



A Melhor Energia do Brasil.

Successful Strategy

Performance reflects balanced portfolio structure

April, 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.

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.

All figures are in BR GAAP.



Brazil's Leading Power Utility



Integrated
Power
Utility in
Brazil

#1

Growth in
EBITDA
2006-12

+58%

Market cap
of US\$
10,1⁽¹⁾ B.

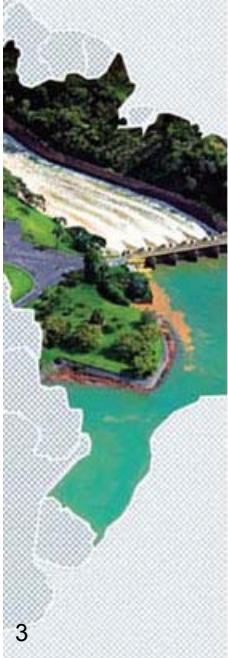
#6⁽²⁾

Role in
industry

**Leading
consolidator**

In the Power Industry since 1952

- (1) As of April 15th 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

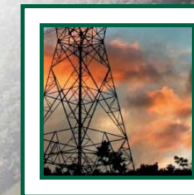
Larger

Electricity Distribution lines

510,744 km

Power Transmission lines

9,413 km

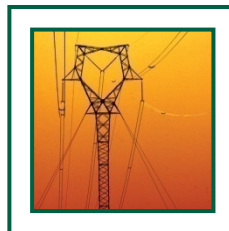
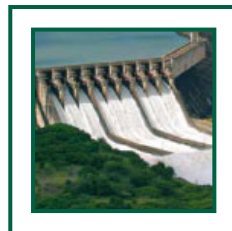


Cemig at a Glance



- Based in State of Minas Gerais, controlling shareholder
 - growing throughout Brazil and Chile
- Strong financial profile:

– 1Q12	Net revenues: R\$ 3.19B	EBITDA: R\$ 1,24B
– 1Q13	Net revenues: R\$ 3.67B	EBITDA: R\$ 1,59B
- Highest liquidity in the sector
 - listed on 3 stock exchanges New York, São Paulo, Madrid
 - More than 119,000 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
 - Re-pricing of energy contracts



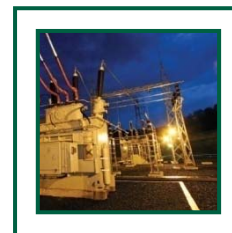
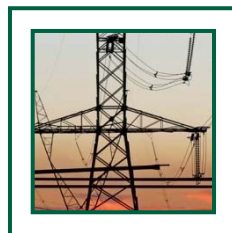
The Cemig Story – Agenda



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 2012

US\$2.2 Trillion

GDP growth 2013*

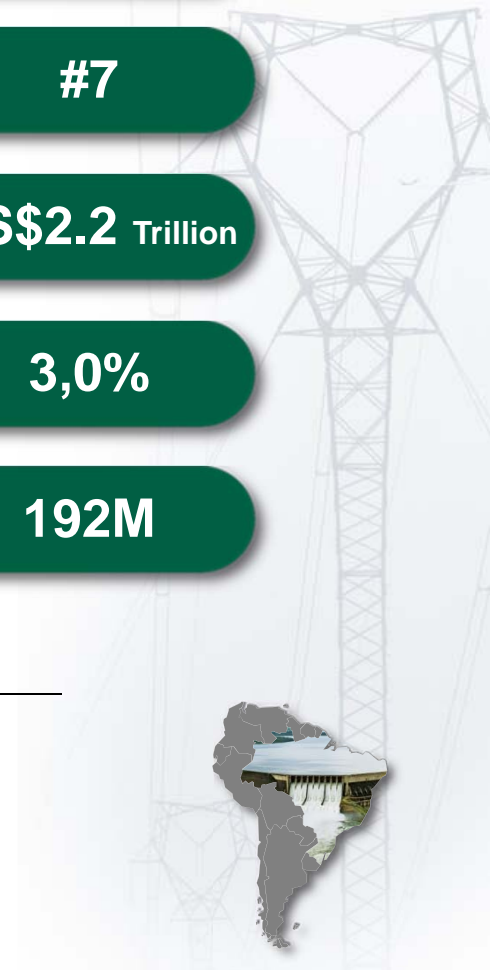
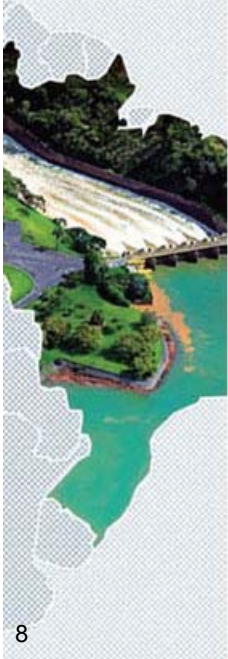
3,0%

