



Successful Strategy

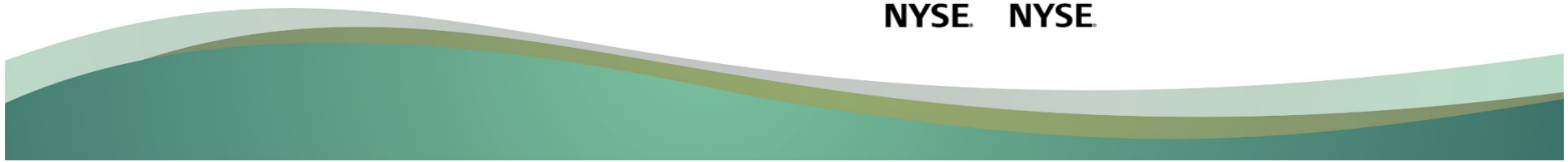
Performance reflects balanced portfolio structure

2017



CIG
LISTED
NYSE.

CIG.C
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NYSE.



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.

The information and opinions contained herein should not be understood as a recommendation to potential investors and no investment decision should be based on the truthfulness, or completeness as of the date hereof of this information or these opinions. None of Cemig's professionals nor any of their related parties or representatives shall have any liability for any losses that may result from the use of the content of this presentation.

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.

#1 Integrated Power Utility in Brazil

#4⁽²⁾ Market cap US\$ 3.6⁽¹⁾ B.

#1 Market share in the free market

Leading consolidator Role in industry

In the Power Industry since **1952**

(1) As of May 16th, 2017

(2) In the Brazilian Energy Industry

121

Power plants

86



32



1



2



8.4 GW

Total installed capacity

540,000 km

Electricity Distribution lines



8,200 km

Power Transmission lines



Cemig at a Glance

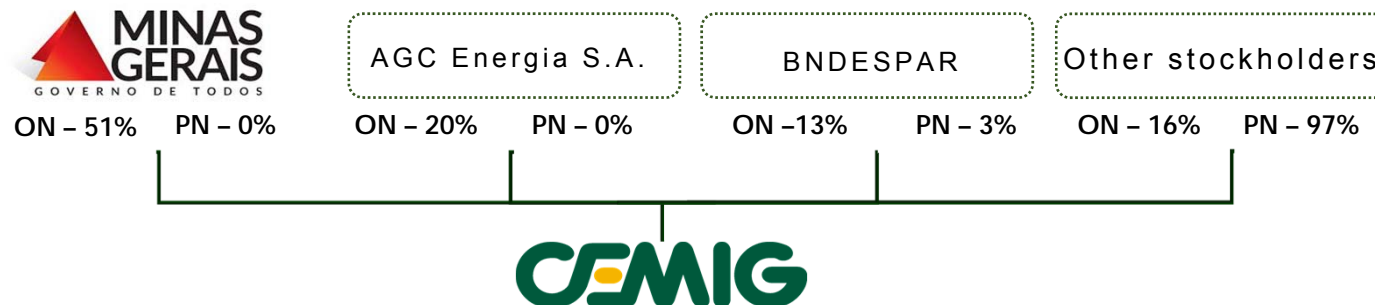


- Based in State of Minas Gerais, controlling shareholder
 - Assets in 23 Brazilian states
- Strong financial profile:

– 1Q17	Net revenues: R\$4.8 bn	EBITDA: R\$1.1 bn
– 2016	Net revenues: R\$18.7 bn	EBITDA: R\$2.6 bn
– 2015	Net revenues: R\$21.9 bn	EBITDA: R\$5.5 bn
- Among the most liquid stocks in Brazil’s electricity sector
 - listed on 3 stock exchanges New York, São Paulo, Madrid
 - More than 120,000 shareholders in more than 40 countries
 - Average Daily Trading Volume (last twelve months up to April)

R\$61.9M in Bovespa and US\$12.3M in NYSE
- Solid dividend policy
 - Minimum 50% payout ratio
 - Every two years, may pay extra dividends, if cash conditions permit

- Shareholder Structure:



Cemig is Uniquely Positioned



The Brazil advantage

An Emerging Powerhouse Economy

#1

Latin American economy

#9

Ranking of economy in world⁽¹⁾

R\$6.3 Trillion

GDP 2016

0.50%

GDP growth 2017⁽²⁾

206 M

Population

(1) World Bank

(2) Brazil's Central Bank Focus Report, May 15th 2017

Cemig is Uniquely Positioned



Unmatched scale

Largest Integrated Utility in Brazil

#1

Electricity
Distributor

#2

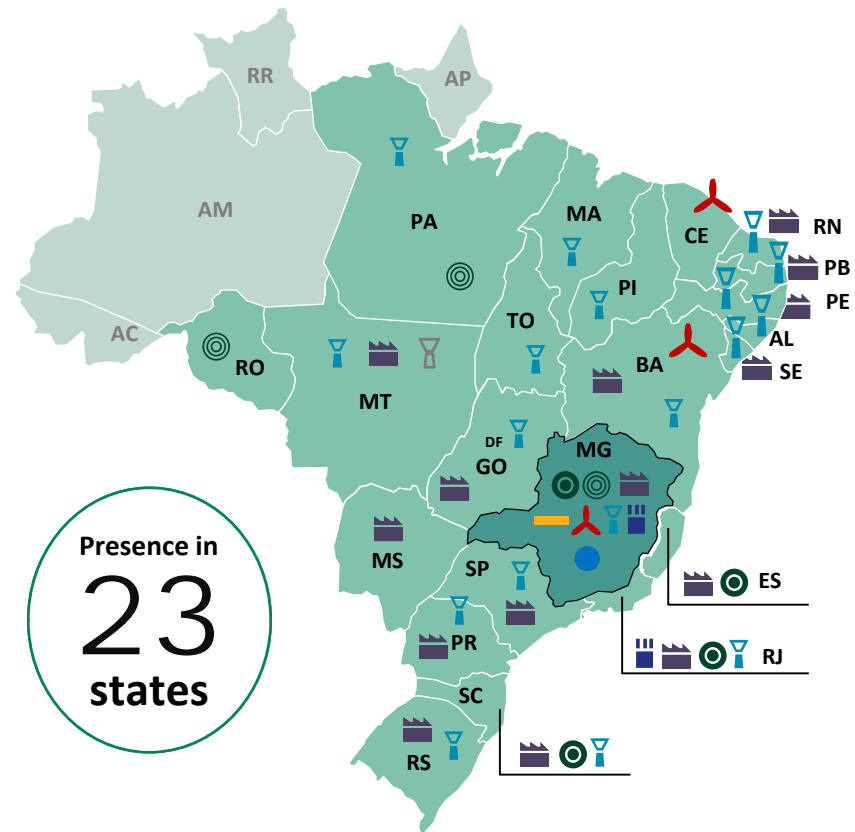
Largest Power
Transmission
Group

#3

Largest Power
Generation
Group

#1 Integrated Power Utility in Brazil

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



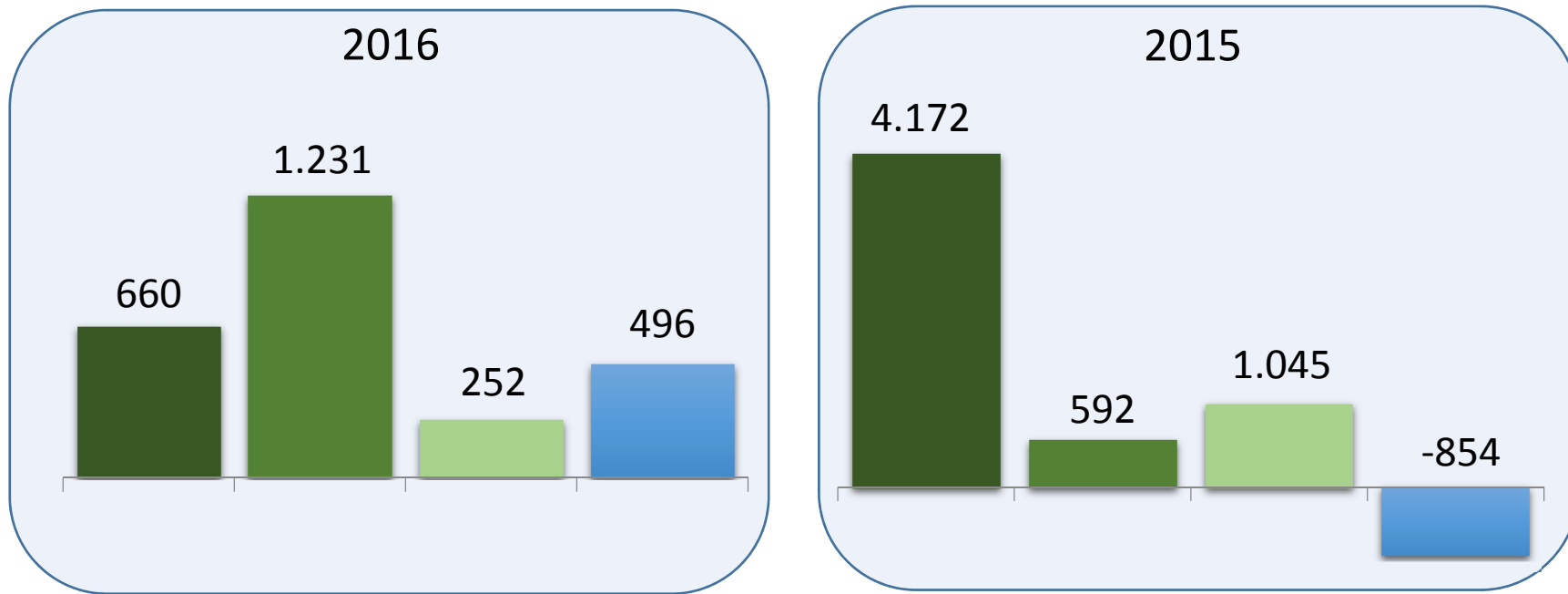
Cemig is Uniquely Positioned



Diversified portfolio

Diversified, Low Risk Business Portfolio

Breakdown of Ebitda



■ Generation ■ Transmission ■ Distribution ■ Others

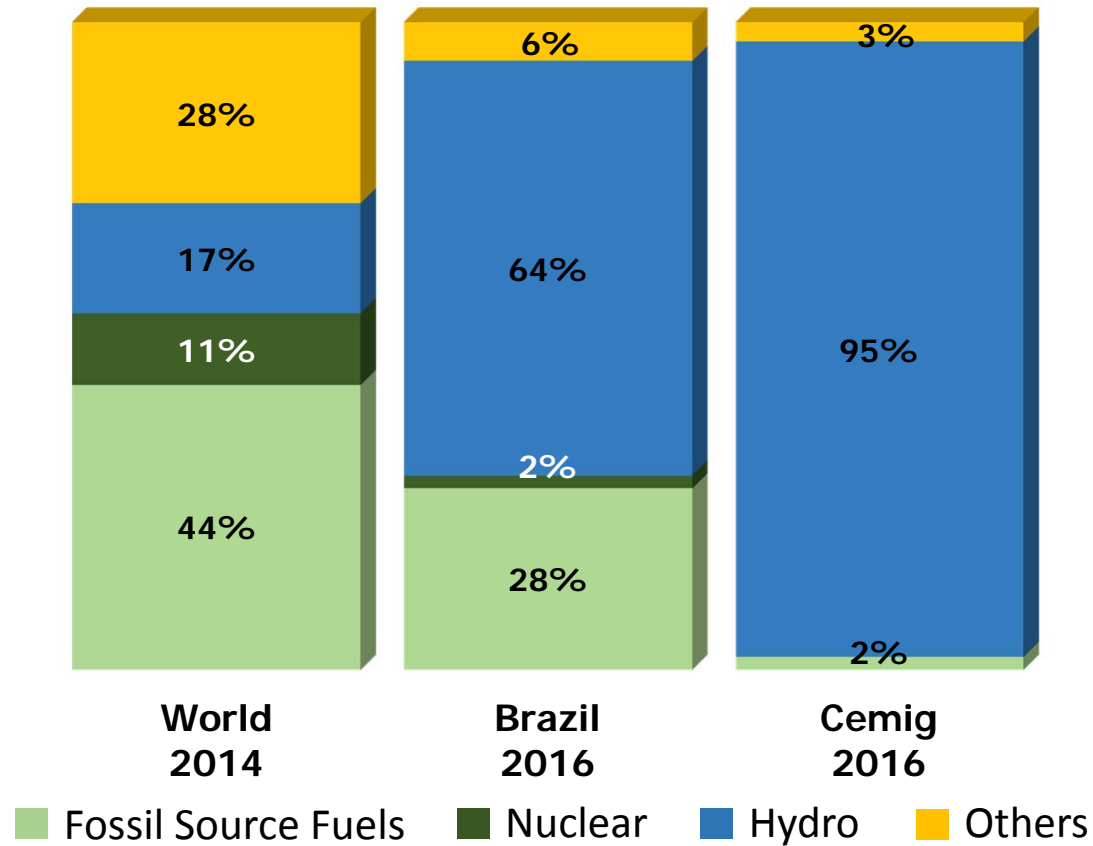
Most of the revenues are inflation protected

Leader in Renewable Hydro Power Energy



Renewable Leader

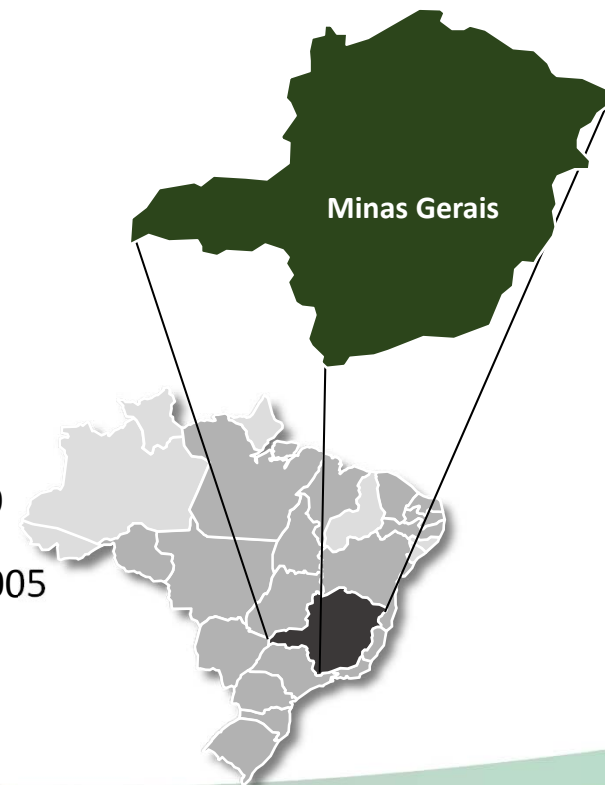
Power Generation by Source



Source: EPE [BEN 2011 – Preliminar Results and IEA [Key World Energy Statistics-2010]

Strong governance

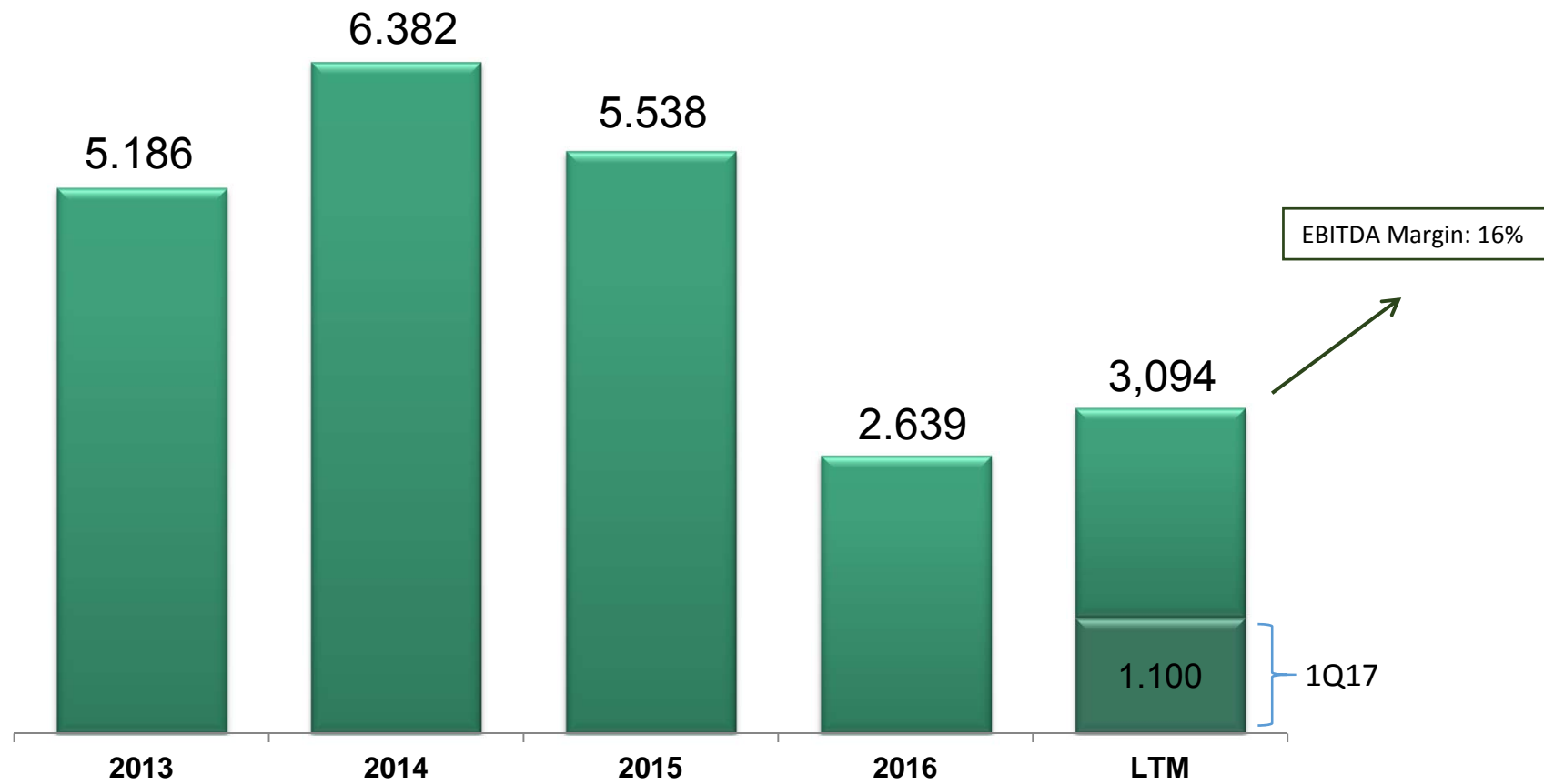
- ✓ Minas Gerais, controlling shareholder – a positive influence
 - One of fastest growing, investor-friendly states in Brazil
 - Growth and profitability interest aligned with minority shareholders
 - 7 from a total of 15 members are appointed by minority shareholders
- ✓ Pro-market corporate bylaws 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 – Dow Jones since 1999
 - Included in the ISE – Bovespa Sustainability Index since 2005
- ✓ Present in the Global Dow Index



