



A Melhor Energia do Brasil.

Successful Strategy

Performance reflects balanced portfolio structure

April, 2011

CIG
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NYSE

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LISTED
NYSE

Disclaimer



Some statements and estimates in this material may represent expectations about future events or results that involve risks and uncertainties known and unknown. There is no guarantee that the events or results referred to in these expectations will occur.

These expectations are based on present assumptions and analyses from the viewpoint of our management, based on their experience, the macroeconomic environment, market conditions in the energy sector and our expected future results, many of which are not under Cemig's control.

Important factors that can lead to significant differences between actual results and projections about future events or results include Cemig's business strategy, Brazilian and international economic conditions, technology, Cemig's financial strategy, changes in the energy sector, hydrological conditions, conditions in the financial markets, uncertainty regarding future results of operations, plans and objectives as well as other factors. Because of these and other factors, our actual results may differ significantly from those indicated in or implied by these statements.

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To evaluate the risks and uncertainties as they relate to Cemig, and to obtain additional information about factors that could lead to different results from those estimated by Cemig, please consult the section on Risk Factors included in our Formulário de Referência filed with the Brazilian Securities Commission – CVM, and in Form 20-F filed with the U.S. Securities and Exchange Commission – SEC.

Financial amounts are in R\$ million unless otherwise indicated, and reflect the adoption of IFRS.



Brazil's Leading Power Utility



Integrated
Power
Utility in
Brazil

#1

Growth in
EBITDA
2005-10

+49%

Market cap
of US\$
12.7⁽¹⁾ B.

#3⁽²⁾

Role in
industry

**Leading
consolidator**

In the Power Industry since 1952

(1) As of March 29nd, 2011

(2) In the Power Industry

Cemig: Strength in Numbers ⁽¹⁾



Number of power plants

66

Total installed capacity

6,896 MW

Locations in Minas Gerais State

5,415

Size of concession area vs. France

Larger

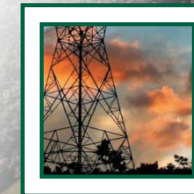
Electricity Distribution lines

474,559 km

Power Transmission lines

8,768 km

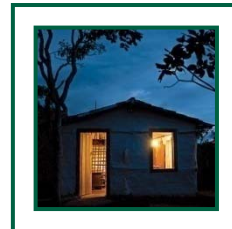
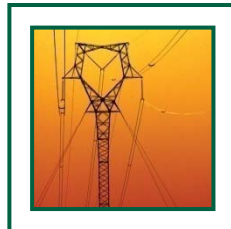
(1) As of December 30, 2010



Cemig at a Glance



- Based in State of Minas Gerais, controlling shareholder
 - growing throughout Brazil and Chile
- Strong financial profile 2010
 - Net revenues: R\$ 12.9B
 - EBITDA: R\$ 4.5B
- Highest liquidity in sector
 - listed on 3 stock exchanges New York, São Paulo, Madrid
 - More than 114,000 shareholders in 44 countries
 - Average Daily Trading Volume in 2010:
 - R\$42M in Bovespa
 - US\$32M in NYSE
- Solid dividend policy
 - Minimum 50% payout ratio
 - Every two years, may pay extra dividends, if cash conditions permit
- Strong Growth outlook in the long run
 - Acquisitions
 - Re-pricing of energy contracts



