

CEMIG

1Q18 RESULTS

1Q18 EBITDA: R\$ 1.007 BILLION

Main facts of 1Q18:

- Net profit of R\$ 465 million, growth of 35.7% (1Q18/1Q17)
- Debt expenses R\$ 171 million lower YoY, on lower debt and lower Selic rate
- Equity earnings contribution from subsidiaries positive: R\$ 57 million
- 1Q18 results do not count on hydro plants auctioned in 2017
- Recognition by the market of the improvement in credit quality
- Gain with operational efficiency
 - the PMSO decreased by 48 million (1Q18 / 1Q17)

Indicators – GWh:	1Q18	1Q17	Change %
Electricity sold (excluding CCEE)	12,954	13,264	(2.34)
Indicators – R\$'000:	1Q18	1Q17	Change %
Sales on CCEE	134,327	226,648	(40.73)
Gross revenue	7,649,423	7,356,740	3.98
Net revenue	4,935,431	4,812,930	2.55
Ebitda (IFRS)	1,007,003	1,100,234	(8.47)
Net profit	464,595	342,734	35.56
Earnings per share – PN (preferred) shares	0,319	0,272	17.28
Earnings per share – PN (preferred) shares	0,319	0,272	17.28
Ebitda margin	20.76%	22.85%	2.10 p.p.

Conference call

Publication of 1Q18 results

Video webcast and conference call

May 16, 2018 (Wednesday), at 2 p.m. Brasília time

This transmission on Cemig's results will have simultaneous translation into English and can be seen in real time by Video Webcast, at <http://ri.cemig.com.br> or heard by conference call on:

+ 55 (11) 2188-0155 (1st option) or

+ 55 (11) 2188-0188 (2nd option)

Password: CEMIG

<p>Playback of Video Webcast: Site: http://ri.cemig.com.br Click on the banner and download. Available for 90 days</p>	<p>Conference call – Playback: Tel.: +55 (11) 2188-0400 Password: CEMIG Português (Available from May 16-30, 2018)</p>
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Disclaimer

Certain statements and estimates in this material may represent expectations about future events or results, which are subject to risks and uncertainties, which may be known or unknown. There is no guarantee that the events or results will take place as referred to in these expectations.

These expectations are based on the present assumptions and analyses from the point of view of our management, in accordance with their experience and other factors such as the macroeconomic environment, market conditions in the electricity sector, and expected future results, many of which are not under Cemig's control.

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

The information and opinions herein should not be understood as a recommendation to potential investors, and no investment decision should be based on the veracity, currentness or completeness 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 use of the content of this material.

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

Cemig's shares

Security	Ticker	Currency	March 31, 2018	Close of 2017	Change in the period %
Cemig PN	CMIG4	R\$	8.56	6.87	24.6%
Cemig ON	CMIG3	R\$	7.82	6.41	22.0%
ADR PN	CIG	US\$	2.58	2.06	25.2%
ADR ON	CIG.C	US\$	2.22	1.85	19.9%
Ibovespa	Ibovespa	-	85,366	76,402	11.7%
IEEX	IEEX	-	41,445	39,732	4.3%

Source: *Economática*.

Trading volume in Cemig's preferred shares (CMIG4) totaled R\$ 5.26 billion in 1Q18, a daily average of R\$ 87.73 million – this is 17.33% higher than in 1Q17. Average daily trading in the common (ON) shares was R\$ 9.76 million. Cemig's shares, by volume (in the aggregate of ON and PN shares), were the second most liquid in Brazil's electricity sector in the period, and among the most traded in the whole Brazilian equity market.

On the New York Stock Exchange the volume traded in ADRs for Cemig's preferred shares (CIG) in 1Q18 was US\$ 517 million. We see this as reflecting recognition by the investor market of Cemig as a global investment option.

The São Paulo stock exchange Ibovespa index rose 11.7% in the quarter, closing the quarter at 85,366 points. Cemig's shares significantly outperformed the principal Brazilian stock index and also the electricity sector index: the common (ON) shares rose 22.0% in the quarter, and the preferred (PN) shares rose 24.6%. The ADRs for Cemig's preferred shares, traded in New York, rose 25.20% in 1Q18.

Long-term ratings

This table shows credit risk ratings and outlook for Cemig's companies as provided by the principal rating agencies:

Brazilian rating:

Agency	Cemig		Cemig D		Cemig GT	
	Rating	Outlook	Rate	Outlook	Rating	Outlook
Fitch	BBB-(bra)	Stable	BBB-(bra)	Stable	BBB-(bra)	Stable
S&P	brBBB	Positive	brBBB	Positive	brBBB	Positive
Moody's	B2.br	Stable	B2.br	Stable	B2.br	Stable

Global rating:

Agency	Cemig		Cemig D		Cemig GT	
	Rating	Outlook	Rating	Outlook	Rating	Outlook
Fitch	B	Stable	B	Stable	B	Stable
S&P	B	Positive	B	Positive	B	Positive
Moody's	B3	Stable	B3	Stable	B3	Stable

Ratings of Eurobonds:

Agency	Cemig		Cemig D		Cemig GT	
	Rating	Outlook	Rating	Outlook	Rating	Outlook
Fitch	B	Stable	BB-	Stable	B	Stable
S&P	B	Stable	B	Stable	B	Stable

Adoption of IFRS

The results presented below are prepared in accordance with Brazilian accounting rules, which now embody harmonization to IFRS (International Financial Reporting Standards). They are expressed in thousands of Reais (R\$ '000), except where otherwise noted.

PROFIT AND LOSS ACCOUNTS

Consolidated – R\$ '000	1Q18	1Q17	Change %
REVENUE	4,935,431	4,812,930	2.55
OPERATING COSTS			
Personnel	(331,664)	(381,208)	(13.00)
Employees' and managers' profit shares	(19,577)	(18,884)	3.67
Post-retirement obligations	(83,271)	(94,638)	(12.01)
Materials	(15,290)	(11,279)	35.56
Outsourced services	(235,793)	(208,624)	13.02
Electricity purchased for resale	(2,263,693)	(2,093,088)	8.15
Depreciation and amortization	(212,991)	(201,365)	5.77
Operating provisions	(133,208)	(208,532)	(36.12)
Charges for use of the national grid	(392,542)	(206,497)	90.10
Gas bought for resale	(263,233)	(222,512)	18.30
Infrastructure construction costs	(180,669)	(200,559)	(9.92)
Other operating expenses, net	(66,363)	(96,516)	(31.24)
TOTAL COST	(4,198,293)	(3,943,702)	6.46
Equity method gains in non-consolidated investees	56,874	29,641	91.87
Operational profit before Financial revenue (expenses) and taxes	794,012	898,869	(11.67)
Financial revenues	241,854	179,891	34.44
Financial expenses	(399,654)	(572,637)	(30.21)
Pre-tax profit	636,212	506,123	25.70
Current and deferred income tax and Social Contribution tax	(171,617)	(163,389)	5.04
NET PROFIT FOR THE PERIOD	464,595	342,734	35.56

Cemig's consolidated electricity market

The Cemig Group sells electric power supply through its distribution company, Cemig Distribuição ('Cemig D'), its generation and transmission company, Cemig Geração e Transmissão ('Cemig GT'), and other wholly-owned subsidiaries: Horizontes Energia, Sá Carvalho, Cemig PCH, Rosal Energia, Cemig Geração Camargos, Cemig Geração Itutinga, Cemig Geração Salto Grande, Cemig Geração Três Marias, Cemig Geração Leste, Cemig Geração Oeste, and Cemig Geração Sul.

This market comprises sales of electricity to:

- (I) captive consumers in Cemig's concession area in the State of Minas Gerais;
- (II) Free Clients in the Free Market (*Ambiente de Contratação Livre* or ACL), located in Minas Gerais or in other States;
- (III) other agents in the electricity sector, in the Free Market – trading companies, generation companies, traders and independent power producers; and
- (IV) distributors, in the Regulated Market (*Ambiente de Contratação Regulada*, or ACR).

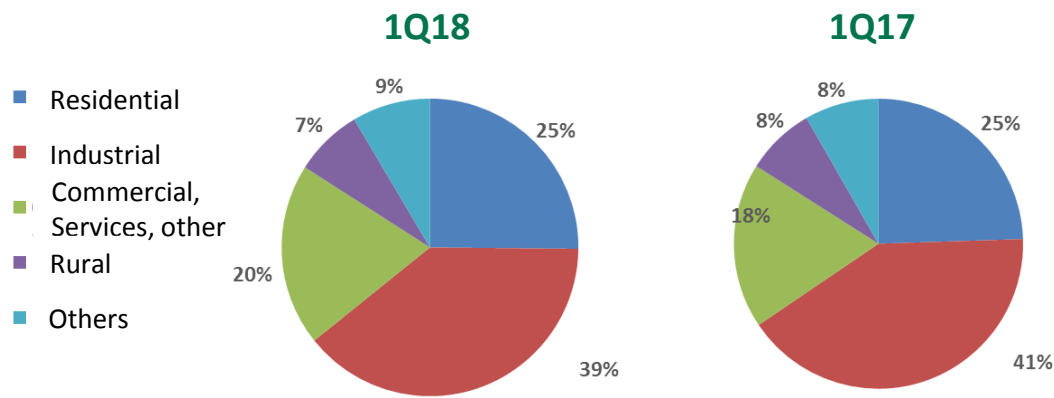
In 1Q18 the Cemig group sold a total volume of 12,953,601 MWh, which was 2.3% less than in 1Q17.

Sales of electricity to final consumers, plus Cemig's own consumption, totaled 10,320,802 MWh, or 0.5% less than in 1Q17.

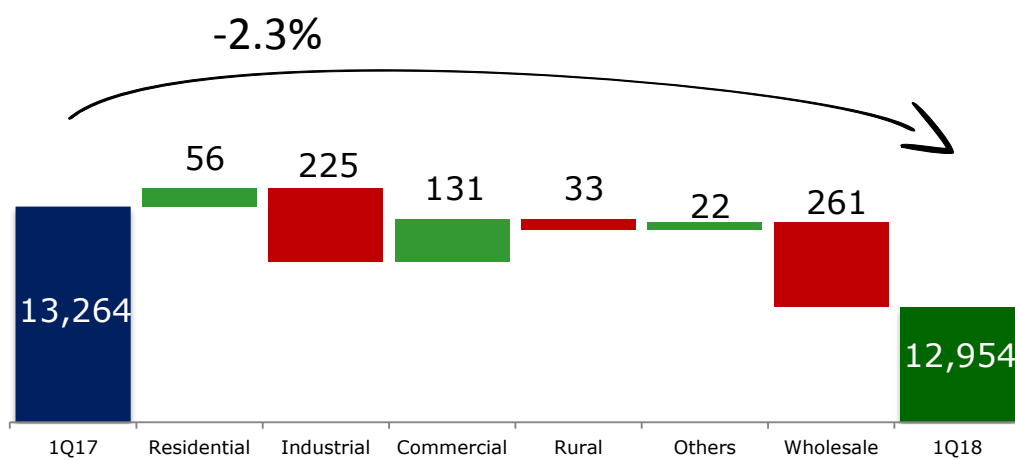
Sales to distributors, traders, other generating companies and independent power producers in 1Q18 totaled 2,632,799 MWh – or 9.0% less than in 1Q17.

