



A Melhor Energia do Brasil.

Successful Strategy

Performance reflects balanced portfolio structure

May, 2013



CIG
LISTED
NYSE

CIG.C
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.

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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.

All figures are in IFRS.



Brazil's Leading Power Utility



Integrated
Power
Utility in
Brazil

#1

Growth in
EBITDA
2006-12

+58%

Market cap
of US\$
10.3⁽¹⁾ B.

#3⁽²⁾

Role in
industry

**Leading
consolidator**

In the Power Industry since 1952

(1) As of May 3rd 2013

(2) In the Brazilian Power Industry



Cemig: Strength in Numbers



Number of power plants

70

Total installed capacity

7,032 MW

Locations in Minas Gerais State

5,415

Size of concession area vs. Texas

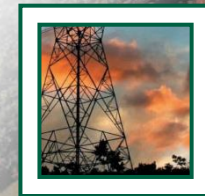
Larger

Electricity Distribution lines

317,360 miles

Power Transmission lines

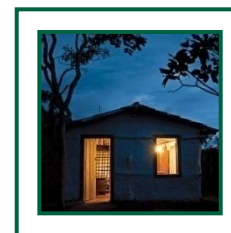
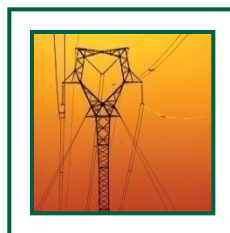
5,850 miles



Cemig at a Glance



- Based in State of Minas Gerais, controlling shareholder
 - growing throughout Brazil and Chile
- Strong financial profile:
 - 2011 - Net revenues: R\$ 15,7B EBITDA: R\$ 5,3B
 - 2012 - Net revenues: R\$ 18,5B EBITDA: R\$ 5,1B
- Highest liquidity in the sector
 - listed on 3 stock exchanges New York, São Paulo, Madrid
 - More than 120,000 shareholders in 40 countries
 - Average Daily Trading Volume in 2012:
 - R\$84M in Bovespa
 - US\$55M 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 and green fields
 - Improve operating efficiency



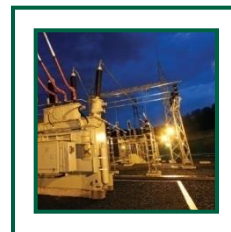
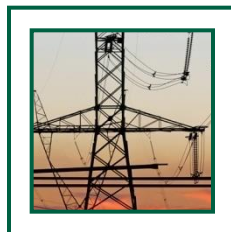
The Cemig Story – Agenda