EBITDA



R\$ million

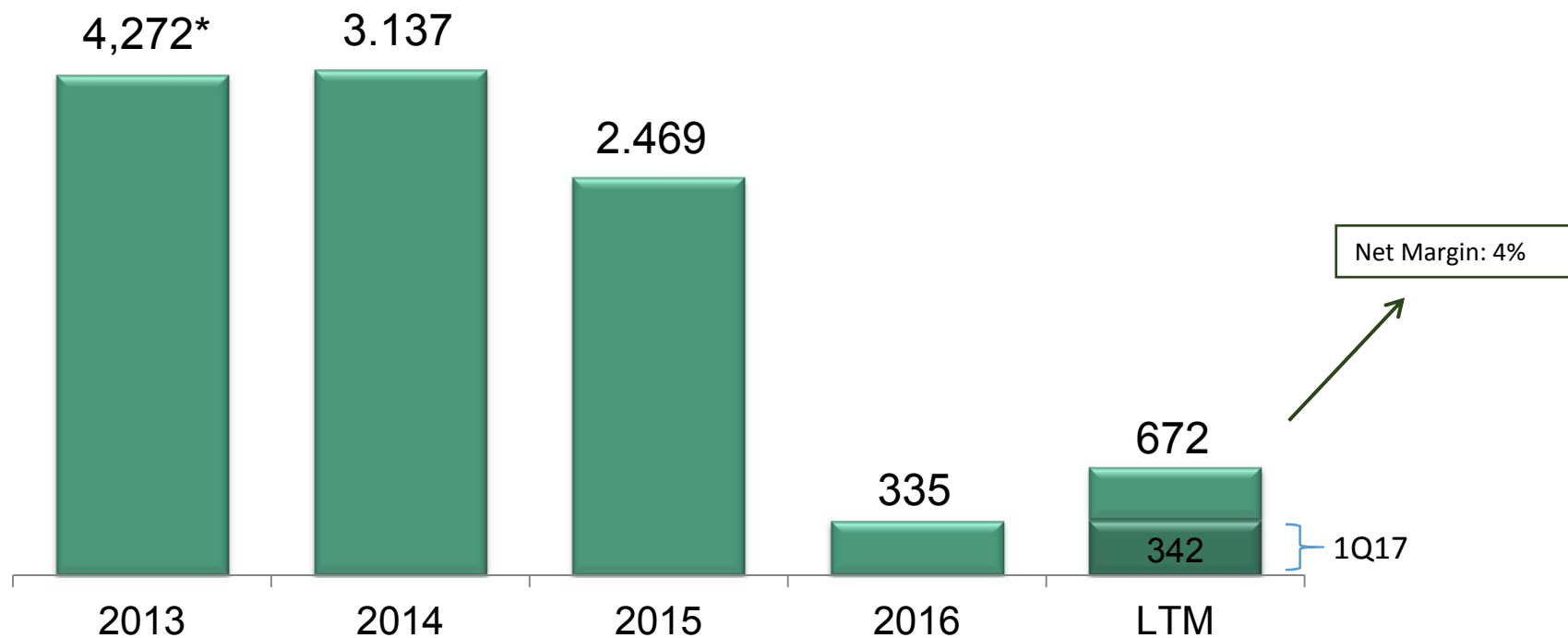


LTM - Last twelve months

Net Income



R\$ million

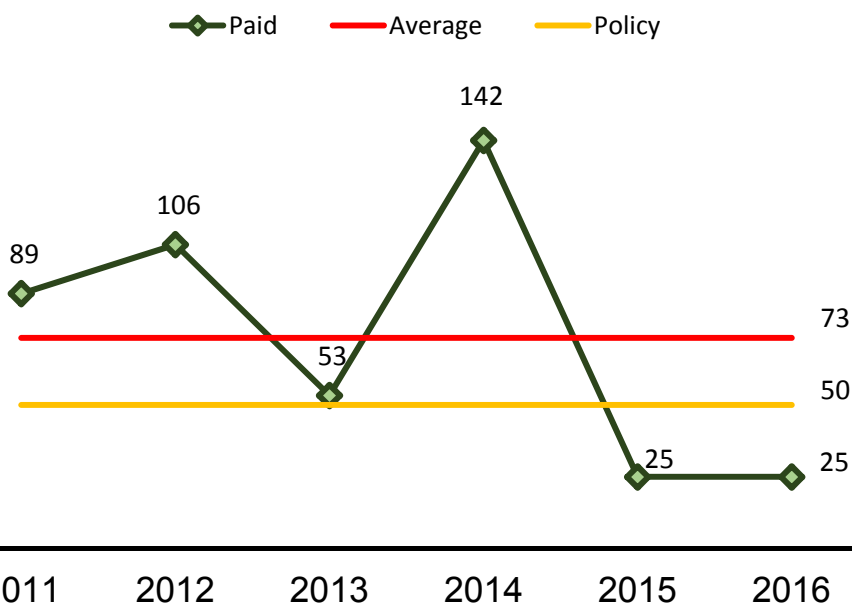


LTM - Last twelve months

*Includes non-recurring gain of R\$1,572 million with the CRC's (Accounts receivable from Minas Gerais State government) anticipated settlement.

Attractive and Secure Dividend Payout

Dividend Payout (% of Net Income)



Dividend Yield (%)



Balance Sheet to Support Growth

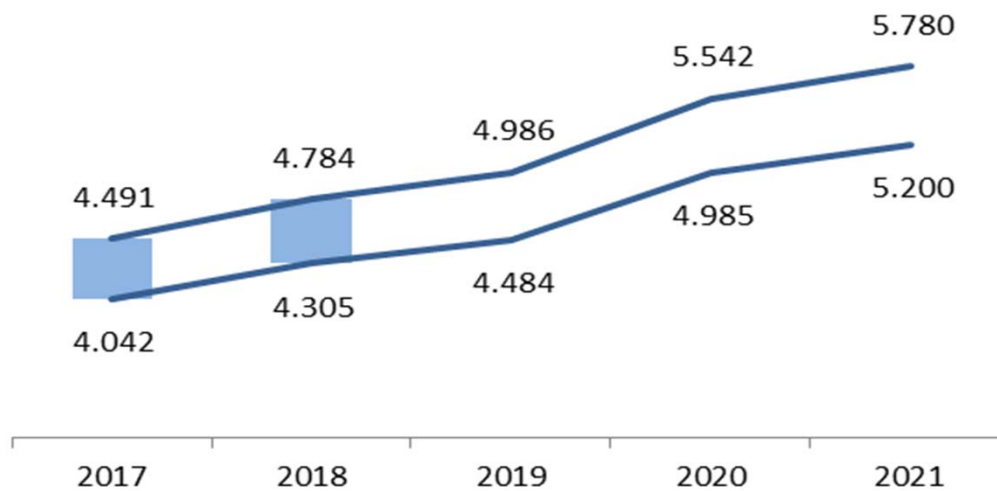


*Net of financial hedging

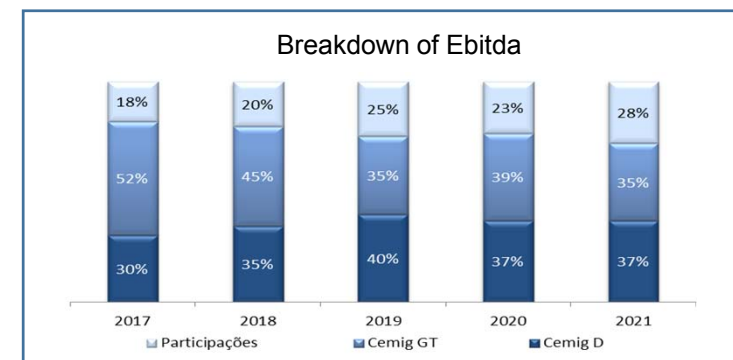
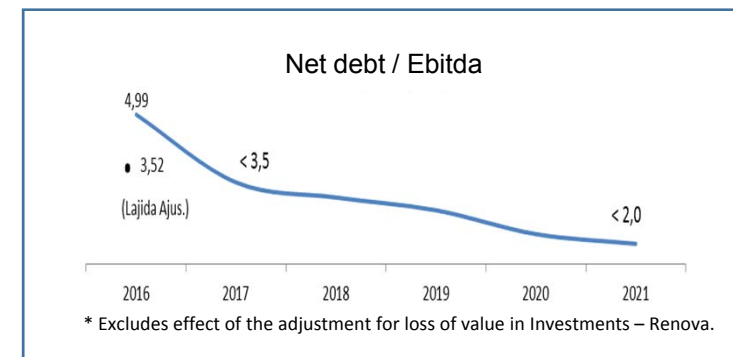
EBITDA Guidance – 2017/2021

Main assumptions

- Free Market to remain as at present (2017-2021)
- *Jaguara, São Simão, Miranda* and *Volta Grande* plants operate under Regime of Quotas until December 2017
- Without indemnity for the 4 plants above
- Without indemnity for the 14 plants of 'Lot D'
- No sales of assets



Figures in constant 2017 currency



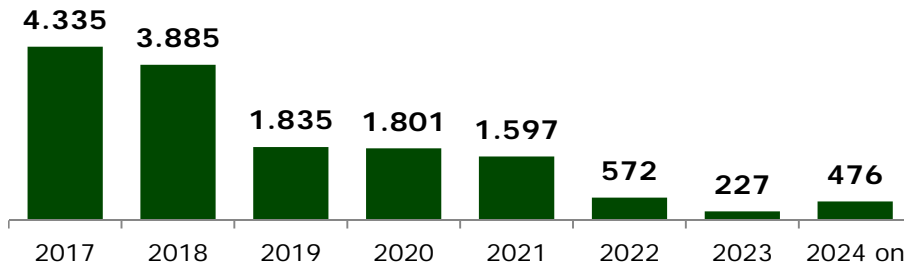
Cemig - consolidated debt profile



R\$ million

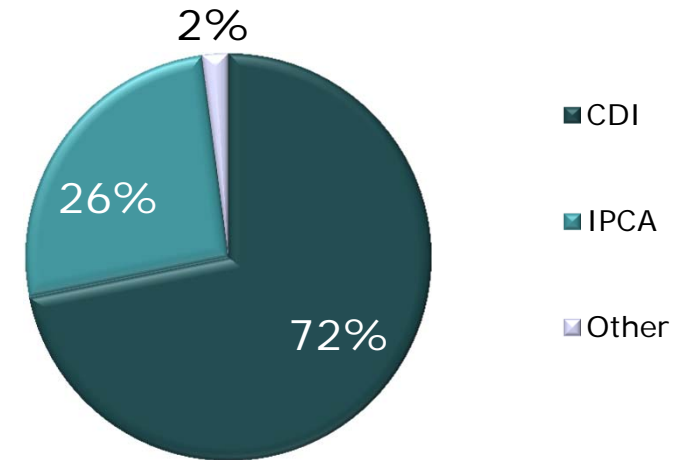
Maturities timetable – Average tenor: 2.6 years

Total net debt : R\$ 13.0 billion

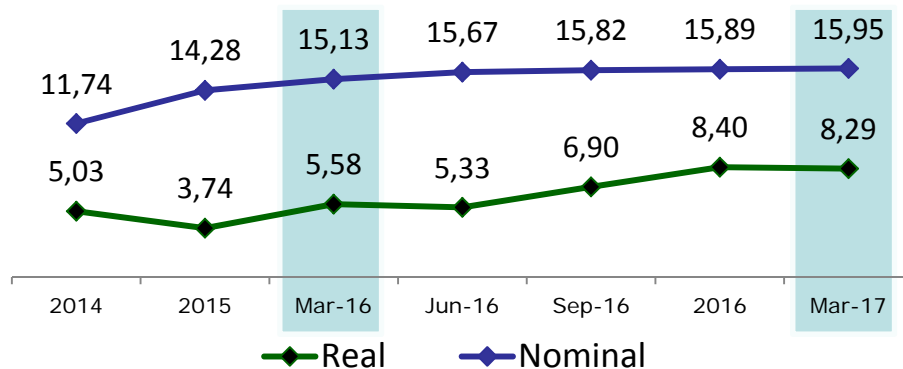


- Each 1 p.p. cut in Selic rate estimated to reduce cost of debt by R\$ 125 million per year
- Selic: expected to be 8.5% at end-2017 (Central Bank Focus Report – May 12, 2017)