In March 2018 the Cemig group invoiced 8,367,920 clients – a growth of 1.0% in the consumer base in the year since March 2017. Of these, 8,367,519 were final consumers (including Cemig's own consumption), and 401 were other agents in the Brazilian power industry.

This chart shows the breakdown of the Cemig Group's sales to final consumers in the year, by consumer category:



Total consumption of electricity (GWh)



Consolidated	MWh		Change, %	Average price	Average price
	1Q18	1Q17		1Q18 R\$	1Q17 R\$
Residential	2,593,117	2,537,050	2.21	739.64	784.93
Industrial	4,028,060	4,253,259	(5.29)	274.52	277.85
Commercial, Services and Others	2,042,937	1,912,090	6.84	523.40	596.28
Rural	765,502	798,476	(4.13)	447.76	461.27
Public authorities	213,598	210,613	1.42	565.78	622.65
Public lighting	343,406	334,480	2.67	362.30	388.22
Public services	322,058	314,937	2.26	416.92	458.05
Subtotal	10,308,678	10,360,905	(0.50)	467.12	490.97
Own consumption	12,124	9,262	30.90	-	-
Wholesale supply to agents in Free and Regulated Markets (*)	2,632,799	2,894,117	(9.03)	266.44	158.18
Total	10,320,802	10,370,167	(0.48)	416.71	435.12

(*) Includes Regulated Market Electricity Sale Contracts (CCEARs) and 'bilateral contracts' with other agents.

The electricity market of Cemig D

Electricity billed to captive clients and electricity transported for Free Clients and distributors with access to Cemig D's networks totaled 10,849,763 MWh in 1Q18, or 3.0% more than in 2017.

The reduction has two components: consumption by the captive market 0.7% lower YoY, and use of the network by Free Clients 8.5% higher YoY.

In March 2018 Cemig billed 8,366,618 consumers, or 0.98% more than in March 2017. Of this total, 1,052 are Free Consumers using the distribution network of Cemig D.

Cemig D	Number of clients		Change, %
	1Q18	1Q17	
Residential	6,784,115	6,720,602	0.95
Industrial	73,496	74,321	(1.11)
Commercial, Services and Others	717,716	715,325	0.33
Rural	707,157	695,943	1.61
Public authorities	63,805	60,533	5.41
Public lighting	6,125	5,461	12.16
Public services	13,152	12,257	7.30
	8,365,566	8,284,442	0.98
Power transported			
Industrial	547	489	11.86
Commercial	498	326	52.76
Rural	4	1	300.00
Concession holder	3	3	-
	1,052	819	28.45
Total	8,366,618	8,285,261	0.98

Comments on the various consumer categories:

Residential

Consumption by captive residential users of Cemig D in 1Q18, at 2,593,117 MWh, was 2.2% more than in 1Q17. Average monthly consumption per consumer in 1Q18 was 127.4 kWh/month, or 1.3% more than in 1Q17 (125.8 kWh/month).

The increase in residential consumption is attributable to:

- addition of 63,513 new consumer units;

- Indications of recovery of the economy of Minas Gerais State, such as the growth in average real income (1.6%) year-on-year in 1Q18 – according to data from FIEMG¹.

Industrial

Electricity used by captive clients was 5.6% of the volume of electricity distributed by Cemig D, and totaled 612,077 MWh in 1Q18 – a reduction of 5.0% compared to 1Q17.

Electricity transported for Free Clients was 39.4% of the volume of electricity distributed by Cemig D, totaling 4,271,693 MWh in 1Q18, or 7.6% more than in 1Q17 – reflecting growth in Metallurgy and Ferro-alloys (21.8%) and in mining (15.1%).

The lower consumption in the captive market mainly reflects consumer disconnection and also consumers' migration to the Free Market.

In this category there was a slight improvement in some economic indicators related to production. According to FIEMG¹, in 1Q18 industrial capacity utilization was 1.6 percentage points higher in 1Q18, at 78.6%, than in 1Q17 (77.0%) – although this is still below its historic average (83.2%). Also, sales volume was up 4.4%, year-on-year, in real terms, in the quarter – and the best YoY comparison (up 7.5%) for a first quarter since 2011.

Commercial

Consumption by the *commercial* category of Cemig D's captive market totaled 1,351,365 MWh in 1Q18. This is associated with a reduction of 4.1% in the volume of energy billed to captive consumers, and growth of 28.9% in the volume of energy transported for free clients.

¹ Source: FIEMG (Minas Gerais State Industry Federation) Industrial Indicators Survey No 3, March 2018, year 2017.

The reduction in the captive market is connected with the migration of clients to the free market. The increased consumption in the Free Market mainly reflects the addition of 172 new consumption units.

Both markets (captive and free) are affected by the increase in commercial activity compared to 2017 – illustrated, for example, by sales of Minas Gerais retailers being 5.2% higher in January and February 2018 than in the same two months of 2017. In the services sector, consumption was 3.0% lower on the same comparison².

Rural

Consumption by captive clients in the *rural* category, totaling 765,502 MWh in 1Q18, was 4.13% lower than in 1Q17; consumption for irrigation was 19.4% lower; and consumption by conventional farming was 4.0% higher, YoY.

These figures reflected the higher rainfall in 1Q18 than 1Q17.

Physical totals of transport and distribution – MWh

Item	MWh		Change %
	1Q18	1Q17	
Energy carried			
Electricity transported for distributors	66.927	81.441	(17,82)
Electricity transported for Free Clients	4.800.762	4.462.297	7,58
Own load			
Consumption by captive market	6.201.123	6.249.191	(0,77)
Losses in distribution network	1.774.869	1.665.449	6,57
Total energy carried	12.843.680	12.458.379	3,09

² Figures from the IBGE Monthly Services Survey and Monthly Retailing Survey.

The electricity market of Cemig GT

Cemig GT billed a total of 6,326,036 MWh in 1Q18, or 5.5% more than in 1Q17.

The number of clients billed by Cemig GT was 15.4% higher than at the end of March 2017, totaling 1,248. Of these: 1,179 were industrial, commercial and rural clients, 49 were distribution companies, and 20 were companies in the category of traders, generators and independent power producers.

Free Clients in the industrial, commercial and rural consumer categories consumed 3,705,165 MWh in 1Q18, or 58.6% of the total volume of energy provided by Cemig GT, and 2.0% less than in 1Q17.

This lower total reflects consumption by industrial clients 8.0% lower:

- (i) A large part of the reduction can be attributed to reduction of client sales contracts – for example, repurchase of contracted supply from a large consumer;
- (ii) – and some contracts were not renewed due to unavailability of supply at competitive prices.

Between the end of 1Q17 and the end of 1Q18 Cemig GT added 7 new industrial clients, and 149 clients in the Commercial and Services category – in the latter category the year-on-year increase in consumption was 36.8%.

Trading of electricity to other agents in the electricity sector in the Free Market totaled 1,989,515 MWh in 1Q18, 12.0% less than in 1Q17.

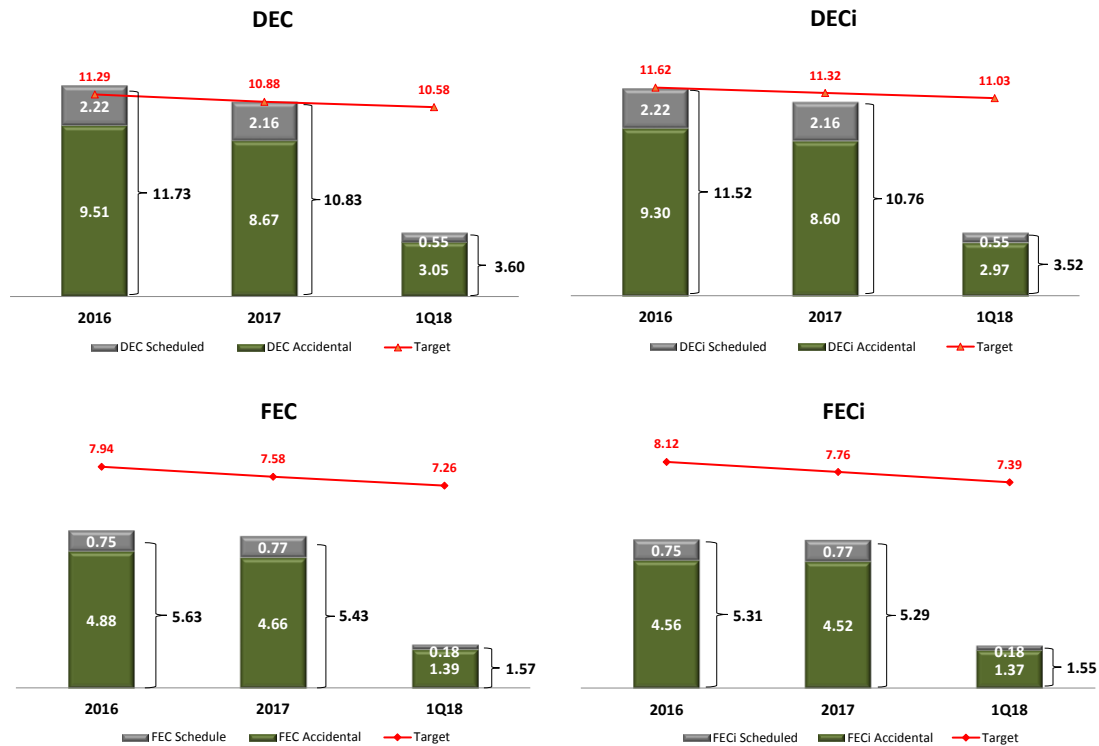
Sales of energy in the Regulated Market, including those to Cemig D, totaled 631,356 MWh in 1Q18, or 3.0% less than in 1Q17, due to differences in seasonal characteristics of distributors' contracts between the two periods.