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 American economy

#1

Ranking of economy in world

#7

GDP 2010

US\$2.2 Trillion

GDP growth 2010

7.5%

Population

191M

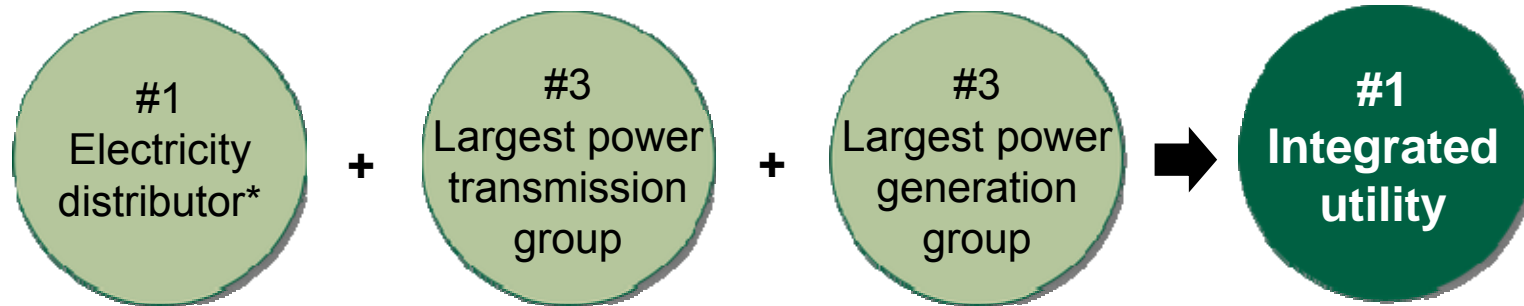
Power industry revenue - 2010

>US\$145 Billion

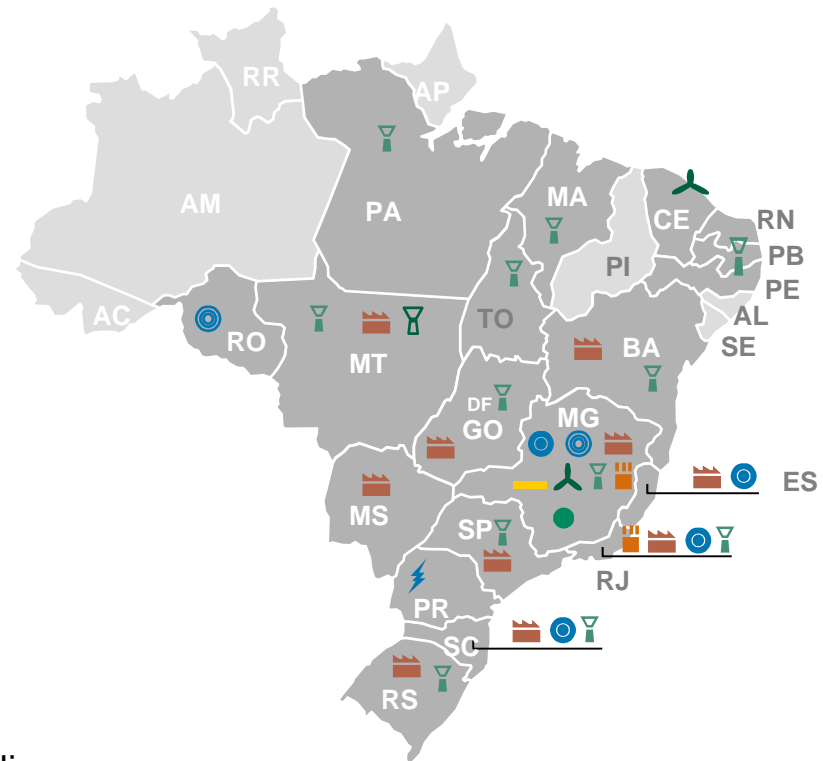
Investment grade by Moody's, Fitch and S&P



Largest Integrated Utility in Brazil



- Power Generation
- Power Generation (under construction)
- Power Transmission
- Power Transmission (under construction)
- Electricity Distribution
- Cemig "Free Consumer" Clients
- Purchase of Energy
- Wind Power Generation
- Natural Gas Distribution
- Telecom Backbone Provider

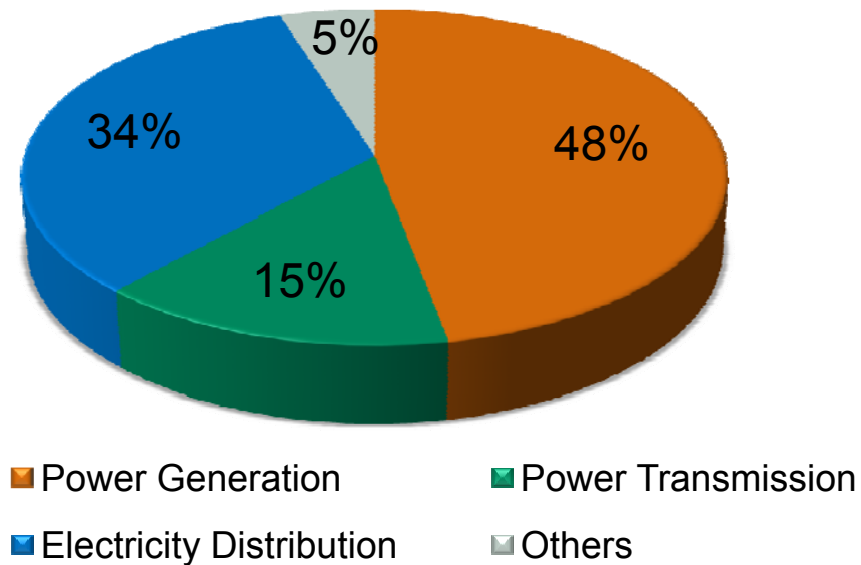


* in terms of length of electricity distribution lines

Diversified, Low Risk Business Portfolio



Breakdown of EBITDA (2010)