Population

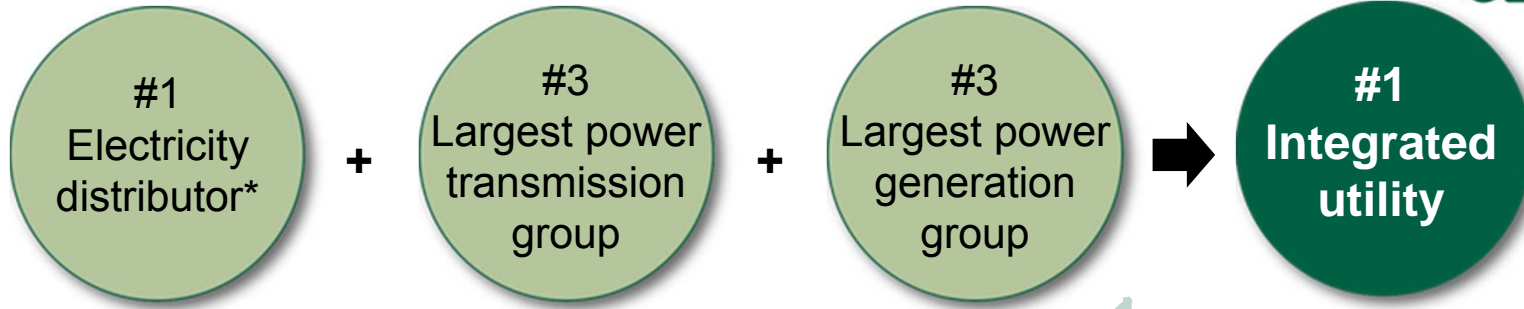
192M

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

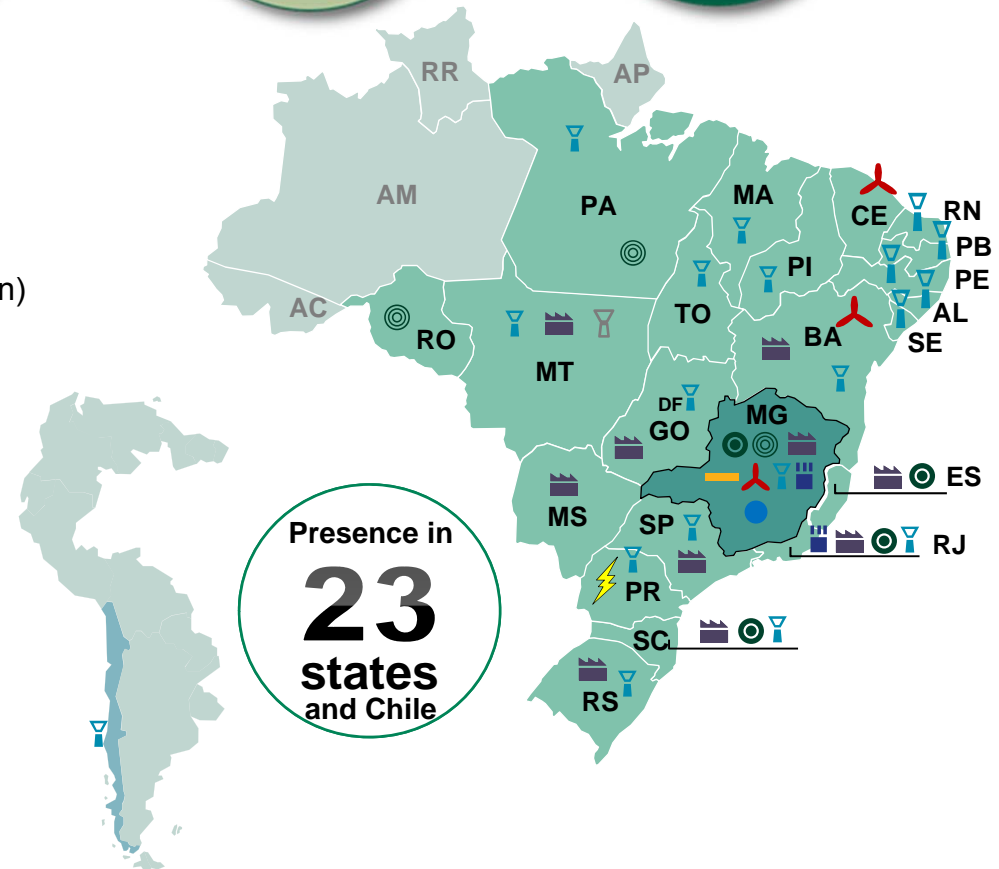
* Focus Report of Brazil's Central Bank in 15th May 2013