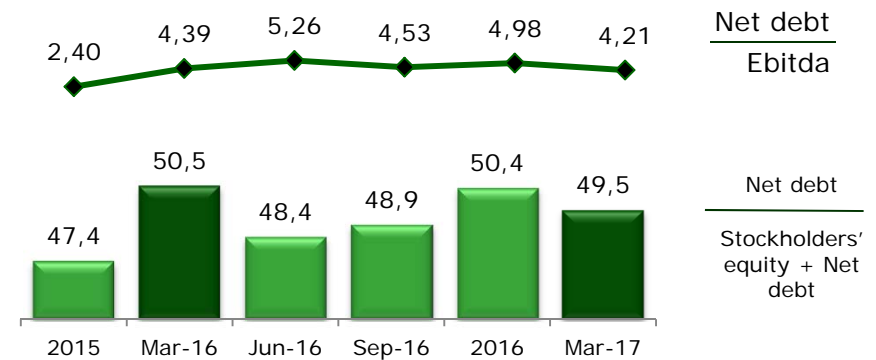
Main indexors



Cost of debt – %



Leverage – %



Cemig GT – debt profile

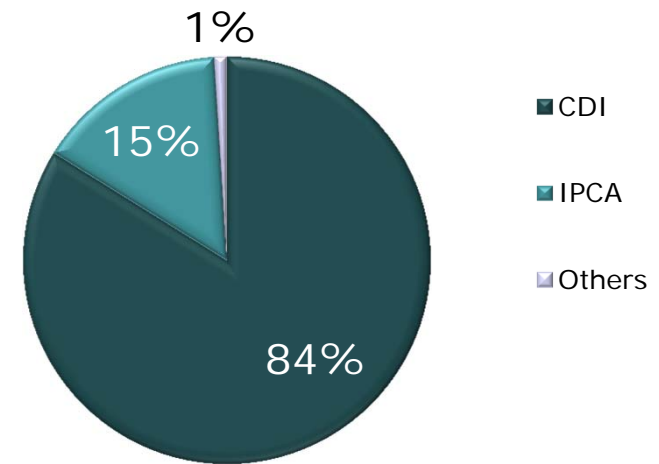
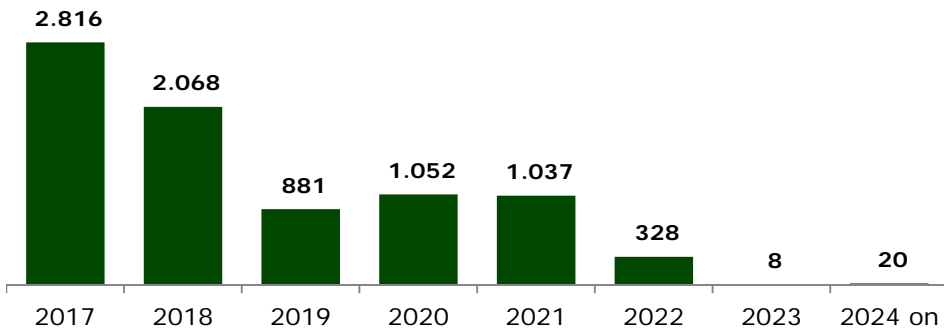


R\$ million

Maturities timetable – Average tenor: 2.4 years

Main indexors

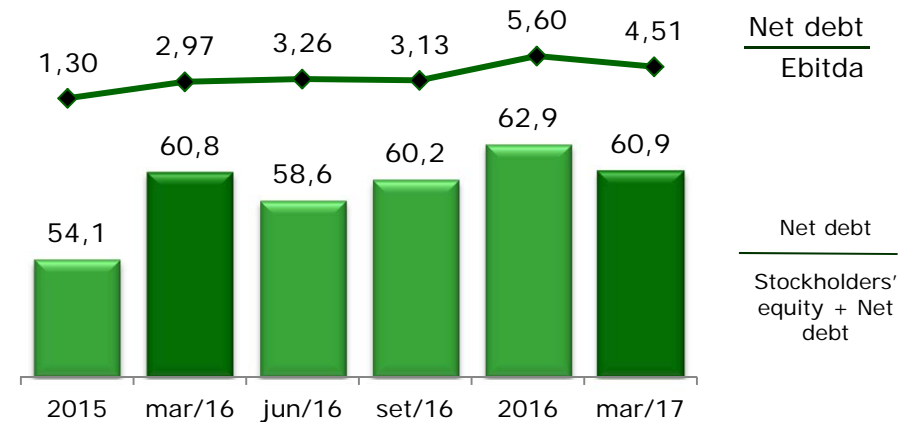
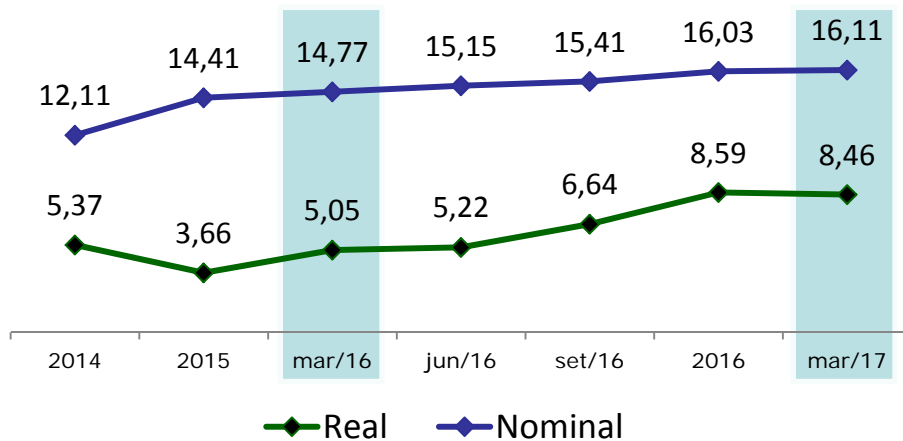
Total net debt: R\$ 7.6 billion



Restrictive covenants - For details see Note 18 (Loans, financings and debentures)

Cost of debt – %

Leverage – %



Cemig D – debt profile

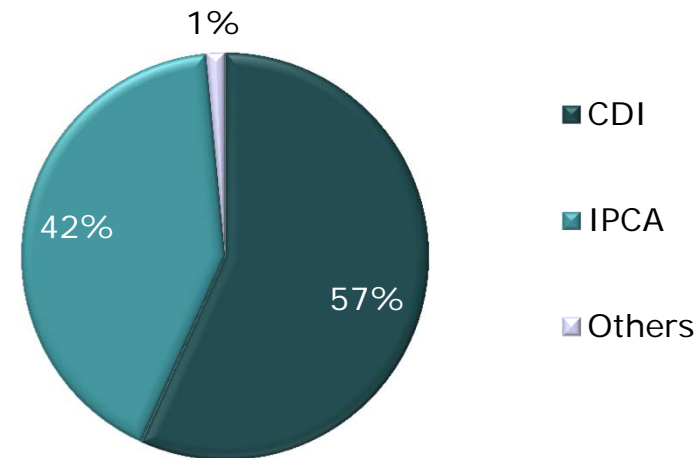
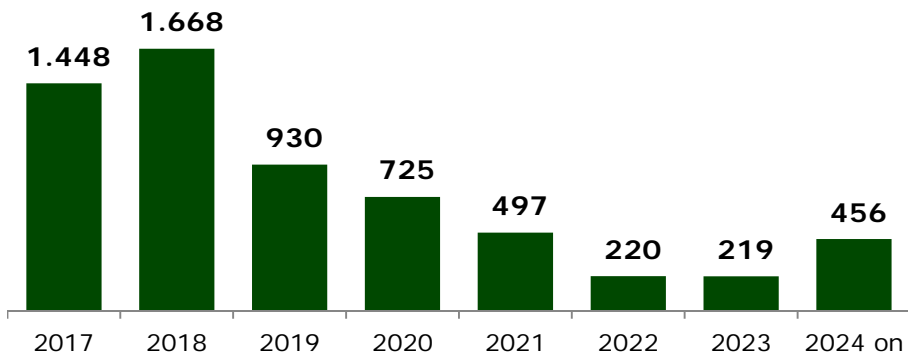


R\$ million

Maturities timetable – Average tenor: 3.2 years

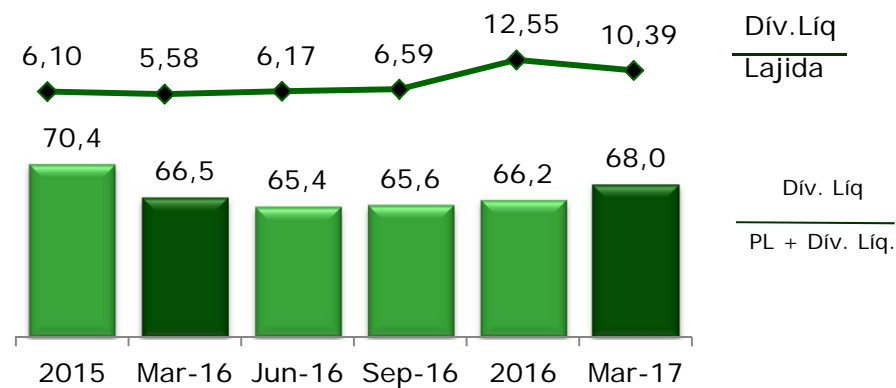
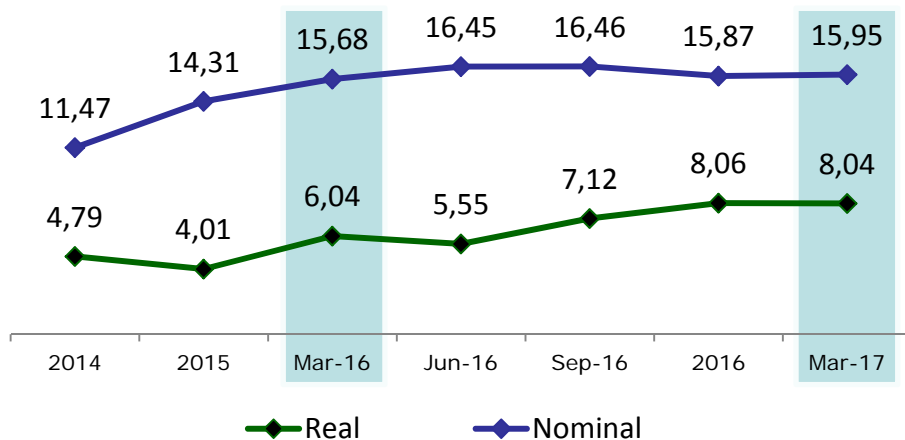
Main indexors

Total net debt: R\$ 5.4 billion



Cost of debt – %

Leverage – %



Our Credit capacity



In March 2017



BBB(bra) Cemig H, Cemig GT and Cemig D National Scale
 B+ Cemig H, Cemig GT e Cemig D Global Scale