Cemig GT	(MWh)		Change, %
	1Q18	1Q17	
Free Clients			
<i>Industrial</i>	3,020,910	3,284,232	(8.02)
<i>Commercial</i>	684,255	495,186	38.18
Free Market – Free contracts	1,989,515	2,260,527	(11.99)
Regulated Market	600,086	621,336	(3.42)
Regulated Market – Cemig D	31,270	29,411	6.32
Total	6,326,036	6,690,692	(5.45)
SPCs of Cemig GT			
<i>Free Clients</i>	242,195	150,102	61.35
Total	6,568,231	6,840,794	(3.98)

QUALITY INDICATORS – DEC / DECI and FEC / FECI

Cemig is continuously taking action to improve operational management, organization of the logistics of emergency services, and its permanent regime of inspections and preventive maintenance of substations, lines and distribution networks. It also invests in training of its staff for improved qualifications, state-of-the-art technologies, and standardization of work processes, aiming to uphold the quality of electricity supply, and as a result maintain the satisfaction of clients and consumers.

The charts below show Cemig's indicators for duration and frequency of outages – DEC and FEC, since January 2016.



DEC – Average outage duration experienced by consumer – hours/consumer/month

Internal DEC – Average consumer outage duration due to factors internal to concession holder – hours/consumer/month

FEC – Average outage frequency experienced by consumer –outages/consumer/month

Internal FEC – Average outage frequency experienced by consumer due to factors internal to concession holder – outages/consumer/month

Consolidated operational revenue

Revenue from supply of electricity:

Total revenue from supply of electricity in 1Q18 was R\$ 5,397,905, 6.47% lower than in 1Q17 (R\$ 5,771,613).

Final consumers

Total revenue from electricity sold to final consumers, excluding Cemig’s own consumption, in 1Q18 was R\$ 4,733,392, or 7.60% less than in 1Q17 (R\$ 5,122,632).

The main factors in this revenue were:

- The annual tariff adjustment for Cemig D, effective May 28, 2017 (full effect in 2018) with average *downward* effect on consumer tariffs of 10.66%.
- Volume of electricity sold 0.50% lower.
- Higher revenues under the ‘Flag Tariffs’ – R\$ 116,772 in 1Q18, vs. R\$ 29,258 in 1Q17. This reflects the low level of reservoirs, activating the ‘Red Flag’ additional tariff rate in December 2017, taking effect in January 2018, leading to higher revenue in 2018.

	R\$ '000		Change %	Average price 1Q18 R\$	Average price 1Q17 R\$	Change %
	1Q18	1Q17				
Residential	1,917,981	1,991,413	(3.69)	739.64	784.93	(5.77)
Industrial	1,105,786	1,181,771	(6.43)	274.52	277.85	(1.20)
Commercial, Services and Others	1,069,278	1,140,139	(6.22)	523.40	596.28	(12.22)
Rural	342,763	368,314	(6.94)	447.76	461.27	(2.93)
Public authorities	120,850	131,139	(7.85)	565.78	622.65	(9.13)
Public lighting	124,416	129,852	(4.19)	362.30	388.22	(6.68)
Public services	134,272	144,258	(6.92)	416.92	458.05	(8.98)
Subtotal	4,815,346	5,086,886	(5.34)	467.12	490.97	(4.86)
Supply not yet invoiced, net	-81,954	35,746	(329.27)	-	-	-
Wholesale supply to other concession holders (*)	701,491	457,794	53.23	266.44	158.18	68.44
Wholesale supply not yet invoiced, net	-36,978	191,187	(119.34)	-	-	-
Total	5,397,905	5,771,613	(6.47)	416.71	435.12	(4.23)

(*) Includes Regulated Market Electricity Sale Contracts (CCEARs) and ‘bilateral’ contracts with other agents.

Revenue from Use of the Distribution System (the TUSD charge)

This is revenue from charging Free Consumers the Tariff for Use of the Distribution System (*Tarifa de Uso do Sistema de Distribuição*, or TUSD). In 1Q18 this revenue was R\$ 373,741, a reduction of 19.29% from R\$ 463,049 in 1Q17.

This is basically the result of the TUSD being reduced by 40% in the annual tariff adjustment of 2017, effective from May 28, 2017 (full effect in 2018) – partially offset by growth in use of the network by Free Clients.

CVA and Other financial components in tariff adjustment

In its interim accounting information Cemig recognizes the difference between actual non-controllable costs (in which the CDE, and electricity bought for resale, are significant components) and the costs that were used in calculating rates charged to consumers. The amount of this difference is passed through to clients in Cemig D's next tariff adjustment – in 1Q18 this represented a gain in revenue of R\$ 441,156, whereas in 1Q17 it produced a reduction of R\$ 302,602. The difference in this case is mainly due to the increase in costs of energy in 2018, in relation to tariff coverage, and in comparison to the previous year, generating a financial asset to be reimbursed to the Company through the next tariff adjustment.

Changes in balances of financial assets and liabilities:

	R\$ '000
Balance at December 31, 2016	(407,250)
(-) Net addition of negative items	(157,842)
(-) Realized	(144,760)
(-) Payments from the Flag Tariff Centralizing Account	(2,721)
(-) Transfer	-
(+) Updating – Selic rate	(6,169)
Balance on March 31, 2017	(718,742)
Balance on December 31, 2017	(45,790)
(-) Net addition of asset items	178,444
(-) Realized	262,712
(-) Payments from the Flag Tariff Centralizing Account	(153,267)
(+) Updating – Selic rate	447
Balance on March 31, 2018	242,546

Transmission concession revenue

Cemig GT's revenue from transmission comprises the sum of the revenues from all the transmission assets. The concession contracts establish the Permitted Annual Revenue (*Receita Anual Permitida*, or RAP) for the assets of the existing system, updated annually based on the variation in the IPCA index. Whenever there is a strengthening, improvement or adaptation to an existing asset made under a specific authorization from Aneel, an addition is made to the RAP.

This revenue was R\$ 100,991 in 1Q18, compared to R\$ 92,500 in 1Q17 – a year-on-year increase of 9.18%. This variation arises basically from the inflation-adjustment of the annual RAP, which was applied in July 2017, plus the new revenues related to the investments authorized to be included. It includes an additional adjustment for expectation of cash flow from financial assets, arising from change in the fair value of the Regulatory Remuneration Base of Assets (BRR). The percentages and the indices applied in this adjustment vary according to the concessions. In 2017 the adjustment was 3.59% (the IPCA index) for the concession of Cemig GT, and 1.57% (the IGP-M Index) for the concession of Cemig Itajubá.

Transmission indemnity revenue

In 1Q18 this revenue was R\$ 49,841, compared to R\$ 65,830 in 1Q17. The Company reports the updating of the amount of indemnity receivable based on the average regulatory cost of capital, as specified in the sector regulations.

Adjustment of the BRR of Transmission Assets – Aneel Technical Note 183/2017

In the tariff review processes of Cemig GT, ratified on June 23, 2009 (backdated to July 1, 2005) and June 8, 2010 (backdated to July 1, 2009), certain conducting cables, which have been the subject of an application by the Company, were not included in the tariff calculation. Cemig GT applied for inclusion of these assets in the BRR (Remuneration Assets Base) and, consequently, for backdated calculation of the amounts not considered in the prior tariff reviews.

Aneel ruled in favor of the Company's application, and calculated the differences between the amounts of revenue ratified in the tariff reviews referred to above and the new values calculated for inclusion of the said conducting cables in the Remuneration Assets Base for the period from July 2005 to December 2012. Updated, these amounts were calculated to total R\$ 149,255, at June 2017 prices, to be received by Cemig GT in 12 months, via RAP. On March 31, 2018 the balance receivable was R\$ 37,313 (R\$ 74,627 on December 31, 2017).

Indemnity of transmission assets – injunction awarded to industrial consumers

On April 10, 2017, an interim court remedy was granted to the Brazilian Large-scale Free Consumers Association (*Associação Brasileira de Grandes Consumidores Livres*), the

Brazilian Auto Glass Industry Technical Association (*Associação Técnica Brasileira das Indústrias Automáticas de Vidro*) and the Brazilian Ferro-alloys and Silicon Metal Producers' Association (*Associação Brasileira dos Produtores de Ferroligas e de Silício Metálico*) in their legal action against Aneel and the federal government requesting suspension of the effects on their tariffs of payment of the indemnity for transmission assets payable to agents of the electricity sector who accepted the terms of Law 12783/2013.

The preventive remedy was partial, with effects related to suspension of the inclusion in the consumer tariffs paid by these associations of the portion of the indemnity corresponding to the remuneration at cost of capital included since the date of extension of the concessions – this amounts to R\$ 321,669, at March 31, 2018.

Complying with the court decision, Aneel, in its Technical Note 183/201-SGT/ANEEL of June 22, 2017, presented the new calculation, excluding the amounts that refer to the cost of own capital. Cemig GT believes that this is a provisional decision, and that its right to receive the amount referring to the assets of the basic national grid system (*Rede Básica Sistema Elétrico*, or RBSE) is guaranteed by law, so that no adjustment to the amount posted at March 31, 2018 is necessary.

Remaining balance to be received through RAP

The remaining balance, of R\$ 521,028 at March 31, 2018 (R\$ 544,471 at Dec. 31, 2017), was incorporated into the Remuneration Assets Base, and is being recovered via RAP.

Cemig GT expects to receive in full the credits receivable in relation to the transmission indemnity, and has calculated the following amounts as indemnity:

	R\$ '000
Balance on December 31, 2017	1,928,038
Monetary updating	49,840
Amounts received*	(125,205)
Total at December 31, 2017	1,852,673

* Receipt of credits began in July 2017, after ratification by Aneel.

Generation indemnity revenue

In 1Q18 the Company recognized revenue of R\$ 17,245 for the adjustment to the balance not yet amortized of the concessions for the *São Simão* and *Miranda* hydroelectric plants, as per Ministerial Order 291/17.

Plants operated under the 'Quotas' regime as from January 1, 2016

As from August 2013, there were expiry dates of the concessions for various plans operated by Cemig GT under Concession Contract 007/1997. As from the termination of the concession, Cemig GT held the right to indemnity of the assets not yet amortized, as specified in that concession contract. The accounting balances corresponding to these assets, including the Deemed Cost, are recognized in Financial assets. Their total at March 31, 2017 was R\$ 816,411.