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

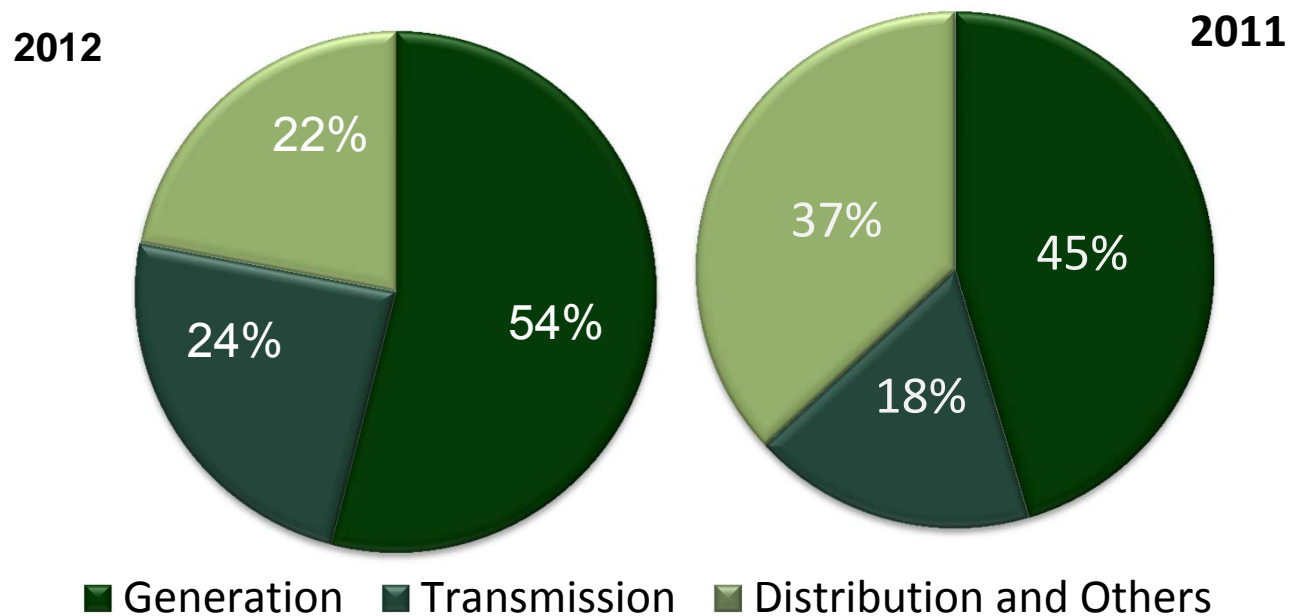


* in terms of length of electricity distribution lines

Diversified, Low Risk Business Portfolio



Breakdown of EBITDA

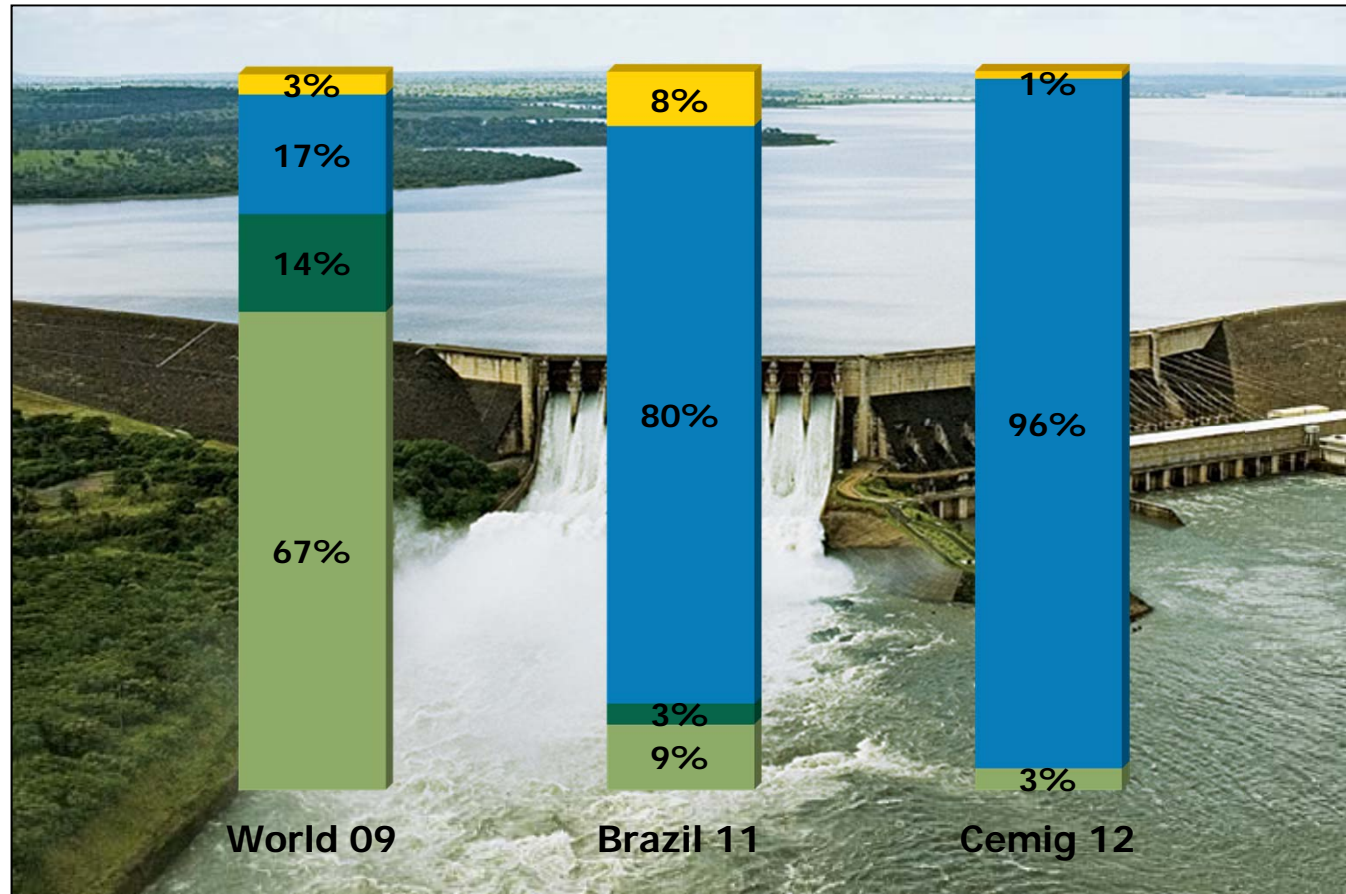


Most of revenues are inflation protected

Leader in Renewable Hydro Power Energy



Power Generation by Source



■ Fossil Source Fuels ■ Nuclear ■ Hydro ■ Others

Best-in-Class Corporate Governance

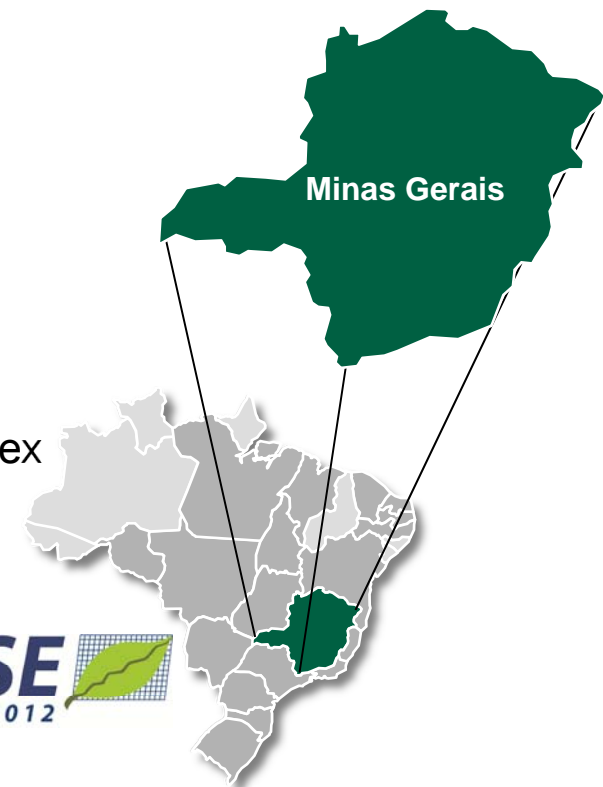


- ✓ Minas Gerais, controlling shareholder – a positive influence
 - one of fastest growing, investor-friendly states in Brazil
 - growth and profitability interest aligned with minority shareholders
 - 6 from a total of 14 members are appointed by minority shareholders