The positioning

The performance

The growth



Cemig is Uniquely Positioned



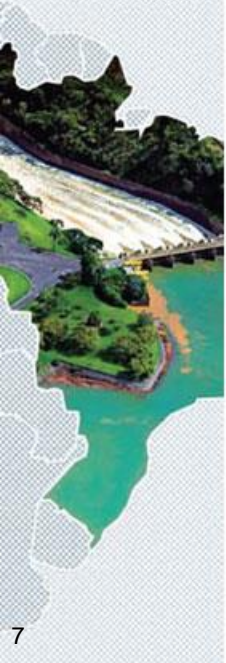
1 The Brazil advantage

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 2012

US\$2.2 Trillion

GDP growth 2013*

3.0%

Population

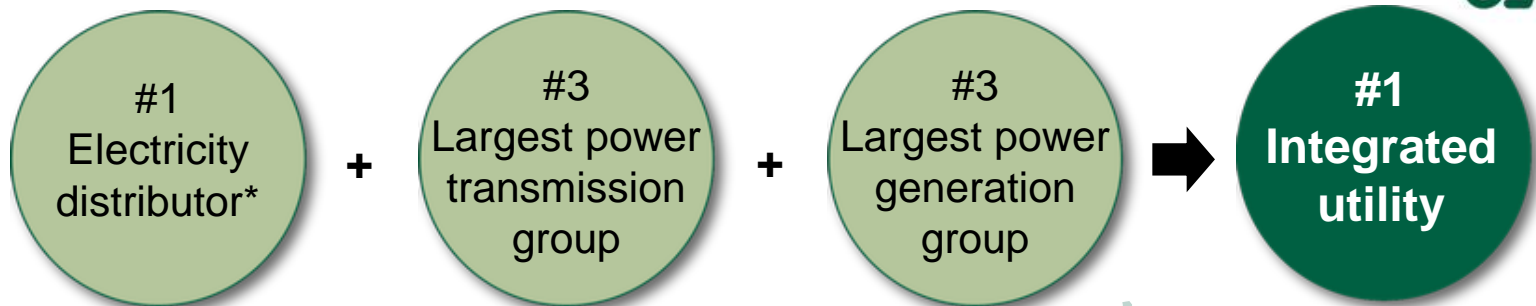
192M











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

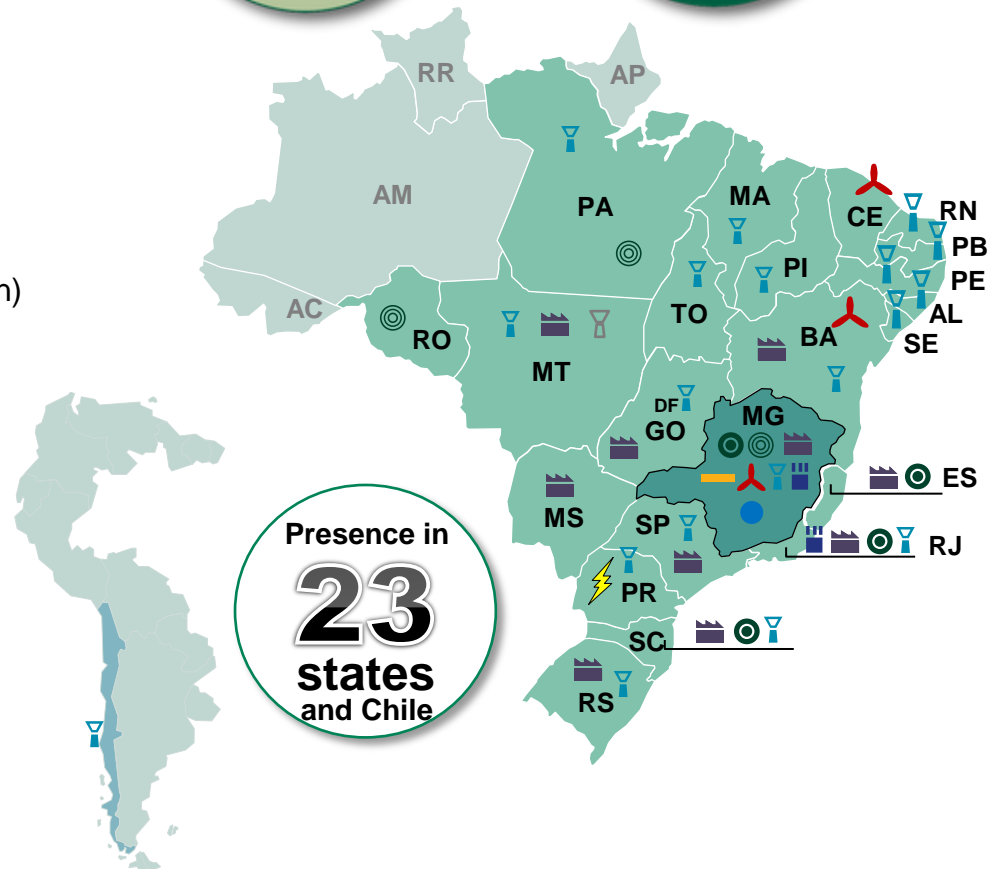
* Focus Report of Brazil's Central Bank in 3 May 2013