Generating plant	Concession expiration date	Installed capacity (MW)	Net balance of assets based on historic cost R\$ '000	Net balance of assets based on deemed cost R\$ '000
Lot D:				
Três Marias Hydroelectric Plant	July 2015	396	71,694	413,450
Salto Grande Hydroelectric Plant	July 2015	102	10,835	39,379
Itutinga Hydroelectric Plant	July 2015	52	3,671	6,589
Camargos Hydroelectric Plant	July 2015	46	7,818	23,095
Piau Small Hydroelectric Plant	July 2015	18.01	1,531	9,005
Gafanhoto Small Hydroelectric Plant	July 2015	14	1,232	10,262
Peti Small Hydroelectric Plant	July 2015	9.4	1,346	7,871
Dona Rita Small Hydroelectric Plant	Sep. 2013	2.41	534	534
Tronqueiras Small Hydroelectric Plant	July 2015	8.5	1,908	12,323
Joasal Small Hydroelectric Plant	July 2015	8.4	1,379	7,622
Martins Small Hydroelectric Plant	July 2015	7.7	2,132	4,041
Cajuru Small Hydroelectric Plant	July 2015	7.2	3,576	4,252
Paciência Small Hydroelectric Plant	July 2015	4.08	728	3,936
Marmelos Small Hydroelectric Plant	July 2015	4	616	4,265
Others:				
Volta Grande Hydroelectric Plant	Feb. 2017	380	25,621	70,118
Miranda Hydroelectric Plant	Dec. 2016	408	26,710	22,546
Jaguara Hydroelectric Plant	Aug. 2013	424	40,452	174,203
São Simão Hydroelectric Plant	Jan. 2015	1,710	2,258	2,920
		3,601.70	204,041	816,411

As specified in Aneel Normative Resolution 615/2014, the valuation opinions of indemnity for the plants, previously operated by Cemig GT, that were included in Lot D and for the Volta Grande plant have been delivered to Aneel. The Company and its subsidiaries do not expect losses on realization of these assets.

On December 31, 2017, investments made after the *Jaguara*, *São Simão* and *Miranda* plants came into operation, in the amounts of R\$ 174,203, R\$ 2,920 and R\$ 22,546, respectively, are classified in Financial assets of the concession, and the decision on the final amounts to be indemnified is in a process of discussion with Aneel. The management of the Company and its subsidiaries do not expect losses in realization of these amounts.

The Miranda and São Simão plants

The amounts of the basic plan of the plants were transferred to the account Indemnities receivable, and updated in monetary terms in accordance with Mining and Energy Ministry Order 291, of August 3, 2017, as shown below:

Plant	Miranda	São Simão	Total
Concession termination date	Dec. 2016	Jan. 2015	
Net value of the assets of the Basic Plan based on Deemed Cost, at December 31, 2017	609,995	202,744	812,739
Adjustment (1)	174,157	40,855	215,012
Amounts in MME Order	784,152	243,599	1,027,751
Monetary updating	25,373	31,222	56,595
Net balance of the assets of the Basic Plan at Dec. 31, 2017	809,525	274,821	1,084,346
Monetary updating	12,875	4,370	17,245
Net balance of the assets of the Basic Plan at March. 31, 2018	822,400	279,191	1,101,591

(1) Adjustment of the non-amortized balance of the concessions of the *São Simão* and *Miranda* plants, under Order 291/17.

Revenue from transactions in the Wholesale Trading Market (CCEE)

Revenue from transactions in electricity on the CCEE in 1Q18 was R\$ 134,327, compared to R\$ 226,648 in 1Q17 – a reduction of 40.73% year-on-year. The lower revenue from this source reflects the lower quantity of energy available for settlement in the wholesale market in 2018, in spite of the average Spot Price (PLD) being 32.56% higher (R\$ 201.06/MWh in 1Q18, vs. R\$ 151.67/MWh in 1Q17).

Revenue from supply of gas

Cemig reports revenue from supply of gas 4.27% higher YoY in 1Q18, at R\$ 428,071, compared to R\$ 410,541 in 1Q17. This basically is the result of increases in tariffs – since the volume of gas sold was 11.10% lower in 1Q18, at 264,226m³, compared to 297,226m³ in 1Q17 – we associate the lower volume with the increases in tariffs.

Market (R\$ '000 m ³ /day)	2013	2014	2015	2016	2017	1Q18
Residential	0.17	0.72	1.04	3.38	11.44	13.09
Commercial	20.38	23.15	22.42	24.68	32.67	30.18
Industrial	2,734.95	2,849.24	2,422.78	2,173.76	2,453.22	2,363.61
Others	106.33	99.64	119.87	120.19	126.15	130.74
Total market excluding thermal generation	2,861.83	2,972.75	2,566.11	2,322.01	2,623.47	2,537.62
Thermal	1,214.50	1,223.99	1,309.13	591.52	990.89	398.22
Total	4,076.33	4,196.74	3,875.24	2,913.53	3,614.36	2,935.84

Sales to thermal generation plants were significantly lower in 1Q18, due to lower dispatching of thermal plants in the period.

Supply of gas to the residential market, which began in 2013, totaled 33,055 households invoiced in March 2018 – compared to 17,979 in March 2017.

Sector/regulatory charges reported as Deductions from revenue

The total of these taxes and charges reported as deductions from revenue in 1Q18 was R\$ 2,713,992 – or 6.69% higher than in R\$ 2,543,810 in 1Q17.

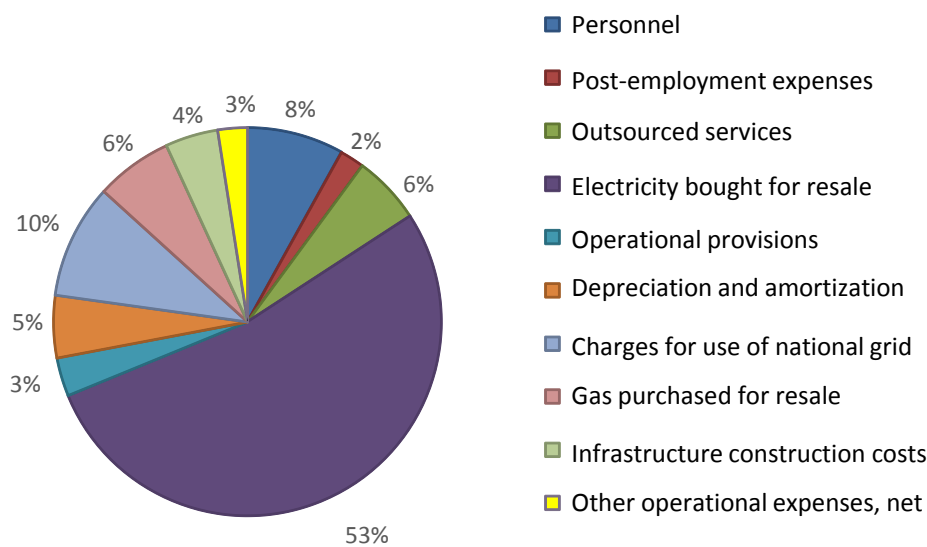
Consumer charges – the 'Flag' Tariff system

There was an increase in the consumer charges related to the 'Flag' tariff system: the figure for 1Q18 was R\$ 116,772, compared to R\$ 29,258 in 1Q17. This reflects the low level of reservoirs, activating the 'Red Flag' additional tariff rate in December 2017, taking effect in January 2018.

The 'Flag' Tariff component – history		
Jan. 2018	Feb. 2018	Mar. 2018
Green	Green	Green
Jan. 2017	Feb. 2017	Mar. 2017
Green	Green	'Yellow'

Operational costs and expenses

Operational costs and expenses totaled R\$ 4,198,293 in 1Q18, or 6.46% higher than in 1Q17 (R\$ 3,943,702).



The following paragraphs comment on the main variations:

Electricity purchased for resale

The expense on electricity bought for resale in 1Q18 was R\$ 2,263,693 or 8.15% more than in 1Q17 (R\$ 2,093,088). The main factors in the higher figure are:

Cemig D:

The expense on electricity bought for resale in 1Q18 was R\$ 1,485,293, or 7.73% more than in 1Q17 (R\$ 1,378,708).

	R\$ '000	1Q18	1Q17
Supply from Itaipu Binacional		288,243	294,046
Physical guarantee quota contracts		181,345	122,113
Quotas for Angra I and II nuclear plants		66,712	60,944
Spot market		186,099	142,503
'Bilateral' contracts		72,128	69,988
Electricity acquired in Regulated Market auctions		731,619	749,786
Proinfa Program		79,847	75,322
Distributed generation		18,957	1,925
Credits of Pasep and Cofins taxes		(139,657)	(137,919)
		1,485,293	1,378,708

Cemig GT:

The expense on electricity bought for resale in 1Q18 was R\$ 795,414, or 8.33% more than in 1Q17 (R\$ 734,282). This reflects an average volume of energy purchased 19.93% higher YoY in 1Q18, at 5,305,723 MWh, vs. 4,423,976 MWh in 1Q17, with an offsetting effect from the average price per MWh 9.68% lower YoY (at R\$ 149.92 in 1Q18, vs. R\$ 165.42 in 1Q17).

	R\$ '000	Consolidated	
		1Q18	1Q17
Electricity on spot market – CCEE		4,497	14,215
Electricity acquired in the Free Market		856,293	788,103
'Bilateral' contracts		8,811	-
Credits of Pasep and Cofins taxes		(74,187)	(68,036)
		795,414	734,282

Operating provisions

Operational provisions were 36.12% lower year-on-year in the quarter – at R\$ 133,207 in 1Q18, compared to R\$ 208,532 in 1Q17. The main factors are:

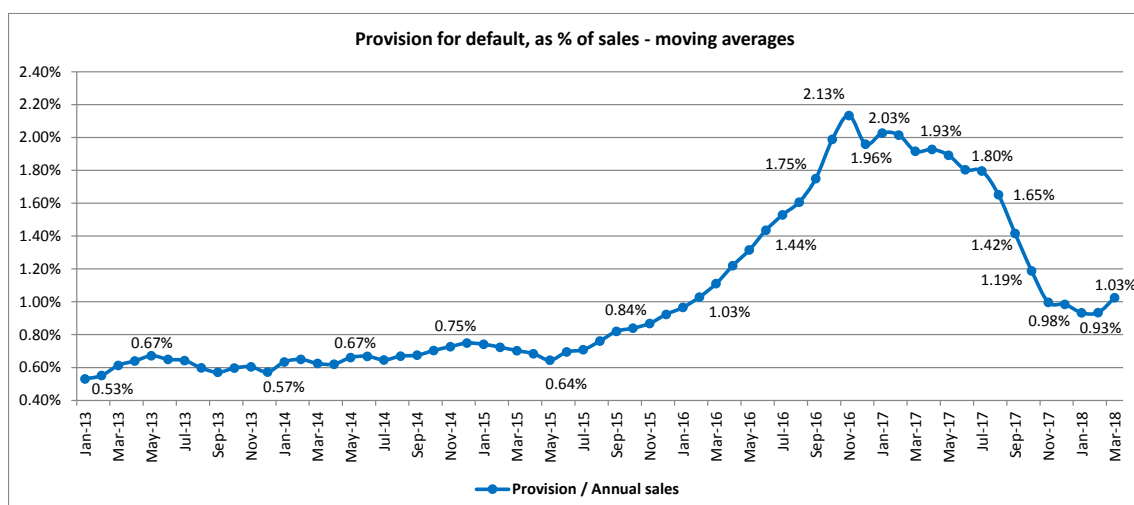
- Variation in fair value of the investment options related to Parati/RME and SAAG, in the amount of R\$ 38,991 in 1Q18, compared to a total provision of R\$ 62,587 in 1Q17. The following is a summary of the balances in the options held by the Company:

Consolidated – balance of liabilities	R\$ '000	Balance at Mar. 31, 2018	Balance at Dec. 31, 2017
Put option for shares in RME and Lepsa		541,767	507,232
Put option – SAAG		316,050	311,593
Put / call options – Ativas and Sonda		(3,883)	(3,801)
		853,934	815,024

- The expense on provisions for employment-law contingencies was 73.06% lower in 1Q18, at R\$ 17,054, than in 1Q17 (R\$ 63,306). This basically reflects higher values provisioned in the previous year mainly relating to actions challenging the basis for calculation of rates for hazardous work, and equality of payment for allegedly unlawful outsourcing, and also cases for subsidiary and joint liability.