- ✓ 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



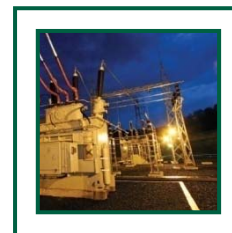
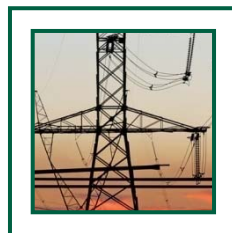
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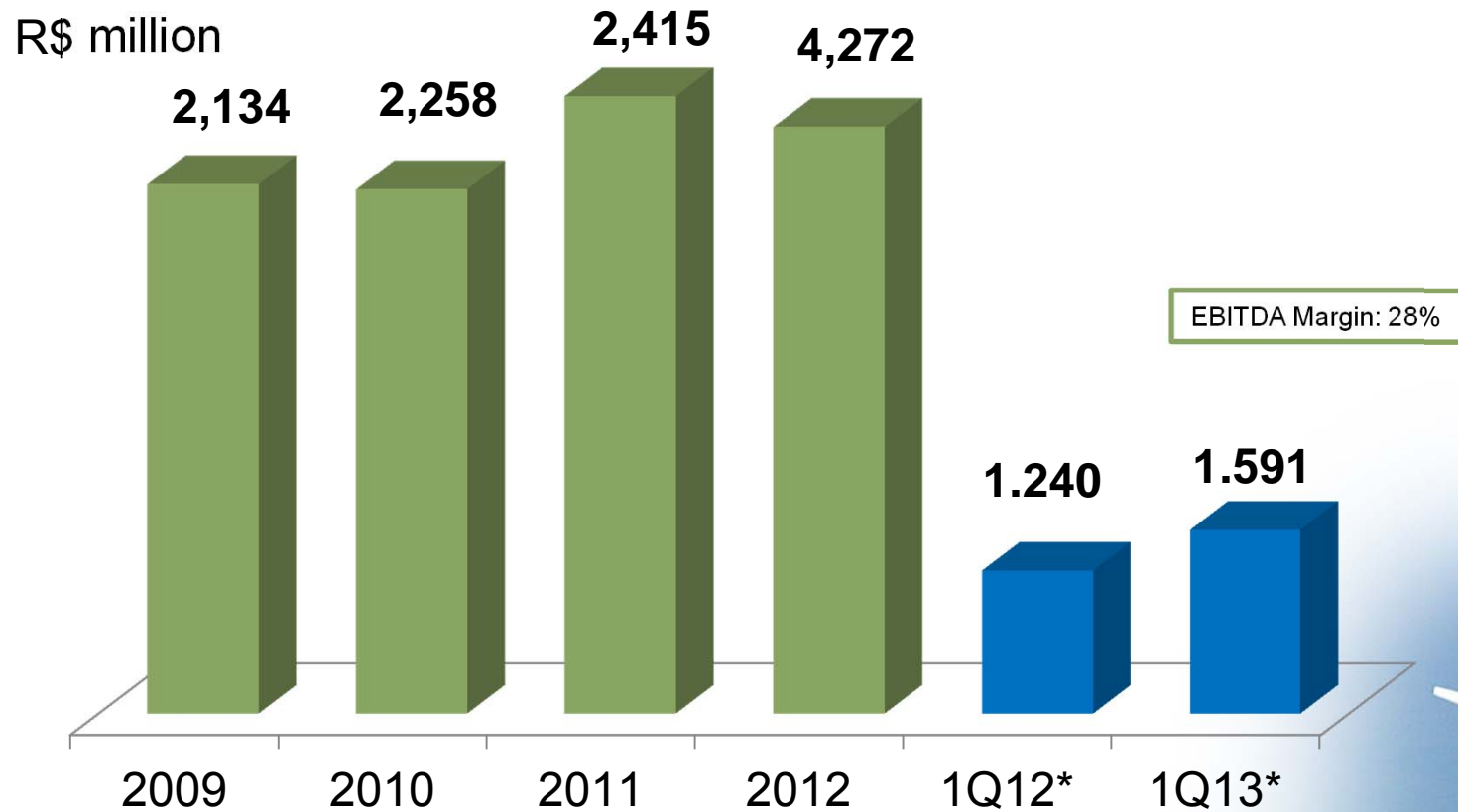
The positioning

