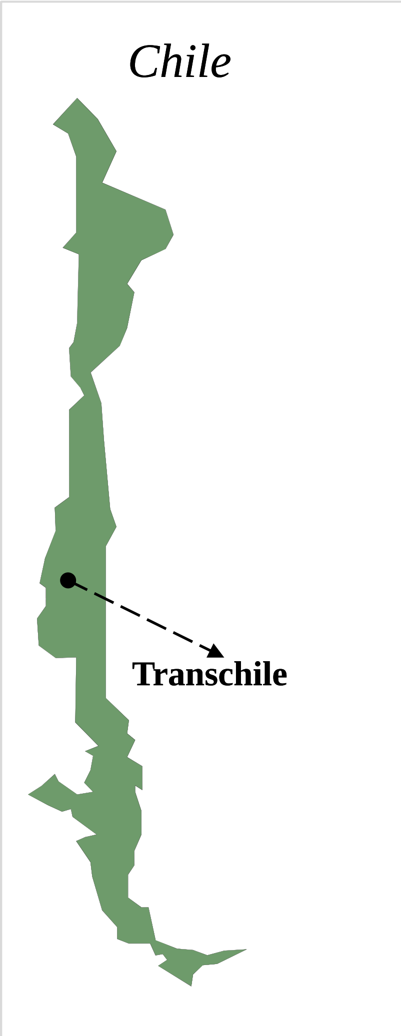


[1] EBTE: indirect holding through EATE.

[2] Indirect holding through ETEP.

[3] Includes direct and indirect holding.

Start up in Chile: First international step



Charrúa–Nueva Temuco Transmission Line

•**Voltage:**	2x 220kV
•**Length:**	205 km
•**Concession period:**	20 years
•**Stake**:	49%
•**Total investment:**	US$88 million
•**Annual Revenue:**	US$65 million
•**Financing:**	63% of the investment
•**Capital from Cemig :**	U$20.3 million
•**Start of works:**	April 2007
•**Start of operation:**	January 2010

Power Transmission auctions

- 2009 Auctions
  - May, 8th
    - 12 lots totaling 2,492.5km of lines
    - 19 transmission lines and 8 substations
    - Total RAP (max): R$ 229.4 million
  - Cemig won, through ETEP, the Santos Dumont Substation
    - 345/138 KV
    - RAP: R$ 8.32 million
    - Startup: November 2010
  - November, 27th
    - 8 lots totaling 1,079Km
    - 11 transmission lines and 8 substations
    - Total RAP (max): R$ 170.8 million

- 2010 Auctions
  - June, 11th
    - 9 lots totaling 700 Km of lines
    - These assets will be built in 7 states
    - 11 substations and 4 transmission lines
    - Total RAP (max): R$ 84 million

THE 1st TRANSMISSION TARIFF REVIEW

The criteria of this Tariff Review were set by Aneel Normative Resolution 257/07, the principal ones being:

a. **WACC:** 9.18% p.a.

b. **Operational Costs:** Defined by application of efficiency parameters, obtained by the DEA benchmarking method, to companies' real costs.

DESCRIPTION	PREVIOUS VALUE (R$)	REVIEW VALUE (R$)
Total Annual Permitted Revenue (RBSE + RBNI)	316,107,885.62	333,010,887.33
Tariff Repositioning Percentage		**5.35%**

- Backdated payment, including monetary updating: R$ 158 million.
- RAP for 2009 (with charges/taxes) goes to R$ 475 million.
- Gross base: R$ 2.5 billion
- Net base: R$ 1.1 billion

The financial effects of this review are taken into account in Cemig's Guidance for 2010.

Electricity Distribution Capacity

Network in km	2007	2008	2009	1Q10
SUB-TRANSMISSION	16.676	16.810	16.959	17.095
161-kV lines	55	55	55	55
138-kV lines	11.145	11.254	11.442	11.491
69-kV lines	4.510	4.535	4.508	4.595
Lines below 69 kV	966	966	954	954
DISTRIBUTION	429.560	442.749	450.316	452.109
Urban Overhead lines	90.524	91.550	95.539	95.823
Urban Underground lines	1.049	1.380	1.432	1.432
Rural Overhead Lines	337.987	349.819	353.345	354.854
TOTAL	446.236	459.559	467.275	469.204

- Cemig stands for 12% of Brazil´s captive market
- We are the largest distribution network as measured by either Km of lines and number of consumers

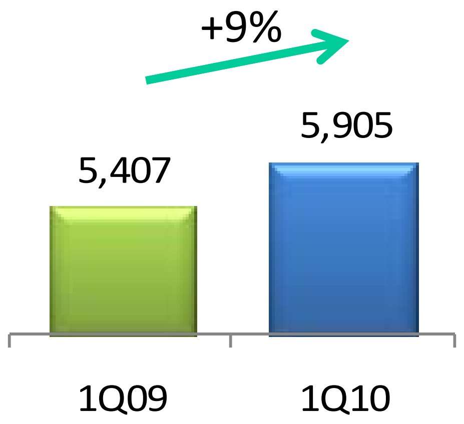
Distribution: Expansion

- ✓ Acquisitions in 2009:
  - ➢ Increase of stake in Light, jointly with an FIP: 26.06%*
    - R$ 785 million for each block of 13.03% in Light
    - Payment to AG Concessões after necessary approvals
    - Payment to PCP after approvals and stockholding reorganization of Equatorial
- ✓ Light announces new Executive Board
  - ➢ Leadership of Gerson Kelman ensures stability in transition
  - ➢ Three new Chief Officers, coming from Cemig
    - More than 25 years activity in electricity sector
    - Will operate in strategic areas: distribution, generation, finances
  - ➢ Challenges are: improvement of operational indicators; and capture of synergies with Cemig

*First block paid

Cemig D: sales by category in march 31, 2010

Electricity sold – GWh: Changes, 1Q10



Sales by category - GWh

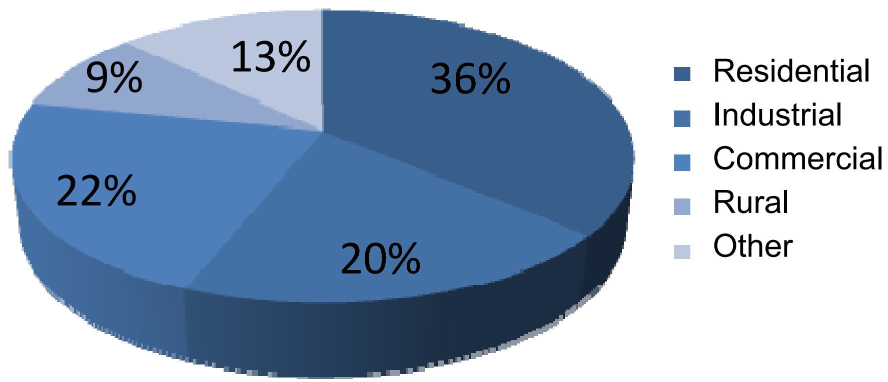
Final consumer	1Q10	1Q09	Change %
Residential	2,035	1,905	5%
Industrial	1,112	1,183	-6%
Commercial	1,237	1,160	6%
Rural	502	452	11%
Other	1,019	707	3%
Total	**5,905**	**5,407**	**9%**

+11%

+12%

- ✓ Exceptional increase in demand in the concession area reflects recovery in the economy of Minas Gerais.
- ✓ Including migration of Free Clients, total volume expanded 12%, industrial user category expanded 11%.

Percentage by category – 1Q10



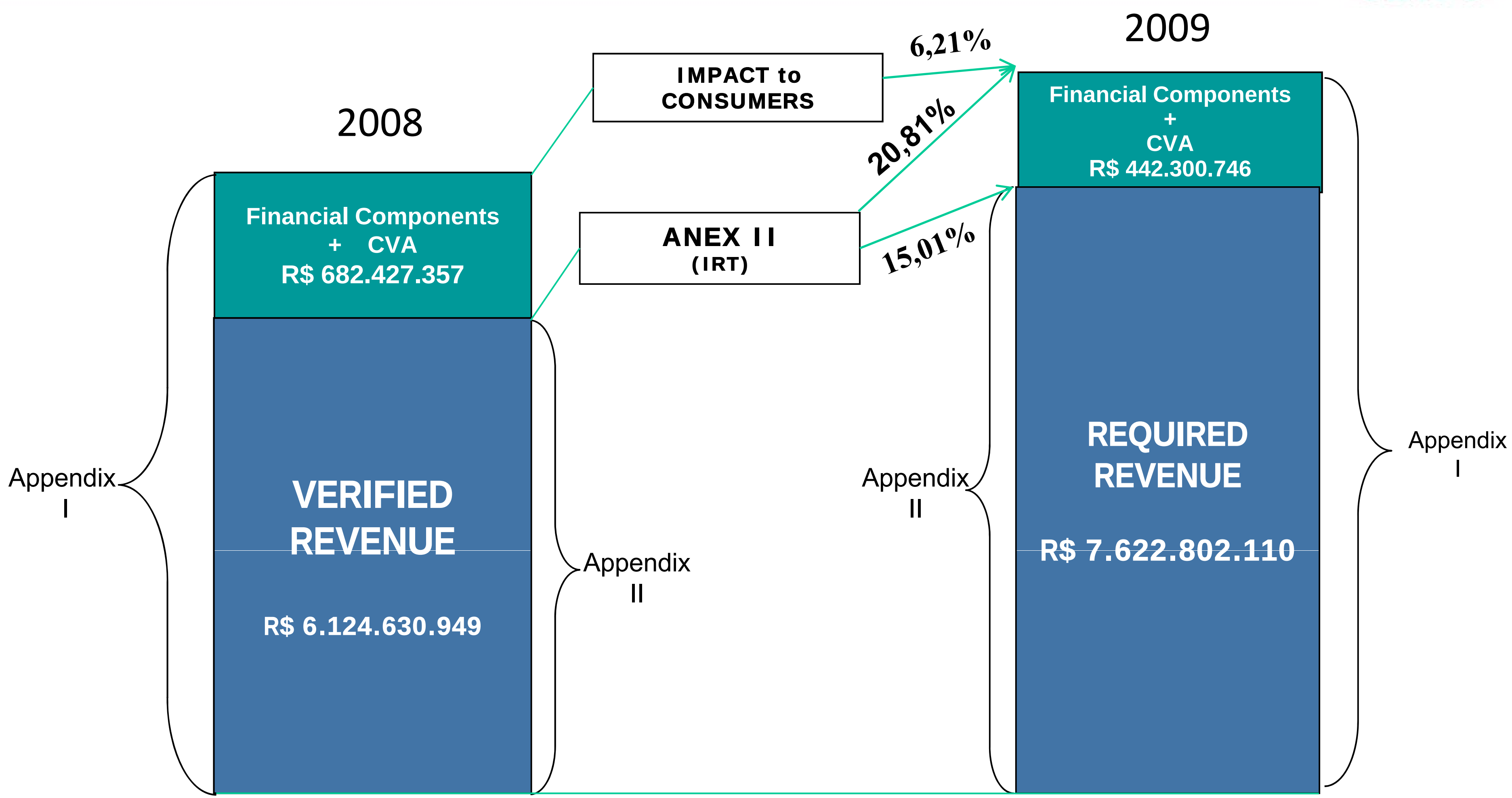
Electricity Distribution tariff review

- Allowed return on asset approach:
  - Benchmark WACC: was 11.26%;
  - Tariff review: WACC of 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.