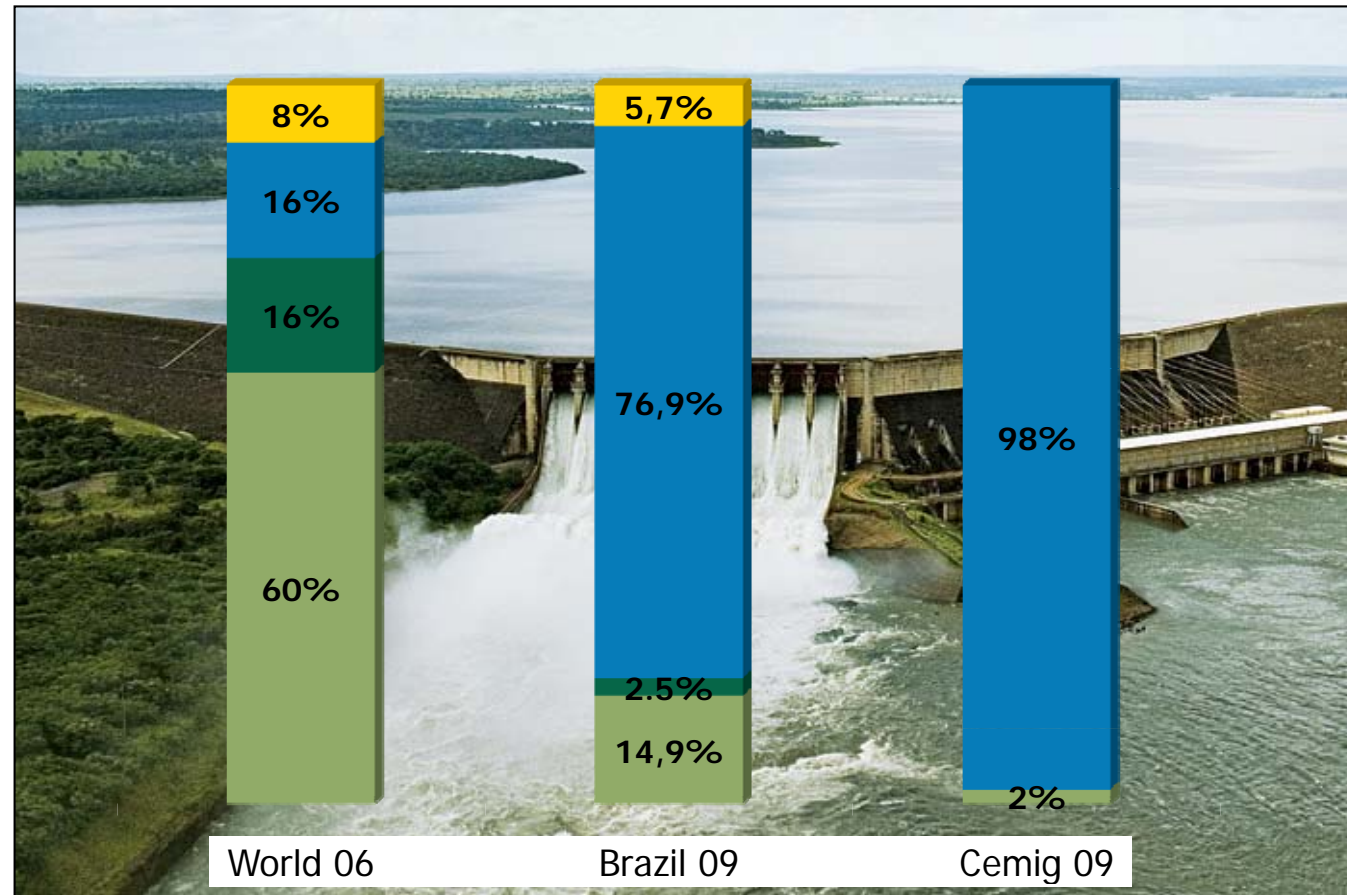


Most of revenues are inflation protected

Leader in Renewable Hydro Power Energy



Power Generation by Source

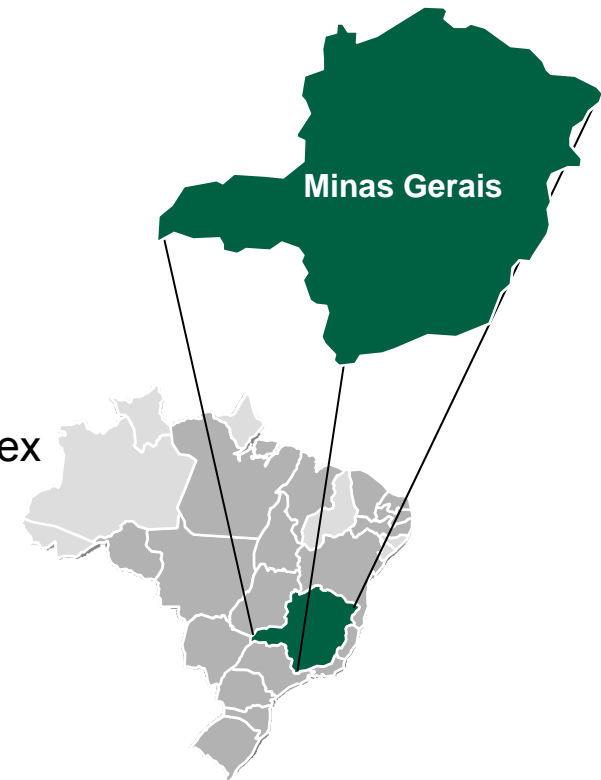


■ Fossil Source Fuels ■ Nuclear ■ Hydro ■ Others

Best-in-Class Corporate Governance



- ✓ 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
 - Included in the ISE – Bovespa sustainability index since 2005
- ✓ Present in the Global Dow Index