Default

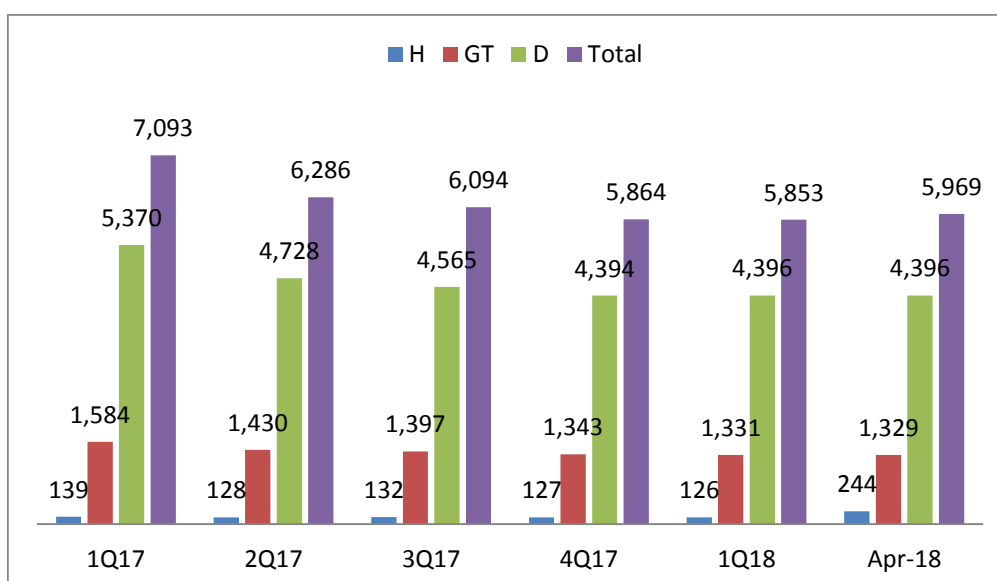
With the Brazilian macro context of lower economic activity, which created unemployment and inflation, the adverse hydrological situation, and the increase in tariffs, which had been held down, Cemig has experienced higher than average growth in the total debt owed by clients. The good news is that Cemig's confronting of default in 2017 has already reduced the index of default in recent months. The Company is confident that with more intense collection and disconnection the levels of default will be reduced in 2018.



Personnel

The expense on personnel in 1Q18 was R\$ 331,664, or 13.00% lower than in 1Q17 (R\$ 381,208). In spite of the wage increase of 1.83% agreed in November 2017, under the Collective Agreement, the lower figure reflects the reduction of 17.48% in the average numbers of employees when comparing the two periods (5,853 at the end of 1Q18 vs. 7,093 in 1Q17).

Numbers of employees



2018 PDVP Programmed Voluntary Retirement Plan

In March 2018, the Company created the Programmed Voluntary Retirement Program ('the 2018 PDVP'). Those eligible to take part were any employees who will have worked with Cemig for 25 years or more by December 31, 2018. The period for joining the program was specified as from April 2 to April 30, 2018. For program offers payment of the severance amounts specified by law, including payment for the period of notice, and especially deposit of the 'penalty' amount of 40% of the FGTS Base Value, and other charges specified by the legislation, with no provision for payment of an additional premium.

The 2018 PDVP was accepted by 175 employees, with an additional cost of R\$ 28,129 to be recognized in the second quarter of 2018.

Gas bought for resale

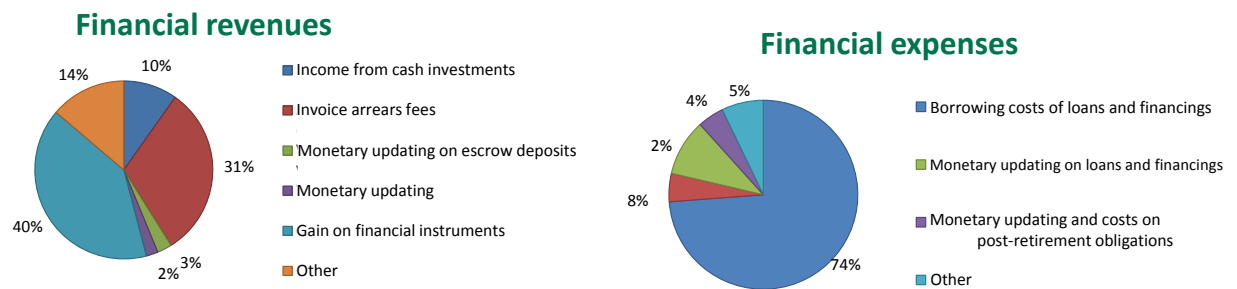
In 1Q18 the Company recorded an expense of R\$ 263,233 on acquisition of gas, 18.30% more than its comparable expense of R\$ 222,512 in 1Q17. This higher expense mainly reflects increases in the prices of gas purchased, since the volume of gas bought for resale was lower (263,242 m³ in 1Q18, vs. 293,105 m³ in 1Q17).

Equity in earnings of unconsolidated investees

In 1Q18 Cemig posted a net equity method gain of R\$ 56,874, which compares with a net gain of R\$ 29,641 in 1Q17. This reflects better equity gain from **Light** in 1Q18 – a gain of R\$ 44 million, compared to a loss of R\$ 8 million in 2017. The positive overall figure included equity method losses in 1Q18 in **Renova** – of R\$ 41 million – and the **Santo Antônio** plant – R\$ 49 million.

Consolidated – R\$mn	Equity accounting gain (loss) 1Q18	Equity accounting gain (loss) 1Q17
Companhia Transleste de Transmissão	-	1,305
Companhia Transudeste de Transmissão	-	997
Companhia Transirapé de Transmissão	-	1,202
Companhia de Transmissão Centroeste de Minas	1,394	1,158
Light	36,244	(11,316)
Axxiom Soluções Tecnológicas	(1,802)	(2,128)
Lepsa	-	1,577
RME	7,479	1,469
Hidrelétrica Cachoeirão	2,713	3,246
Guanhães Energia	(145)	(1,510)
Hidrelétrica Pipoca	2,859	1,984
Madeira Energia (Santo Antônio plant)	(26,476)	(23,075)
FIP Melbourne (Santo Antônio plant)	(23,014)	(20,066)
Lightger	2,025	2,355
Baguari Energia	10,153	6,575
Central Eólica Praias de Parajuru	(1,750)	(509)
Central Eólica Volta do Rio	(6,315)	(2,207)
Central Eólica Praias de Morgado	(1,743)	(1,308)
Amazônia Energia (Belo Monte Plant)	10,821	8,832
Ativas Data Center	(763)	(725)
Taesa	45,552	61,326
Renova	(41,316)	(28,246)
Itaocara	(191)	-
Aliança Geração	29,976	23,152
Aliança Norte (Belo Monte plant)	7,492	2,184
Retiro Baixo	3,681	3,369
Total	56,874	29,641

Financial revenue and expenses



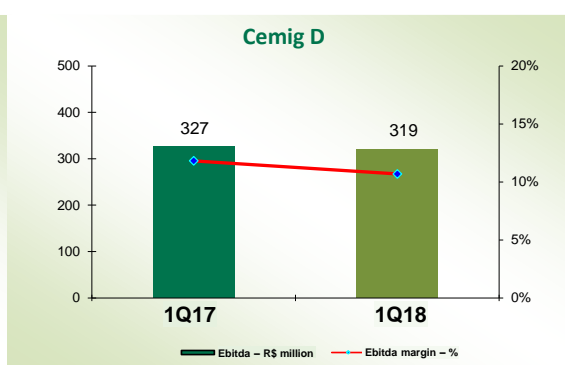
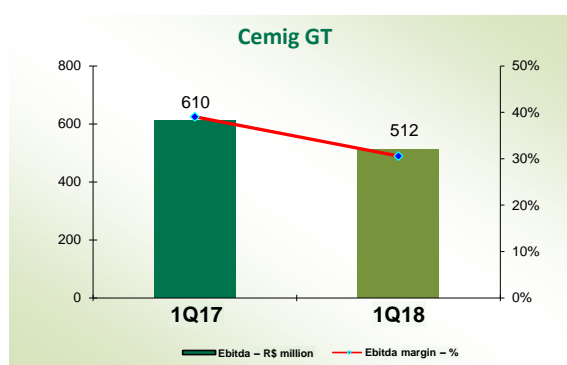
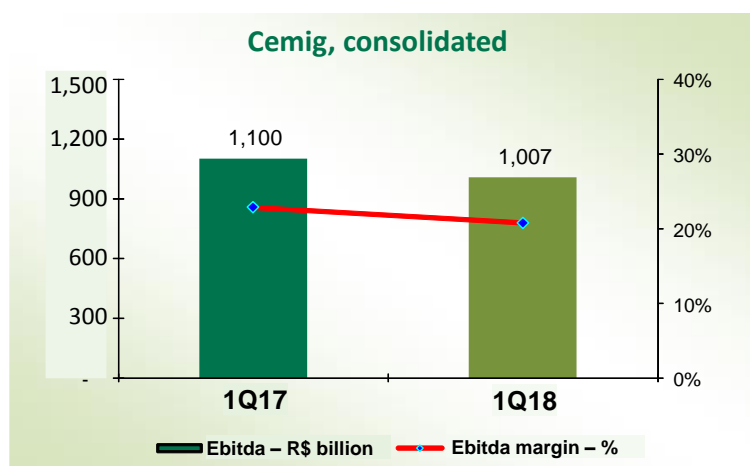
Cemig reported net financial expenses in 1Q18 of R\$ 157,800, which compares with net financial expenses of R\$ 392,746 in 1Q17. The main factors are:

- Income from cash investments: R\$ 23,727 in 1Q18, compared to R\$ 64,830 in 1Q17, a reduction of 63.40%. This basically reflects the lower CDI rate in the year (1.59% in 1Q18, vs. 2.98% in 1Q17) – the main indexor for yield on cash investments – and also the lower volume of cash available for investment in 2018.
- Gains of R\$ 97,516 on financial instruments in 1Q18, due to the adjustment to fair value of a swap relating to dollar-indexed funding raised (Eurobonds) in 4Q17.
- Lower borrowing costs on loans and financings: R\$ 294,965 in 1Q18, vs. R\$461,421 in 1Q17 – i.e. 36.07% lower. This basically reflected the lower variation resulting from the CDI rate in 2018 – the main indexor of the debt, as shown above.