The performance

The growth



Growth in EBITDA



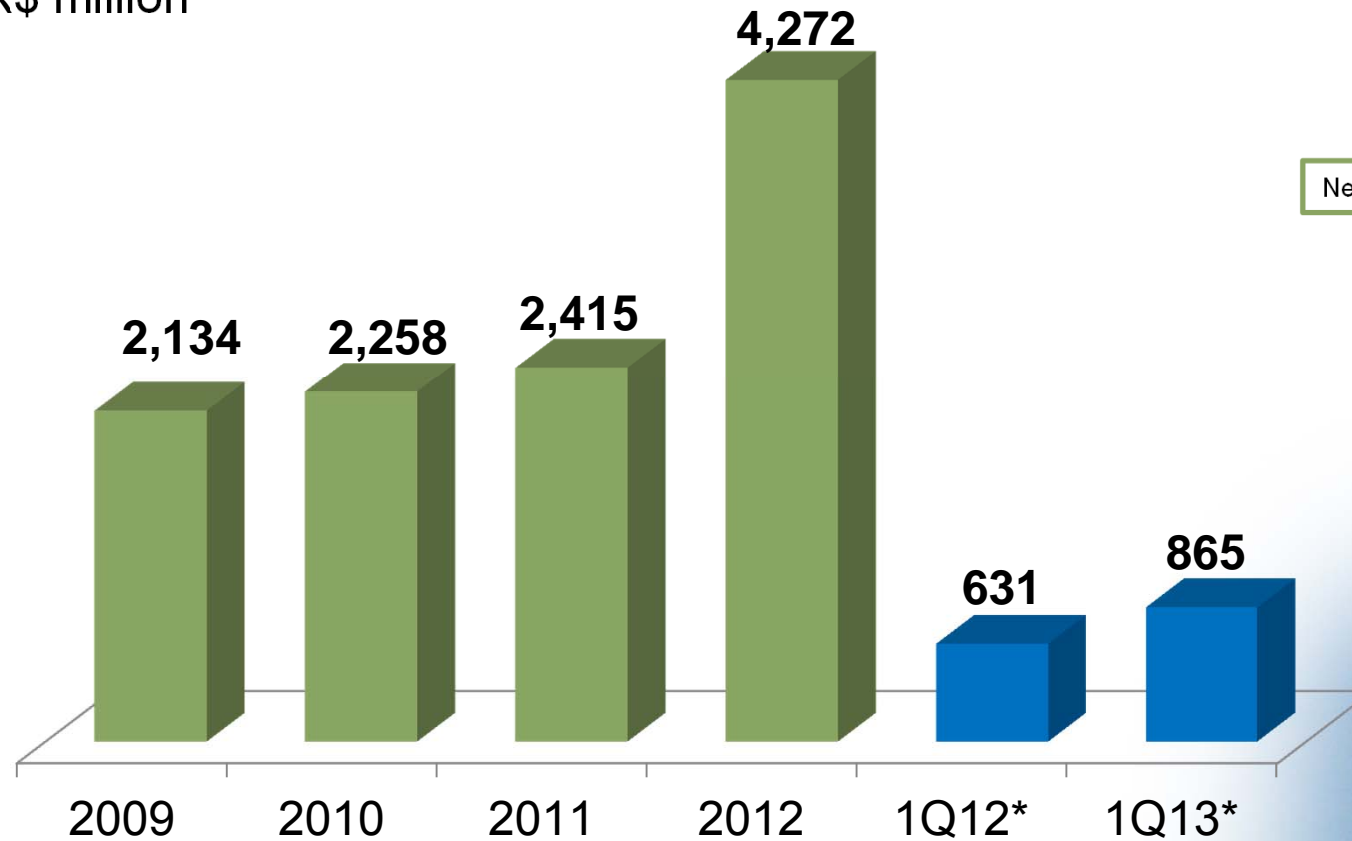
*new method of consolidation



Net Income Continues to Expand



R\$ million



Net Margin: 23%

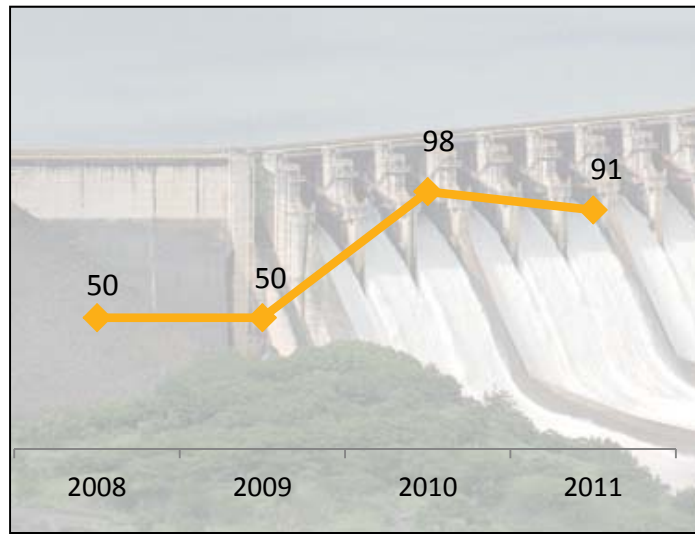
*new method of consolidation



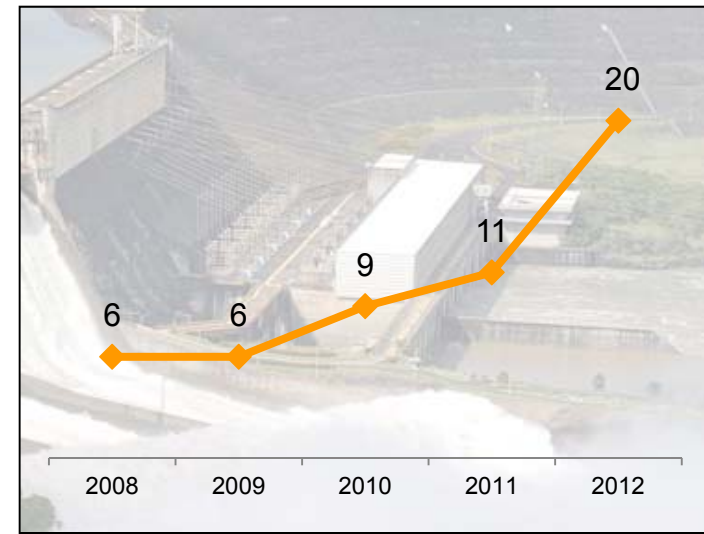
Attractive and Secure Dividend Payout ⁽¹⁾



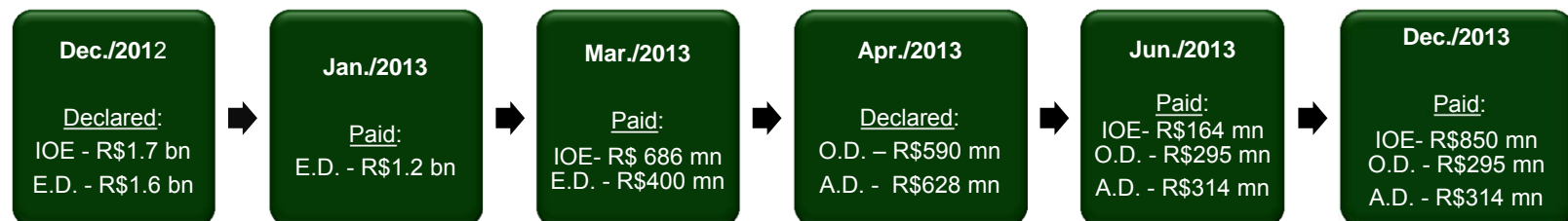
Dividend Payout
(% of Net Income)



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

2.2X

Debt in foreign currency^(*)

2.2%

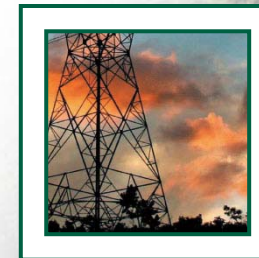
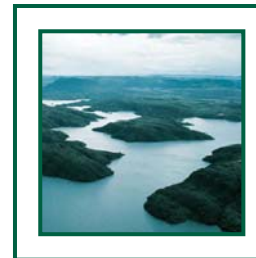
Cash on hand 1Q13