- Cemig Distribution 2nd tariff review:
  - 2008 Preliminary Result: -12.24%
  - 2009 Final result: -13.66%
    - Regulatory Ebitda Margin: 21%
    - Losses coverage: sufficient
    - Market Growth: 3.17% p.a. (less risk than in 2003)
    - X Factor (Xe) : 0.14%

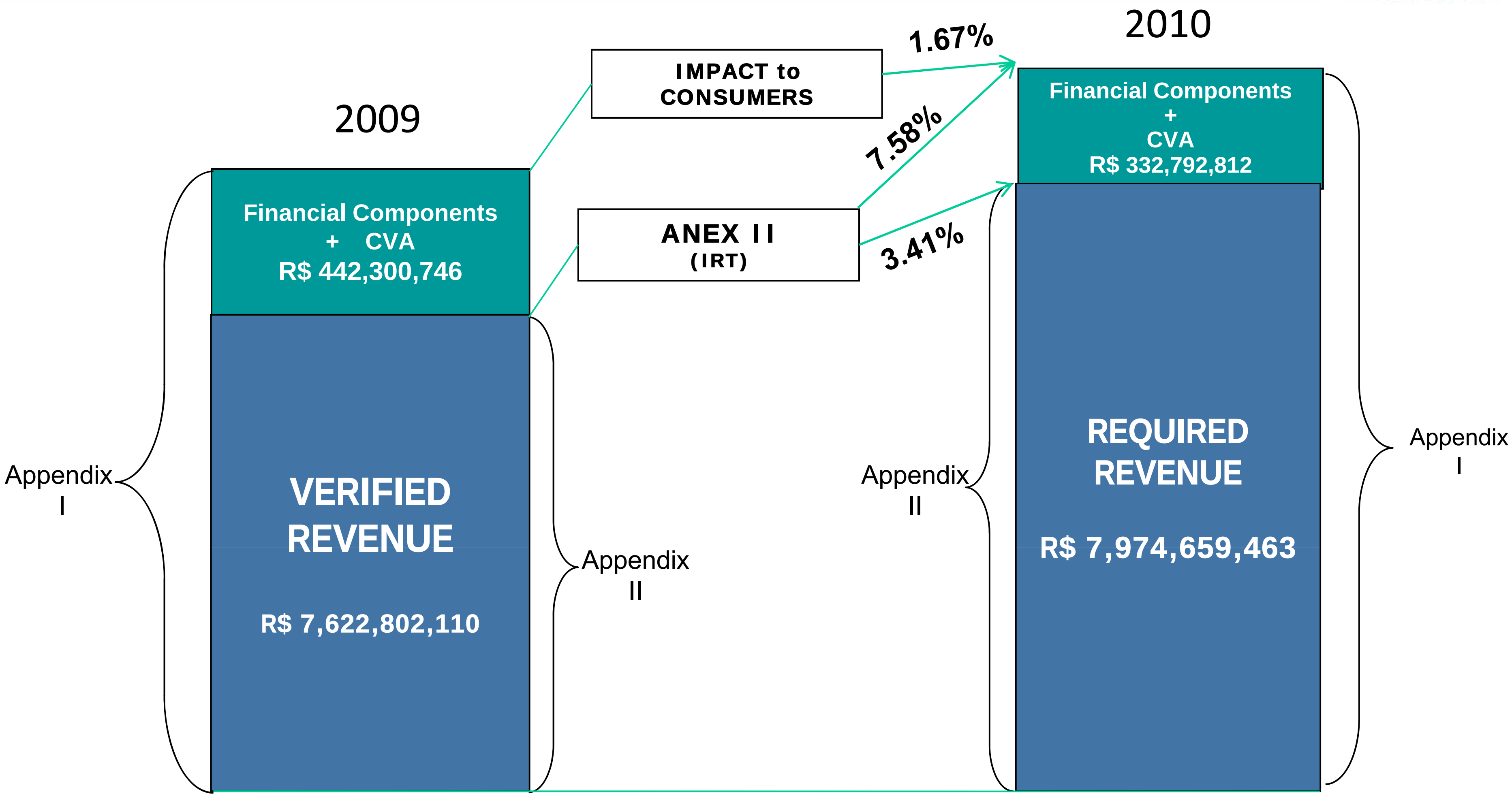
Cemig D 2009 readjustment and Impact on Tariff



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

Appendix II: Tariffs considered "clean", base for posterior readjustments, without taxes (ICMS, Pasep/Cofins)

Cemig D 2010 readjustment and Impact on Tariff



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

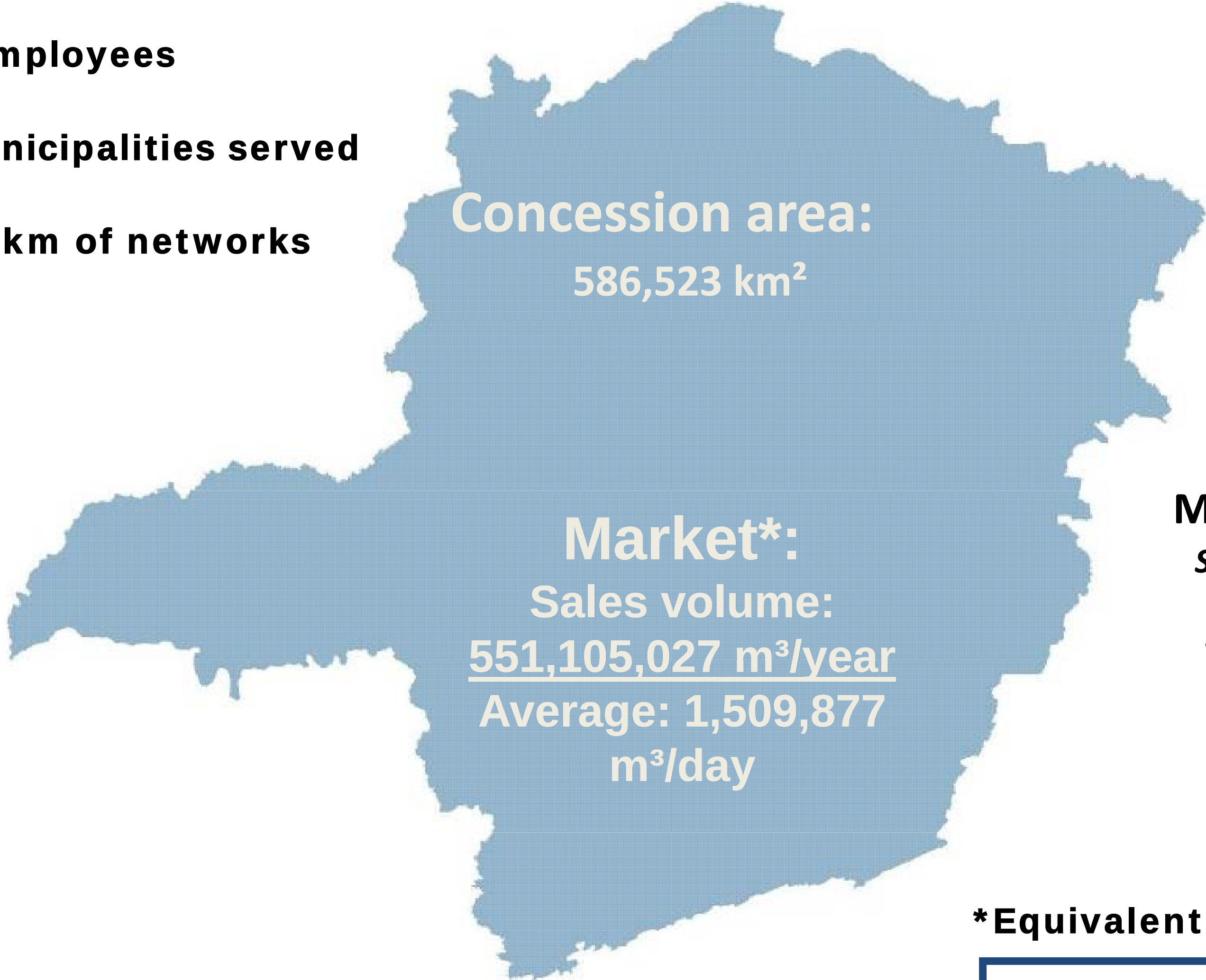
Appendix II: Tariffs considered "clean", base for posterior readjustments, without taxes (ICMS, Pasep/Cofins)

1st Review 2003 vs 2nd Review 2008/2009

1st Tariff Review 2003	2nd Tariff Review 2008	2nd Tariff Review 2009 Final
• 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%	• Regulatory Ebitda Margin: 21% • Losses coverage: sufficient • Market Growth: 3.17% p.a. (less risk than in 2003) • X Factor (Xe) : 0.84%	• Regulatory Ebitda Margin: 21% • Losses coverage: sufficient • Market Growth: 3.17% p.a. (less risk than in 2003) • X Factor (Xe) : 0.14%

Natural Gas Distribution - Gasmig

- ✓ 274 Clients (conventional), 2 Thermal power plants
- ✓ 220 employees
- ✓ 23 municipalities served
- ✓ 695.3 km of networks



Major works:

Sul de Minas Project
- Completed

Vale do Aço project
- 67% completed

***Equivalent in million BTU:**

11,345,639 MBTU / year
31,084 MBTU / day

Figures up to December 2009

Natural Gas Expantion: Cemig´s consortium wins Brazilian Oil and Gas Bids

- ✓ Strategic initiative seeks means to ensure supply of natural gas for distribution, through Gasmig, and for thermal power generation

Consortium Structure

- ✓ Cemig´s stake in the consortium of 24.5%
- ✓ Private partners provide expertise (51% as a whole)
  - ✓ Orteng Equipamentos e Sistemas
  - ✓ Comp Exploração e Produção de Petróleo e Gás
  - ✓ Delp Engenharia Mecânica
- ✓ Companhia de Desenvolvimento de Minas Gerais, 24,5%

Winning Bid

- ✓ Signature Bonus of R$ 11.3 million to be paid as of the signature of the Concession Contracts (expected date: april/2009)
- ✓ Minimum Exploratory Program of R$ 25.6 million. Represents a commitment, with the Oil and Gas National Agency, to investment over the next 4 to 5 years

Exploratory Block	Location	Characteristics	Expected Fluid	Winning bids			Qualified Operator
				Signature Bonus (R$ ´000)	Minimum Exploratory Program (R$ ´000)	Total Bid	
POT-T-603	Potiguar basin of the State of Rio Grande do Norte	Mature basin	Light crude oil	R$ 2,001	R$ 4,038	R$ 6,039	SIPET
REC-T-163	Recôncavo basin of the State of Bahia	Mature basin	Light crude oil	R$ 2,501	R$ 4,470	R$ 6,971	COMP
SF-T-104	São Francisco River basin of the State of Minas Gerais	New frontier	Dry gas	R$ 4,000	R$ 6,530	R$ 10,530	COMP
SF-T-114	São Francisco River basin of the State of Minas Gerais	New frontier	Dry gas	R$ 2,001	R$ 6,530	R$ 8,531	Orteng
SF-T-120	São Francisco River basin of the State of Minas Gerais	New frontier	Dry gas	R$ 401	R$ 2,000	R$ 2,401	COMP
SF-T-127	São Francisco River basin of the State of Minas Gerais	New frontier	Dry gas	R$ 401	R$ 2,000	R$ 2,401	Orteng

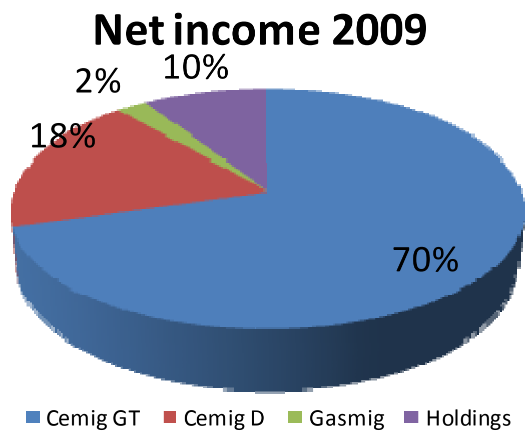
Agenda

- Background
- Strategy Overview
- Business Outlook
- **Acquisitions**
- Results
- Market Recognition
- Regulatory Framework
- Others

Aquisitions leverage results

Assets	2004	2005	2006	2007	2008	2009	Total
Value invested in acquisitions R$ Million							**Total**
Rosal	136.7						**136.7**
TBE			349.3	3.6	3.6		**356.6**
Light			174.6				**174.6**
Total	**136.7**	**-**	**523.9**	**3.6**	**3.6**		**667.8**
Contribution to net income							
Rosal	(5.6)	18.9	18.7	18.9	120.5	23.4	
TBE			24.7	28.9	36.4	79.1	
Light			(19.6)	147.1	128.5	78.8	
Total	**(5.6)**	**18.9**	**23.8**	**194.9**	**184.4**	**181.3**	
Dividends received							**Total**
Rosal			13.3	17.7	17.4	58.9	107.3
TBE			10.4	33.9	32.8	29.4	106.4
Light				67.7	107.1	92.9	267.7
Total	**-**	**-**	**23.7**	**119.3**	**157.3**	**181.2**	**481.5**

- ✓ R$ 181 million of 2009 consolidated Net income came from acquisitions made in 2004–2008
- ✓ 2009 P/E of these acquisitions is 3.7
- ✓ Dividends and other proceeds received from these companies represent 72% of the amount invested.