The Cemig Story – Agenda



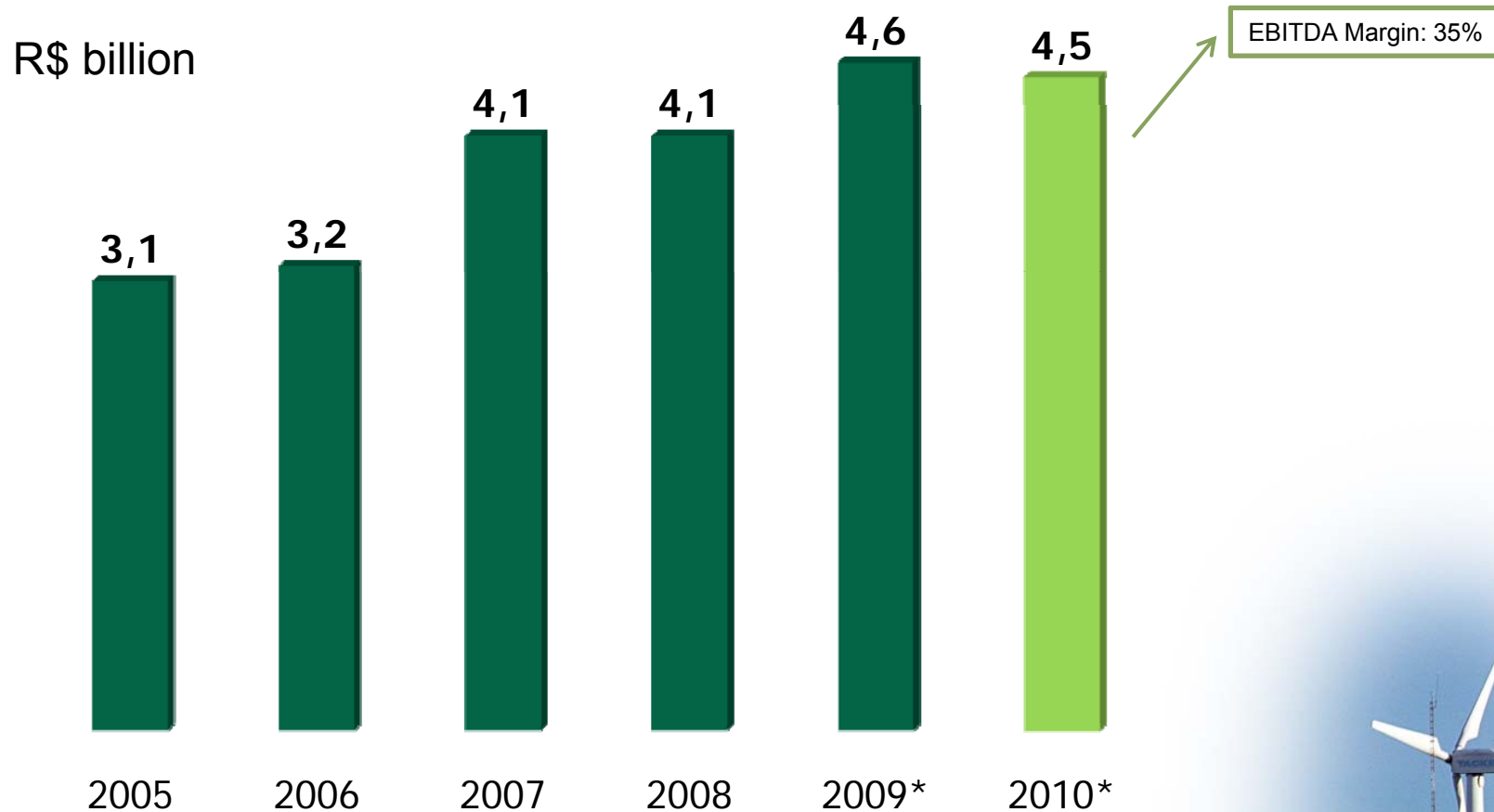
The positioning

The performance

The growth



Growth in EBITDA