R\$2,7B

Net Revenue 1Q13

R\$ 3,7B

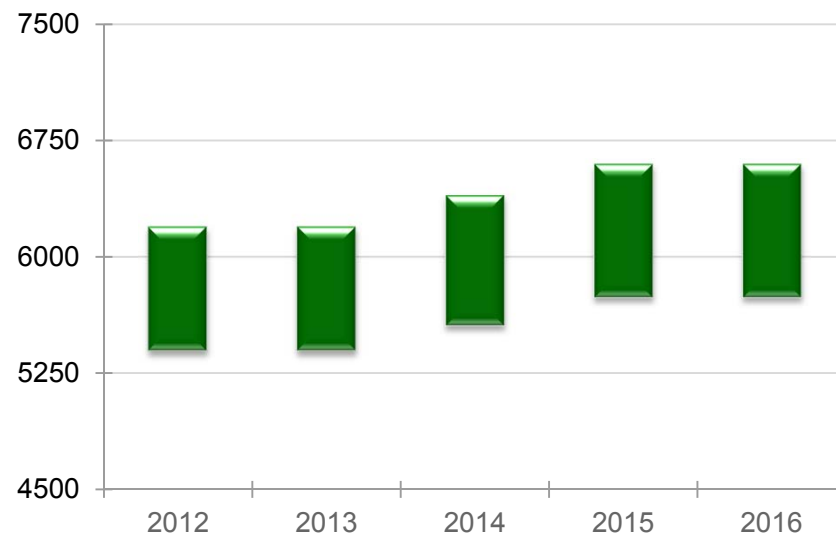
*Net of financial hedging



EBITDA guidance



EBITDA guidance⁽¹⁾ 2012-2016 R\$ million



Year	Lower limit	Upper limit
2012	5,400	6,200
2013	5,400	6,200
2014	5,560	6,400
2015	5,740	6,600
2016	5,740	6,600

Consolidated includes the amounts of the holding company and affiliated companies

(1) Constant currency as of June 2012.

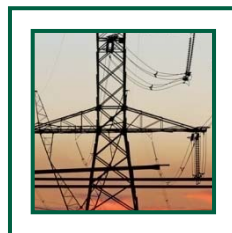
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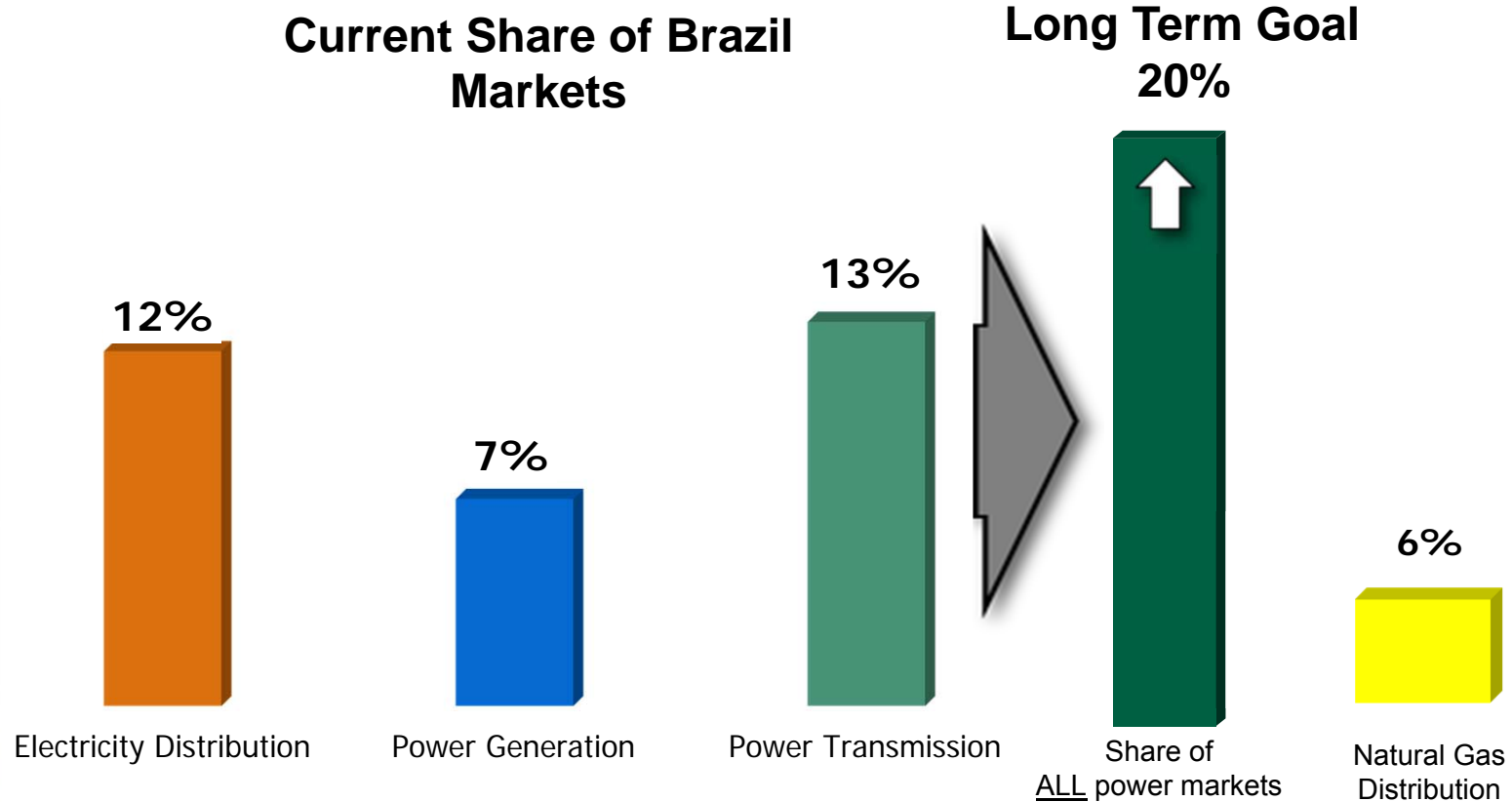
The positioning

