PUBLICATION OF RESULTS

CEMIG REPORTS

EBITDA OF R$ 1.100 BILLION

IN 1Q 2017

Main factors in the quarter:

- Spot price higher than in 1Q16
- Larger volume sold on CCEE
- GSF was 1.10 in 1Q17 – vs. 0.88 in 1Q16
- Lower PMSO (Personnel/materials/services/other) expenses
- Better equity method gains than in 1Q16

Indicators (GWh)	1Q17	1Q16	Change %
Electricity sold (excluding CCEE)	13,264	13,283	(0.15)
Indicators – R$ ’000	**1Q17**	**1Q16**	**Change %**
Sales on CCEE	226,648	2,630	8,517.79
Net debt	13,017,643	13,249,246	(1.75)
Gross revenue	7,356,740	7,356,140	0.01
Net revenue	4,812,930	4,453,506	8.07
Ebitda (IFRS)	1,100,234	645,177	70.53
Net profit in the quarter	342,734	5,207	6,482.18
Earnings per share – R$	0,272	0,004	6,700.00
Ebitda margin - %	22,86	14,49	8.37 p.p

Conference call

Publication of 1Q17 results

Video webcast and conference call

May 16, 2017 (Tuesday), at 11 a.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

Playback of Video Webcast: Site: http://ri.cemig.com.br Click on the banner and download. Available for 90 days	**Conference call – Playback:** Tel.:+55 (11) 2188-0400 Password: CEMIG Português (Available from May 16 to 30, 2017)

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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 that 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: 2016-2017

Security	Ticker	Currency	March 2017	Close of 2016	Change in the period %
Cemig PN	CMIG4	R$	10.32	7.71	33.85%
Cemig ON	CMIG3	R$	11.90	7.88	51.02%
ADR PN	CIG	US$	3.29	2.28	44.30%
ADR ON	CIG.C	US$	3.72	2.53	47.04%
Ibovespa	Ibovespa	-	64.984	60.227	7.90%
IEEX	IEEX	-	39.971	36.108	10.70%

Source: Economática.

Trading volume in Cemig's preferred shares (CMIG4) totaled R$ 4.64 billion in 1Q17, a daily average of R$ 74.78 million – this level is 57% higher than in 1Q16. Considering total trading in its common (ON) and preferred (PN) shares, Cemig was the Brazilian electricity company with the highest trading liquidity, and one of the most traded on the Brazilian stock market.

On the New York Stock Exchange the volume traded in ADRs for Cemig's preferred shares (CIG) in 1Q17 was US$ 1.05 billion: we see this as reflecting recognition by the investor market and maintaining Cemig's position as a global investment option.

The São Paulo stock exchange (Bovespa) index ('the Ibovespa') rose 7.90% in the quarter, closing the quarter at 64,984 points. Cemig's shares significantly outperformed the principal Brazilian stock index and also the electricity sector index:

- the common (ON) shares rose 51.02% in the quarter, and
- the preferred (PN) shares rose 33.85%.

The ADRs for Cemig's preferred shares, traded in New York, rose 44.30% in 1Q17.

Cemig’s long-term ratings

These tables show credit risk ratings and outlook for Cemig’s companies as provided by the principal rating agencies:

Brazilian ratings:

Agency	Cemig		Cemig D		Cemig GT	
	Rating	**Outlook**	**Rating**	**Outlook**	**Rating**	**Outlook**
Fitch	BBB(bra)	Negative	BBB(bra)	Negative	BBB(bra)	Negative
S&P	BrBB+	Stable	BrBB+	Stable	BrBB+	Stable
Moody’s	Baa1.br	Negative	Baa1.br	Negative	Baa1.br	Negative

Global ratings:

Agency	Cemig		Cemig D		Cemig GT	
	Rating	**Outlook**	**Rating**	**Outlook**	**Rating**	**Outlook**
Fitch	B+	Negative	B+	Negative	B+	Negative
S&P	B	Stable	B	Stable	B	Stable
Moody’s	B1	Negative	B1	Negative	B1	Negative

Adoption of IFRS

The results presented below are prepared in accordance with the new Brazilian accounting rules, which embody a process of harmonization between Brazilian accounting rules and IFRS (International Financial Reporting Standards).

STATEMENTS OF INCOME

Consolidated – R$ ’000	1Q17	1Q16	Change %
REVENUE	**4,812,930**	**4,453,506**	**8.07**
OPERATING COSTS			
Personnel	(381,208)	(413,407)	**(7.79)**
Employees’ and managers’ profit shares	(18,884)	-	**-**
Post-retirement obligations	(94,638)	(75,186)	**25.87**
Materials	(11,240)	(10,980)	**2.37**
Raw materials and inputs for production of electricity	(39)	(18)	**116.67**
Outsourced services	(208,624)	(208,004)	**0.30**
Electricity purchased for resale	(2,093,088)	(1,931,361)	**8.37**
Depreciation and amortization	(201,365)	(199,033)	**1.17**
Operating provisions	(208,532)	(251,770)	**(17.17)**
Charges for use of the national grid	(206,497)	(258,706)	**(20.18)**
Gas bought for resale	(222,512)	(237,863)	**(6.45)**
Infrastructure construction costs	(200,559)	(235,021)	**(14.66)**
Other operating expenses, net	(96,516)	(128,086)	**(24.65)**
TOTAL COST	**(3,943,702)**	**(3,949,435)**	**(0.15)**
Equity method gains in non-consolidated investees	29,641	(57,927)	-
Operational profit before Financial income (expenses) and taxes	**898,869**	**446,144**	**101.48**
Financial revenues	179,891	224,734	(19.95)
Financial expenses	(572,637)	(639,138)	(10.40)
Pre-tax profit	**506,123**	**31,740**	**1.494.59**
Current and deferred income tax and Social Contribution tax	(163,389)	(26,533)	515.80
NET PROFIT FOR THE PERIOD	**342,734**	**5,207**	**6,482.18**
Interest of the controlling shareholders	342,596	5,119	
Interest of non-controlling stockholder	138	88	
NET PROFIT FOR THE PERIOD	**342,734**	**5,207**	

Cemig’s consolidated electricity market

The Cemig Group sells electricity 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, Termelétrica Ipatinga (up to January 2016), Sá Carvalho, Termelétrica de Barreiro, Cemig PCH, Rosal Energia and Cemig Capim Branco Energia (up to March 2015), 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 Consumers in both the State of Minas Gerais and other States of Brazil, in the Free Market (*Ambiente de Contratação Livre*, or ACL);

(III) other agents of the electricity sector – traders, generators and independent power producers, also in the ACL; and

(IV) Distributors, in the Regulated Market (*Ambiente de Contratação Regulada*, or ACR).