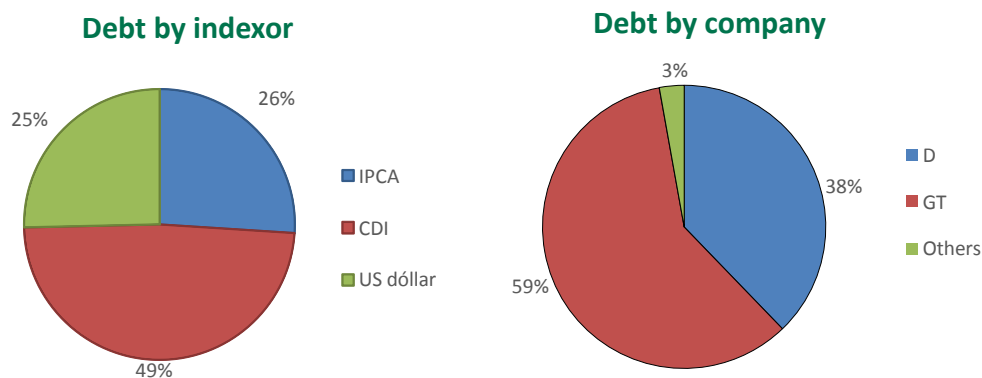
Ebitda

Cemig's consolidated Ebitda was 8.47% lower in 1Q18 than in 1Q17:

Ebitda – R\$ million	1Q18	1Q17	Change, %
Net profit (loss) for the period	464,595	342,734	35.56
+ Income tax and Social Contribution tax	171,617	163,389	5.04
+ Net financial revenue (expenses)	157,800	392,746	(59.82)
+ Depreciation and amortization	212,991	201,365	5.77
= EBITDA	1,007,003	1,100,234	(8.47)

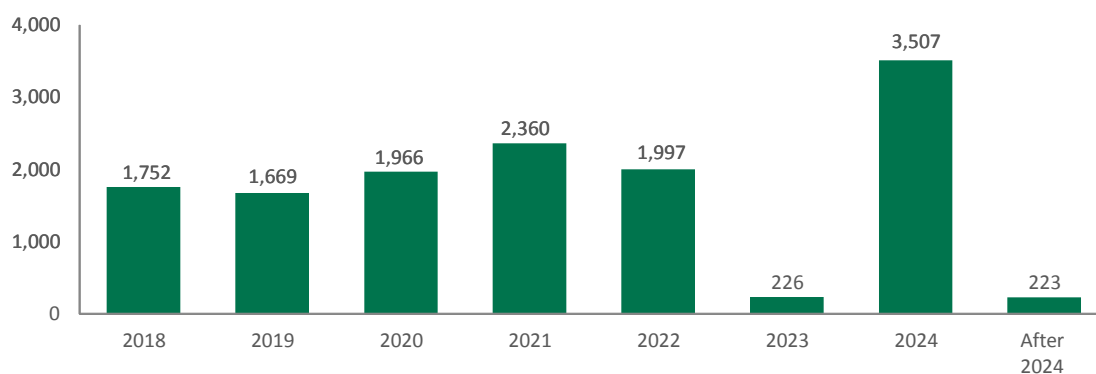


Debt



The Company's consolidated total debt on March 31, 2018 was R\$ 13,698,816, 4.85% less than at December 31, 2017.

Debt amortization timetable (R\$ mn)



R\$ '000	March 31, 2018	December 31, 2017	%
Cemig - consolidated			
Total debt	13,698,816	14,397,697	(4.85)
Net debt	12,828,039	12,279,303	4.47
Cemig GT - consolidated			
Total debt	8,135,163	8,320,163	(2.22)
Net debt	7,785,339	7,381,202	5.48
Cemig D			
Total debt	5,176,157	5,682,691	(8.91)
Net debt	4,944,499	4,851,213	1.92

Covenants – Eurobonds

For so long as any of the Notes are Outstanding, Cemig and Cemig GT will include calculations of each sub-item of Covenant EBITDA, Covenant Net Debt and Total Secured Debt, in addition to calculations for the following financial covenant ratios: Covenant Net Debt / Covenant EBITDA and Total Secured Debt /EBITDA.

12 months R\$ (in million)	March 31, 2018	
	H	GT
Net income for the period/year (i)	1,122	490
Net financial expenses	761	757
Income tax and Social Contribution tax	653	455
Depreciation and amortization	862	154
EBITDA	3,398	1,856
<i>minus</i> minority interest result	225	525
<i>minus</i> provision for the variation in value of the put option obligations	323	72
<i>minus</i> non-operating result (which includes any gains on asset sales and any asset write-off or impairments)	(6)	41
<i>plus</i> non-cash expenses and non-cash charges, to the extent they are non-recurring	-	-
<i>minus</i> non-cash credits and gains increasing net income, to the extent they are non-recurring	(720)	(243)
<i>plus</i> any cash payments made on a consolidated basis during such period relating to non-cash charges that were added back in determining covenant EBITDA in any prior period	-	-
<i>plus</i> expenses related to adherence to the Minas Gerais State Tax Credits Regularization Plan (Plano de Regularização de Créditos Tributários – PRCT), incurred in the third quarter of 2017	562	30
<i>minus</i> non-cash revenues related to transmission and generation indemnification	(497)	(497)
<i>plus</i> cash dividends received from minority investments (as measured in the statement of cash flows)	390	199
<i>minus</i> monetary updating of concession grant fees	(319)	(319)
<i>plus</i> cash inflows related to power generation concession grant fee	239	239
<i>plus</i> cash inflows related to transmission revenue for cost of capital coverage	394	394
<i>plus</i> cash inflows from generation indemnification, provided that such amount shall not exceed 30% of the sum of clauses (i) through this definition of Covenant EBITDA	-	-
Covenant EBITDA	3,989	2,297
Consolidated Indebtedness	13,699	8,135
<i>plus</i> debt contracts with Forluz	1,089	246
<i>plus</i> carrying liability of any put option obligation	1,014	399
<i>minus</i> escrow account amounts deposited to satisfy any put option obligation	(89)	-
<i>minus</i> consolidated cash and cash equivalents; plus consolidated marketable securities recorded as current assets	(861)	(345)
Covenant Net Debt	14,852	8,435
Covenant net debt/covenant EBITDA	3.72	3.67
Limit Covenant Net Debt to Covenant EBITDA Ratio	5.00	5.50
Total Secured Debt	5,825	
Covenant EBITDA	3,989	
Total Secured Debt to Covenant EBITDA Ratio	1.46	
Limit Covenant Net Debt to Covenant EBITDA Ratio	2.00	

Absorption of Cemig Telecom (Cemig Telecomunicações S.A.)

On March 31, 2018 the absorption by Cemig of its wholly-owned subsidiary Cemig Telecom was completed. This took place at book value. As a consequence Cemig Telecom was extinguished; Cemig is successor to all its goods, rights and obligations. Since this is an absorption of a wholly-owned subsidiary, there was no capital increase nor issue of new shares by Cemig. The shares in the subsidiary were canceled, on the Absorption Date.

RESULTS SEPARATED BY BUSINESS SEGMENT

INFORMATION BY MARKET SEGMENT ON MARCH 31, 2018								
ITEM	ELECTRICITY			GAS	TELECOM	OTHER	ELIMINATIONS	TOTAL
	GENERATION	TRANSMISSION	DISTRIBUTION					
ASSETS OF THE SEGMENT	14,029,538	3,829,674	19,051,688	1,845,118	-	1,887,499	(6,564)	40,636,953
Investments in subsidiaries and jointly-controlled entities	4,760,661	1,167,791	1,865,730	-	-	27,180	-	7,821,362
ADDITIONS TO THE SEGMENT	87,984	-	170,074	10,243	-	8,645	-	276,946
Additions to the financial asset	-	1,063	-	-	-	-	-	1,063
NET REVENUE	1,473,883	139,272	2,983,541	346,954	36,459	31,657	(76,335)	4,935,431
COST OF ELECTRICITY AND GAS								
Electricity purchased for resale	(796,464)	-	(1,485,293)	-	-	(3)	18,067	(2,263,693)
Charges for use of the national grid	(70,394)	-	(370,845)	-	-	-	48,697	(392,542)
Gas bought for resale	-	-	-	(263,233)	-	-	-	(263,233)
Operational costs, total	(866,858)	-	(1,856,138)	(263,233)	-	(3)	66,764	(2,919,468)
OPERATING COSTS AND EXPENSES								
Personnel	(55,527)	(25,179)	(225,825)	(11,215)	(4,785)	(9,133)	-	(331,664)
Profit sharing	(3,006)	(1,654)	(13,856)	-	351	(1,412)	-	(19,577)
Post-retirement obligations	(11,634)	(6,229)	(55,300)	-	-	(10,108)	-	(83,271)
Materials	(1,609)	(554)	(12,546)	(323)	(220)	(44)	6	(15,290)
Outsourced services	(23,009)	(6,874)	(198,675)	(3,561)	(6,719)	(1,594)	4,639	(235,793)
Depreciation and amortization	(40,995)	-	(144,893)	(17,885)	(9,089)	(129)	-	(212,991)
Operational provisions (reversals)	(7,973)	(1,029)	(84,765)	-	(213)	(39,309)	81	(133,208)
Construction costs	-	(1,063)	(170,074)	(6,722)	(2,810)	-	-	(180,669)
Other operating expenses, net	(10,126)	(2,864)	(47,252)	(2,965)	(4,818)	(3,182)	4,845	(66,362)
Total cost of operation	(153,879)	(45,446)	(953,186)	(42,671)	(28,303)	(64,911)	9,571	(1,278,825)
OPERATING COSTS AND EXPENSES	(1,020,737)	(45,446)	(2,809,324)	(305,904)	(28,303)	(64,914)	76,335	(4,198,293)
Equity method gains in non-consolidated investees	(31,230)	46,944	43,722	-	(763)	(1,799)	-	56,874
OPERATIONAL PROFIT BEFORE EQUITY GAINS (LOSSES) AND FINANCIAL REVENUE (EXPENSES)	421,916	140,770	217,939	41,050	7,393	(35,056)	-	794,012
Financial revenues	127,366	8,211	78,905	14,258	925	12,189	-	241,854
Financial expenses	(236,767)	(1,170)	(149,504)	(9,774)	(1,539)	(900)	-	(399,654)
PRE-TAX PROFIT	312,515	147,811	147,340	45,534	6,779	(23,767)	-	636,212
Income and Social Contribution taxes	(99,900)	(30,988)	(37,896)	(15,365)	(2,472)	15,004	-	(171,617)
NET PROFIT (LOSS)	212,615	116,823	109,444	30,169	4,307	(8,763)	-	464,595
Interest of the controlling shareholders	212,615	116,823	109,444	30,023	4,307	(8,763)	-	464,449
Interest of non-controlling shareholder	-	-	-	146	-	-	-	146
	212,615	116,823	109,444	30,169	4,307	(8,763)	-	464,595