Holdings acquired in 2009 add immediate income

TBE[1]
+R$ 46 MM

TAESA[1]
+R$ 178 MM

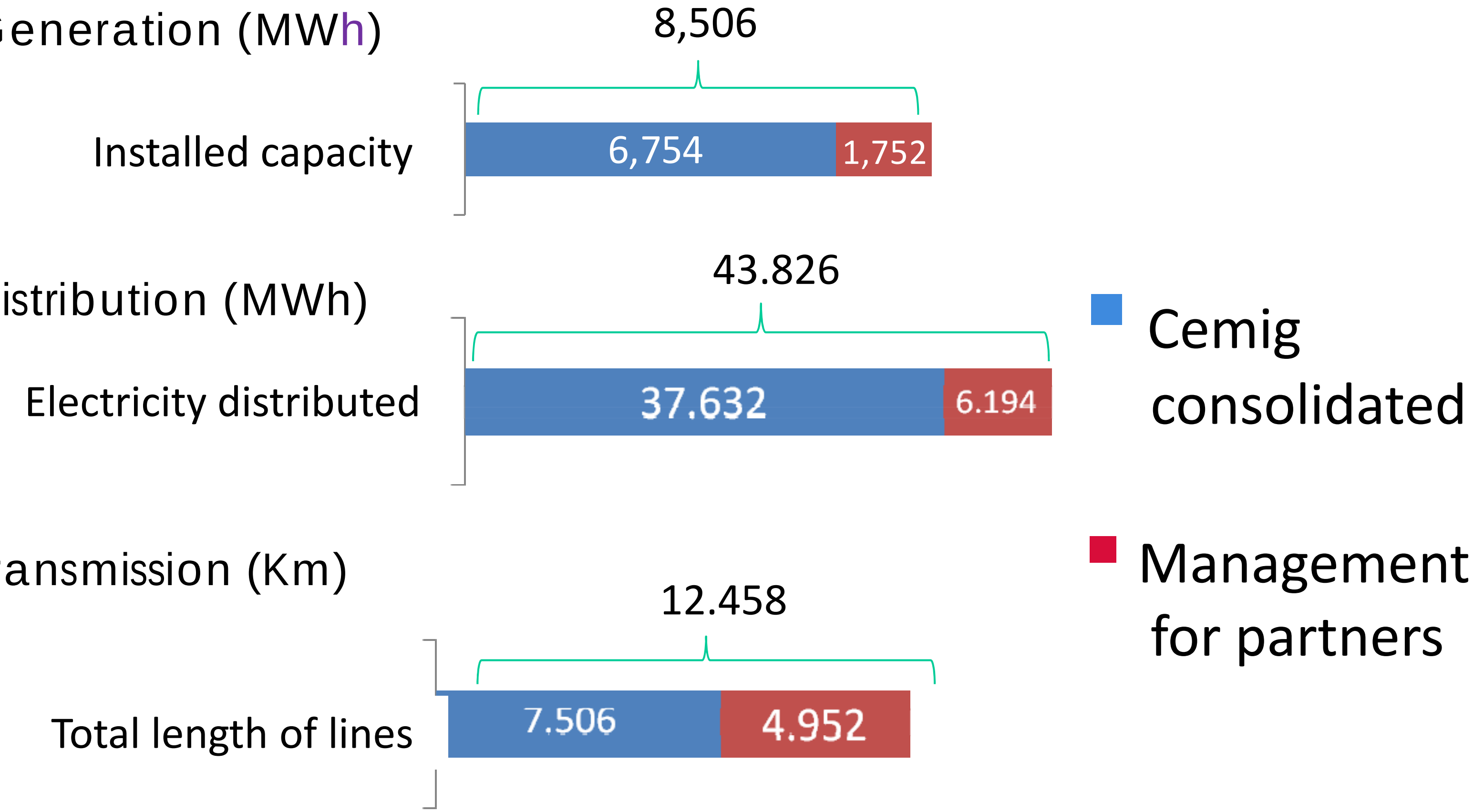
LIGHT[1]
+R$ 157 MM

+ R380million/year of Net Income

(1) 2009 numbers are pro-forma; they include the increased stake in **Light** (from 13% to 26%) and **TBE** (from 17% to 39%), and assume 100% subscription to the public offer to buy the free float of **Taesa**.

Cemig Group grows through management of assets

- As well as operators, we have become managers of assets, in all segments of electricity:
  - Generation (MWh)
  - Distribution (MWh)
  - Transmission (Km)



Acquisition of Brookfield’s shares in TBE

✓ Cemig successfully concluded increase of stake in TBE

Stakes before the acquisition					
	EATE	ECTE	ENTE	ERTE	ETEP
CEMIG	17.68%	7.50%	18.35%	18.35%	19.67%
Eletrobrás	29.30%	0%	0%	0%	21.33%
Other partners	53.02%	92.50%	81.65%	81.65%	59.00%
Stakes after acquisition of Brookfield's shares					
CEMIG	35.34%	13.37%	36.69%	36.69%	39.33%
Eletrobrás	29.30%	0%	0%	0%	21.33%
Other partners	35.36%	86.63%	63.31%	63.31%	39.34%

- On July 14, 2009 Cemig acquired the 4.9% of the shares held by Brookfield in the companies of the TBE Group, EATE, ENTE, ERTE and ETEP and 3.8% of ECTE, for R$ 25,047,488.02. Including the transaction made on June 30, 2009, in which Cemig acquired 95% of Brookfield’s shares in TBE (74.5% in ECTE), the total disbursed was R$ 504,976,101.08.

Acquisitions

Increased participation in TBE

- ✓ Approved by the Board of Directors on October 29
- ✓ Seller: MDU Resources Luxembourg II LLC, S.à.r.l
- ✓ Approximate amount: R$100 million referring to September 30, 2009. Final amount depends on whether or not the partners exercise their right of first refusal
- ✓ Shares in the following companies will be acquired:

Company	Voting Capital	Total Capital
ENTE	13.3%	13.3%
ERTE	13.3%	13.3%
ECTE	Up to 10%	Up to 10%

- ✓ The operation still depends on approval by ANEEL, BNDES and other financing entities
- ✓ This acquisition shows Cemig's growth strategy through minority shares, ensuring partners the right of first refusal

Acquisitions: Increase in the TBE stake

TBE after acquisition of Brookfield

%TOTAL EQUITY

	EATE	ECTE	ENTE	ERTE	ETEP
Alupar	35.35%	40.01%	50.01%	50.01%	39.34%
Eletrobrás	29.30%	0.00%	0.00%	0.00%	21.33%
Celesc	0.00%	21.62%	0.00%	0.00%	0.00%
Cemig	**35.34%**	**13.37%**	**36.69%**	**36.69%**	**39.33%**
MDU	0.00%	25.00%	13.30%	13.30%	0.00%
	100.00%	**100.00%**	**100.00%**	**100.00%**	**100.00%**

EBITDA (pro-forma)	9M09	2008
EATE	182,126	208,432
ECTE	36,910	45,999
ENTE	83,832	104,495
ERTE	14,556	18,111
ETEP	36,094	45,547
Total	353,518	422,584
CEMIG stake	161,061	71,125

TBE after acquisition of MDU

%TOTAL EQUITY

	EATE	ECTE *	ENTE	ERTE	ETEP
Alupar	35.36%	53.35%	50.01%	50.01%	39.35%
Eletrobrás	29.30%	0.00%	0.00%	0.00%	21.33%
CELESC	0.00%	28.83%	0.00%	0.00%	0.00%
CEMIG	**35.34%**	**17.82%**	**49.99%**	**49.99%**	**39.33%**
	100.00%	100.00%	100.00%	100.00%	100.00%

* Considers that all partners will exercice prefference rights from MDU stake

✓ The leverage participation of CEMIG in TBE will be 46,8% in common shares and 38,13% of Capital Total. After buying all eletrobras shares, the participation in the Total Equity and Common shares will be 46,8%.

Description of TBE group

Company	Line/Substation	Length (Km)	Capacity(kV)	Start-up
EATE	Tucuruí (PA) a Presidente Dutra (MA)	927	500	mar/03
ECTE	Blumenau (SC) a Campos Novos (SC)	253	525	mar/02
ENTE	Tucuruí (PA) a Açailândia (MA)	458	500	fev/05
ERTE	Vila do Conde (PA) a Santa Maria (PA)	155	230	set/04
ETEP	Tucuruí (PA) a Vila do Conde (PA)	324	500	ago/02
STC	Barra Grande (SC) a Rio do Sul (SC)	184	230	nov/07
LUMITRANS	Machadinho (SC) a Campos Novos (SC)	40	525	out/07
EBTE	LT Juína-Maggi	775	230	jun/10
TOTAL		**3,115**		

** Resolução Aneel 843 of 06/25/2009

Expansion of TBE Group

Length of transmission network/km	CEMIG %	2008	2009	2010
EBTE*	65.73			775
Km added			-	775
Cemig stake (Km)				509
CEMIG TOTAL				509

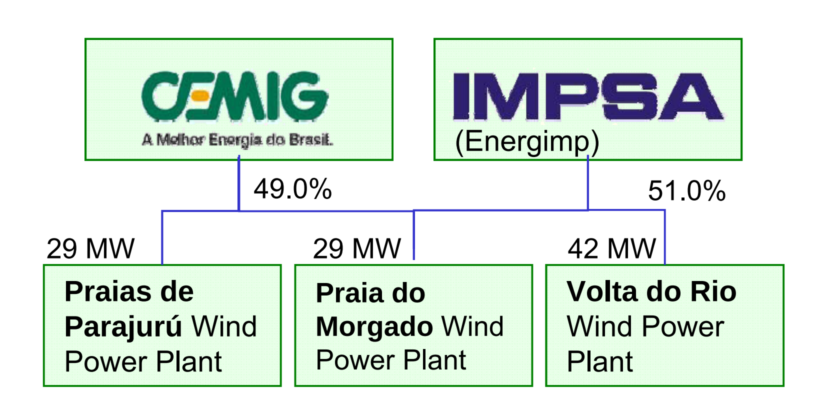
* EBTE: Cemig GT holds a 51% interest in EBTE and EATE detains the remaining 49% stake.

Acquisition of holdings in wind farms: The Transaction

The Transaction

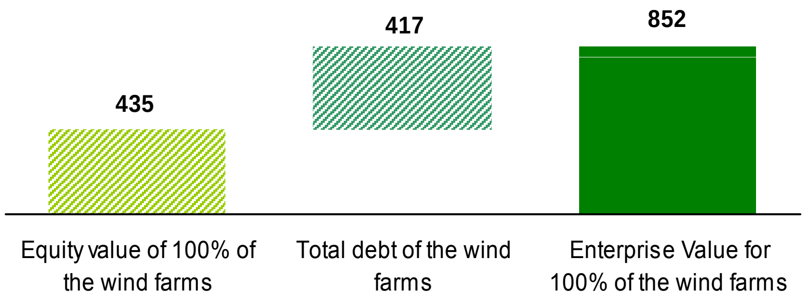
- Acquisition of 49% stockholdings in three wind farms (99.6MW) in the Brazilian State of Ceará, currently owned by **Energimp S.A.** (IMPSA).
- Price paid for the shares: R$ 223 million, to be paid to IMPSA after apporval by Aneel, the Caixa Econômica Federal (“CEF”) and Eletrobrás.
- Cemig has no project completion risk in relation to the wind farms.
- Stockholders’ Agreement between Cemig and IMPSA sets the conditions for governance and management.