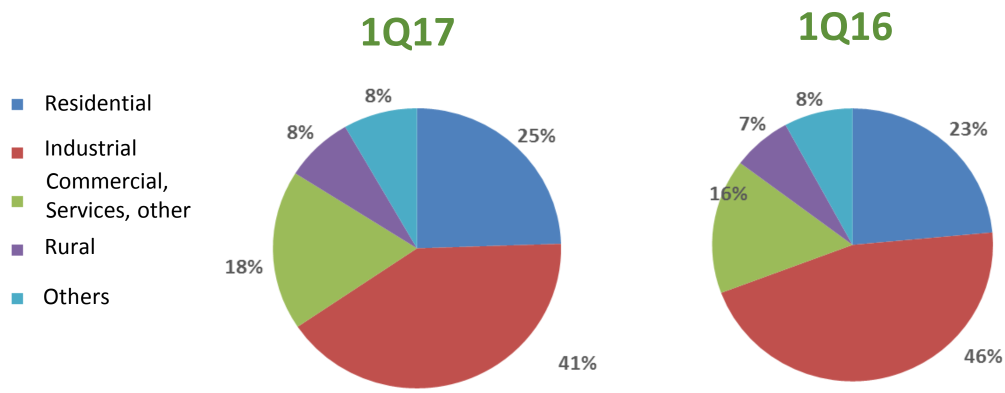
In 1Q17 the Cemig group sold a total volume of 13,264,284 MWh, which was 0.2% less than in 2016.

Sales of electricity to final consumers plus Cemig's own consumption totaled 10,370,168 MWh, or 2.1% less than in 1Q16.

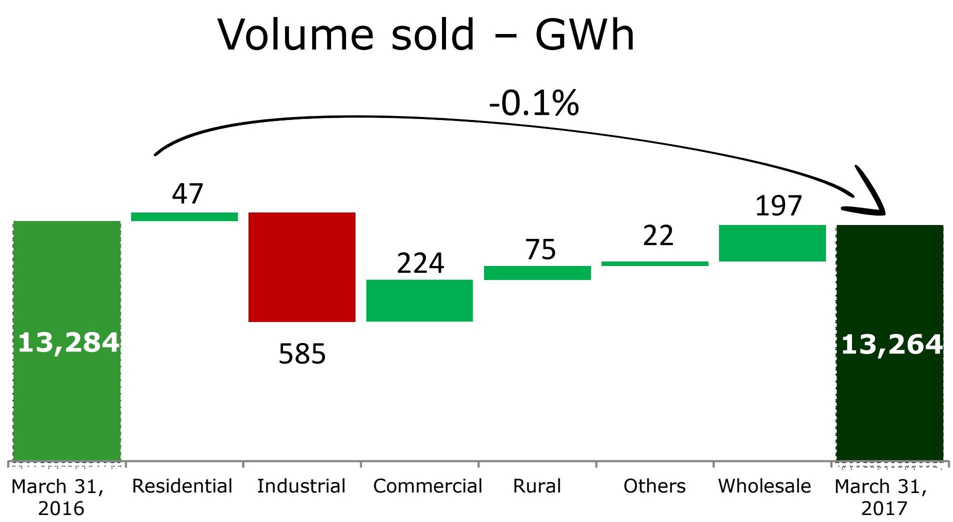
Sales to distributors, traders, other generating companies and independent power producers in 1Q17 totaled 2,894,115 MWh – or 7.3% more than in 1Q16.

In March 2017 the Cemig group invoiced 8,286,564 clients – a growth of 2.0% in the consumer base in the year since March 2016. Of these, 8,286,197 are final consumers; and 367 are other agents in the Brazilian electricity sector.

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



Total consumption of electricity (GWh)



Consolidated	MWh		Change, %	Average price 1Q17 R$	Average price 1Q16 R$
	1Q17	1Q16			
Residential	2,537,050	2,490,519	1.87	784.93	812.54
Industrial	4,253,259	4,837,976	(12.09)	277.85	278.43
Commercial, Services and Others	1,912,090	1,687,814	13.29	596.28	689.19
Rural	798,476	723,827	10.31	461.27	445.62
Public authorities	210,613	215,405	(2.22)	622.65	624.15
Public lighting	334,480	329,062	1.65	388.22	418.96
Public services	314,937	292,885	7.53	458.05	467.58
Subtotal	**10,360,905**	**10,577,488**	**(2.05)**	**490.97**	**497.82**
Own consumption	9,262	9,452	(2.01)	0.00	0.00
Wholesale supply to agents in Free and Regulated Markets (*)	2,894,117	2,696,632	7.32	158.18	204.61
Total	**13,264,284**	**13,283,572**	**(0.15)**	**435.12**	**445.27**

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

The electricity market of Cemig D

Electricity billed to captive clients by Cemig D, and electricity transported for Free Clients and distributors with access to Cemig D's networks, totaled 10,532,119 GWh in 2016, or 0.7% more than in 1Q16.

There are two components of this reduction: consumption by the captive market 2.3% lower YoY, and use of the network by Free Clients 5.5% higher YoY.

In March 2017 Cemig D invoiced 8,284,442 clients – a growth of 2.0% in the consumer base in the year since March 2016.

Cemig D	Number of clients		Change, %
	1Q17	1Q16	
Residential	6,720,602	6,566,165	2.4
Industrial	74,321	74,922	(0.8)
Commercial, Services and Others	715,325	713,951	0.2
Rural	695,943	684,988	1.6
Public authorities	60,533	62,994	(3.9)
Public lighting	5,461	4,438	23.1
Public services	12,257	11,414	7.4
Total	**8,284,442**	**8,118,872**	**2.0**

Comments on the various consumer categories:

<u>Residential</u>

Consumption by residential users in 1Q17, at 2,537,050 MWh, totaled 24.1% of all electricity distributed by Cemig D, and was 1.9% higher than in 1Q16.

The lower level of residential consumption is due to:

- Reduction in families' disposable income over the year 2016 and in the first quarter of 2017.
- Deterioration in family confidence.
- Fewer calendar billing days in 1Q17 (89.9 days) than in 1Q16 (90.2 days).
- Less uncomfortable temperatures in 1Q17 than 1Q16, resulting in less use by consumers of air conditioners and ventilators in their homes.

Average monthly consumption per consumer was 125.9 kWh in 1Q17, or 0.4% less than in 1Q16 (126.4 kWh).

<u>Industrial</u>

Electricity used by captive clients was 6.1% of the volume of electricity distributed by Cemig D, and totaled 644,033 MWh in 1Q17 – or 22.5% less than in 1Q16.

This lower consumption mainly reflects migration of captive consumers to the Free Market – which was also responsible for part of the increase in the total volume of power distributed.

Electricity transported for captive clients was 37.7% of the volume of electricity distributed by Cemig, totaling 3,969,239 MWh in 1Q17, or 3.1% more than in 1Q16.

Both these segments of the market are affected by the trends in economic activity, both in the state of Minas and in Brazil as a whole:

- two mining facilities migrated to the national grid;
- activity in Metallurgy and Ferro-alloys resumed – with 29.7% growth YoY in 1Q17, due to the more attractive price of electric power, and due to the sector's increasing competitiveness with the dollar exchange rate favoring export sales; and
- there were indications of resumption of levels of activity in most other sectors, reflecting:
    - increased output by industry in general in Minas Gerais, taking up spare industrial capacity; and
    - increased entrepreneur confidence.

Total energy consumption was higher, YoY, in some sectors, and lower in others, in the quarter. It was higher in: Steel (+16.5%), Non-ferrous metals (+3.8%), Vehicles (+4.7%), and Textiles (8.3%); – and lower in Non-metallic mining (–4.0%), Mining (–35.3%), Food products (–0.6%), and Chemicals (–12.7%).

The electricity market of Cemig GT

Cemig GT billed a total of 6,690,691 MWh in 1Q17, 0.2% less than in 1Q16.