Grau de Investimento										Grau Especulativo										
AAA	AA+	AA	AA-	A+	A	A-	BBB+	BBB	BBB-	BB+	BB	BB-	B+	B	B-	CCC	CC	C	RD/D	
													Euro							



Baa1.br Cemig H, Cemig GT and Cemig D National Scale
 B1 Cemig H, Cemig GT and Cemig D Global Scale

Grau de Investimento										Grau Especulativo										
Aaa	Aa1	Aa2	Aa3	A1	A2	A3	Baa1	Baa2	Baa3	Ba1	Ba2	Ba3	B1	B2	B3	Caa1	Caa2	Caa3	Ca	C



brBB+ Cemig H, Cemig GT and Cemig D National Scale
 B Cemig H, Cemig GT and Cemig D Global Scale

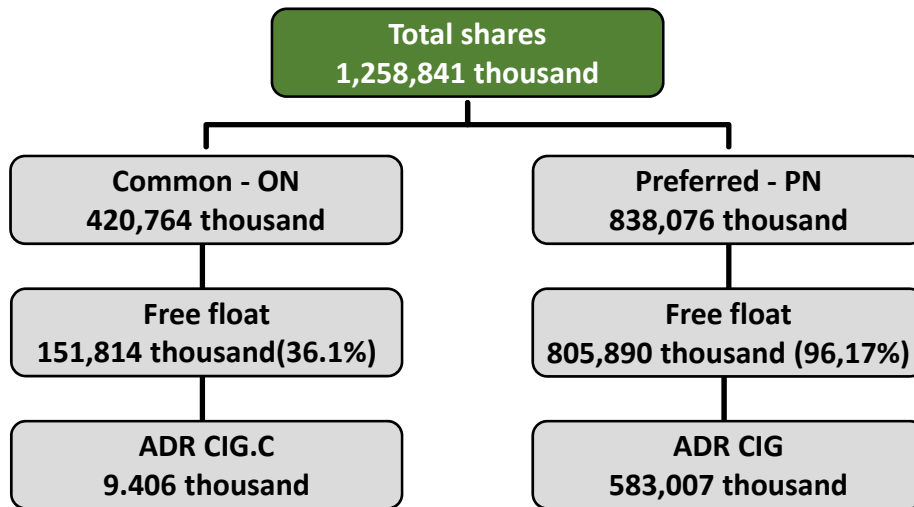
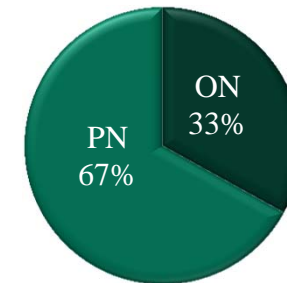
Grau de Investimento										Grau Especulativo											
AAA	AA+	AA	AA-	A+	A	A-	BBB+	BBB	BBB-	BB+	BB	BB-	B+	B	B-	CCC+	CCC	CCC-	CC	C	D
														Euro							

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

The blend of shareholders provides long term perspective

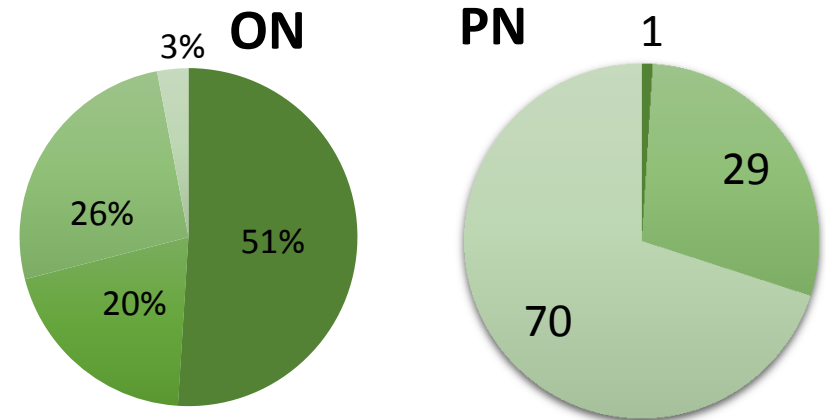
- Our shareholder diversity provides a global business management vision focused on sustainability of the company's activities
- Listed in major stock exchanges
 - **BOVESPA (Brazil) ,NYSE (USA) and LATIBEX (Spain)**

Total Shares



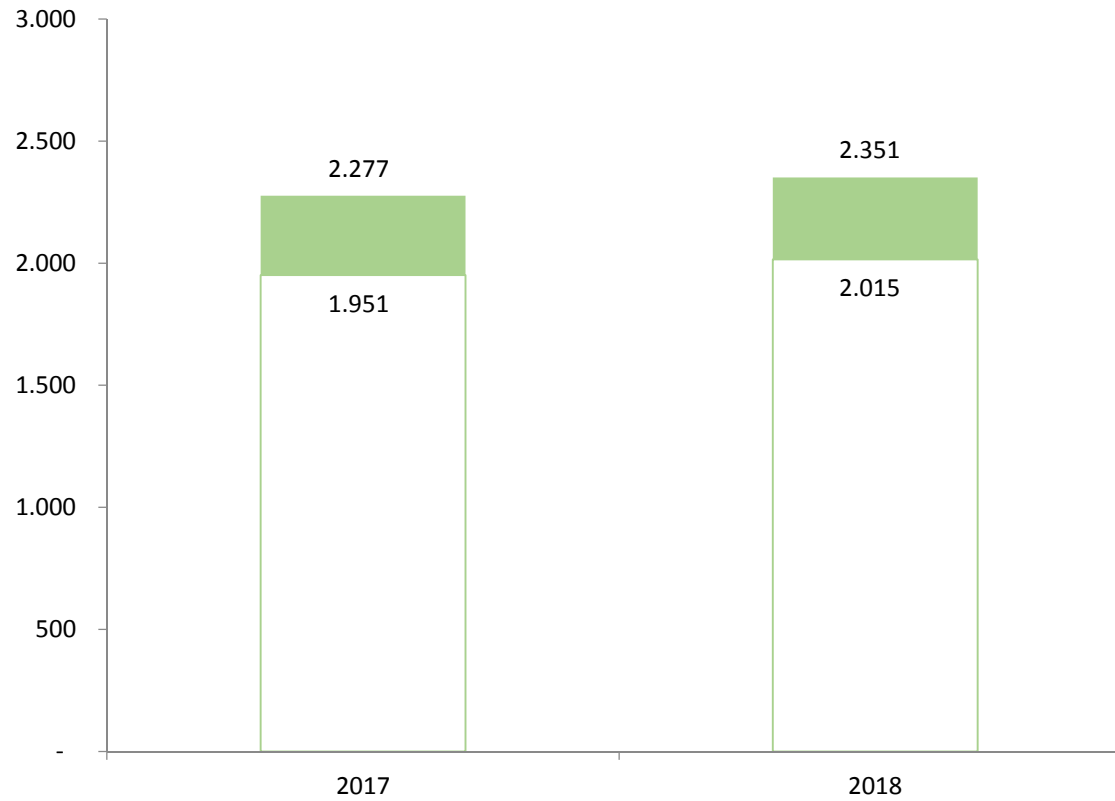
Share nominal value = R\$5.00

ADR outstanding approximately 22% of total shares and 34% of PN shares
 1 ADR = 1 share in Bovespa
 ON shares have voting rights



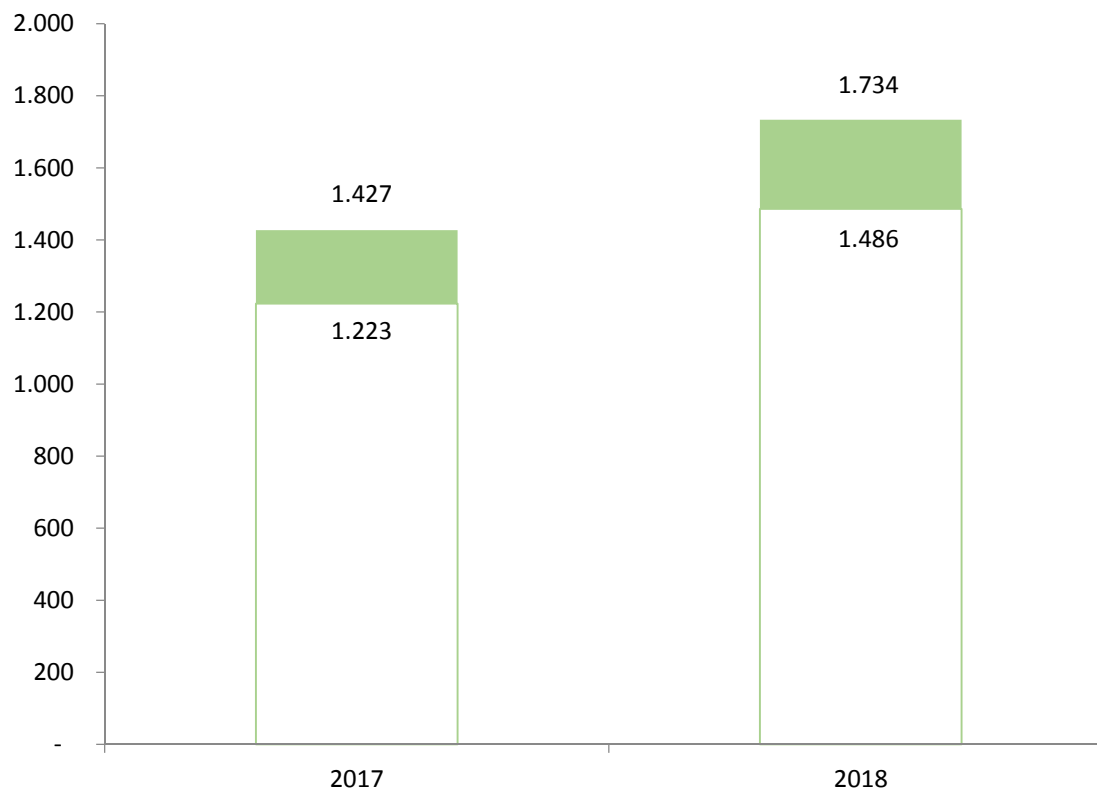
- MG government
- AGC Energia SA
- Local Investors
- International Investors