Appendices

Plant	Company	Type	Cemig's Interest	Installed Capacit (MW)	Assured Energy (average MW)	Installed Capacit Cemig (MW)*	Assured Energy Cemig (average MW)*	Year Concession or Authorization Expires
Emborcação	CEMIG GT	Hydroelectric	100.00%	1,192.00	499.70	1,192.00	499.70	7/23/2025
Nova Ponte	CEMIG GT	Hydroelectric	100.00%	510.00	270.10	510.00	270.10	7/23/2025
Irapé	CEMIG GT	Hydroelectric	100.00%	399.00	207.90	399.00	207.90	2/28/2035
Igarapé	CEMIG GT	Thermal	100.00%	131.00	71.30	131.00	71.30	8/13/2024
Queimado	CEMIG GT	Hydroelectric	82.50%	105.00	67.90	86.63	56.02	1/2/2033
Volta do Rio	CEMIG GT	Wind Farm	49.00%	42.00	18.41	20.58	9.02	12/26/2031
Praias de Parajuru	CEMIG GT	Wind Farm	49.00%	28.80	8.39	14.11	4.11	9/24/2032
Praia do Morgado	CEMIG GT	Wind Farm	49.00%	28.80	13.20	14.11	6.47	12/26/2031
Paracambi (Cemig)	CEMIG GT	SHP	49.00%	25.00	19.53	12.25	9.57	2/19/2031
Rio de Pedras	CEMIG GT	SHP	100.00%	9.28	2.15	9.28	2.15	9/19/2024
Poço Fundo	CEMIG GT	SHP	100.00%	9.16	5.79	9.16	5.79	8/19/2025
São Bernardo	CEMIG GT	SHP	100.00%	6.82	3.42	6.82	3.42	8/19/2025
Paraúna	CEMIG GT	SHP	100.00%	4.28	1.90	4.28	1.90	-
Salto Morais	CEMIG GT	SHP	100.00%	2.39	0.60	2.39	0.60	7/1/2020
Sumidouro	CEMIG GT	SHP	100.00%	2.12	0.53	2.12	0.53	7/8/2015
Anil	CEMIG GT	SHP	100.00%	2.08	1.10	2.08	1.10	7/8/2015
Xicão	CEMIG GT	SHP	100.00%	1.81	0.61	1.81	0.61	8/19/2025
Luiz Dias	CEMIG GT	SHP	100.00%	1.62	0.61	1.62	0.61	8/19/2025
Central Mineirão	CEMIG GT	Solar	100.00%	1.42	-	1.42	-	-
Santa Marta	CEMIG GT	SHP	100.00%	1.00	0.58	1.00	0.58	7/8/2015
Pissarrão	CEMIG GT	SHP	100.00%	0.80	0.55	0.80	0.55	11/19/2004
Jacutinga	CEMIG GT	SHP	100.00%	0.72	0.57	0.72	0.57	Não Tem
Santa Luzia	CEMIG GT	SHP	100.00%	0.70	0.23	0.70	0.23	2/25/2026
Lages *	CEMIG GT	SHP	100.00%	0.68	0.54	0.68	0.54	6/24/2010
Três Marias	CEMIG G. TRÊS MARIAS	Hydroelectric	100.00%	396.00	239.00	396.00	239.00	1/4/2046
Salto Grande	CEMIG G. SALTO GRANDE	Hydroelectric	100.00%	102.00	75.00	102.00	75.00	1/4/2046
Itutinga	CEMIG G. ITUTINGA	Hydroelectric	100.00%	52.00	28.00	52.00	28.00	1/4/2046
Camargos	CEMIG G. CAMARGOS	Hydroelectric	100.00%	46.00	21.00	46.00	21.00	1/4/2046
Peti	CEMIG G. LESTE	SHP	100.00%	9.40	6.18	9.40	6.18	1/4/2046
Tronqueiras	CEMIG G. LESTE	SHP	100.00%	8.50	3.39	8.50	3.39	1/4/2046
Ervália	CEMIG G. LESTE	SHP	100.00%	6.97	4.66	6.97	4.66	1/4/2046
Neblina	CEMIG G. LESTE	SHP	100.00%	6.47	0.35	6.47	0.35	1/4/2046
Dona Rita	CEMIG G. LESTE	SHP	100.00%	2.40	1.03	2.40	1.03	1/4/2046
Sinceridade	CEMIG G. LESTE	SHP	100.00%	1.42	3.59	1.42	3.59	1/4/2046
Gafanhoto	CEMIG G. OESTE	SHP	100.00%	14.00	6.68	14.00	6.68	1/4/2046
Martins	CEMIG G. OESTE	SHP	100.00%	7.70	1.84	7.70	1.84	1/4/2046
Cajuru	CEMIG G. OESTE	SHP	100.00%	7.20	2.69	7.20	2.69	1/4/2046
Piau	CEMIG G. SUL	SHP	100.00%	18.01	13.53	18.01	13.53	1/4/2046
Joasal	CEMIG G. SUL	SHP	100.00%	8.40	5.20	8.40	5.20	1/4/2046
Cel. Domiciano	CEMIG G. SUL	SHP	100.00%	5.04	3.03	5.04	3.03	1/4/2046
Paciência	CEMIG G. SUL	SHP	100.00%	4.08	2.36	4.08	2.36	1/4/2046
Marmelos	CEMIG G. SUL	SHP	100.00%	4.00	2.74	4.00	2.74	1/4/2046
Sá Carvalho	Sá Carvalho	Hydroelectric	100.00%	78.00	56.10	78.00	56.10	12/1/2024
Rosal	Rosal Energia	Hydroelectric	100.00%	55.00	29.10	55.00	29.10	5/8/2032
Pai Joaquim	CEMIG PCH	SHP	100.00%	23.00	13.91	23.00	13.91	4/1/2032
Salto Voltão	Horizontes Energia	SHP	100.00%	8.20	7.36	8.20	7.36	10/4/2030
Salto do Passo Velho	Horizontes Energia	SHP	100.00%	1.80	1.64	1.80	1.64	10/4/2030
Machado Mineiro	Horizontes Energia	SHP	100.00%	1.72	1.14	1.72	1.14	7/8/2025
Aimorés	ALIANÇA	Hydroelectric	45.00%	330.00	181.90	148.50	81.86	12/20/2035
Amador Aguiar I (Capim Branco I)	ALIANÇA	Hydroelectric	39.32%	240.00	154.40	94.36	60.70	8/29/2036
Igarapava	ALIANÇA	Hydroelectric	23.69%	210.00	134.20	49.75	31.80	12/30/2028
Amador Aguiar II (Capim Branco II)	ALIANÇA	Hydroelectric	39.32%	210.00	131.70	82.56	51.78	8/29/2036
Funil	ALIANÇA	Hydroelectric	45.00%	180.00	84.60	81.00	38.07	12/20/2035
Porto Estrela	ALIANÇA	Hydroelectric	30.00%	112.00	61.80	33.60	18.54	7/10/2032
Candongá	ALIANÇA	Hydroelectric	22.50%	-	-	-	-	5/25/2035
Baguari	BAGUARI ENERGIA	Hydroelectric	34.00%	140.00	84.70	47.60	28.80	8/15/2041
Cachoeirão	Hidrelétrica Cachoeirão	SHP	49.00%	27.00	16.37	13.23	8.02	7/25/2030
Pipoca	Hidrelétrica Pipoca	SHP	49.00%	20.00	11.90	9.80	5.83	9/10/2031
SHPs	Light Energia	SHP	48.86%	855.14	620.70	417.82	303.27	-
Paracambi (Light)	Lightger	SHP	24.92%	25.00	19.53	6.23	4.87	2/16/2031
SHPs	Renova Energia	SHP	44.62%	41.80	24.40	18.65	10.89	-
SHPs	Brasil PCH	SHP	22.76%	291.00	192.68	66.22	43.85	-
Belo Monte	Norte	Hydroelectric	12.91%	5,121.99	4,571.00	661.04	589.93	26/08/2045
Retiro Baixo	Retiro Baixo	Hydroelectric	49.90%	82.00	36.60	40.92	18.26	8/25/2041
Santo Antônio	SAE	Hydroelectric	18.13%	3,568.30	2,424.00	646.90	439.45	6/12/2046
Total				14,828.02	10,475.61	5,710.06	3,418.79	
São Simão	CEMIG GT	Hydroelectric	100.00%	1,710.00	1,281.00	1,710.00	1,281.00	Temporarily

RAP (Permitted Annual Revenue - Transmission) - 2017/2018 cycle			
Annual Permitted Revenue (RAP)	RAP	% Cemig	Cemig Consolidado
Cemig GT	709,016,589	100.00%	709,016,589
Cemig GT	687,018,817	100.00%	687,018,817
Cemig Itajuba	21,997,772	100.00%	21,997,772
Centroeste	17,399,265	51.00%	8,873,625
Taesa	2,328,434,417	21.68%	504,804,582
Transleste	12,241,196	30.00%	2,653,891
Transudeste	7,334,302	29.00%	1,590,077
Transirapé	9,771,428	29.50%	2,118,446
ETEO	88,077,706	100.00%	19,095,247
ETAU	24,216,647	52.58%	5,250,169
NOVATRANS	517,164,423	100.00%	112,121,247
TSN	427,855,624	100.00%	92,759,099
GTESA	9,361,375	100.00%	2,029,546
PATESA	25,008,641	100.00%	5,421,873
Munirah	36,484,440	100.00%	7,909,826
Brasnorte	10,062,251	38.66%	2,181,496
São Gotardo	5,203,930	100.00%	1,128,212
NTE	153,424,301	100.00%	33,262,388
STE	81,598,032	100.00%	17,690,453
ATE I	149,036,948	100.00%	32,311,210
ATE II	230,277,807	100.00%	49,924,229
ATE III	116,301,579	100.00%	25,214,182
EATE	177,139,821	49.98%	38,403,913
STC	17,592,992	39.99%	3,814,161
Lumitrans	10,651,737	39.99%	2,309,297
ENTE	112,564,897	49.99%	24,404,070
ERTE	25,266,463	49.99%	5,477,769
ETEP	28,183,293	49.98%	6,110,138
ECTE	9,074,626	19.09%	1,967,379
EBTE	34,269,232	74.49%	7,429,570
ESDE	6,548,398	49.98%	1,419,693
ETSE	3,722,327	19.09%	807,000
Light	8,941,679	48.86%	1,938,556
RAP TOTAL CEMIG			1,224,633,352

Table Cemig D

CEMIG D Market				
Quarter	(GWh)			GW
	Captive Consumers	TUSD ENERGY1	T.E.D2	TUSD PICK3
1Q16	6,408	4,053	10,460	29
2Q16	6,711	4,497	11,208	29
3Q16	6,365	4,424	10,788	29
4Q16	6,402	4,409	10,811	30
1Q17	6,249	4,274	10,523	30
2Q17	6,314	4,287	10,601	31
3Q17	6,232	4,586	10,817	31
4Q18	6,221	4,591	10,813	31
1Q18	6,201	4,637	10,838	31

1. Refers to the quantity of electricity for calculation of the regulatory charges charged to free consumer clients ("Portion A")
2. Total electricity distributed
3. Sum of the demand on which the TUSD is invoiced, according to demand contracted ("Portion B").