The total number of clients billed by Cemig GT in March – a total of 1,081 – was 64.2% higher than in March 2016. Of these, 1,023 were industrial and commercial clients; 46 were distribution companies; and 12 were companies in the category of traders, generators and independent power producers.

Free Clients consumed 3,779,418 MWh in 1Q17, or 56.5% of the total electricity provided by Cemig GT, and 4.9% less than in 1Q16.

This lower total reflects consumption 13.8% lower by industrial clients, due to:

- completion of some contracts between industrial clients and Cemig GT, and signature of new contracts with Cemig subsidiaries;
- low consumption by industrial clients based both in the state of Minas Gerais and Brazil-wide, due to the uncertainties in the Brazilian, and also the international, political and economic outlook.

Between the end of 1Q16 and the end of 1Q17 Cemig GT added no less than 208 new *industrial* clients, and 192 clients in the *commercial and services* category – in the latter category the year-on-year increase in consumption was 201%.

Sales and trading transactions in electricity with other agents of the electricity sector in the Free Market can result from selling opportunities that originate in spot market contracts. In 1Q17 total sales of electricity were 2,260,527 MWh, or 10.3% more than in 1Q16.

Sales in the Regulated Market, including sales to Cemig D, totaled 650,747 MWh in 1Q17, which was 4.1% less than in 1Q16. This was due to:

- lower volumes contracted by distributors through use of the Surpluses and Deficits Compensation Mechanism (MCSD); and
- lower seasonal contractual amounts for 1Q17 than in 1Q16.

Cemig GT	MWh		Change, %
	1Q17	1Q16	
Free Clients			
Industrial	3,284,232	3,809,964	(13.80)
Client relations	495,186	164,599	200.84
Free Market – Free contracts	2,260,527	2,049,095	10.32
Regulated Market	621,336	647,537	(4.05)
Regulated Market – Cemig D	29,411	31,314	(6.08)
Total	**6,690,691**	**6,702,509**	**(0.18)**

Physical totals of transport and distribution – MWh

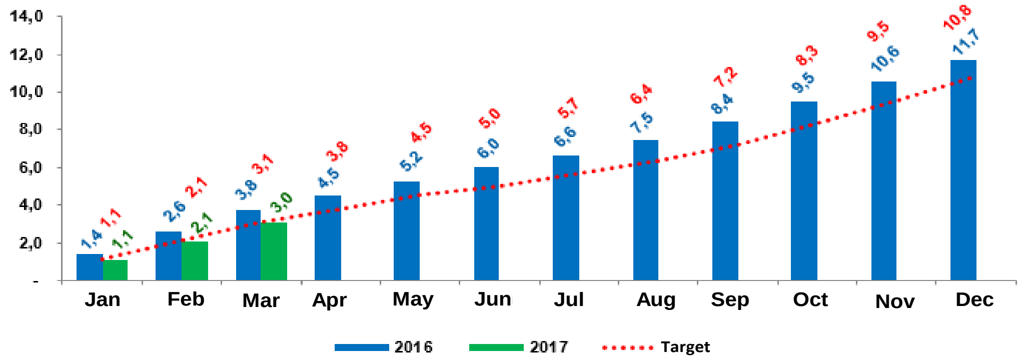
	MWh		Change %
	1Q17	1Q16	
Total energy carried			
Electricity transported for distributors	81,441	84,955	(4.14)
Electricity transported for Free Clients	4,498,420	4,172,219	7.82
Own load	**7,924,923**	**7,999,581**	**(0.93)**
Consumption by captive market	6,249,191	6,407,724	(2.47)
Losses in distribution network	1,675,731	1,591,857	5.27

QUALITY INDICATORS – SAIDI AND SAIFI

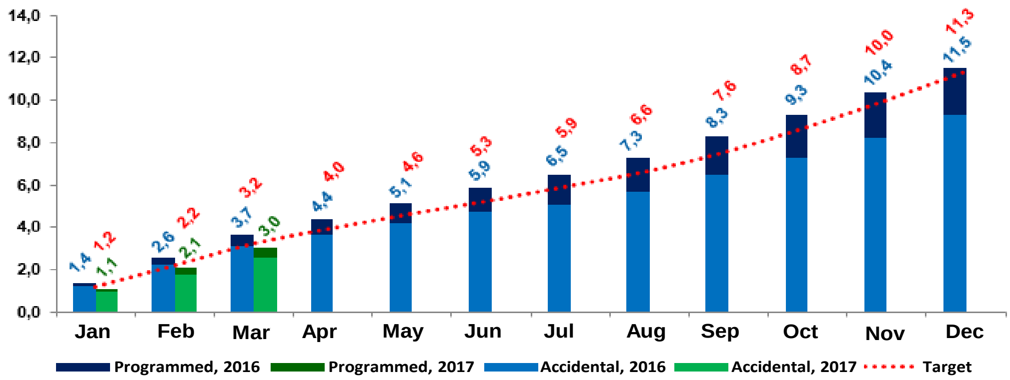
Cemig is continuously taking action to improve operational management, organization of the logistics of emergency services, and its permanent regime of inspections and preventive maintenance of substations, lines and distribution networks. It also invests in training of its staff for improved qualifications, 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 – SAIDI (System Average Interruption Duration Index, in hours), and SAIFI (System Average Interruption Frequency Index, in number of outages), since January 2016.

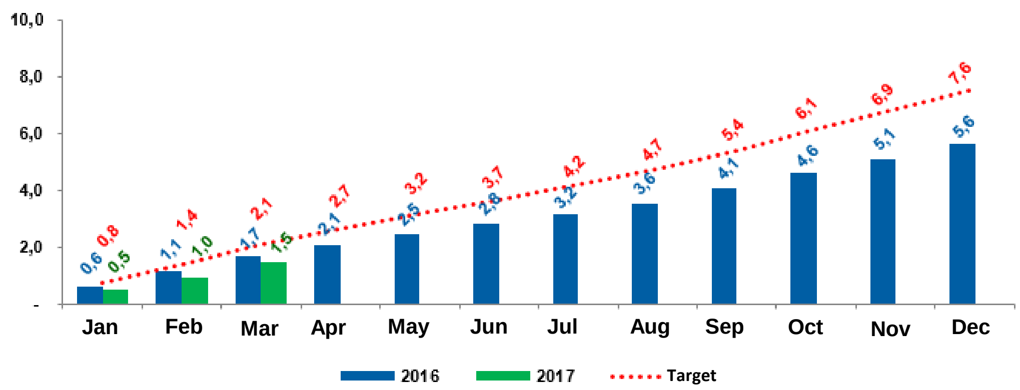
Total SAIDI (System Average Interruption Duration Index) – hours/consumer/month