CEMIG GT - Ebitda Guidance – 2017/18



Source: Cemig.
Figures in constant 2017 currency

CEMIG D - Ebitda Guidance – 2017/18

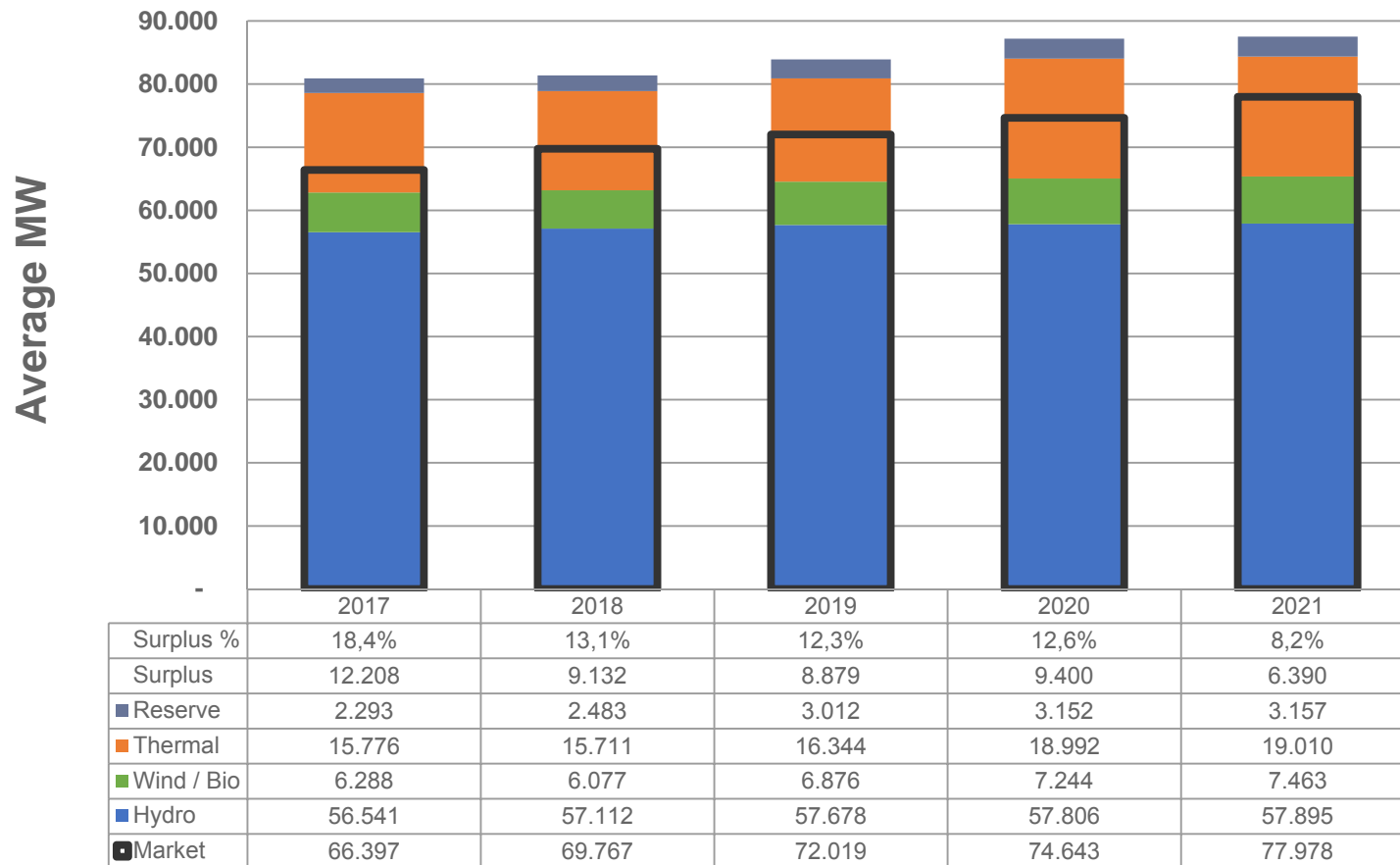


Source: Cemig.
Figures in constant 2017 currency

Brazilian National Grid: projections for 2017 – 21



Made in 2017



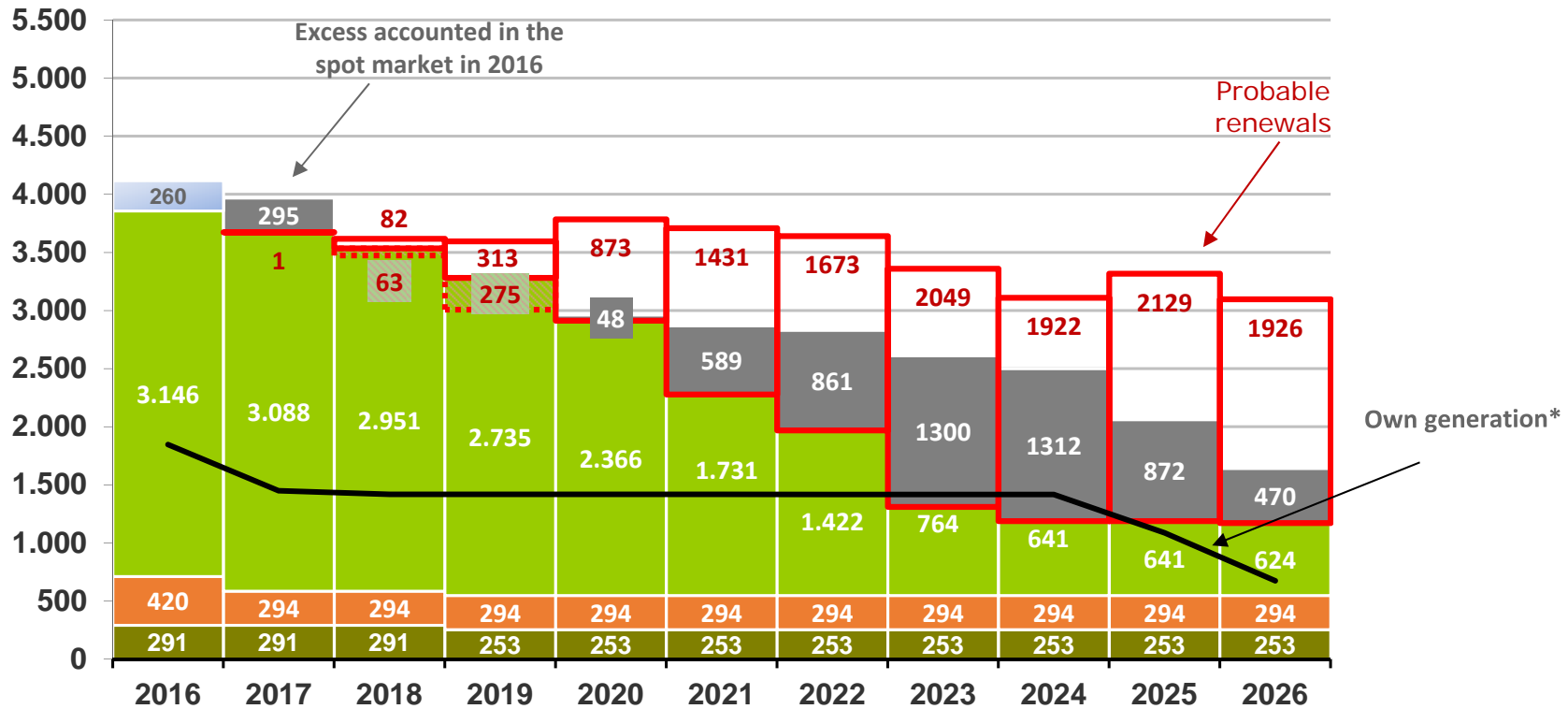
Source: PMO (Monthly Operation Program), May 2017, after first four-month review of 2017

Assuming GDP growth of 2.0% in 2016-2021.

Cemig GT: Supply/demand



MW average



- Regulated Market sales (distribution companies)
- Regulated market sales of SPCs (distributors)
- Free Market sales (Free Consumers and Traders)
- Excess, secondary supply
- Deficit
- Own generation
- Available for trading – base
- Renewals

(*) Assumes exclusion of the Hydroelectric Plants of which the first or second concession periods expire in coming years; non-inclusion of intermediation in the sales portfolio of Cemig GT; and 100% availability of the supply from the SPCs of Cemig GT.

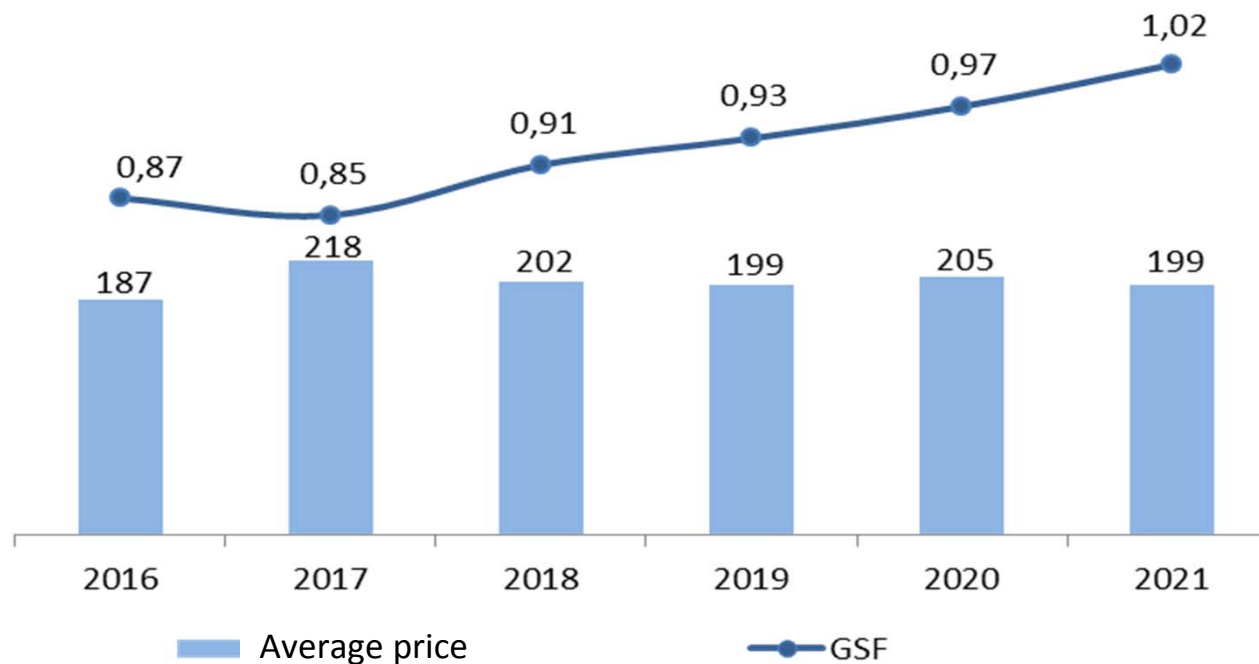
Cemig GT: Supply/demand



	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Own generation	1,047	1,013	1,013	1,013	1,012	1,010	1,010	1,010	675	256
Supply from the SPCs	418	418	418	418	418	418	418	418	418	418
Purchased	2,501	2,022	1,562	1,514	1,426	1,390	1,171	1,061	955	955
Total supply	3,966	3,453	2,993	2,944	2,856	2,818	2,599	2,488	2,048	1,629
Sales: Free Market	3,088	2,951	2,735	2,366	1,731	1,422	764	641	641	624
Sales: Regulated Market	585	585	547	547	547	547	547	547	547	547
Total demand:	3,673	3,536	3,282	2,913	2,278	1,969	1,311	1,188	1,188	1,171
Balance available	295	-63	-275	48	589	861	1,300	1,312	872	470