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

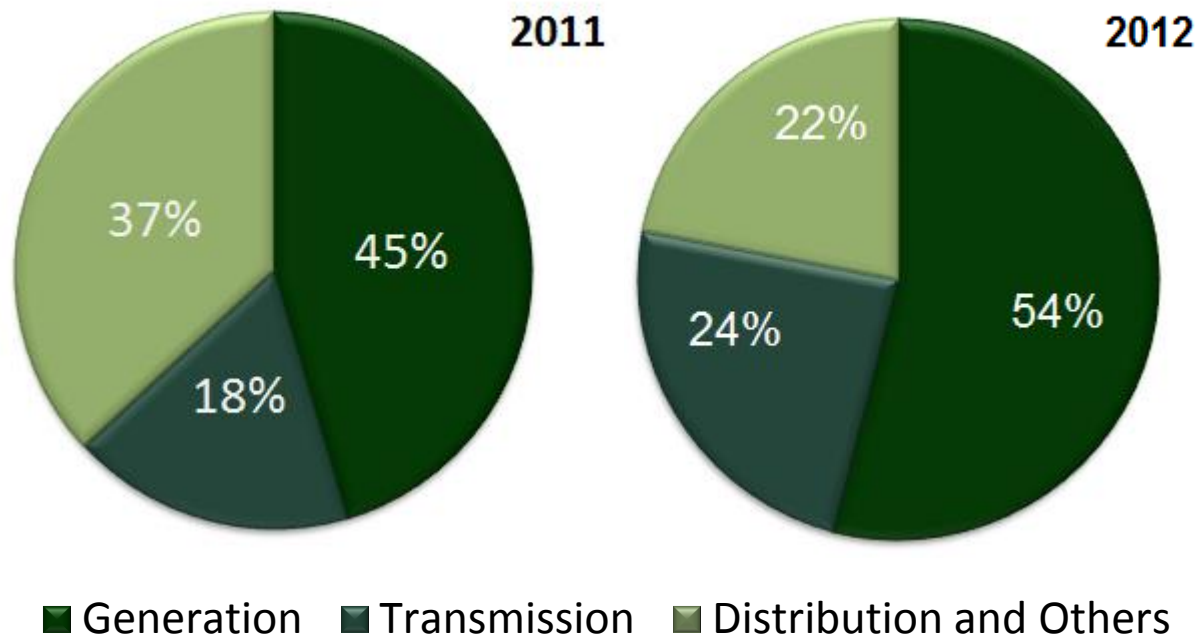


* in terms of length of electricity distribution lines

Diversified, Low Risk Business Portfolio



Breakdown of EBITDA

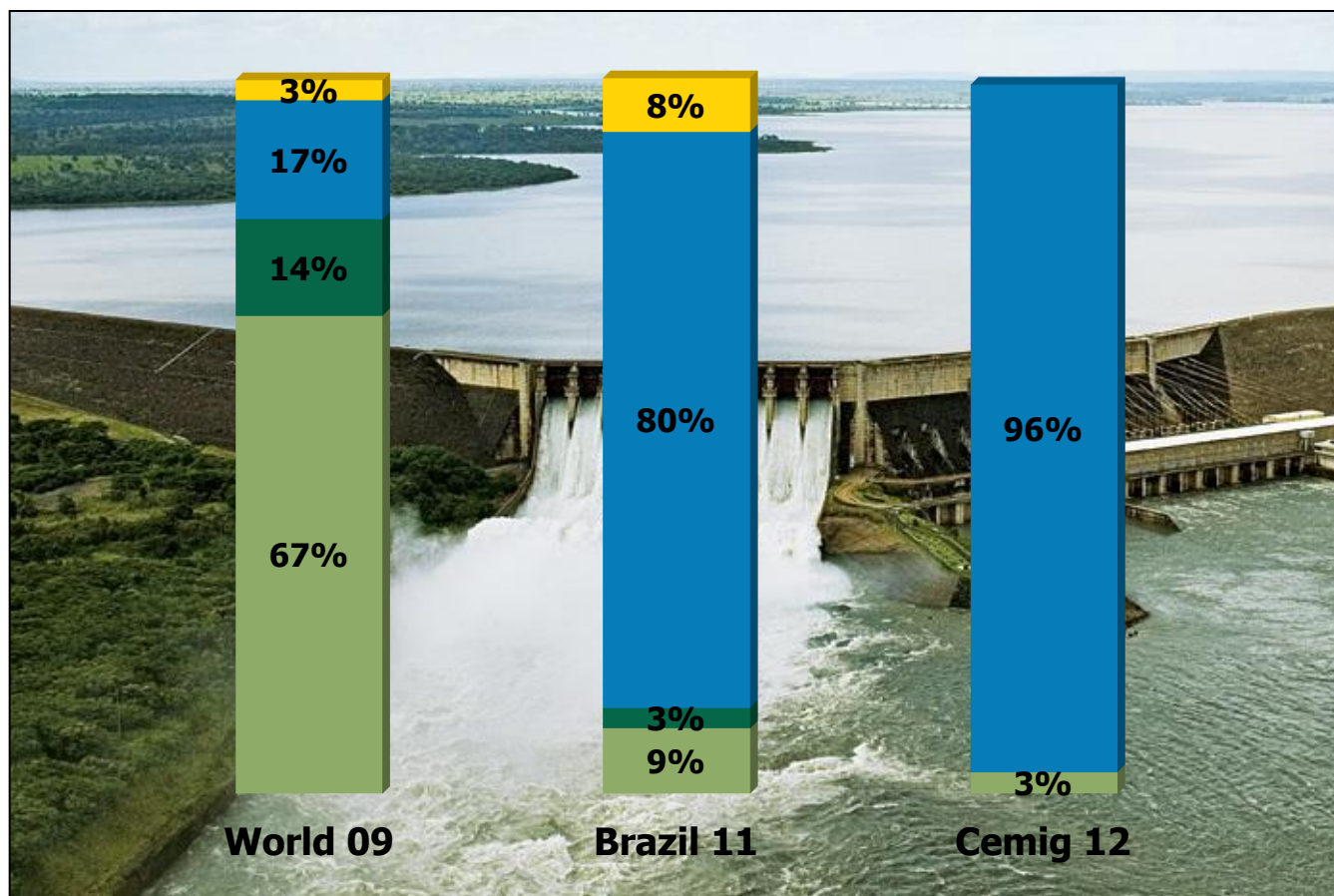


Most of revenues are inflation protected

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
 - 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



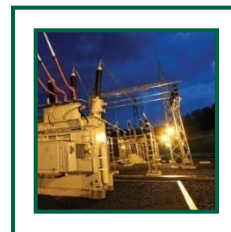
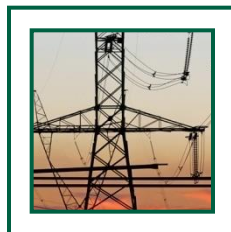
The Cemig Story – Agenda