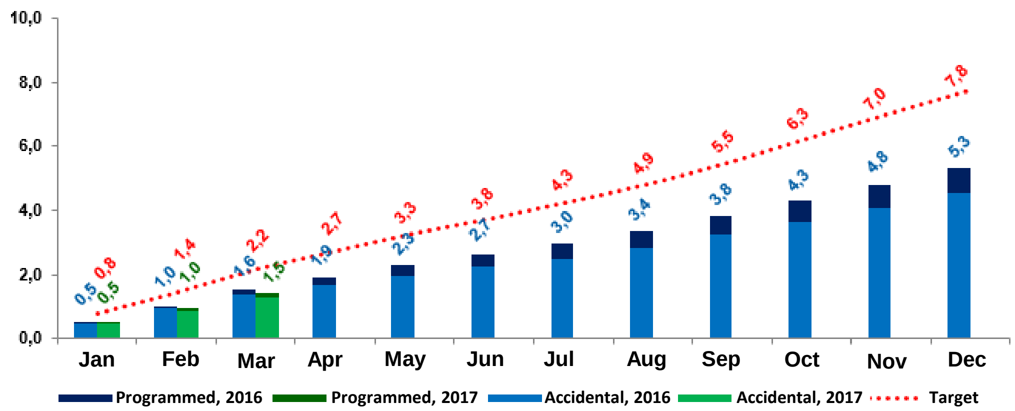
SAIDI components, 2016 and 2017 – hours/consumer/month



Total SAIFI (System Average Interruption Frequency Index) – outages/consumer/month



SAIFI components , 2016 and 2017 – outages/consumer/month



Consolidated operational revenue

Revenue from supply of electricity:

Total revenue from supply of electricity in 1Q17 was R$ 5.772 billion, 2.42% lower than in 1Q16 (R$ 5.915 bn).

Final consumers

Total revenue from electricity sold to final consumers, excluding Cemig's own consumption, in 1Q17 was R$ 5,087 million, or 3.40% less than the figure for 1Q16, of R$ 5,266 million.

The main factors in this revenue were:

- the Annual Tariff Adjustment for Cemig D, with average effect on consumer tariffs of 3.78%, effective from May 28, 2016 (full effect in 2017);
- lower revenue from the 'flag' tariff system: R$ 29 million in 1Q17, compared to R$ 273 mn in 1Q16 – reflecting lower extra 'flag' components of tariffs charged in 1Q17;
- Volume of electricity sold 2.05% lower.

	R$ '000		Change %	Average price 1Q17 R$	Average price 1Q16 R$	Change %
	1Q17	1Q16				
Residential	1,991,413	2,023,634	(1.59)	784.93	812.54	(3.40)
Industrial	1,181,771	1,347,060	(12.27)	277.85	278.43	(0.21)
Commercial, Services and Others	1,140,139	1,163,232	(1.99)	596.28	689.19	(13.48)
Rural	368,314	322,553	14.19	461.27	445.62	3.51
Public authorities	131,139	134,446	(2.46)	622.65	624.15	(0.24)
Public lighting	129,852	137,865	(5.81)	388.22	418.96	(7.34)
Public services	144,258	136,947	5.34	458.05	467.58	(2.04)
Subtotal	**5,086,886**	**5,265,737**	**(3.40)**	**490.97**	**497.82**	**(1.38)**
Supply not yet invoiced, net	35,746	41,021	(12.86)	-	-	-
Wholesale supply to other concession holders (*)	457,794	551,762	(17.03)	158.18	204.61	(22.69)
Wholesale supply not yet invoiced, net	191,187	56,293	239.63	-	-	-
Total	**5,771,613**	**5,914,813**	**(2.42)**	**435.12**	**445.27**	**(2.28)**

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

Revenue from Use of Distribution Systems (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 1Q17 this revenue totaled R$ 463 mn, or 13.19% more than in 1Q16 (R$ 409 mn).

The higher figure mainly reflects volume of energy distributed 5.41% higher, due largely to the growth in the consumer base. On May 28, 2016 the tariff for Free Consumers was reduced by 0.52%.

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 as the basis of decision of the rates charged to consumers. This balance is the amount that will be passed through to the consumer (or reimbursed to the consumer) through Cemig D's next subsequent tariff adjustment. In 1Q17 the amount for reimbursement in the subsequent tariff was R$ 303mn, compared to a total of R$ 132mn for reimbursement in 1Q16. This variation mainly reflects a greater reduction in costs of supply acquired in auctions in 2017 when compared with the figures for tariffs.

Transmission indemnity revenue

In 1Q17 the Company recognized a revenue as an item of R$ 66 mn for updating, by the IPCA index, of the balance of the indemnity receivable existing in 1Q16 (R$ 31 mn). This basically reflects the new parameters for monetary updating set by Ministerial Order 120 of April 22, 2016.

Revenue from transactions in the Wholesale Trading Market (CCEE)

Revenue from transactions in electricity on the CCEE in 1Q17 was R$ 227 mn, compared to R$ 3 mn in 1Q16 – a YOY increase of R$ 224 mn. The main factors in this difference are:

- – the spot price (*Preço de Liquidação de Diferenças*, or PLD) being 337.22% higher year-on-year, at R$ 151.67/MWh in 1Q17 compared to R$ 34.69/MWh in 1Q16);
- – lower quantity of electricity available for settlement in the wholesale market in 2017; and
- – an average GSF of 1.10 in 1Q17, compared to a GSF of 0.88 in 1Q16.

Revenue from supply of gas

Cemig reports revenue from supply of gas totaling R$ 411 million in 1Q17, compared to R$ 379 million in 1Q16 – an increase of 8.42%. This basically reflects volume of gas sold 2.48% higher YoY (296,125m^3 in 1Q17, vs. 288,959m^3 in 1Q16), with tariff increases.

Market ('000 m3/day)	2012	2013	2014	2015	2016	1Q17
Residential	-	0.17	0.72	1.04	3.38	6.84
Commercial	24.73	20.38	23.15	22.42	24.68	28.26
Industrial	2,740.00	2,734.95	2,849.24	2,422.78	2,173.76	2,506.20
Other	114.09	106.33	99.64	119.87	120.19	123.97
Total market excluding thermal plants	**2,878.82**	**2,861,.83**	**2,972.75**	**2,566.11**	**2,322.01**	**2,665.27**
Thermal	746.09	1,214.50	1,223.99	1,309.13	591.52	625.01
Total	**3,624.91**	**4,076,.33**	**4,196.74**	**3,875,.24**	**2,913.53**	**3,290.28**

As in 2016, there was less demand for use of thermoelectric plants than in 2013–15. Meanwhile activity by industrial consumers – the most important category for Gasmig – underwent a recovery, and gas sales to this sector were 15.30% higher than the average for 2016.

Supply of gas to the residential market, which began in March 2013, expanded to supply 17,879 households at the end of 1Q17 – compared to 14,935 at the end of 1Q16.

Sector / Regulatory charges reported as Deductions from revenue

The sector charges that are effectively deductions from reported revenue totaled R$ 2.544 billion in 1Q17, or 12.36% less than their total of R$ 2.903 billion in 1Q16. This principally results from lower charges for the Energy Development Account (CDE), and lower 'Tariff Flag' payments.

The Energy Development Account – CDE

The amounts of payments to the Energy Development Account (CDE) are decided by an Aneel Resolution. The purpose of the CDE is to cover costs of concession indemnities, tariff subsidies, the subsidy for balanced tariff reduction, the low-income consumer subsidy, the coal consumption subsidy, and the Fuels Consumption Account (CCC). Charges for the CDE in 1Q17 were R$ 444 million, compared to R$ 560 million in 1Q16.

This is a non-manageable cost: the difference between the amounts used as a reference for setting of tariffs and the costs actually incurred is compensated for in the subsequent tariff adjustment.