Position on May 16, 2017

Average prices and the GSF (Generation Scaling Factor)

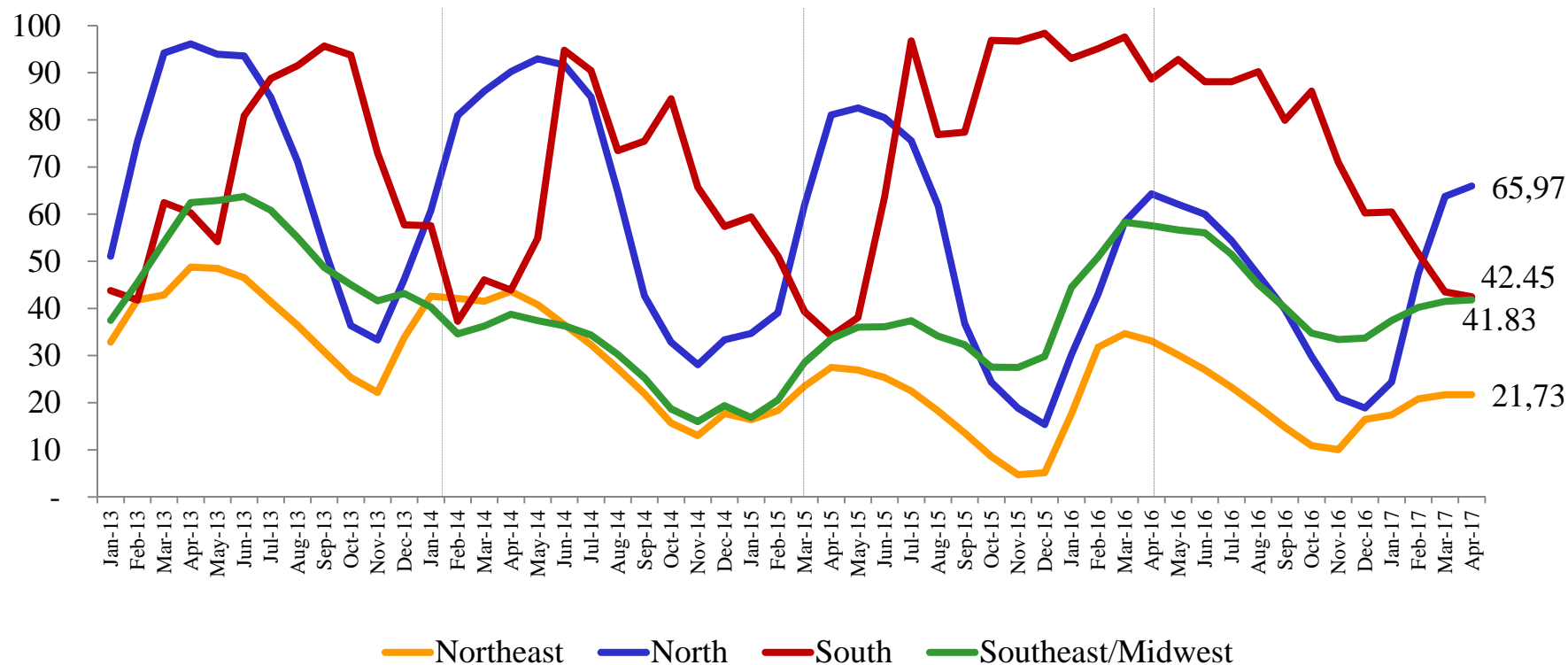


Source: Cemig.
Figures in constant 2017 currency

Level of reservoirs (%)

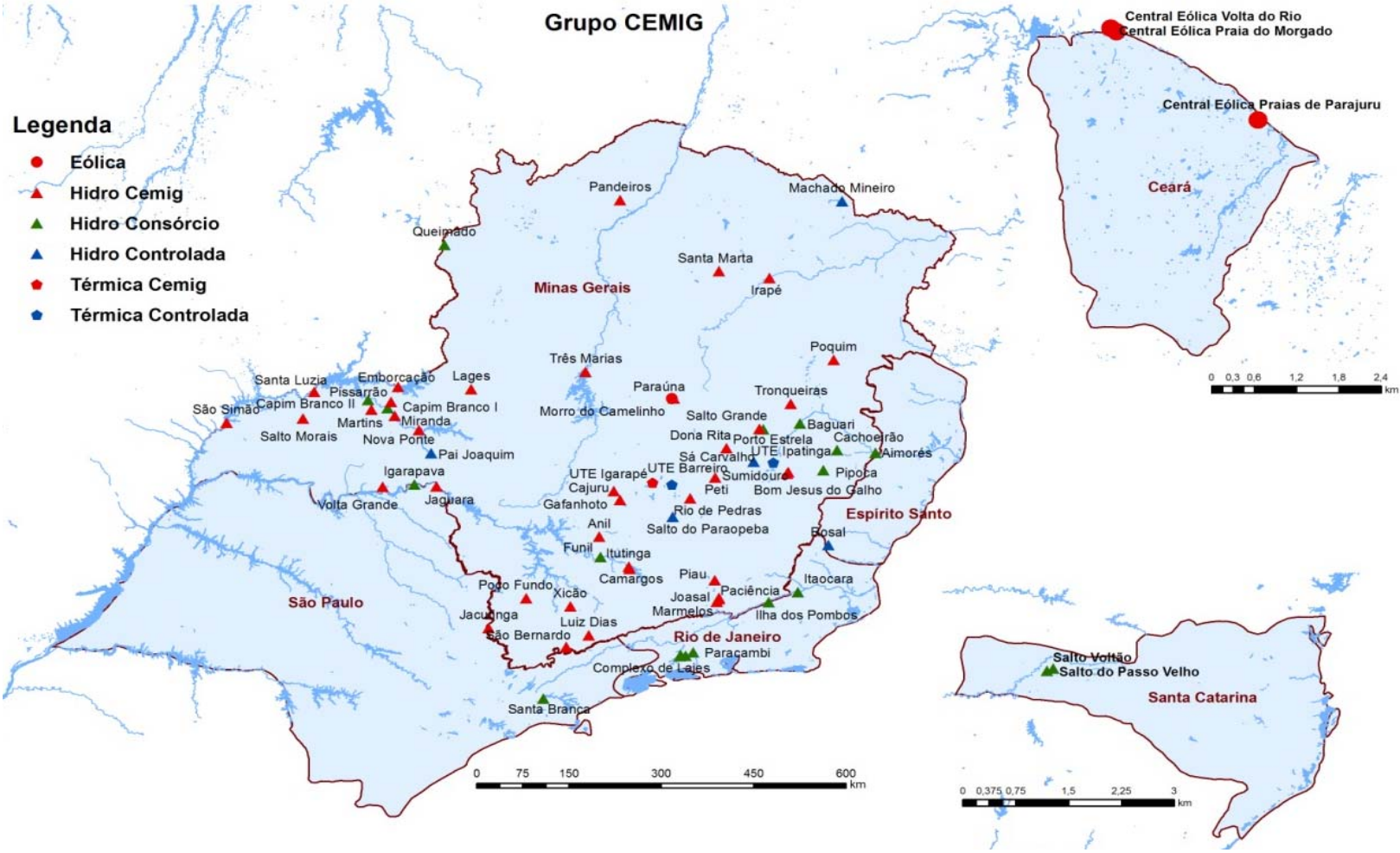


by region (%)*



*Source: ONS

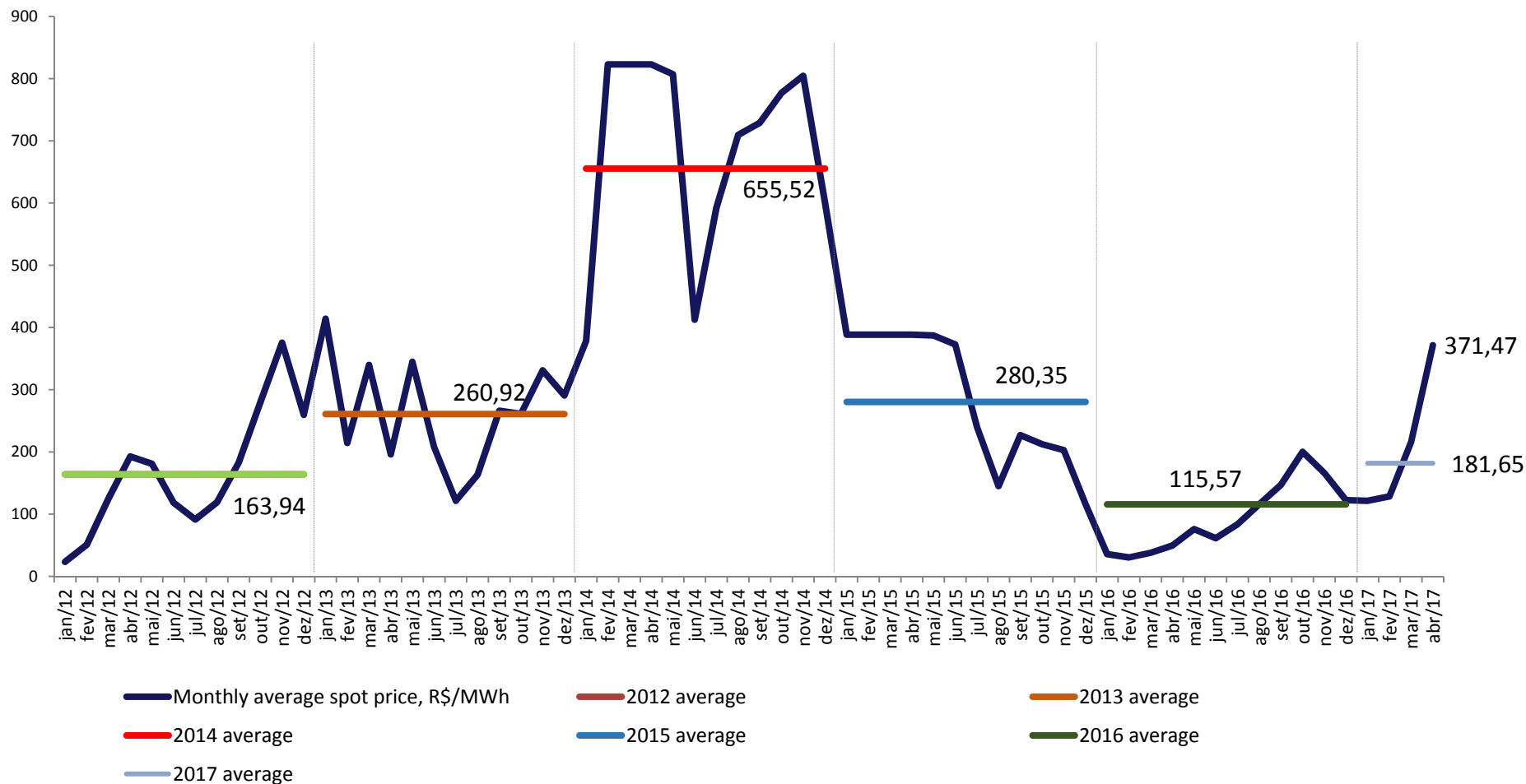
Minas Gerais state - Main Rivers and Plant