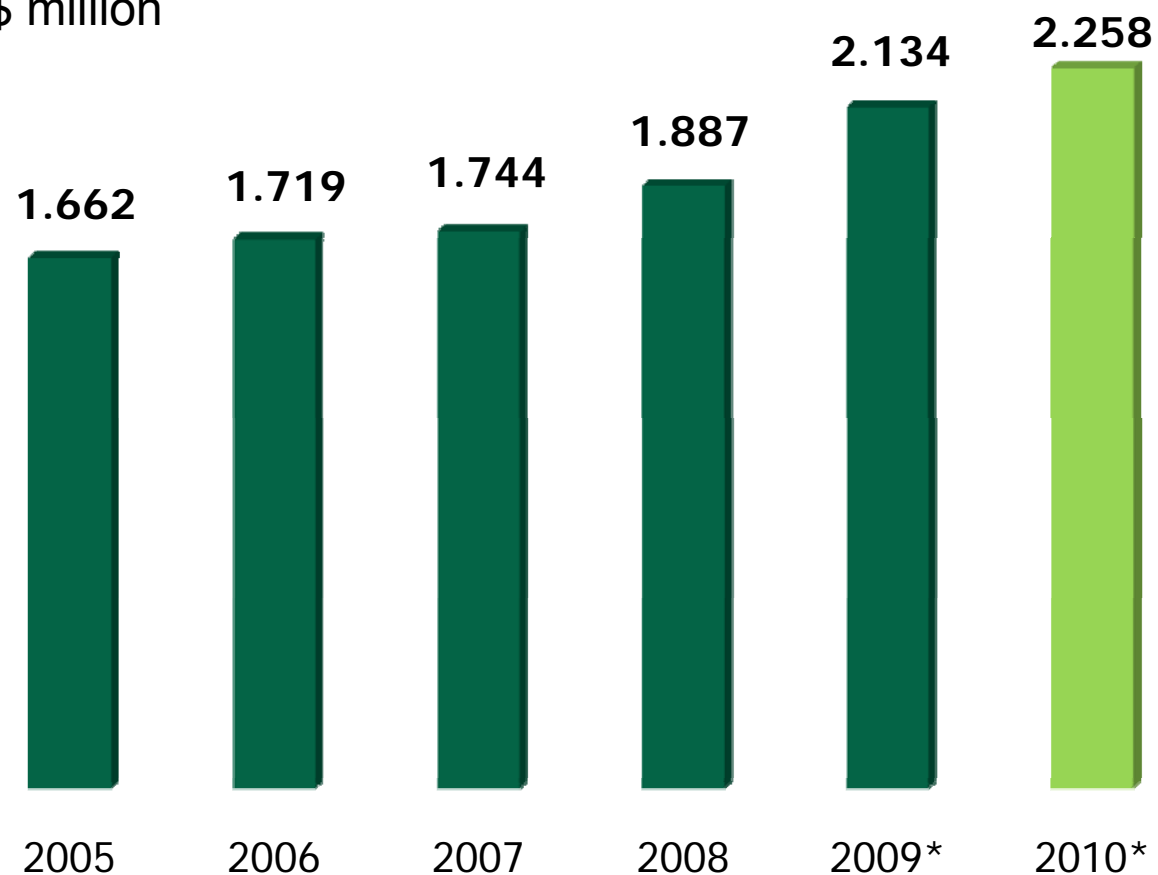


(*) Reflect the adoption of IFRS (International Financial Reporting Standards)