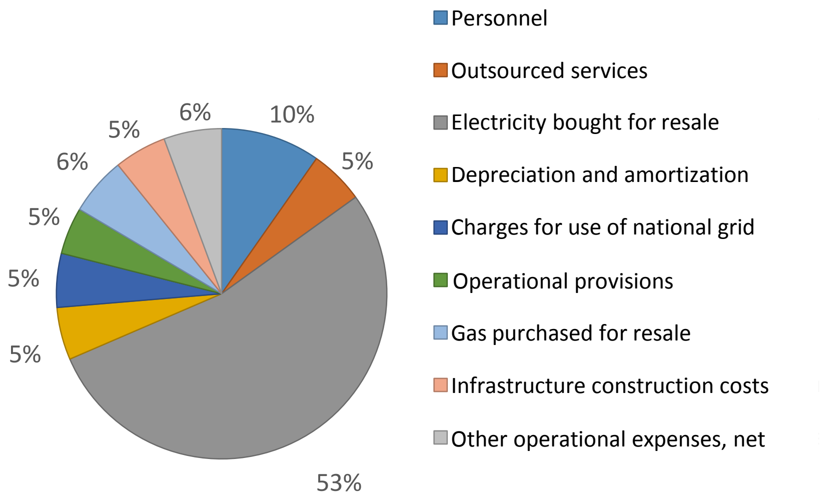
Consumer charges – the 'Tariff Flag' system

Charges to the consumer arising from the Tariff Flag system were lower, at R$ 29 million in 1Q17, compared to R$ 273 million in 1Q16, due to the improvement in hydroelectric reservoir water storage levels – enabling lower additional charges to be made in 2017 under the 'Flag' system of temporary tariff increases.

The 'Flag' Tariff component – history		
Jan. 2017	**Feb. 2017**	**Mar. 2017**
Green	Green	Yellow
Jan. 2016	**Feb. 2016**	**Mar. 2016**
Red	Red 1	Yellow

Operational costs and expenses

Operational costs and expenses totaled R$ 3.944 billion in 1Q17, or 0.15% less than in 1Q16 (R$ 3.949 billion).



The following paragraphs comment on the main variations:

<u>Electricity purchased for resale</u>

The expense on electricity bought for resale in 1Q17 was R$ 2.093 billion, or 8.37% more than in 1Q16 (R$ 1.931 billion). The main factors in the higher figure are:

Cemig D:

The expense on electricity bought for resale in 1Q17 was R$ 1.379 billion, or 8.05% more than in 1Q16 (R$ 1.276 billion).

The main factor was expenses on acquisitions at auction 12.67% higher – at R$ 749 million in 1Q17, vs. R$ 655 million in 1Q16, due to new Regulated Market contracts made in 1Q17.

Cemig GT:

The expense on electricity bought for resale in 1Q17 was R$ 734 million, or 11.20% more than in 1Q16 (R$ 660 million). This reflects an average price per MWh 13.00% higher YoY, at R$ 165.42 in 1Q17, vs. R$ 146.39 in 1Q16), with an offsetting effect from volume of electricity purchased in 1Q17 1.92% lower (at 4,423,976 MWh), compared to 1Q16 (4,510,660 MWh).

Operating provisions

Operational provisions were 17.17% lower year-on-year in the quarter – an expense of R$ 209 mn in 1Q17, compared to R$ 252 mn in 1Q16. The main factors are:

- Additional provisions made for the options in Parati and SAAG, of R$ 16 million and R$ 47 million, respectively – compared to a total provision of R$ 89 million in 1Q16.

- Lower allowance for doubtful receivables – at R$ 38 million in 1Q17, compared to R$ 77 million in 1Q16, mainly as a result of increased activity by the Company to reduce the levels of past due accounts.

Default

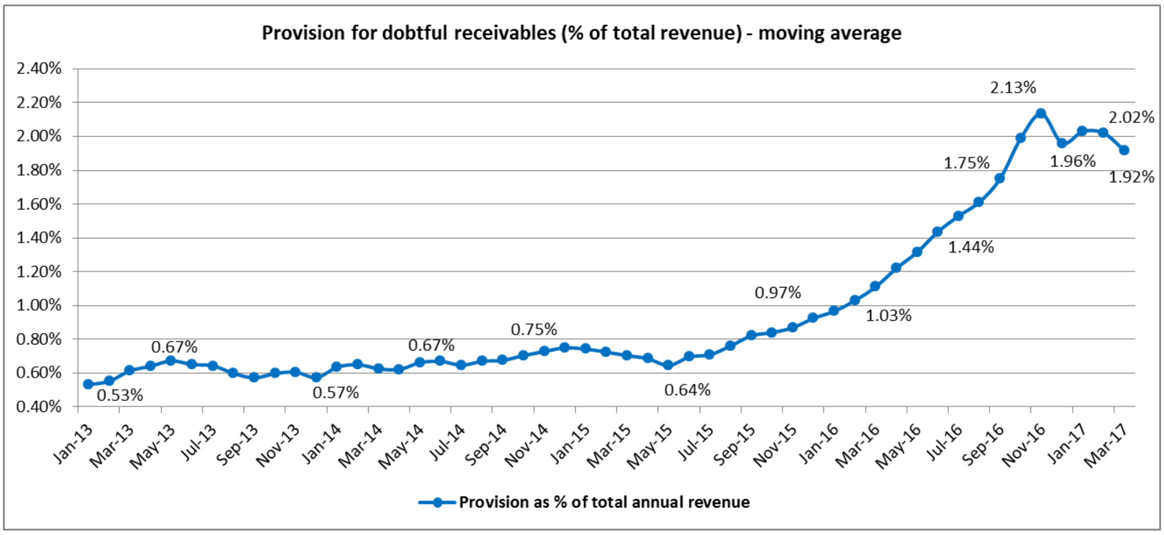
In this context of an exceptional increase in electricity rates, Cemig has seen an increase in amounts invoiced and not paid by final consumers, to levels higher than the averages of recent months.

The situation has been further complicated by Brazil's entering a period of financial stress, and its most significant consequence, increase in the rate of unemployment. This increased percentage of default has had a negative effect on the Company's cash flow.

Due to the present economic context, default has remained at a level that is high for the Company.

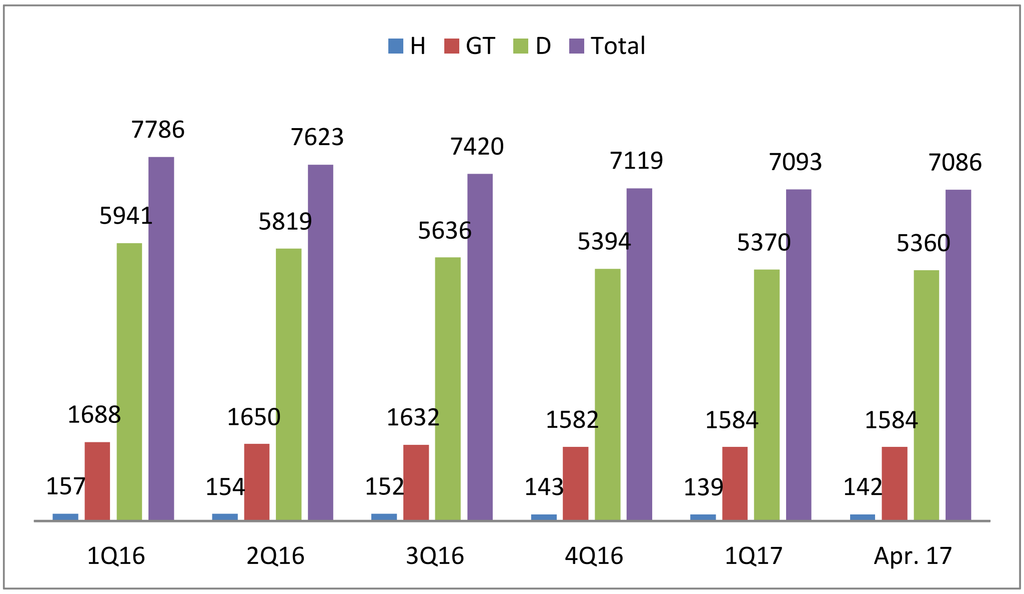
The Company uses various tools of communication and collection to prevent increase in default. Measures include contact by telephone and email, text and collection letters, negative references for defaulting clients, collection through the courts and, principally, disconnection of supply. Aneel Resolution 414 allows supply to be cut off after 15 days from receipt of a notice to the defaulting consumer.