The positioning

The performance

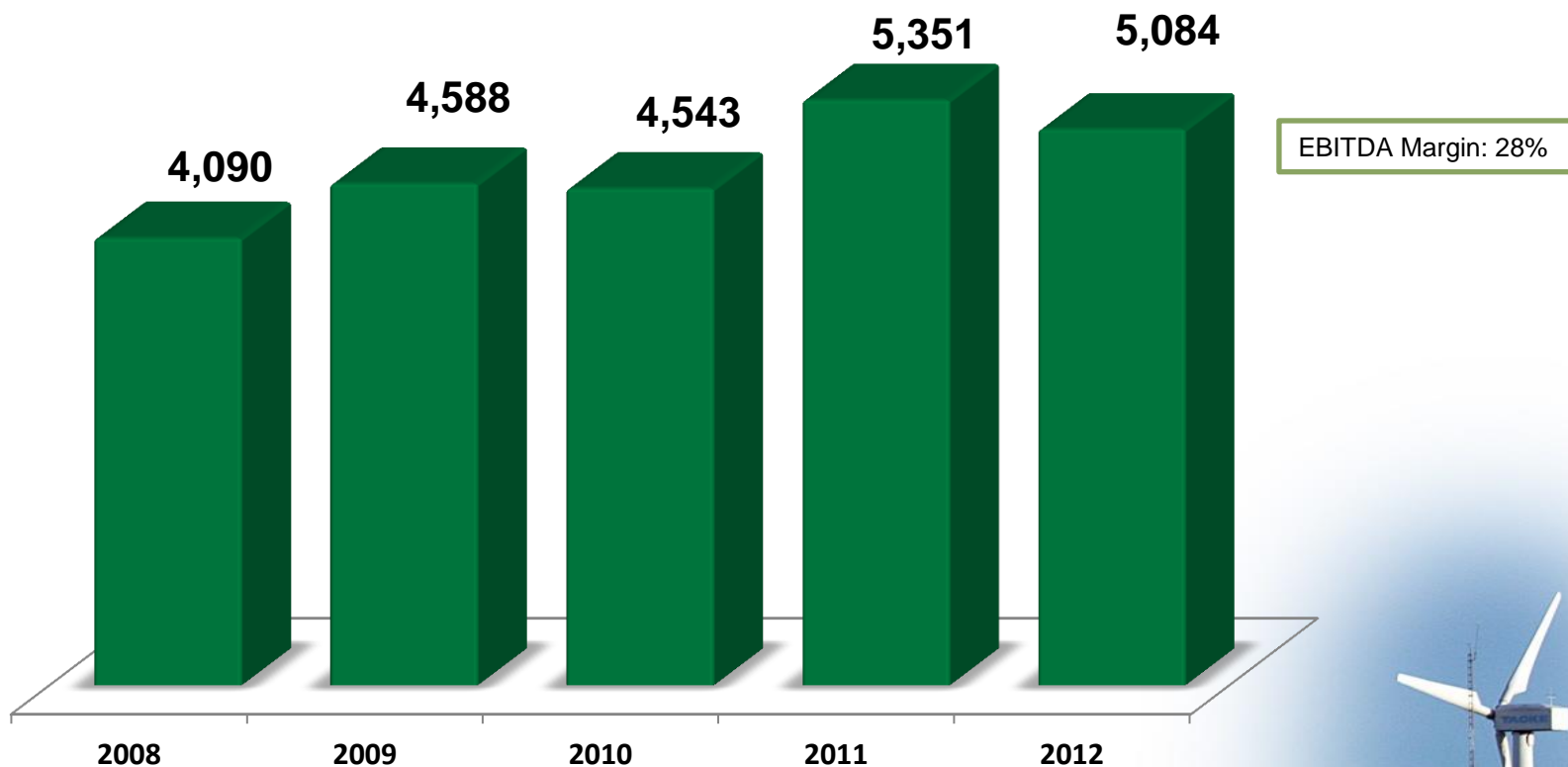
The growth



Growth in EBITDA



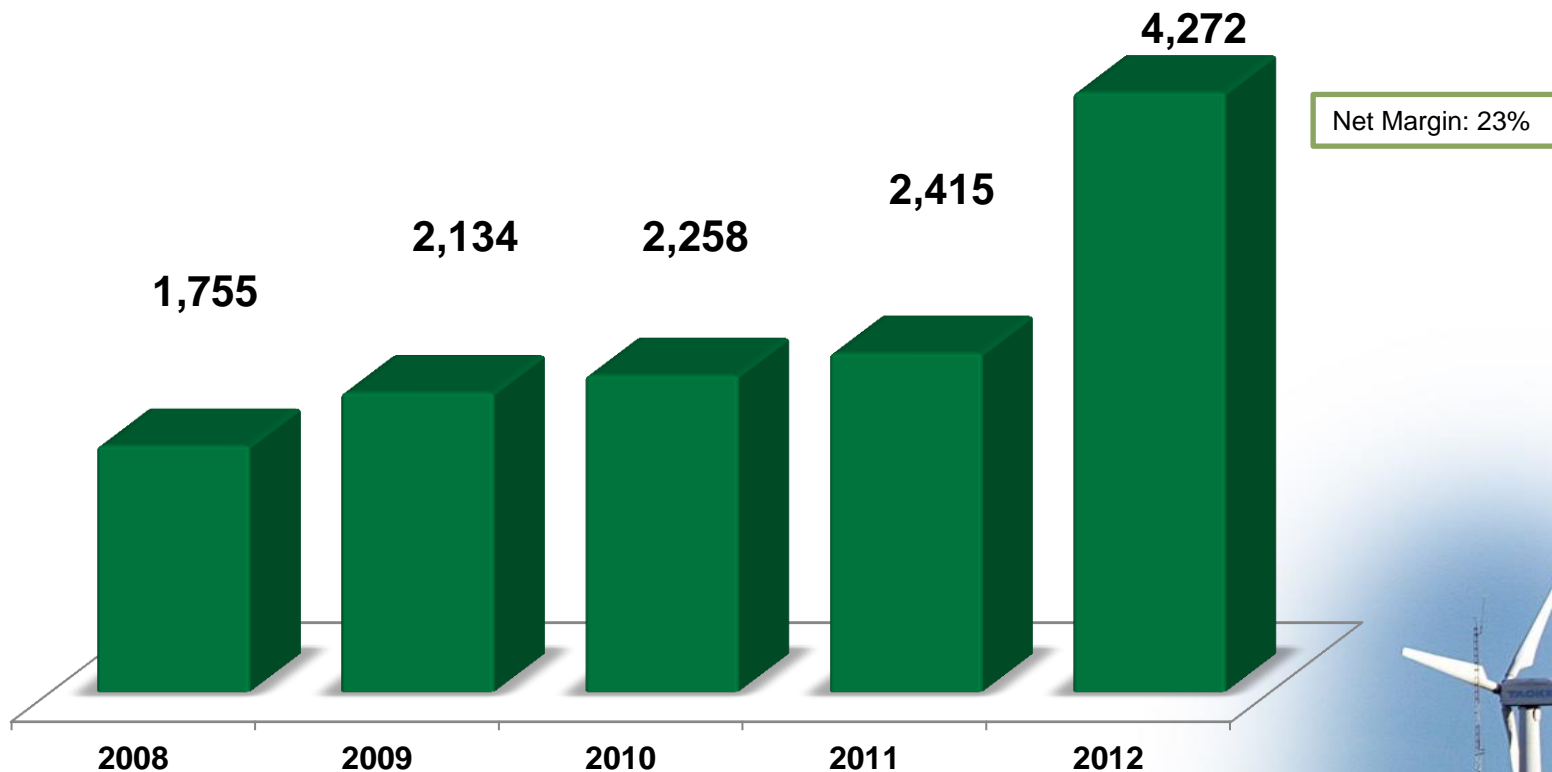
R\$ million



Net Income Continues to Expand



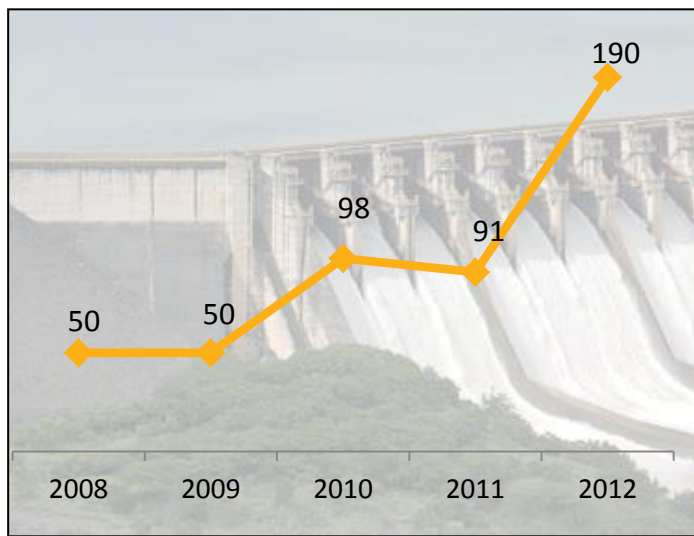