Resulting stockholding structure



Equity + debt: components of EV

- R$ million



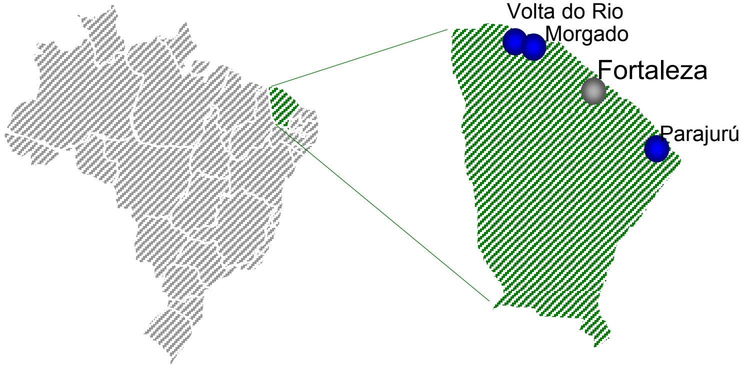
* Includes interest on financing by CEF, pro-rata, up to estimated operational startup dates.

Principal financing

- Creditor: Caixa Econômica Federal (CEF)
  - Amount: R$ 376 million
  - Tenor: 12 years
  - Rate: TJLP +2.5% p.a.
  - Grace period: 6 months

Acquisition of holdings in wind farms: The Assets

Locations



Volta do Rio Wind Power Plant

- Location: **Acaraú** (240km from Fortaleza), Ceará
- Equipment: 28 rotors of 1,500KW each
- Installed capacity: 42.0MW
- Load factor : >45%
- Energy contracted: 161.2GWh / year
- Cliente (Proinfa): Eletrobrás
- Price of electricity: Proinfa
- Concession period: 30 years

Praias de Parajurú Wind Power Plant

- Location: Beberibe (102km from Fortaleza), Ceará
- Equipment: 19 rotors of 1,516KW each
- Installed capacity: 28.8MW
- Load factor: >45%
- Energy contracted : 106.6GWh / year
- Client (Proinfa): Eletrobrás
- Price of electricity: Proinfa
- Concession period : 30 years

Praia do Morgado Wind Power Plant

- Location: **Acaraú** (240km fromFortaleza), Ceará
- Equipment: 19 rotors of 1,516KW each
- Installed capacity: 28.8MW
- Load factor : >45%
- Energy contracted : 115.6GWh / year
- Client (Proinfa): Eletrobrás
- Price of electricity: Proinfa
- Concession period : 30 years

Terna acquisition - Transaction Summary

- ✓ Power Transmission Company with 3,753 km of lines in 11 Brazilian States
- ✓ Payment of R$ 2.15 billion on November 3, 2009
  - The operation involved the purchase of 85.26% of the voting capital, and 65.85% of the total capital
    - Price paid is equal to R$ 37.14 per “unit” (2 preferred shares + one common share)
    - Represents a multiple of nearly 7.6 times EBITDA
- ✓ Acquisition in partnership with Investment Fund - FIP Coliseu
  - Largest FIP created to invest in the Brazilian electricity sector: R$ 1.33 billion
    - Attractive to investors, as it comprises assets already in operation
- ✓ Innovative acquisition structure enables Cemig to use it in other expansion opportunities, in line with its long-term Strategic Plan

Rationale of model for Taesa acquisition (with FIP)

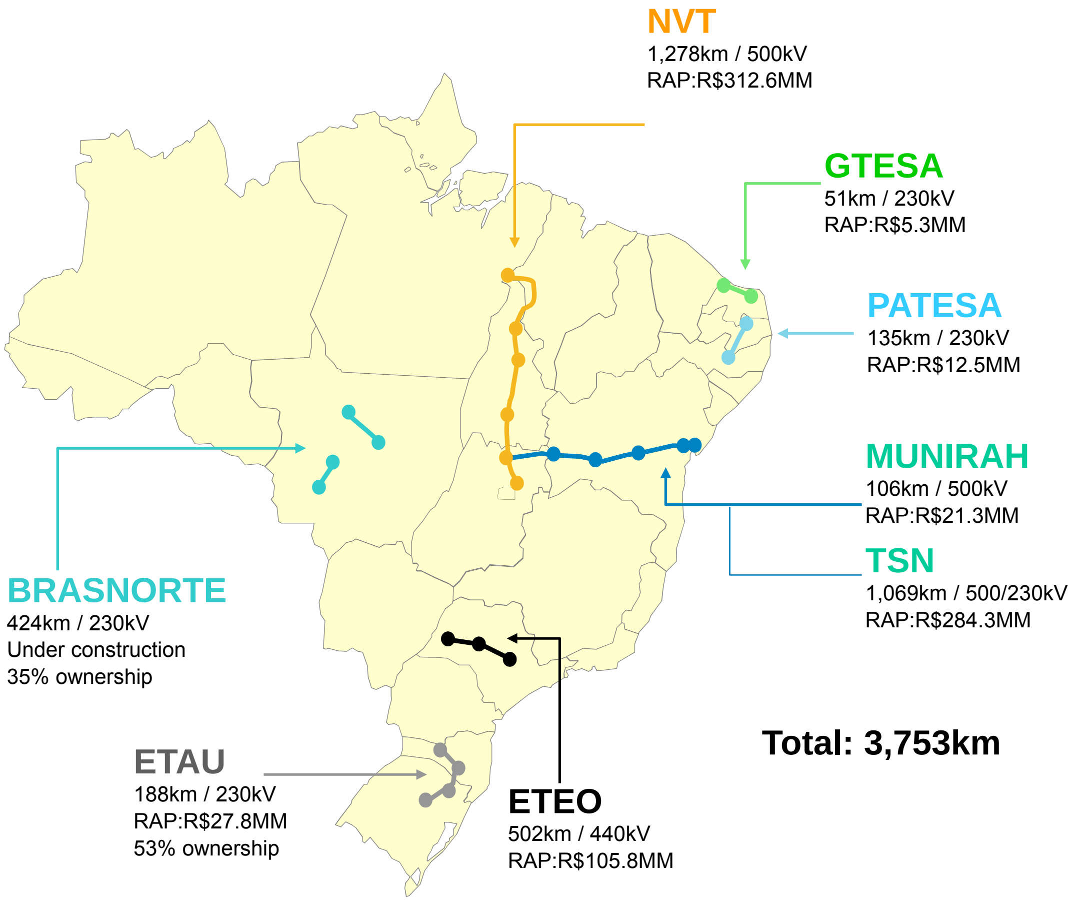
- ✓ In line with the Long-term Strategic Plan
- ✓ IRR of 10.6% for the base case and 12.5% including additional gains
- ✓ Vehicle for growth in the transmission sector
- ✓ Synergies with Cemig's transmission assets, including TBE
- ✓ Operational and corporate gains
- ✓ Possibility of improving Ebitda margin (currently 87%)
- ✓ Partnership with an FIP reduces the disbursement on the acquisition, facilitating further acquisitions for Cemig – already in negotiation
- ✓ To ensure future increase of Cemig's share in the transmission sector – up to the target specified by the Long-term Strategic Plan

Transmissora Aliança de Energia Elétrica S.A - Taesa Overview

Overview of Concessions

Line	Start-up Date	Concession Term
TSN	abr-03	dez-30
GTESA	jul-03	jan-32
PATESA	mar-04	dez-32
Munirah	nov-05	fev-34
Novatrans	abr-04	dez-30
ETAU	mai-05	dez-32
ETEO	out-01	mai-30
Brasnorte	under construction	mar-38

Geographic Footprint

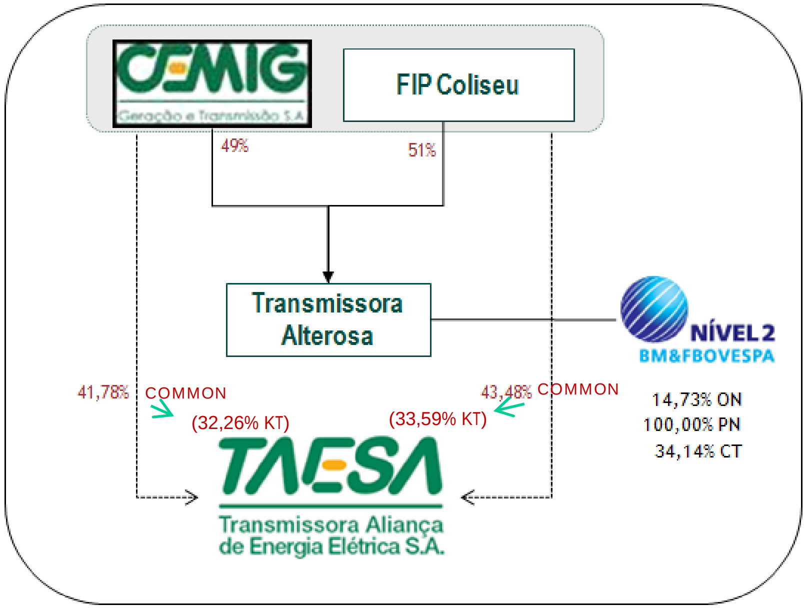


Total: 3,753km

FIP Coliseu: Efficient vehicle for growth in Transmission

- On November 4th, 2009, Cemig GT, jointly with FIP Coliseu, acquired 65.85% of Terna Participações S.A., through Transmissora do Atlântico de Energia Elétrica S.A.
- Atlântico was split, creating Transmissora Alterosa, which will be responsible for the public offer to acquire the free float from minority stockholders.
- Terna absorbed Atlântico, and its name was changed to Transmissora Aliança de Energia Elétrica S.A. – "Taesa".

Taesa: Present structure



✓ After the public offer to buy shares, assuming 100% acceptance, the shares bought will be:

- common shares: 49% Cemig GT and 51% FIP
- preferred shares: 100% Cemig GT

Public offer for shares in Taesa

✓86% of minority shareholders accepted

✓Updated price per share: R$ 12.91 (R$ 38.73 per Unit)

✓Cemig's final interest:

- 56.7% - total capital
- 48.0% - ON shares
- 86.2% - PN shares

✓Total investment in this acquisition: R$ 831 million

✓Settlement: May 11th

Increasing stake in Light creates new opportunities

- ✓ Cemig D and Light represent almost 16% of electricity distributed in Brazil in 2008
  - Tradition and experience in Light and Cemig brought closer
  - Opportunity to capture synergy gains between assets and processes
- ✓ Cemig GT and Light have opportunities to jointly create value
  - Partnerships have already been made for construction of new hydro plants (PCH Paracambi is already feasible)
  - Opportunity to capture synergy gains in sales in the Free Market
  - Light's "assured energy" will be re-priced in 2013 and 2014, strong likelihood of increasing
- ✓ Cemig increases its exposure to one of Brazil's fastest-growing economies
  - Major increase in investment in the economy of Rio de Janeiro, due to pre-salt oil, and other industrial projects
  - Positive impact in the economy of Rio de Janeiro derived from the Olympics and Soccer World Cup

Summary of the transaction

- Restructuring of the controlling shareholding block of Light
  - AG Concessões and PCP (Equatorial) will sell their stakes in Light
  - Equatorial will undergo a shareholding reorganization
  - Cemig will be a minority shareholder in a Special-purpose Company (SPC) constituted jointly with a new FIP
  - The SPC will hold a stake of up to 26.06% in Light
- Price of the transaction:
  - R$ 785 million for each 13.03% block of Light, equivalent to approximately R$ 29.54 per share
  - Payment to AG Concessões after any required approvals
  - Payment to PCP after approvals and the shareholding restructuring of Equatorial
  - Price updated by the Cetip CDI rate*, from December 1, 2009
- Good returns and known level of risk:
  - IRR of the transaction for the shareholder is 11% in real terms
  - Price paid is 7.22 x 2009 Ebitda, and 6.36 x 2010 Ebitda, according to market consensus figures of November 2009.