The Company is confident that, with more intense collection and disconnection, the levels of default will be reduced in 2017.



Personnel

Personnel expenses were R$ 381 million in 1Q17, 7.78% lower than in 1Q16 (R$ 413 million). In spite of the wage increase of 8.50% agreed in November 2016, under the Collective Agreement, the lower figure reflects a reduction of 9.26% between the average numbers of employees in the two periods (7,102 in 1Q17 vs. 7,827 in 1Q16), as shown:



Programmed Voluntary Retirement Plan (PDVP)

In March 2017, the Company created the 2017 Employee Voluntary Severance Program ('the 2017 PDVP'). Those eligible to take part were any employees who will have worked with Cemig for 25 years or more by December 31, 2017. Employees will be able to accept the 2017 PDVP from April 3 through September 29, 2017. It provides for payment of an additional premium of five monthly salaries to employees who join in April 2017, to leave the Company in May 2017; the premium diminishes progressively depending on the month of acceptance. An employee who accepts the plan in August 2017, for severance in September 2017, will thus have the right to a premium corresponding to one monthly remuneration. Employees using the plan to leave on or after September 1, 2017, will have no premium. The PDVP offers the standard legal severance payments – including: payment for the period of notice, and especially, an amount equal to the 'penalty' payment of 40% of the Base Value of the employee's FGTS fund, as well as the other payments specified by the legislation.

Employees' and managers' profit shares

The expense on profit shares for employees and managers was R$ 19 million in 1Q17. By comparison, in 1Q16 there was no provision made for this expense. This reflects the higher figure for profit (which is the basis for calculation of profit shares) in 1Q17.

Gas bought for resale

In 1Q17 the Company recorded an expense of R$ 223 million on acquisition of gas, 6.45% less than its comparable expense of R$ 238 million in 1Q16. This mainly reflects lower charges under the new agreement between Gasmig and Petrobras, which reduced the daily offtake obligation, partially offset by a higher quantity of gas purchased for resale (293,105 m^3 in 1Q17, compared to 287,594 m^3 in 1Q16).

Equity method gains in non-consolidated investees

These equity gains in 1Q17 totaled R$ 30 million, compared to a loss of R$ 58 million in 1Q16. The difference comes mainly from a lower negative effect in 1Q17 from the interest in Renova Energia, of R$ 28 million, compared to a loss of R$ 152 million in 1Q16, primarily due to the loss posted on investment in TerraForm and partial write-off for the put option with SunEdison.

Consolidated	12/31/2016	Gain (loss) by equity method (Income statement)	Gain (loss) by equity method (Other comprehensive income)	Dividends	Injections / acquisitions	Other	1Q17
Companhia Transleste de Transmissão	21,588	1,305	-	(1,265)	-	-	21,628
Companhia Transudeste de Transmissão	20,505	997	-	-	-	-	21,502
Companhia Transirapé de Transmissão	23,952	1,202	-	-	-	-	25,154
Transchile	-						
Companhia de Transmissão Centroeste de Minas	21,171	1,158	-	(1,346)	-	-	20,983
Light (2)	1,070,477	(11,316)	418	-	-	-	1,059,579
Axxiom Soluções Tecnológicas	19,264	(2,128)	-	-	-	-	17,136
Lepsa	343,802	1,577	(51)	-	-	-	345,328
RME	340,063	1,469	-	-	-	-	341,532
Hidrelétrica Cachoeirão	50,411	3,246	-	(2,641)	-	-	51,016
Guanhães Energia (1)	-	(1,510)	-	-	72,030	(59,071)	11,449
Hidrelétrica Pipoca	31,809	1,984	-	(1,284)	-	-	32,509
Madeira Energia (Santo Antônio Plant)	643,890	(23,075)	-	-	-	-	620,815
FIP Melbourne (Santo Antônio Plant)	677,182	(20,066)	-	-	-	-	657,116
Lightger	41,543	2,355	-	(642)	-	-	43,256
Baguari Energia	162,106	6,575	-	(259)	-	-	168,422
Central Eólica Praias de Parajuru	63,307	(509)	-	(406)	-	-	62,392
Central Eólica Volta do Rio	81,228	(2,207)	-	-	-	-	79,021
Central Eólica Praias de Morgado	59,586	(1,308)	-	-	-	-	58,278
Amazônia Energia (Belo Monte Plant)	781,022	8,832	-	-	45,039	-	834,893
Ativas Data Center (2)	17,741	(725)	-	-	-	2,003	19,019
Parati	-	-	-	-	-	-	-
Taesa	1,582,633	61,326	-	-	-	1	1,643,960
Renova	688,625	(28,246)	16,206	-	18,000	-	694,585
Usina Hidrelétrica Itaocara S.A.	2,782	-	-	-	-	-	2,782
Aliança Geração	1,319,055	23,152	-	-	-	-	1,342,207
Aliança Norte (Belo Monte Plant)	527,498	2,184	-	-	27,122	-	556,804
Retiro Baixo	161,848	3,369	-	-	-	-	165,217
Total of investments	**8,753,088**	**29,641**	**16,573**	**(7,843)**	**162,191**	**(57,067)**	**8,896,583**
Guanhães – Uncovered liabilities of jointly-controlled entity	(59,071)	-	-	-	-	59,071	-
Total	**8,694,017**	**29,641**	**16,573**	**(7,843)**	**162,191**	**2,003**	**8,896,583**

Investment in Renova

In 1Q17 Renova posted a loss of R$ 96 million, with current liabilities exceeding total current assets by R$ 388 million (holding company) and R$ 1.670 billion (consolidated) on the reporting date. Further, Renova has reported negative operational cash flow.

The main reasons for this scenario are:

(a) transactions to purchase supply of electricity, to meet commitments related to the delays in wind farms coming into operation;

(b) significant investments that are being allocated in the construction of the Alto Sertão III wind farm complex;

(c) delay in release of the long-term financing agreement with the BNDES;

(d) certain long-term financings being reclassified to Current due to some ratios in covenants not being achieved, and waivers from creditors not being obtained by March 31, 2017; and

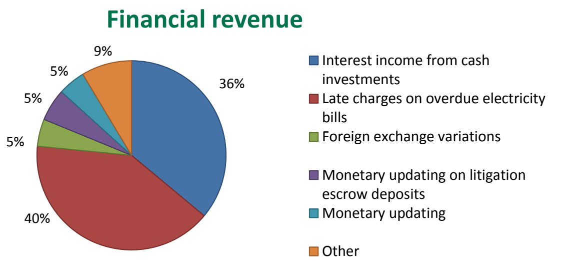
(e) losses arising from the transaction with Terraform.