R\$ million



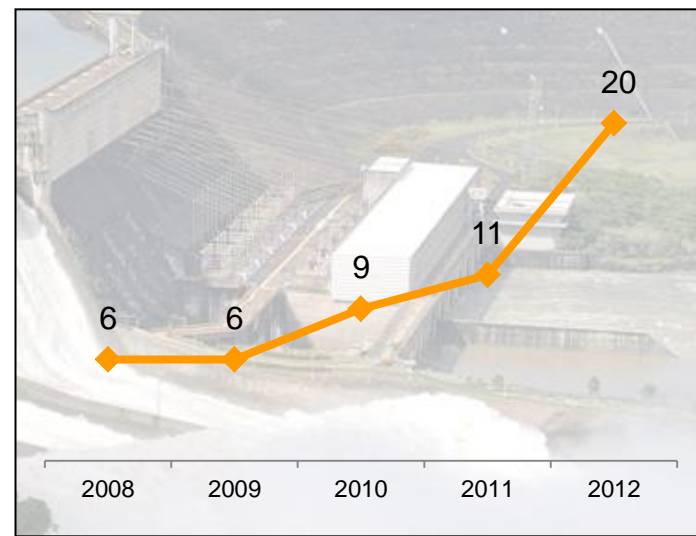
Attractive and Secure Dividend Payout ⁽¹⁾



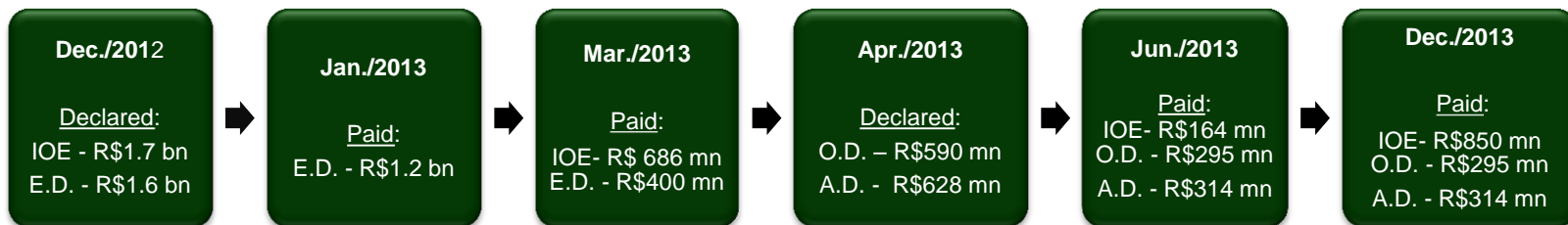
Dividend Payout
(% of Net Income)



Dividend Yield (%)*
Preferred shares



* Considering Interest on Equity for the 2012 business year



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

Strong Balance Sheet to Support Growth



Net debt to EBITDA

2,4X

Debt in foreign currency^(*)