Operating Revenues	1Q18	1Q17	Change%
Sales to end consumers	3,835	4,179	(8)
TUSD	380	468	(19)
CVA and Other financial components in tariff adjustment	441	(303)	-
Construction revenue	170	181	(6)
Others	360	277	30
Subtotal	5,186	4,802	8
Deductions	(2,203)	(2,034)	8
Net Revenues	2,984	2,768	8

Operating Expenses	1Q18	1Q17	Change%
Personnel/Administrators/Councillors	226	254	(11)
Employee Participation	14	14	3
Forluz – Post-Retirement Employee Benefits	55	65	(15)
Materials	13	8	55
Contracted Services	199	173	15
Purchased Energy	1,485	1,379	8
Depreciation and Amortization	145	130	12
Operating Provisions	85	137	(38)
Charges for Use of Basic Transmission Network	371	162	128
Cost from Operation	170	181	(6)
Other Expenses	47	69	(31)
Total	2,809	2,571	9

Statement of Results	1Q18	1Q17	Change%
Net Revenue	2,984	2,768	8
Operating Expenses	2,809	2,571	9
EBIT	174	197	(12)
EBITDA	319	327	(2)
Financial Result	(71)	(113)	(38)
Provision for Income Taxes, Social Cont &	(38)	(35)	10
Net Income	66	49	34

Table Cemig GT

Operating Revenues	1Q18	1Q17	Change%
Sales to end consumers	886	930	(5)
Supply	644	640	1
Revenues from Trans. Network	144	127	13
Gain on monetary updating of Concession Grant Fee	82	80	3
Construction revenue	1	3	(64)
Transactions in the CCEE	122	220	(45)
Transmission indemnity revenue	50	66	(24)
Generation indemnity revenue	17	-	-
Others	13	10	30
Subtotal	1,959	2,076	(6)
Deductions	(397)	(402)	(1)
Net Revenues	1,562	1,674	(7)

Operating Expenses	1Q18	1Q17	Change%
Personnel/Administrators/Councillors	80	91	(13)
Employees' and managers' profit shares	5	4	3
Forluz – Post-Retirement Employee Benefits	18	20	(11)
Materials	2	3	(20)
Contracted Services	27	27	1
Depreciation and Amortization	37	41	(11)
Operating Reserves	9	56	(84)
Charges for Use of Basic Transmission Network	70	82	(15)
Purchased Energy	795	734	8
Construction Cost	1	3	(64)
Other Expenses	13	20	(35)
Total	1,055	1,081	(2)

Statement of Results	1Q18	1Q17	Change%
Net Revenue	1,562	1,674	(7)
Operating Expenses	1,055	1,081	(2)
EBIT	507	594	(15)
Equity equivalence results	(31)	(25)	(24)
EBITDA	512	610	(16)
Financial Result	(105)	(295)	(64)
Provision for Income Taxes, Social Cont & Deferred Income Tax	(124)	(88)	40
Net Income	247	185	34

Table Cemig

Energy Sales (Consolidated)(GWh)	1Q18	1Q17	Change%
Residential	2,593	2,537	2
Industrial	4,028	4,253	(5)
Commercial	2,043	1,912	7
Rural	766	798	(4)
Others	879	860	2
Subtotal	10,309	10,361	(1)
Own Consumption	12	9	31
Supply	2,633	2,894	(9)
TOTAL	12,954	13,264	(2)

Energy Sales	1Q18	1Q17	Change%
Residential	1,918	1,991	(4)
Industrial	1,106	1,182	(6)
Commercial	1,069	1,140	(6)
Rural	343	368	(7)
Others	380	405	(6)
Electricity sold to final consumers	4,815	5,087	(5)
Unbilled Supply, Net	(119)	227	-
Supply	701	458	53
TOTAL	5,398	5,772	(6)

Operating Revenues	1Q18	1Q17	Change%
Sales to end consumers	4,733	5,123	(8)
TUSD	374	463	(19)
Supply	665	649	2
Transactions in the CCEE	134	227	(41)
CVA and Other financial components in tariff adjustment	441	(303)	-
Gain on monetary updating of Concession Grant Fee	82	80	3
Revenues from Trans. Network	101	93	9
Construction revenue	178	201	(11)
Gas supply	428	411	4
Transmission Indemnity Revenue	50	66	(24)
Generation Indemnity Revenue	17	-	-
Others	446	349	28
Subtotal	7,649	7,357	4
Deductions	(2,714)	(2,544)	7
Net Revenues	4,935	4,813	3

Operating Expenses	1Q18	1Q17	Change%
Personnel/Administrators/Councillors	332	381	(13)
Employee Participation	20	19	4
Forluz – Post-Retirement Employee Benefits	83	95	(12)
Materials	15	11	36
Contracted Services	236	209	13
Purchased Energy	2,264	2,093	8
Depreciation and Amortization	213	201	6
Operating Provisions	133	209	(36)
Charges for Use of Basic Transmission Network	393	206	90
Gas bought for resale	263	223	18
Cost from Operation	181	201	(10)
Other Expenses	66	97	(31)
TOTAL	4,198	3,944	6

Financial Result Breakdown	1Q18	1Q17	Change%
Financial revenues	242	180	34
Revenue from cash investments	24	65	(63)
Arrears penalty payments on electricity bills	76	73	4
Exchange rate	3	8	(70)
Monetary updating	12	18	(34)
Monetary updating - CVA	98	-	-
Taxes applied to Financial Revenue	(9)	(11)	(20)
Other	39	27	48
Financial expenses	(400)	(572)	(30)
Costs of loans and financings	(287)	(446)	(36)
Exchange rate	(19)	-	-
Monetary updating – loans and financings	(39)	(43)	(11)
Monetary updating – paid concessions	(1)	-	-
Charges and monetary updating on Post-employment obligations	(18)	(19)	(7)
Other	(36)	(63)	(44)
Financial revenue (expenses)	(158)	(392)	(60)

Statement of Results	1Q18	1Q17	Change%
Net Revenue	4,935	4,813	3
Operating Expenses	4,198	3,944	6
EBIT	737	869	(15)
Equity gain in subsidiaries	57	30	(92)
Depreciation and Amortization	213	201	(6)
EBITDA	1,007	1,101	(8)
Financial Result	(158)	(392)	60
Income Tax	(172)	(163)	(5)
Net Income	465	343	35

Cash Flow Statement	1Q18	1Q17	Change%
Cash at beginning of period	1,030	995	4
Cash generated by operations	(373)	528	(171)
Net profit	465	343	36
Current and deferred income tax and Social Contribution tax	172	163	5
Depreciation and amortization	213	201	6
Passthrough from CDE	(441)	303	-
Equity gain (loss) in subsidiaries	(57)	(30)	(92)
Provisions (reversals) for operational losses	133	209	(36)
Dividends received from equity holdings	36	-	-
Interest paid on loans and financings	(345)	(478)	(28)
Consumers and traders	262	(423)	(162)
Suppliers	(719)	(325)	121
Others	(91)	564	116
Financing activities	(613)	(517)	(19)
Payments of loans and financings	(722)	(517)	40
Capital Increase	110	-	-
Investment activity	378	(164)	(331)
Securities - Financial Investment	649	192	237
Acquisition of ownership interest and future capital commitments	(82)	(162)	(49)
Fixed and Intangible assets	(188)	(194)	(3)
Cash at end of period	422	842	(50)
Total Cash	871	2,118	

BALANCE SHEETS (CONSOLIDATED) - ASSETS	03/31/2018	12/31/2017
CURRENT	6,913	8,537
Cash and cash equivalents	422	1,030
Securities	439	1,058
Consumers and traders	3,400	3,885
Financial assets of the concession	1,020	848
Tax offsetable	159	174
Income tax and Social Contribution tax recoverable	289	340
Dividends receivable	69	77
Linked funds	108	-
Inventories	35	38
Passthrough from CDE (Energy Development Account)	77	77
Other credits	895	904
NON-CURRENT	33,724	33,702
Securities	10	30
Consumers and traders	252	255
Tax offsetable	229	231
Income tax and Social Contribution tax recoverable	15	21
Deferred income tax and Social Contribution tax	1,939	1,871
Escrow deposits in legal actions	2,360	2,336
Other credits	776	644
Financial assets of the concession	6,429	6,605
Investments	7,821	7,792
PP&E	2,726	2,762
Intangible assets	11,168	11,156
TOTAL ASSETS	40,637	42,240

BALANCE SHEETS LIABILITIES AND SHAREHOLDERS' EQUITY	03/31/2018	12/31/2017
CURRENT	7,548	8,662
Suppliers	1,623	2,343
Regulatory charges	426	513
Profit shares	28	9
Taxes	632	705
Income tax and Social Contribution tax	46	115
Interest on Equity, and dividends, payable	428	428
Loans and financings	2,588	2,371
Payroll and related charges	187	207
Post-retirement liabilities	242	232
Other obligations	806	1,233
Provisions for losses on investments	542	507
NON-CURRENT	18,349	19,247
Regulatory charges	267	250
Loans and financings	11,111	12,027
Taxes	29	28
Income tax and Social Contribution tax	724	735
Provisions	688	678
Post-retirement liabilities	3,974	3,954
Provisions for losses on investments	312	308
Other obligations	1,245	1,267
STOCKHOLDERS' EQUITY	14,735	14,326
Share capital	6,294	6,294
Capital reserves	1,925	1,925
Profit reserves	6,019	5,729
Adjustments to Stockholders' equity	(827)	(837)
Advance against Future Capital Increase	1,325	1,215
NON- CONTROLLING STOCKHOLDER'S EQUITY	4	4
TOTAL LIABILITIES	40,637	42,240