Net Income Continues to Expand



R\$ million



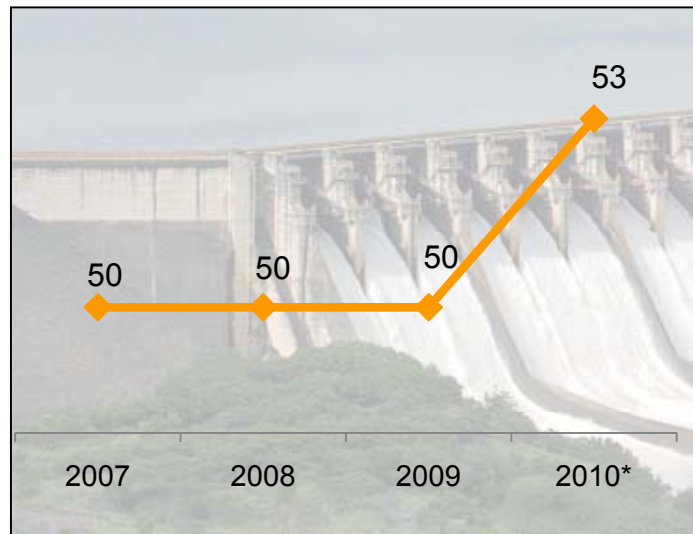
Net Margin: 18%

(*) Reflect the adoption of IFRS (International Financial Reporting Standards)

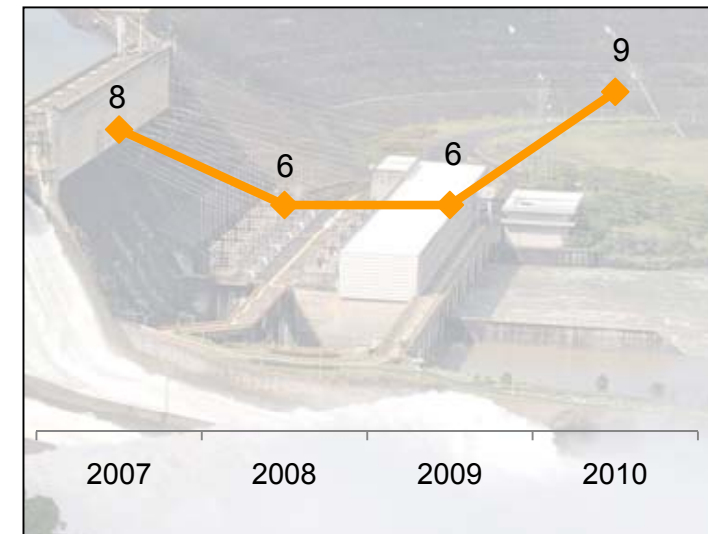
Attractive and Secure Dividend Payout ⁽¹⁾



Dividend Payout
(% of Net Income)



Dividend Yield
(%)



- ✓ The Board of Directors will propose to the Annual General Meeting, to be held in April 2010, that the net profit for the year, of R\$ 2.258 billion, should be allocated as follows:
 - ✓ R\$ 1.196 billion (52.97% of the net profit) to payment of dividends
 - ✓ Dividends declared of R\$1.75/share. Dividend Yield as of 03/29/2011:
 - ✓ Preferred Share: 6%
 - ✓ Common Share: 8%
 - ✓ R\$ 711 million to be retained in Stockholders' equity

(1) Dividends approved for the year net income, paid in the coming year in semi-annual basis

(2) To be approved

Strong Balance Sheet to Support Growth



(December 30th, 2010)

Net debt to EBITDA

2.2X

Debt in foreign currency^(*)

< 1%

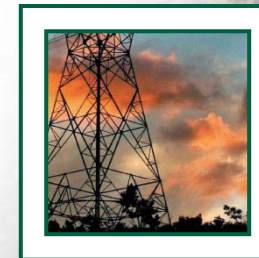
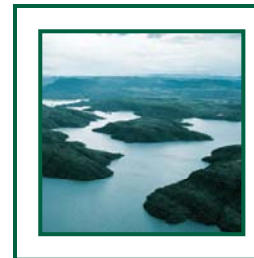
Cash on hand

R\$3B

Net Revenue 2010

R\$ 12.9B

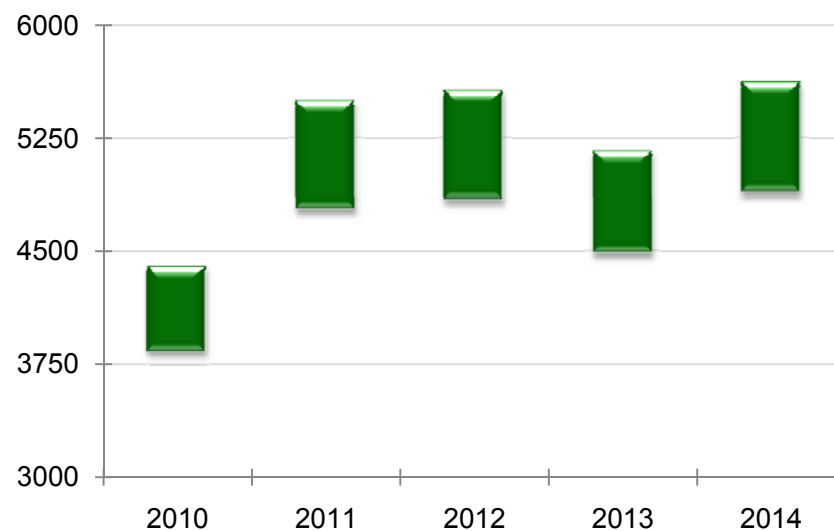
*Net of financial hedging



EBITDA guidance



EBITDA guidance⁽¹⁾ 2010-2014 R\$ million (upper + lower limits of range)



Year	Lower limit	Upper limit
2010	3,825	4,400
2011	4,773	5,491
2012	4,832	5,560
2013	4,483	5,158
2014	4,879	5,614

Consolidated figures include values from Holding and other holdings.