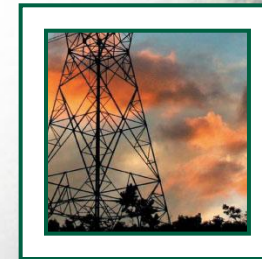
3%

Cash on hand 2012

R\$4.4B

Net Revenue 2012

R\$ 18.5B



*Net of financial hedging

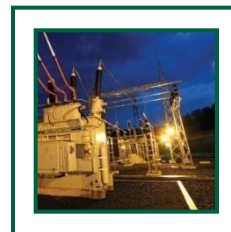
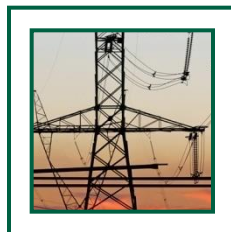
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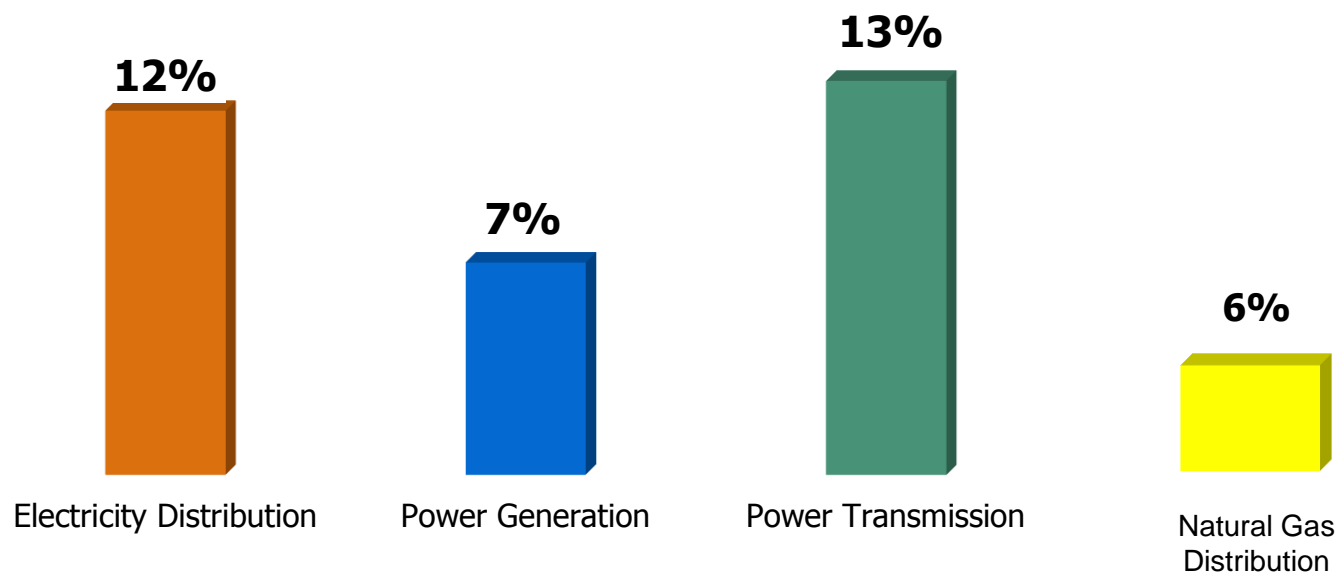
The growth



Clear Long Term Goals



Current Share of Brazil Markets*



- Brazilian generation market – (% of total installed capacity)
- Brazilian transmission market – (% of Permitted Annual Revenue - RAP)
- Brazilian electricity distribution market – (% of all electricity distributed to free and captive clients in Brazil)

* Does not consider the effects of the Law 12,783.

Growth Drivers

1

Leverage price increases



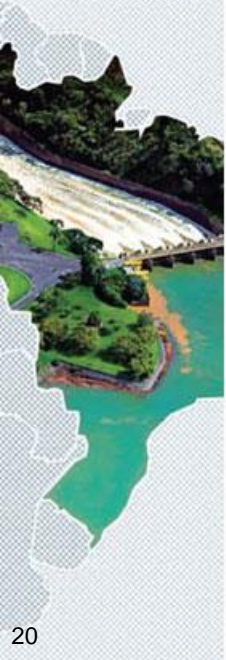
2

Improve operating efficiency



3

Geographic expansion



Clear Priorities for 2013



Priorities

1

Execute cost reductions

2

Integrate Taesa and Light acquisitions

3

Participate in green fields

4

Select new acquisitions



Market Recognition



Included in the DJSI for the 13rd year running.



Included in Bovespa Corporate Sustainability Index.



Anefac Award
Transparency Trophy, 2012



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.



Best analyst meeting



39th Apimec Award - Best IR Professional



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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