The performance

The growth

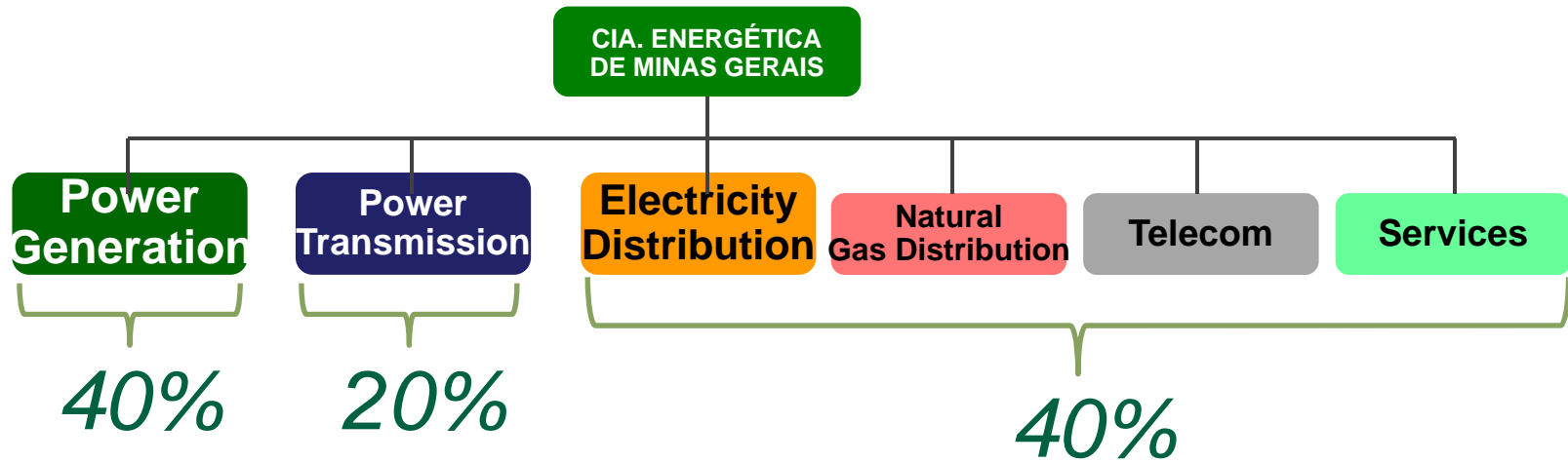


Clear Long Term Goals



- 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)

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

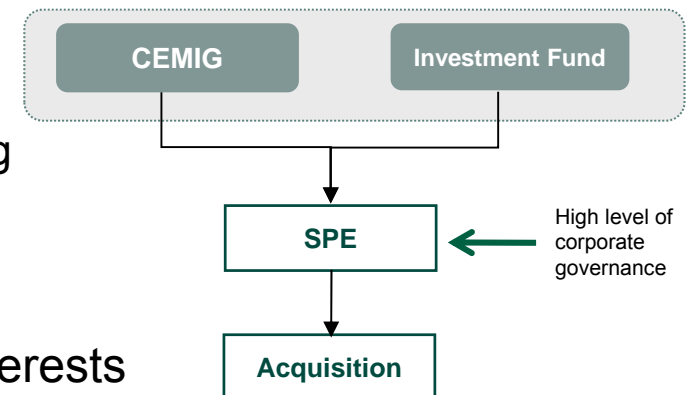


- Partnerships with Equity Investment Funds (FIPs) in recent acquisitions (Terna and Light) create a new growth driver
- Structuring of partnerships with FIPs produces a growth strategy that optimizes capital needs
- Innovative acquisition structure enables Cemig to use it in other expansion opportunities, aligned with its Long-Term Strategic Plan.
- 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



Clear Priorities for 2013



Priorities

- 1 Execute cost reductions
- 2 Integrate Taesa 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

CEMIG
A Melhor Energia do Brasil.