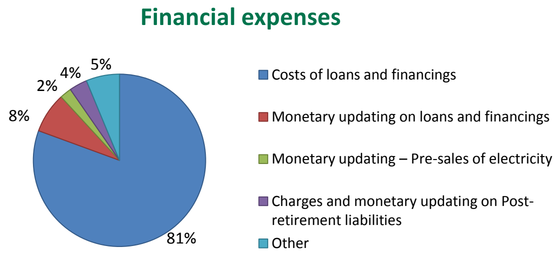
On January 13, 2017 Renova agreed with AES Tietê Energia S.A. a binding offer for disposal of the group of wind farms constituting the Alto Sertão II Complex.

On April 18, 2017 Renova signed a contract for sale of the wind farm complexes allocated at the 2010 A–3 auction and the 2011 LER auction, for R$ 600 million. On completion of the transaction, the debt in relation to the wind farms of the Alto Sertão II complex, which on March 31, 2017 was R$ 1.135 billion, will be transferred to AES Tietê, and Renova will receive cash of approximately R$ 480 million, net of the contractual and other guarantees.

Contracting of a long-term financing with the BNDES: Renova is in negotiations for signature of a long-term financing contract for approximately R $900 million, which will replace the existing bridge loan – reported in Current liabilities up to March 31, 2017 – of R$ 859 million (principal plus interest). The remainder will be used for works related to Phase A of the Alto Sertão III complex. As soon as this long term agreement of contracted, part of Current liabilities will be reclassified to Non-current. So far a total of R$ 2.1 billion has been invested in Phase A of Alto Sertão III – corresponding to 87% of physical completion, without any funds being released from BNDES long-term financing.

Financial revenue and expenses





Cemig reports net financial expenses of R$ 393 million in 1Q17, compared to net financial expenses of R$ 414 million in 1Q16. The main factors are:

- Financial expense on monetary variation in loans and financings was R$ 73 million lower, due to the lower total effect of the IPCA inflation index (indexor for the debt) in the quarter – at 0.96%, compared to 2.62% in 1Q16.

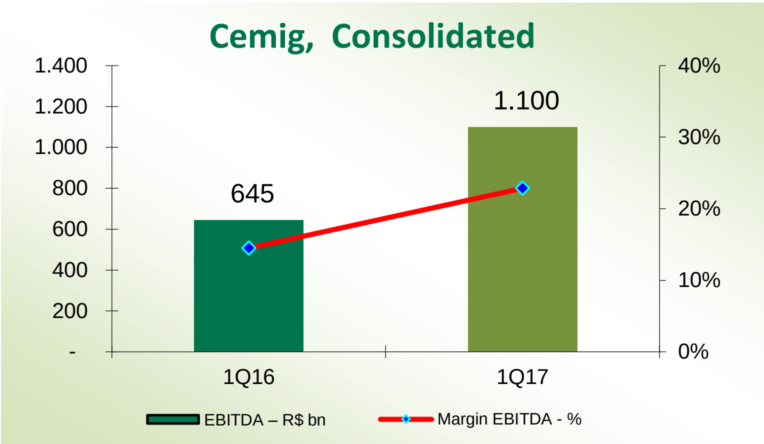
- The result of monetary variation on updating of the CVA balances in 1Q17 was an expense of R$ 6 million, while the result in 1Q16 was a gain of R$ 20 million. The positive and negative balances of CVA are updated by the Selic rate. This variation arises from presentation of the net liability balance of CVA on March 31, 2017 due to the lower cost of energy purchased in relation to the constant value of the tariff. In 1Q16 the Company had a net positive balance of CVA due to the higher cost of energy bought than the amount contained in the tariff calculation.

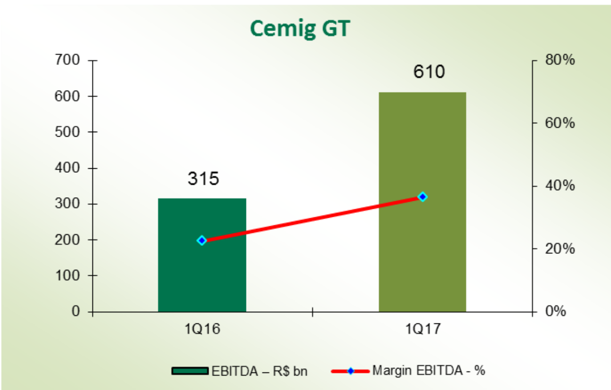
- The expense of monetary variation on the debt agreed with Forluz was R$ 18 million lower, also due to the lower variation resulting from the IPCA index (indexor of the debt), as mentioned above.

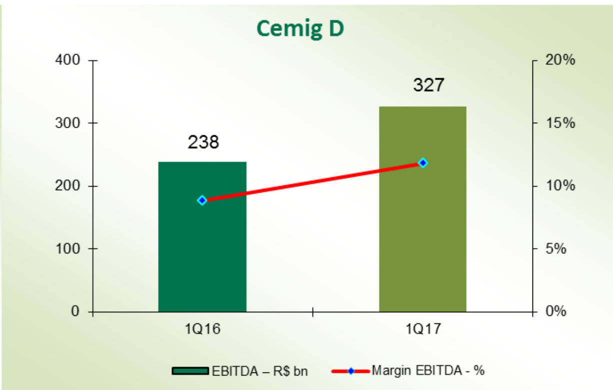
EBITDA

Cemig's consolidated Ebitda in 1Q17 was 70.53% higher than in 1Q16. This was mainly the result of a higher volume of supply settled in the spot market, plus a higher spot market price.

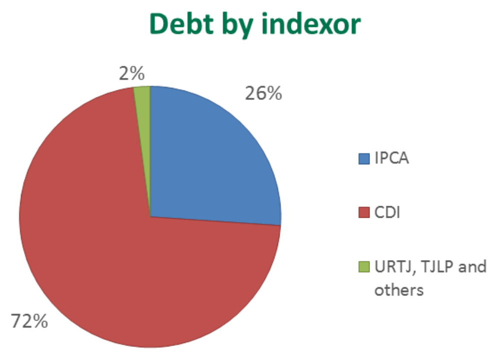
Ebitda – R$ '000	1Q17	1Q16	Change,
Net profit for the period	342,734	5,207	6,482.18
+ Income and Social Contribution taxes	163,389	26,533	515.80
+ Net financial revenue (expenses)	392,746	414,404	(5.22)
+ Depreciation and amortization	201,365	199,033	1.17
= EBITDA	**1,100,234**	**645,177**	**70.53**