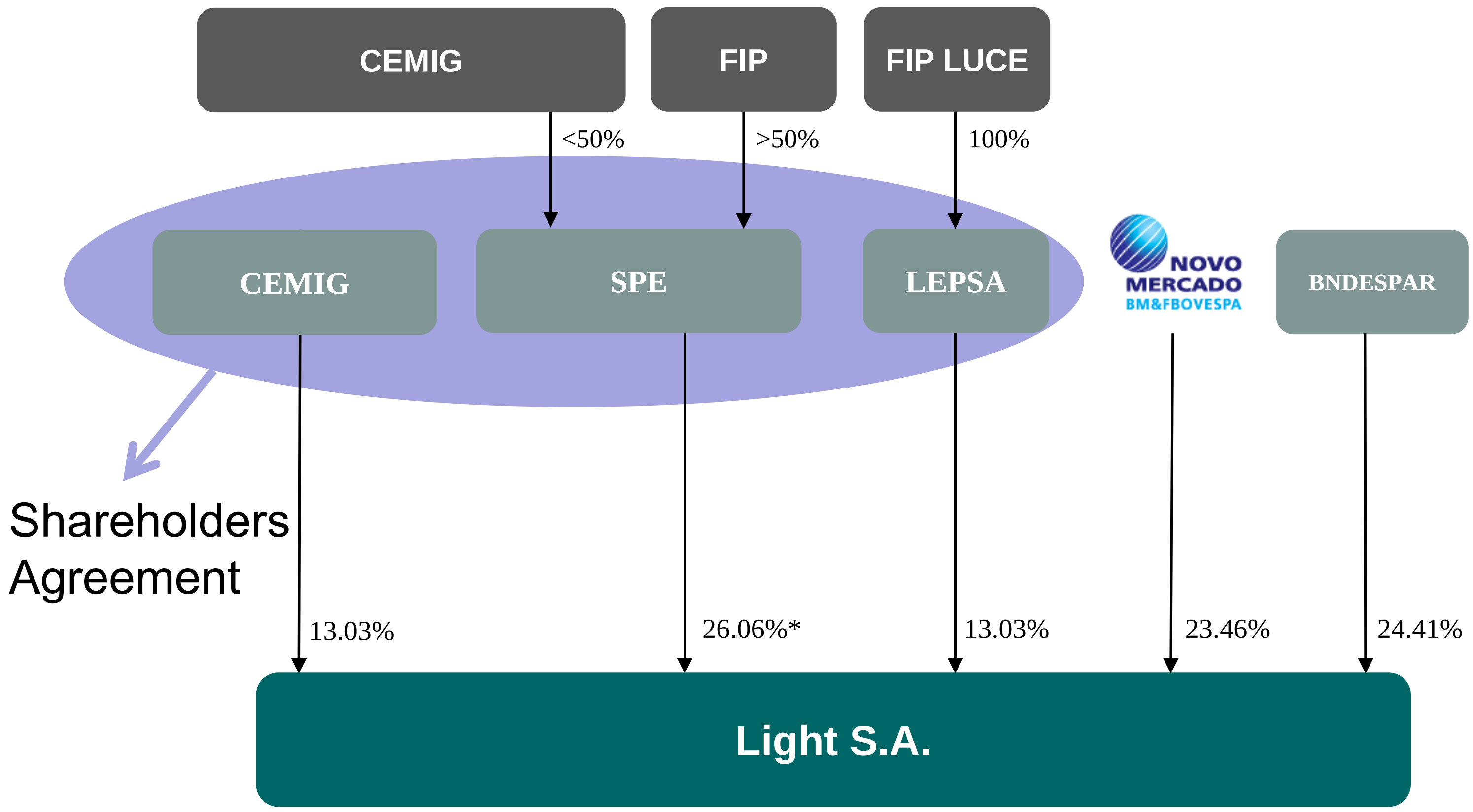
* The acquisition's price will be deducted by dividends paid or declared from December 1, 2009

Increasing stake in Light marks the beginning of a new era

- ✓ The increase of Cemig's stake marks the beginning of a second stage in Light's history
  - With the selling of the financial partners' stakes it will be possible to increase the synergy between Cemig and Light
  - Corporate Governance structure will be preserved
  - A new era for Light will be marked by company's growth and improvement in its operational and technical standards, preserving the excellence, culture and values of Light's employees.
  - Market recognition shows that Light is in a growing path.
- ✓ Natural development from the acquisition made in 2006 (1st stage)
  - Turnaround achieved
    - Financial restructuring
    - The company became profitable and began to distribute dividends
    - Interest are aligned between shareholders
  - Acquired in partnership with three partners, through RME
- ✓ Adding value for all shareholders – Light and Cemig
  - Regulated business with predictable revenue at each tariff cycle
  - Stable cash flow, with defensive profile

➢ **Strategy of growth through partnerships has been successful (Light, TBE, Terna)**

At the end of the process, the shareholding structure of Light will be:



* Maximum stake

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- Regulatory Framework
- Others

CAPEX(R$ Million)

Investment program

Activity	2009	2010	2011	2012
Basic program [1]	**768.4**	**800.8**	**953.2**	**1,062.0**
Generation	55.8	132.8	61.4	84.0
Transmission	114.5	52.9	18.6	30.2
Distribution	598.1	614.4	873.0	945.5
Holding	-	0.7	0.2	2.3
Luz Para Todos (“Light for All”) – Cemig	**164.0**	**536.9**	**(160.2)**	**-**
Luz Para Todos – Total	164.0	827.7	-	-
CDE	-	(215.8)	(32.0)	-
Minas Gerais State	-	(75.0)	(128.2)	-
Acquisitions	**1,797.5**	**1,791.5**	**8.1**	**10.8**
Terna Participações	1,069.9	956.8[2]	-	-
TBE (Acquisition - Brascan)	505.0	-	-	-
TBE (Acquisition - MDU)	-	117.3	-	-
TBE (Share buyback)	3.7	6,4	8.1	10.8
Wind Farms	218.9	-	-	-
Light (49% of AGC+EQTL)	-	711.0	-	-
Overall total	**2,729.9**	**3,129.1**	**801.1**	**1,072.8**

(1) Amounts estimated as from 2010, in accordance with corporate planning, at June 2010 prices. Includes basic investments for upkeep of the routine work of distribution, generation, transmission and the Holding Company.

(2) Based on 100% acceptance of the Public Offering

Planned expansion

Power Generation Expansion

Capacity, MW	CEMIG %	2009	2010	2011	2012	2013
Santo Antônio Hydro Plant	10				3,150	
Pipoca PCH	49		20			
Senhora do Porto PCH	49		12			
Dores de Guanhães PCH	49		14			
Jacaré JCH	49		9			
Fortuna II PCH	49		9			
Wind Farm - Ceará	49	29	71			
Itaocara	49					194
Paracambi	49			25		
Lajes	49		18			
Capacity under construction		29	153	25	3,150	194
Cemig stake (MW)		14	75	12	315	95
CEMIG TOTAL		6,783	6,858	6,870	7,185	7,280

Power Transmission Expansion

Length of transmission network/km	CEMIG %	2009	2010
Furnas – Pimenta – 345 Kv	49	75	
Charrua-Nueva Temuco - 220 KV	49	205	
EBTE	65.73		775
Km added		280	775
Cemig stake (Km)		137	509
CEMIG TOTAL		7,871	8,381

Planned Light for All Program – Phase 2

R$ thousand

	2008	2009	2010	Total
Light for All Program - 2	**211,819**	**254,181**	**-**	**466,000**
Eletrobras CDE	78,999	94,810	-	173,809
Eletrobras RGR	67,150	80,588	-	147,738
Minas Gerais state	-	75,000	75,000	150,000
Own Funds	65,670	3,783	-	(5,547)
Target – number of consumers	**25,000**	**30,000**	**-**	**55,000**
R$ per connection	**8,472.76**	**8,472.70**	**-**	**8,472.73**

(*) Value of passthrough to tarrif being negotiated with Eletrobrás and Aneel

- ✓ Expansion of the *Light for Everyone* Program is made possible because of government subsidies.
- ✓ The values in this chart are indicative only and will be revised considering the real values of 2008

Large Growth in Cash Flow

Cash Flow Statement (Consolidated)

	1Q10	1Q09
Cash at start of period	4,425	2,284
Cash generated by operations	***1,287***	***638***
Net income	419	336
Depreciation and amortization	190	171
Suppliers	(77)	67
RTD – Deferred Tariff Adjustment	-	119
Other adjustments	755	(55)
Financing activities	***73***	***76***
Financings obtained and increase of capital	3,197	192
Payments of loans and financings	(3,124)	(116)
Investment activities	***(1,290)***	***(292)***
Investments outside the concession area	39	22
Investments in the concession area	(1,329)	(337)
Special Obligations – consumer contributions	-	23
Cash at end of period	**4,495**	**2,706**

- ✓ Cash position provides flexibility to financial management

Consolidated net revenue

✓ Growth in net revenue reflects business diversification, and positive effects of acquisitions (RME/Light S.A. and TBE companies)

	1st Q. 2010	1st Q. 2009	Change
Sales to end consumers	3.192	3.041	5%
TUSD	301	274	10%
Effects of the Definitive Tariff Review	66	(265)	-125%
Subtotal	3.559	3.050	17%
Supply + Transactions in the CCEE	376	360	4%
Revenues from Trans. Network	288	179	61%
Gas Supply	90	72	25%
Others	70	66	6%
Subtotal	**4.383**	**3.727**	**18%**
Deductions	(1.473)	(1.365)	8%
Net Revenues	**2.910**	**2.362**	**23%**