Appendix



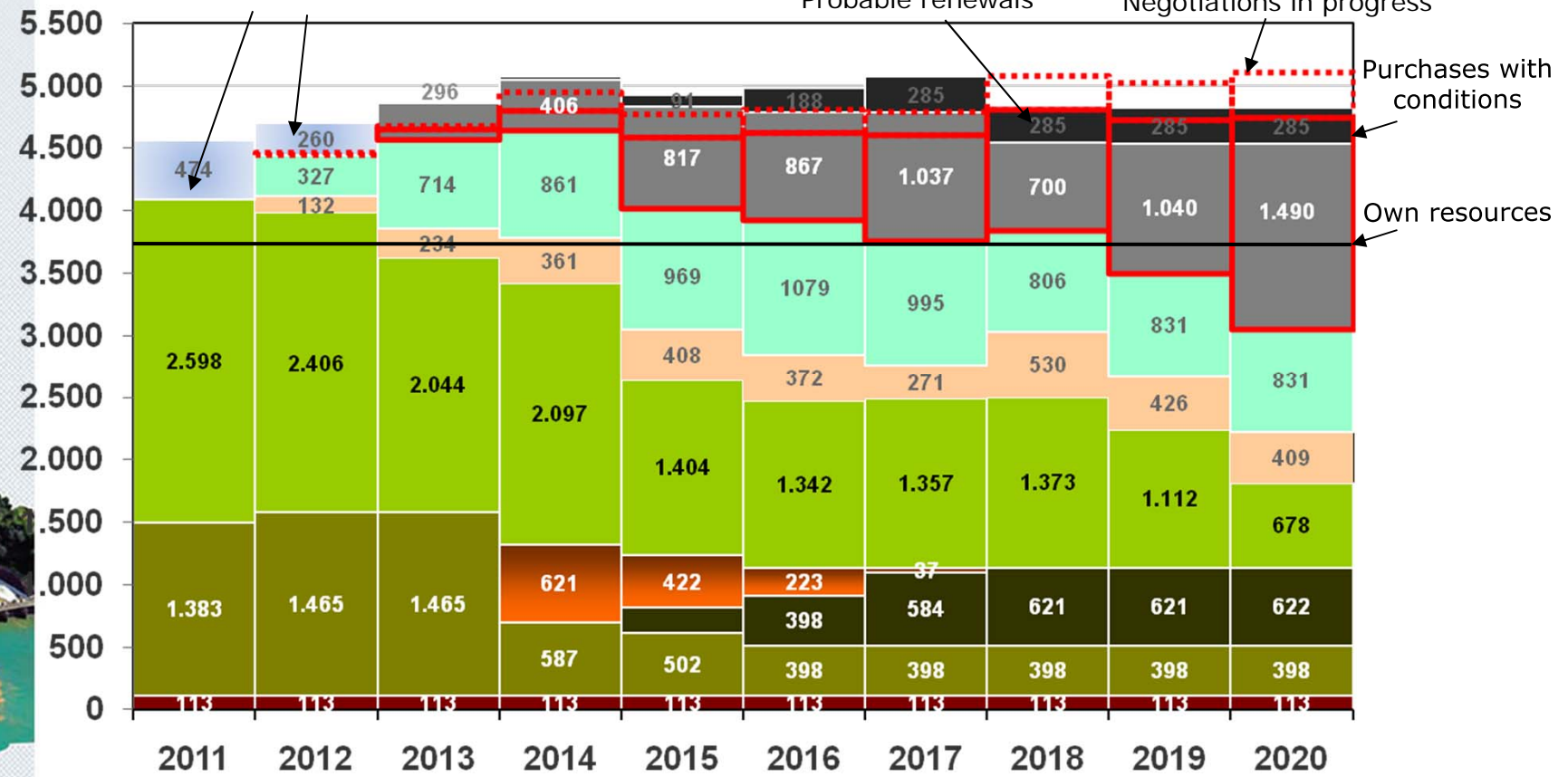
CEMIG GT – Supply-demand balance



Detail of requirements

Average MW Secondary supply as transacted in spot market in 2011; estimate for 2012

Conventional energy



- Available for sales or trading
- Intermediation (transferred to Cemig Trading)
- Free Market sales – new contracts
- Free Market sales (free consumers, and traders)
- To be defined (conc. to be renewed for the 2nd time)
- Regulated market sales forecast
- Regulated Market sales to distributors
- Standard operational agreement

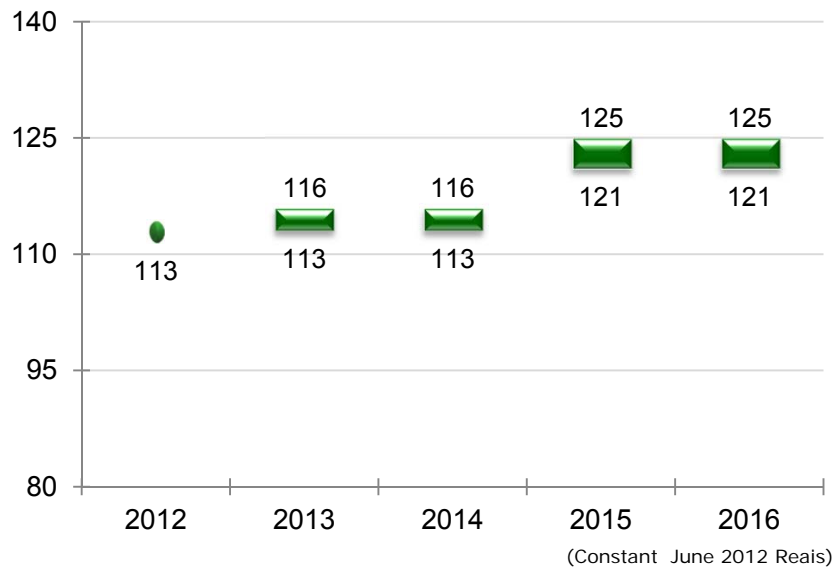


CEMIG GT: Power generation prices estimates



Effect of renewal of existing contracts

(R\$/MWh)



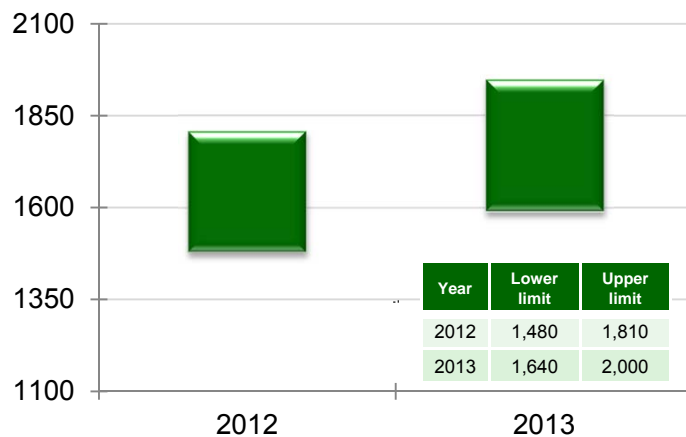
- Replacement of existing contracts, starting in 2015, by new contracts with higher prices than the present.



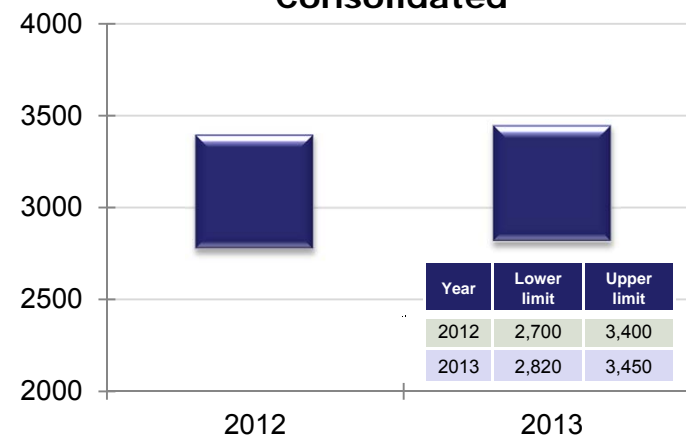
EBITDA Guidance 2012-2013



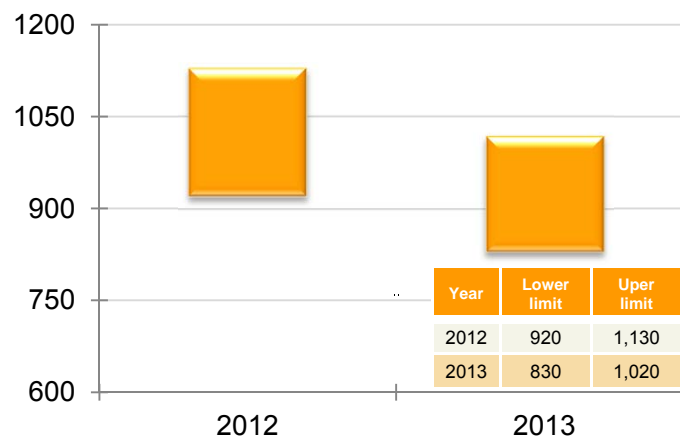
Cemig D



Cemig GT – Consolidated



Holdings



R\$ Million in constant prices as of June 2012