Spot price



Brazil: electricity spot price - monthly average (R\$/MWh)



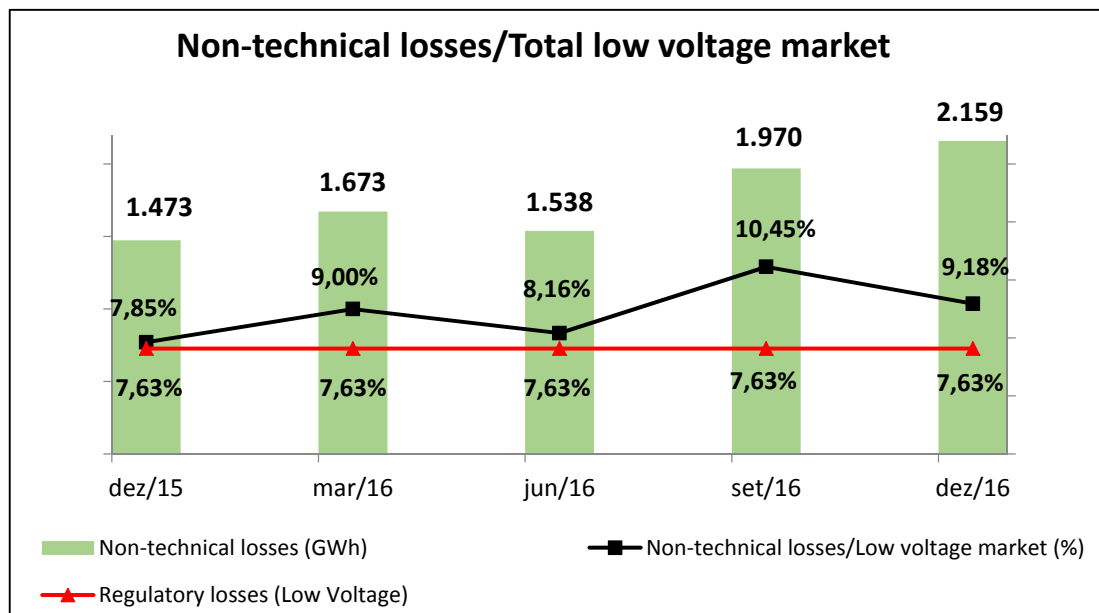
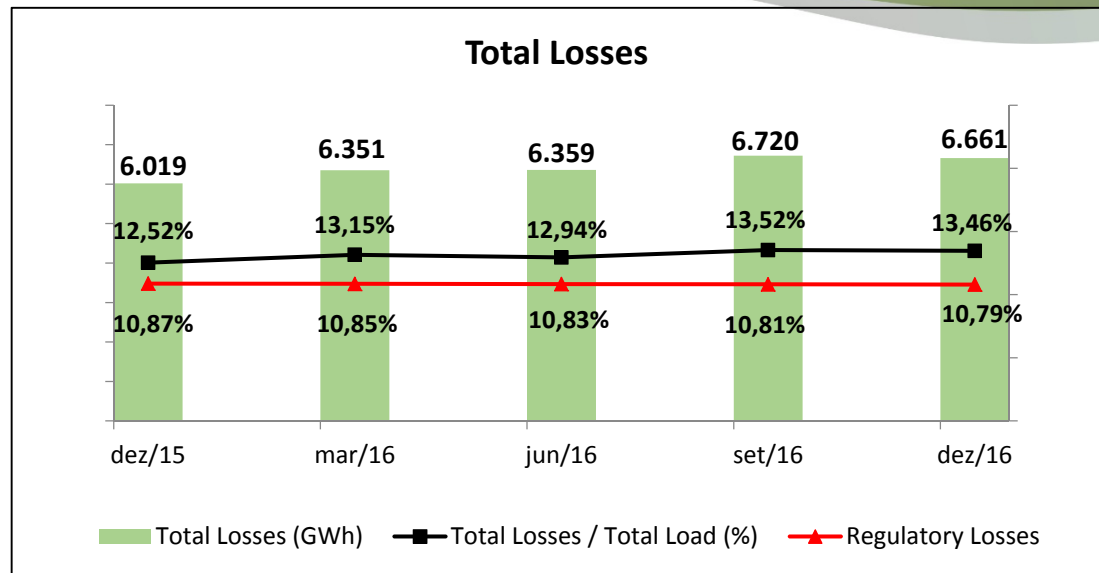
Contracts maturing of generation plants

2nd maturity:

#	Type	Plant	Expiry of concession	Installed capacity (MW)	firm output (average MW)	Historic cost 09.30.2015	Deemed Cost 09.30.2015
1	HPP	Volta Grande	Feb/2017	380	229		
TOTAL 2nd renewal				380	229		

1st maturity:

#	Type	Plant	Expiry of concession	Installed capacity (MW)	firm output (average MW)	Historic cost 09.30.2015	Deemed Cost 09.30.2015
1	HPP	São Simão	Jan/2015	1,710	1,281		
2	HPP	Jaguara	Aug/2013	424	336		
3	HPP	Miranda	Dec/2016	408	202		
TOTAL 1st renewal				2,542	1,819		

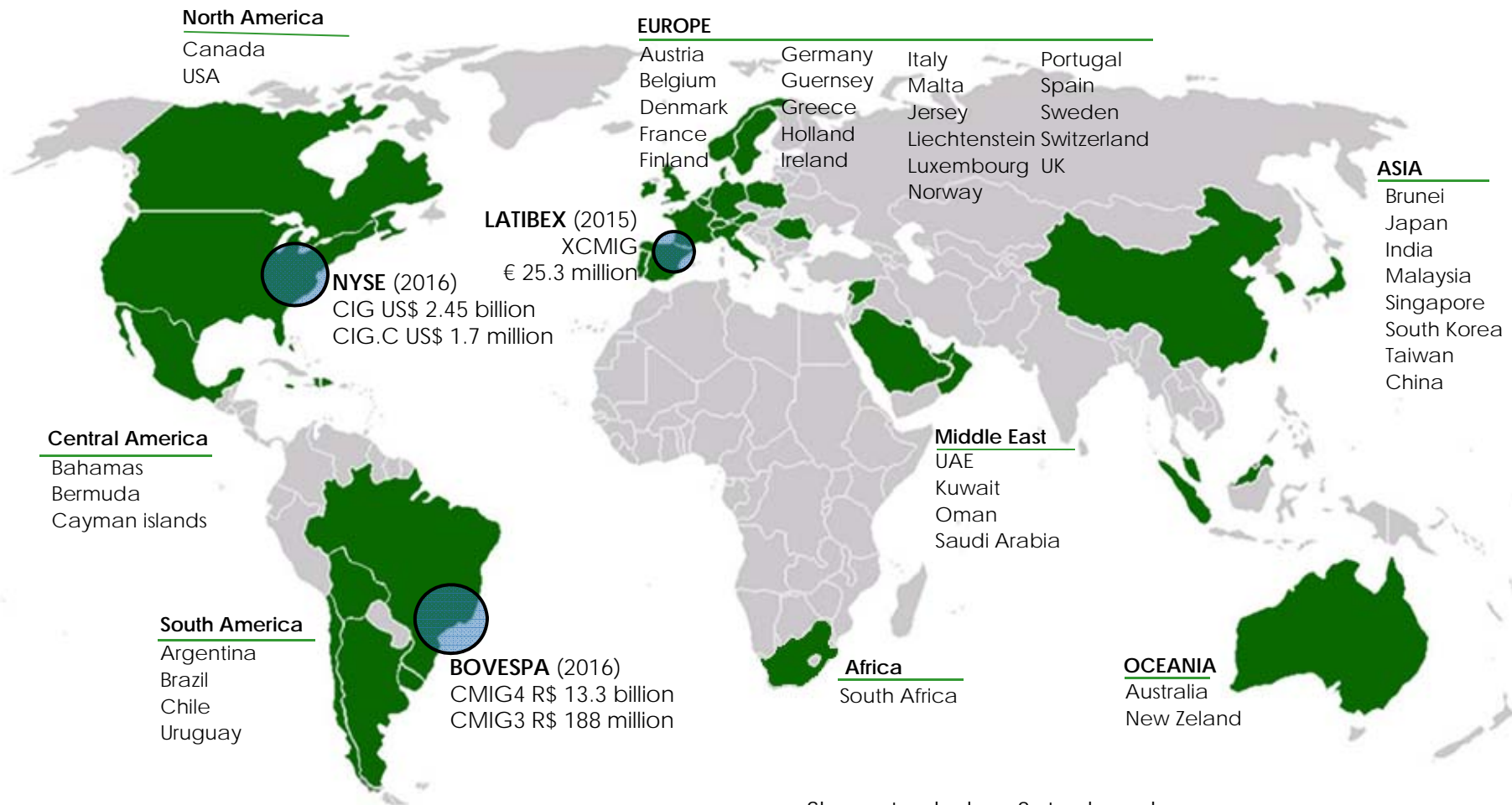


Strong shareholders base assures liquidity

Average daily trading volume of shares in the last twelve months

Bovespa: R\$61.9 million

NYSE: US\$12.3 million



- Shares traded on 3 stock exchanges
- Over 120,000 stockholders in more than 40 countries



A Melhor Energia do Brasil.

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