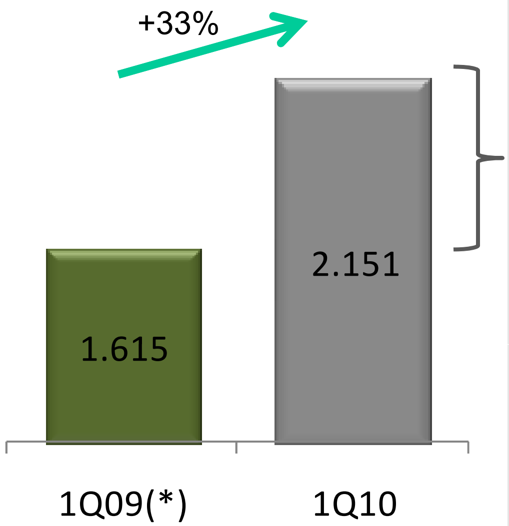
Operating Expenses

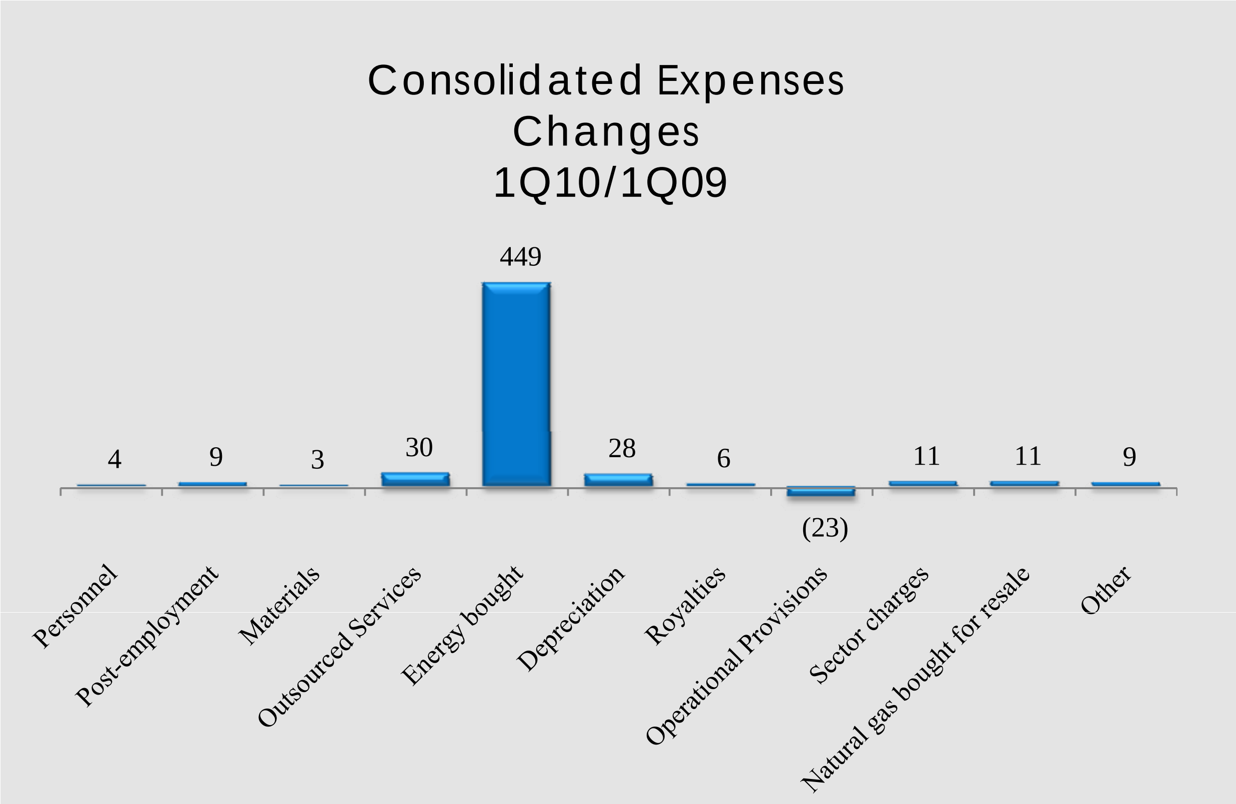
Operating Expenses (consolidated)
Values in R$ million

	1st Q. 2010	1st Q. 2010	Change
Purchased Energy	1.028	672	53%
Personnel/Administrators/Councillors	295	298	-1%
Depreciation and Amortization	190	171	11%
Charges for Use of Basic Transmission Network	203	204	0%
Contracted Services	184	161	14%
Forluz – Post-Retirement Employee Benefits	42	34	24%
Materials	28	26	8%
Royalties	42	36	17%
Gas Purchased for Resale	50	39	28%
Operating Provisions	23	54	-57%
Other Expenses	66	57	16%
Total	**2.151**	**1.752**	**23%**

Consolidated operational expenses

1Q10 expenses
R$ million





✓ Increase in operational expenses, mainly due to non-controllable costs

- Average price of electricity bought for resale, in Cemig D, increased 24%
- Considering the R$ 11 million related to the Voluntary Retirement Program in 1Q10, the expense with personnel is reduced by 2%.

(*) Adjustment – Light – 13%

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*

	1st Q. 2010	1st Q. 2009	Change
Net Revenue	2.910	2.362	23%
Operating Expenses	(2.151)	(1.752)	23%
EBIT	**759**	**610**	**24%**
EBITDA	**949**	**781**	**22%**
Financial Result	(90)	(38)	137%
Provision for Income Taxes, Social Cont & Deferred Income Tax	(214)	(189)	13%
Employee Participation	(36)	(27)	33%
Minority Shareholders	-	(20)	-
Net Income	**419**	**336**	**25%**

Cemig Distribuição

Statement of Results (Consolidated) - CEMIG D

Values in millions of *reais*

	1st Q. 2010	1st Q. 2009	Change
Net Revenue	1.741	1.186	47%
Operating Expenses	(1.562)	(1.101)	42%
EBIT	**179**	**85**	**111%**
EBITDA	**272**	**166**	**64%**
Financial Result	(23)	(8)	188%
Provision for Income Taxes, Social Cont & Deferred Income Tax	(45)	(18)	150%
Employee Participation	(28)	(19)	47%
Net Income	**83**	**40**	**108%**

Statement of Results (Consolidated) - CEMIG GT

Values in millions of *reais*

	1st Q. 2010	1st Q. 2009	Change
Net Revenue	850	727	17%
Operating Expenses	(376)	(302)	25%
EBIT	**474**	**425**	**12%**
EBITDA	**543**	**481**	**13%**
Financial Result	(78)	(50)	56%
Provision for Income Taxes, Social Cont & Deferred Income Tax	(133)	(137)	-3%
Employee Participation	(7)	(6)	17%
Net Income	**256**	**232**	**10%**

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- Regulatory Framework
- Others

Market Recognition

Included in the DJSI for the 10th year running. Selected as worldwide leader of the Utilities "Supersector" in 2009.

Included in The Global Dow Index as the only Latin American electricity company in this 150-company index, and one of the 10 selected to represent emerging markets.

Fiat Qualitas Award

Best Worldwide Power Supplier

Prêmio Anefac

Transparency Trophy, 2008.

2008 Brazil´s Corporate Standouts:

- Luiz Fernando Rolla, Best CFO
- Most Shareholder-Friendly Company

Included in Bovespa Corporate Sustainability Index.

✓ 36th Apimec Award

- Best publicly traded company
- Best IRO

Appendix

- Regulatory Framework
- Others

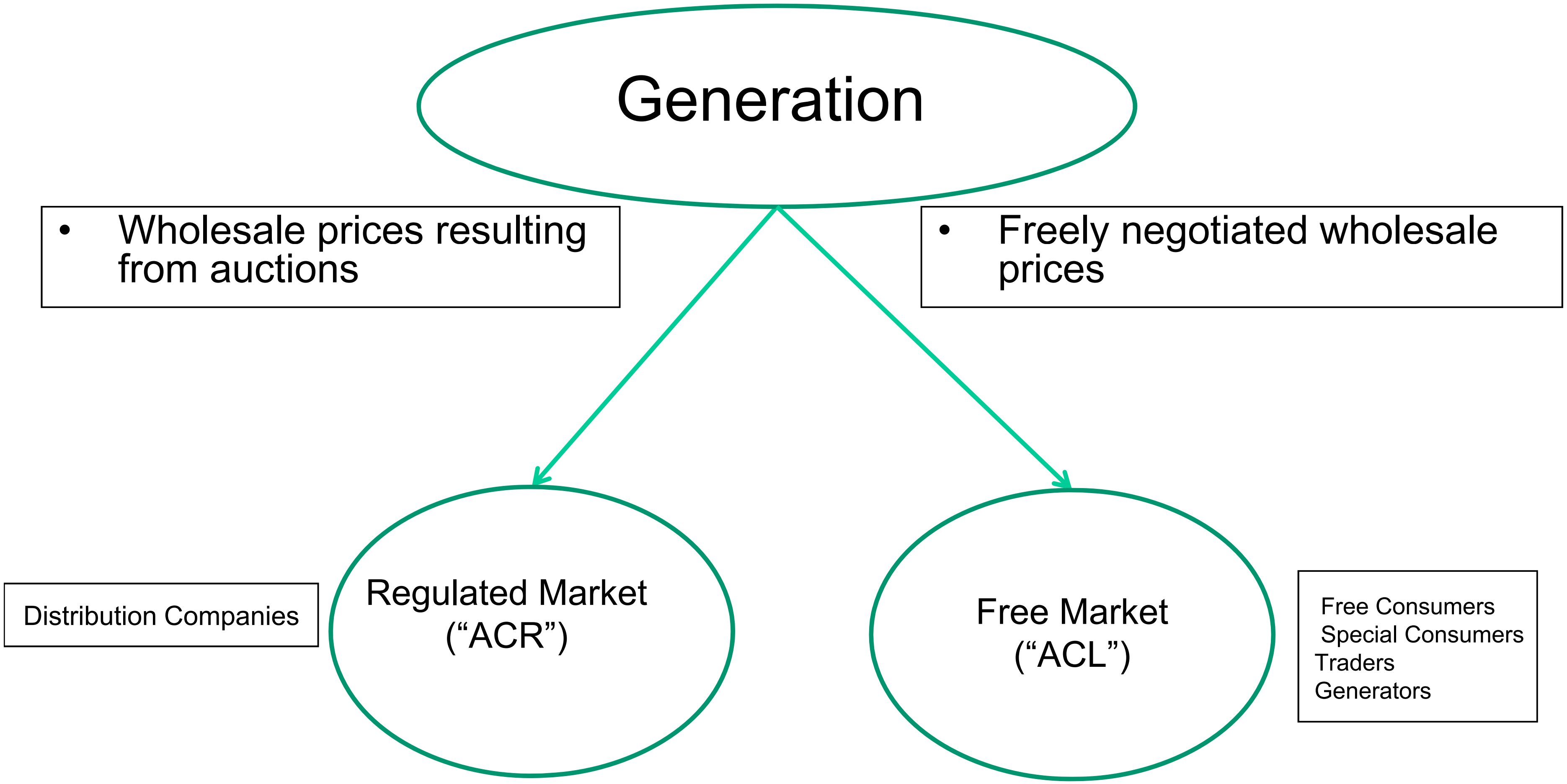
Power Generators are the most exposed to risks

- 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.