(1) Constant currency as of June 2010. Considers just the existing assets. Will be revised by May 2011

The Cemig Story – Agenda



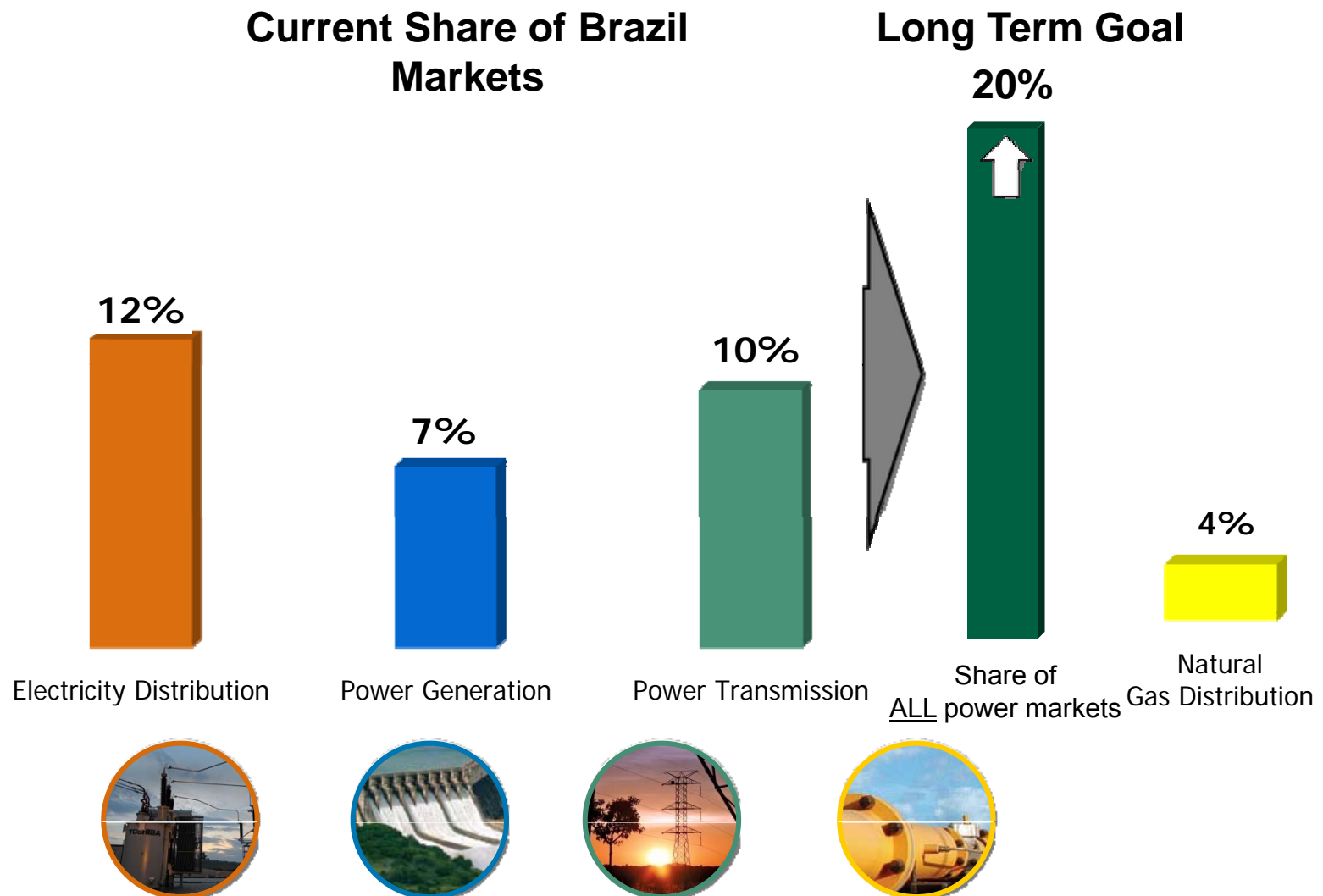
The positioning

The performance

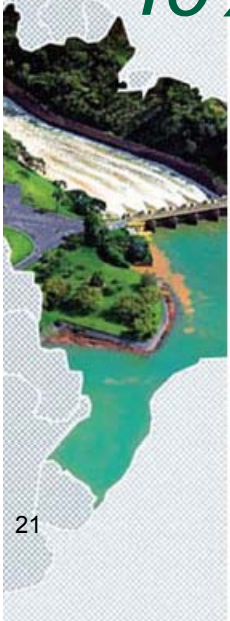
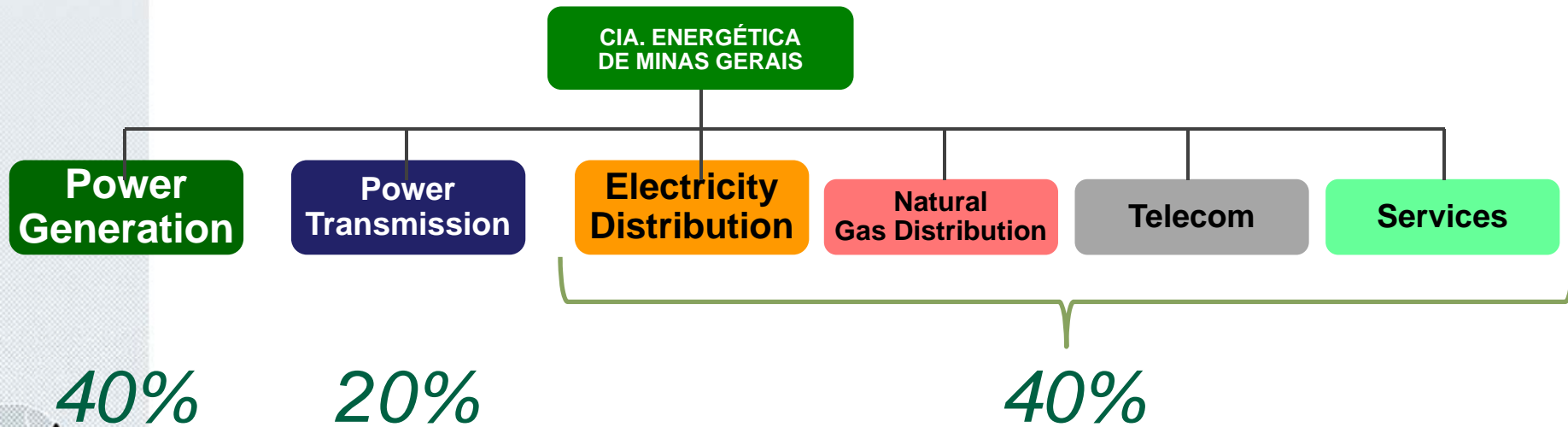
The growth



Clear Long Term Goals



Target Ebitda contribution by business in the long run



Growth Drivers



1

Leverage price increases



2

Improve operating efficiency



3

Geographic expansion

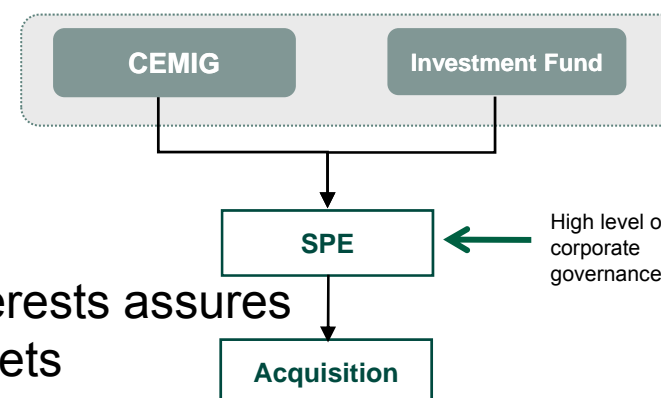


Record of Successful Acquisitions

Business Model for Growth



- Record of 5 acquisitions in last 5 years totaling R\$ 3B (excluding debt)
- Partnerships with Equity Investment Funds (FIPs) in recent acquisitions (Terna and Light) create a new growth driver
- Structuring of partnerships with FIPs produces a growth strategy that optimizes capital needs
- Attractive return to investors, at low risk
- Best-in-class Corporate Governance
 - Investors enter as financial partners and Cemig as operating partner
 - Possibility of increasing stake in the future
- Strategic positioning with minority or equal interests assures Cemig greater access to financial capital markets
- Innovative acquisition structure enables Cemig to use it in other expansion opportunities, aligned with its Long-Term Strategic Plan.



Clear Priorities for 2011



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



Investor Relations

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