Brazil's electricity markets

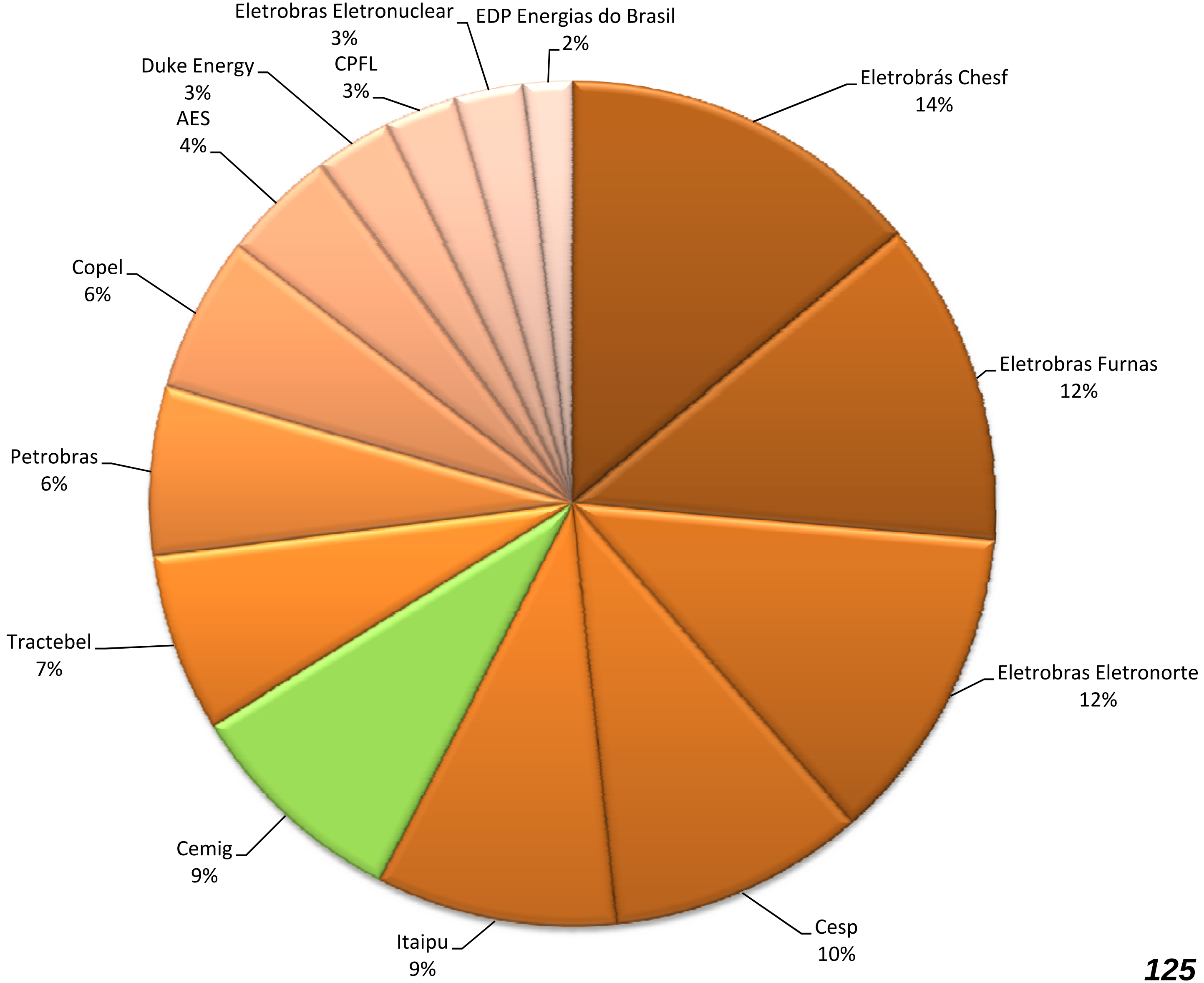


Co-existence of two markets: competitive, and regulated

Types of contracting in the Regulated Market

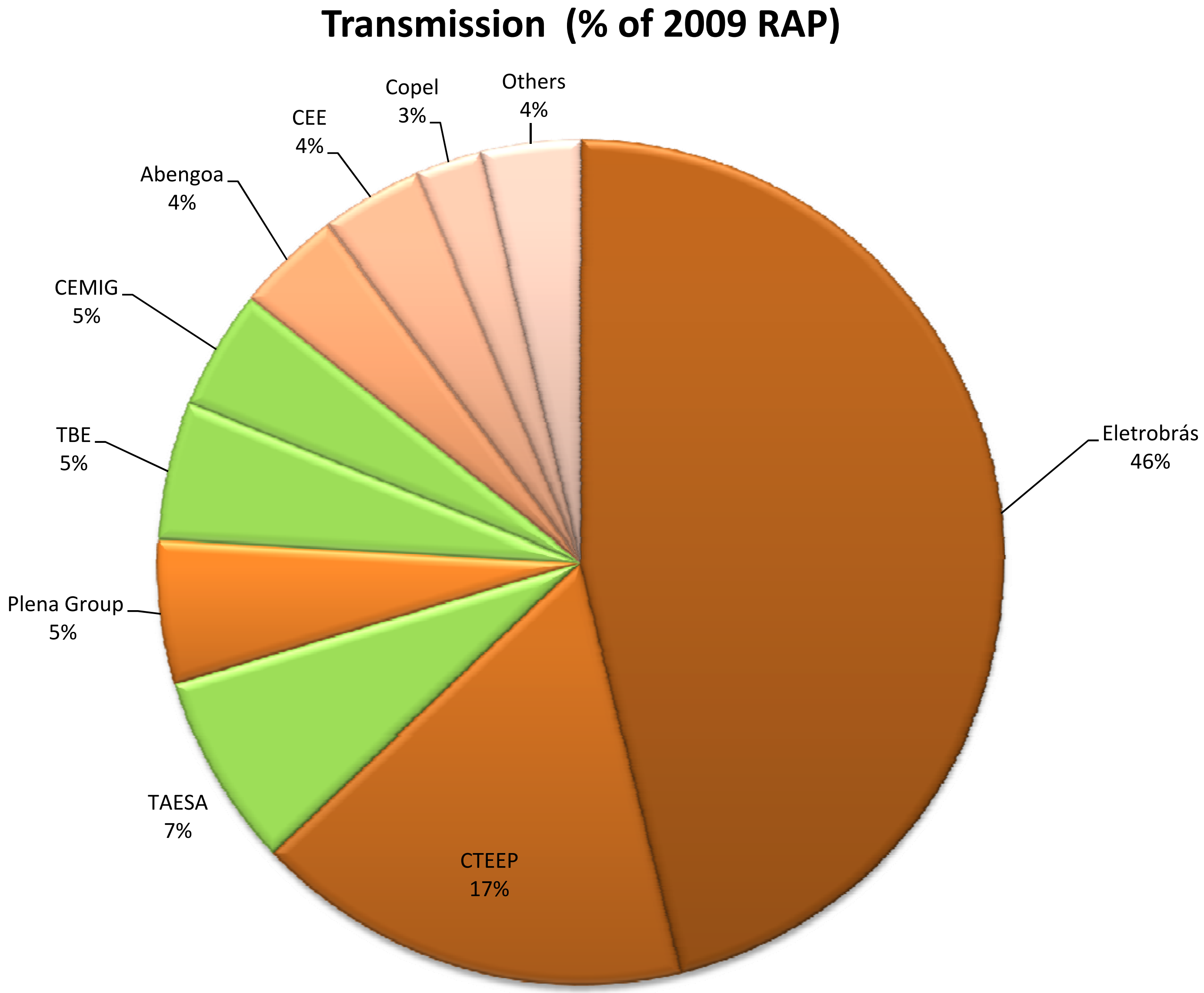
	A–5 New Energy Auctions	**A–3 New Energy Auctions**	**A–1 Existing Generation Auctions**	**Local Generation Auctions**	**Adjustment Auctions**
Objective	Expansion	Expansion	Existing load	Existing load	Adjustment of current situation
Duration of contract	15 to 30 years	15 to 30 years	5 to 15 years	No standard	Up to 2 years
Market	Regulated	Regulated	Regulated	Regulated	Regulated
Restrictions	None	2% of the load in A–5	Depends on the replacement amount, that is to say the amount of electricity that is being de-contracted in the year the auction is held.	Up to 10% of the load. Passthrough limited by the Reference Value, that is to say the limit for passthrough to the tariff.	Up to 1% of the demand contracted in A
Source (Usual)	Hydro	Hydro and Thermal	Hydro	Hydro, Thermal and alternative sources	Hydro

Power Generation – Brazil's Installed Capacity (% in 2009)



Source: Cemig

Power Transmission: Brazil



Source: Cemig

Transmission regulation is the most successful one

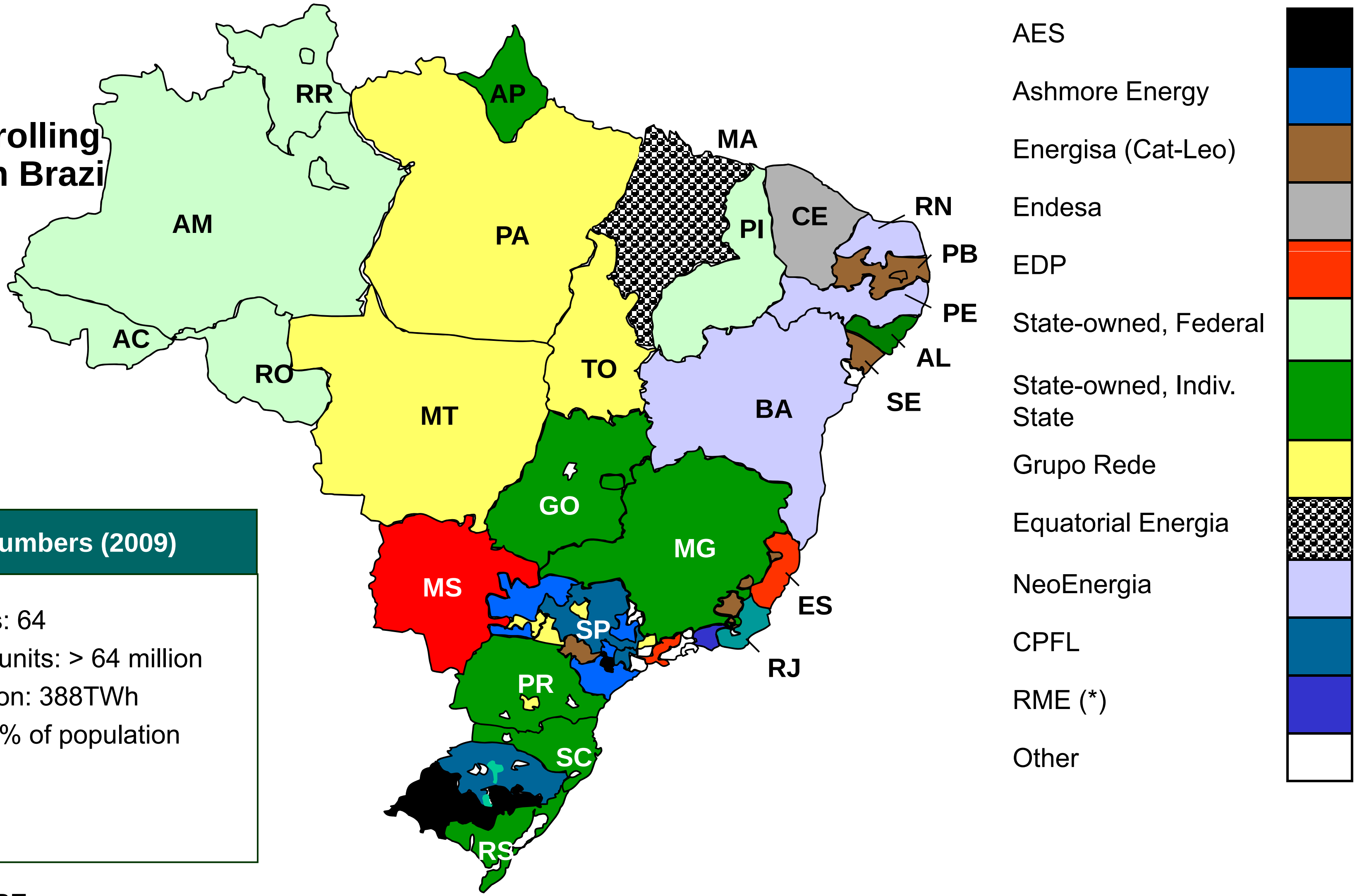
- Competition for concession contract:
  - Cap price approach;
  - Allowed revenue: the winner bid is the lowest revenue earned from users;
  - 30-year long concession.
- Stable Cash flow
  - Guaranteed contracts signed with users:
    - Receivables pledged as guarantees;
    - Annual inflation adjustment;
    - 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



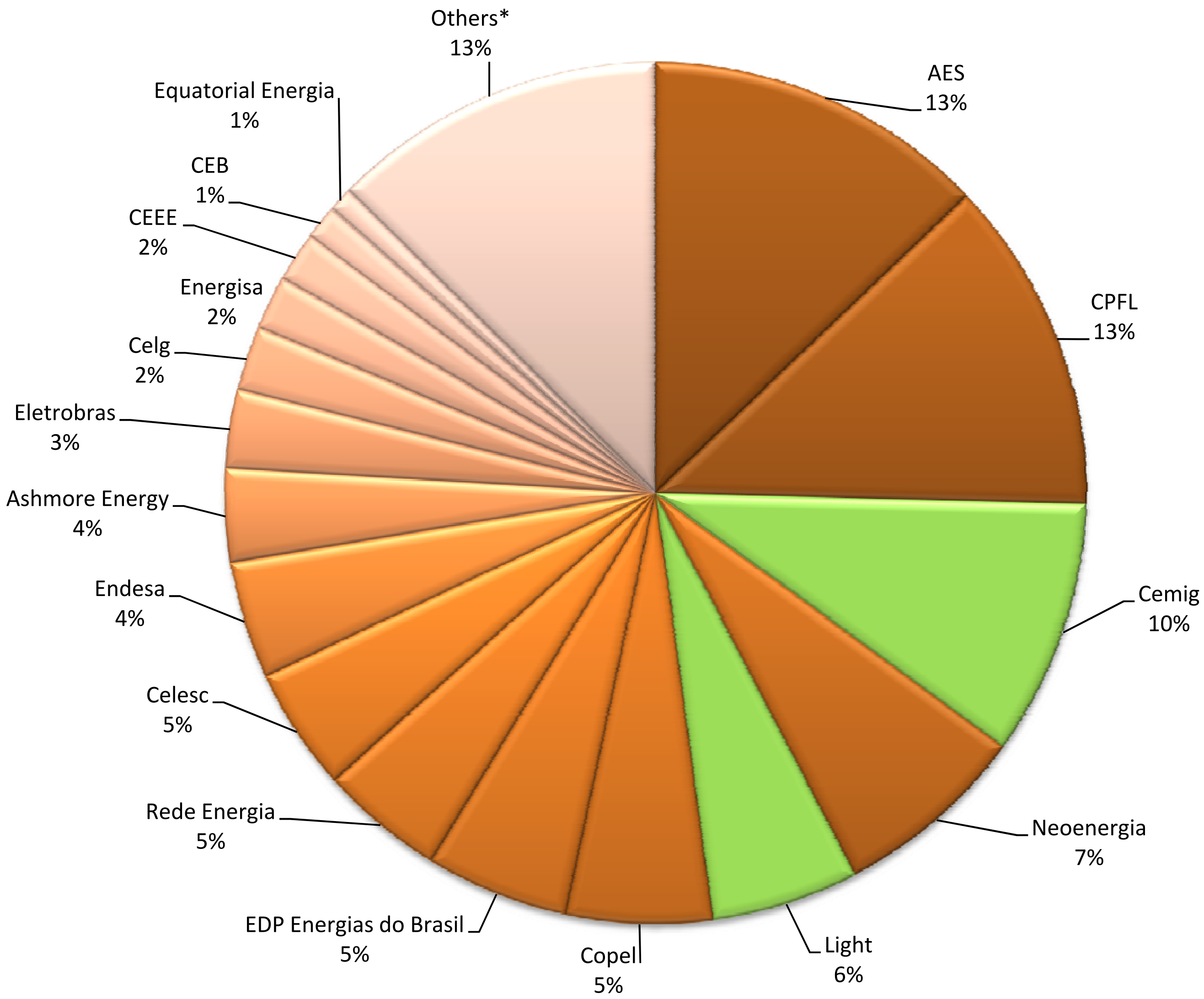
Brazil Numbers (2009)

- Companies: 64
- Consumer units: > 64 million
- Consumption: 388TWh
- Access: 95% of population

Source: Aneel, EPE

(*) Cemig has 13%stake

2009 Distribution – Transported Energy (%)

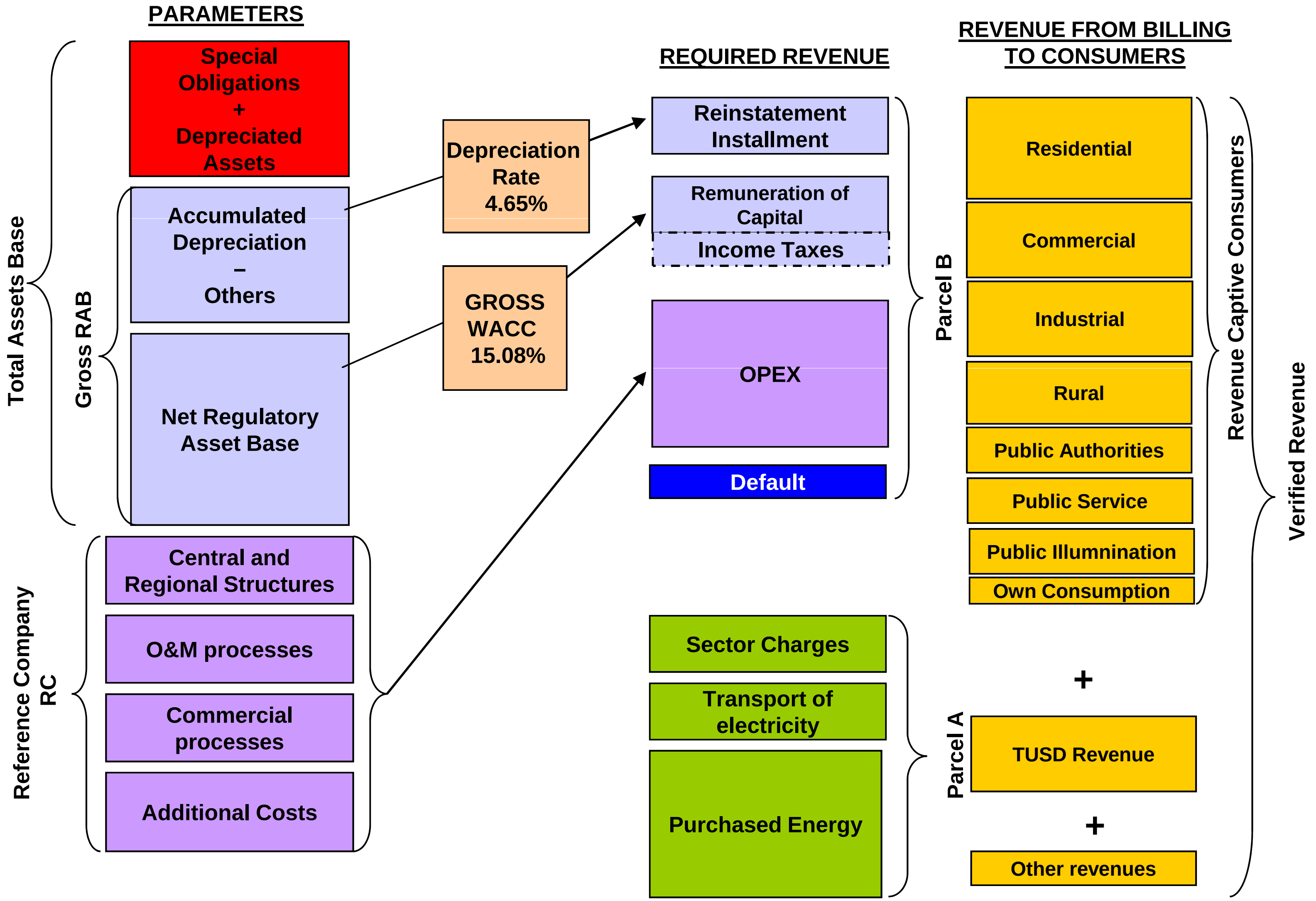


Source: Cemig

Electricity Distribution business is the most regulated one

- Allowed return on asset approach:
  - Benchmark WACC: currently 11.26%;
  - 2008 tariff review: WACC reduced to 9.95%.
- 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.

Tariff Review Process



Appendix

- Regulatory Framework
- Others

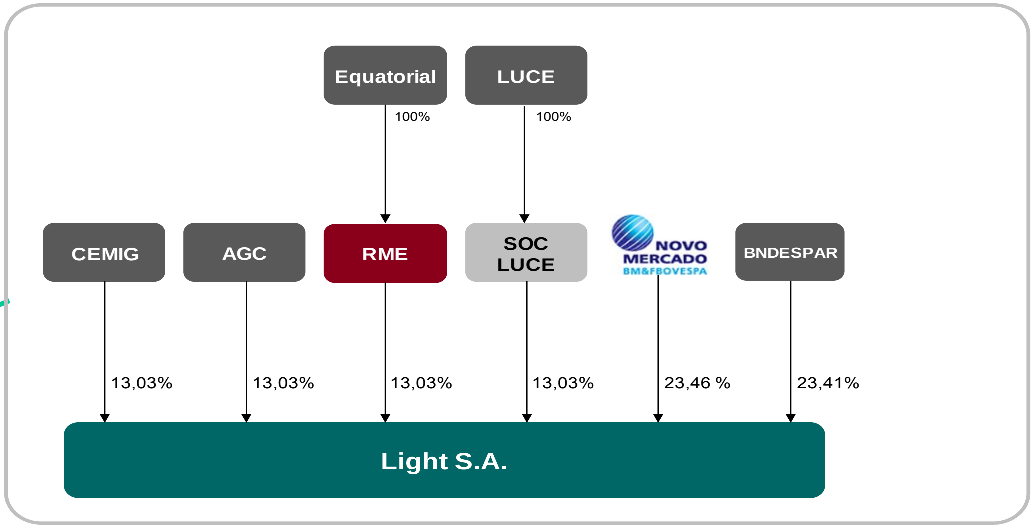
The Collective Work Agreement for 2009–2010

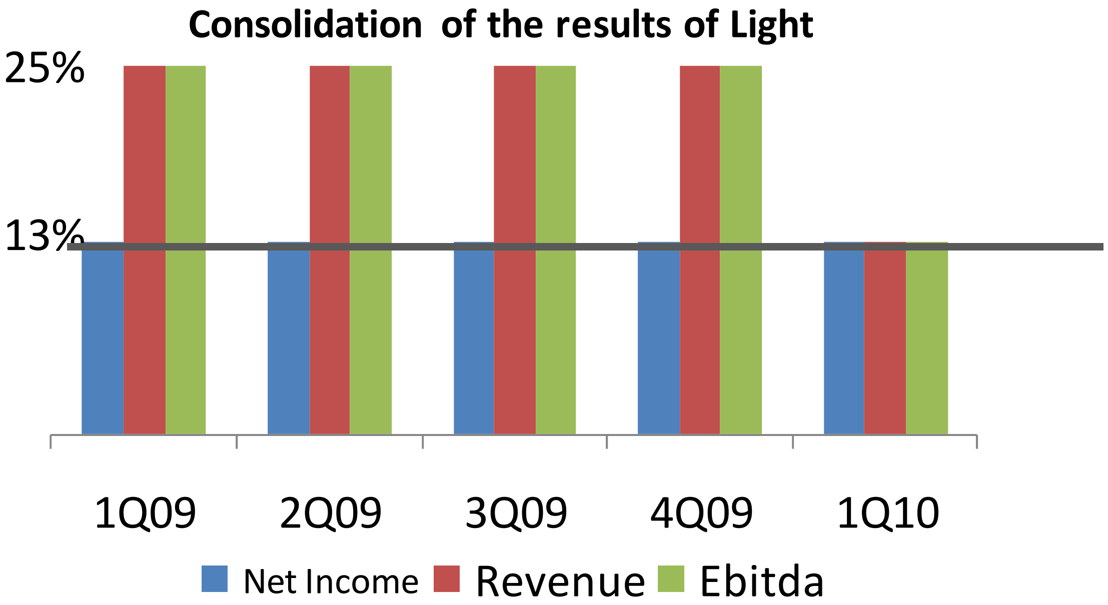
- ✓ The conditions negotiated with the Unions took the following factors into account:
  - the Tariff Review of Cemig D (Cemig Distribution), which reduced its revenues by 20.81%;
  - the Tariff Review of Cemig GT's (Cemig Generation and Transmission) transmission assets, which increased its revenues by 5.35%; and
  - the lower volume of sales caused by the effects of the financial crisis on industrial clients.
- ✓ The Salary Agreement included:
  - increase of salaries by 4.88%;
  - employees' share in the profits for 2009 to total approximately R$ 210 million; and
  - payment in March 2010 of an advance against the profit shares for that year, in the approximate amount of R $60 million.
- ✓ **Taking into consideration the tariff reviews and the reduction in sales volume, mentioned above, the payment of profit shares in 2009 is approximately R$ 160 million less than in 2008, and R$ 245 million less than in 2007.**

Stockholding restructuring in Light: accounting effects

Results for 1Q 2010 will reflect absorption of RME by Light

Nov. 09: At this point Cemig has direct holding of 13.03% in Light





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.

Investor Relations

Telefone: (55-31) 3506-5024

Fax: (55-31) 3506-5025

Email: ri@cemig.com.br

Website: http://ri.cemig.com.br

Notes

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