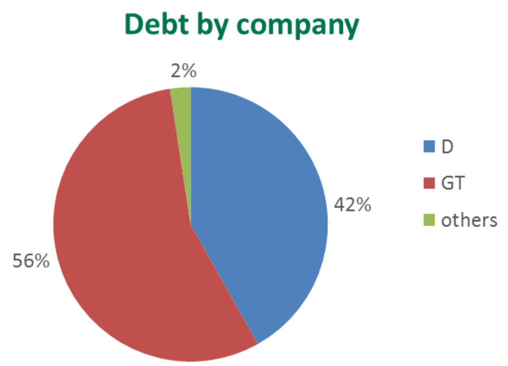




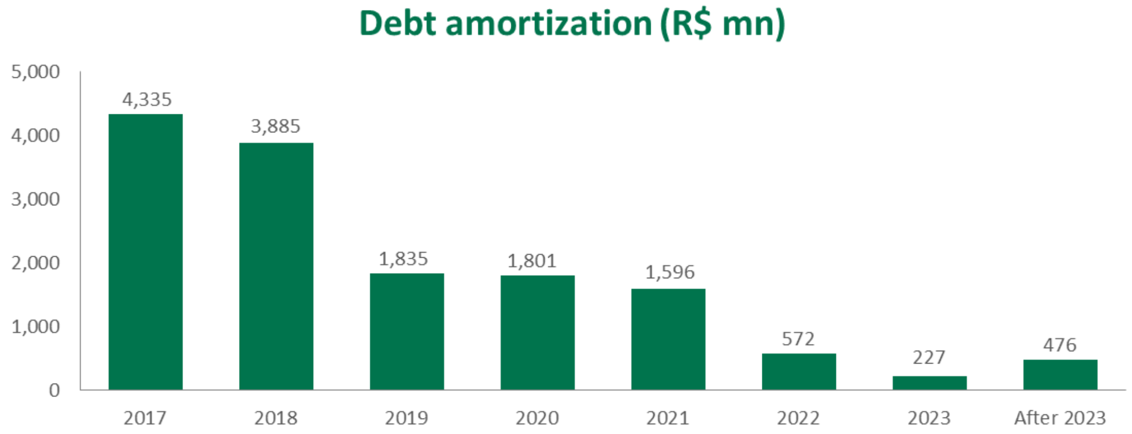


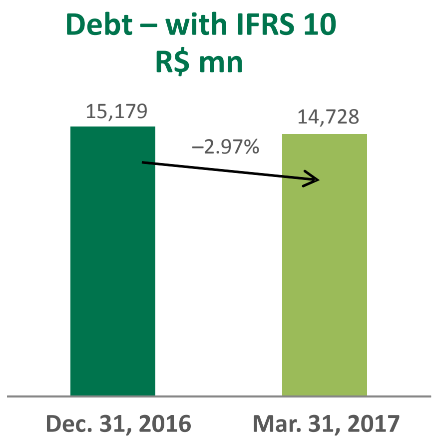
DEBT

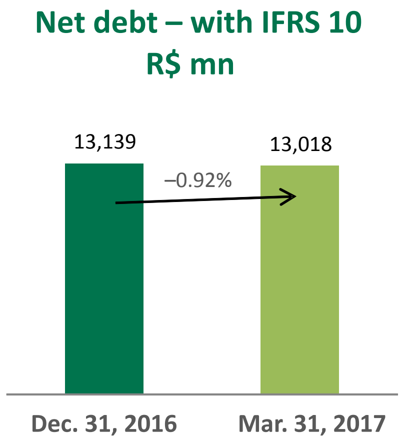


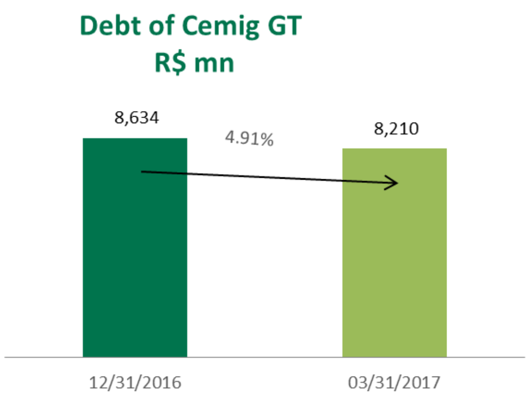


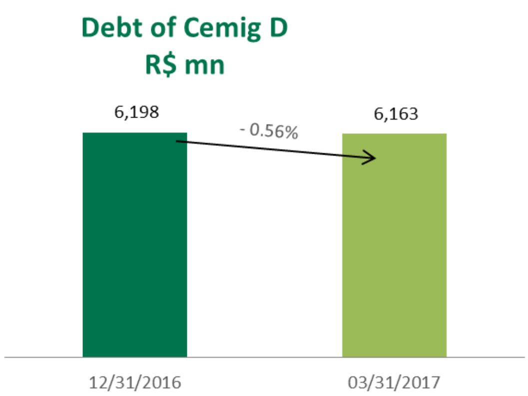
The Company’s consolidated total debt on March 31, 2017 was R$ 14.728 billion, 2.97% less than at December 31, 2016.











Power generation plants under court disputes

The *Jaguara* Hydroelectric Plant

On March 21, 2017 the Federal Supreme Court lifted the interim order given in the case in which Cemig GT is requesting suspension, until final judgment on the Ordinary Appeal by the Supreme Court, of the effects of the judgment of the First Section of the Supreme Court which refused to grant an order to maintain Cemig GT's ownership of the concession for the *Jaguara* Plant on the initial bases of Concession Contract 007/97. The judgment remitted the case records to the office of the Procurator-General of the Republic (PGR), for that body to state its opinion.

Up to March 21, 2017 (the date of repeal of the interim injunction), the Company recognized revenue from sales of electricity and operational costs of this plant, since it remained in control of the asset up to that date.

On March 29, 2017 Cemig GT filed an Internal Appeal against the decision that repealed the remedy, requesting a revision of judgment, to allow cognizance to be taken of a special appeal.

On March 31, 2017 the balance of the concession value not yet amortized, represented by book value of R$ 170 million, was transferred from PP&E to a specific account line of Non-current assets, considering that it is still in dispute in the courts. The Company does not expect any losses on the realization of the asset.

On April 25, 2017 the Mining and Energy Ministry, by Ministerial Order 158/17, designated Cemig GT as the party responsible, temporarily, for provision of the service of electricity generation through the Jaguara Hydroelectric Plant, thus ensuring continuity of the service. The Generation Assets Management (GAG) expense, of R$ 37 million per year, will be used for the decision on the initial Annual Generation Revenue (RAG) of the plant.

The *São Simão* hydroelectric plant

On March 6, 2017 the STJ granted an interim remedy maintaining Cemig GT in possession of the concession to operate the *São Simão* Plant on the initial terms of its Concession Contract 007/1997, until conclusion of the judgment of the Company's application for *mandamus*.

On March 28, 2017 the interim remedy was repealed in which Cemig GT seeks, in the Higher Appeal Court (*Superior Tribunal de Justiça* – STJ), annulment of the decision of the Mining and Energy Ministry (MME) which refused, on its merits, the application by Cemig GT for extension of the period of concession of the *São Simão* Hydroelectric Plant, in the terms of its Concession Contract 007/97.

The balance of the concession value not yet amortized, represented by book value of R$ 207 million on March 31, 2017, was transferred from PP&E to a specific account line of Non-current assets, considering that it is still in dispute in the courts. The Company does not expect any losses on the realization of the asset.

The *Miranda* Hydroelectric Plant

On March 29, 2017, the interim remedy (injunction) given in application for *mandamus* number 23.042/DF, before the Higher Appeal Court (STJ), brought by the Company to annul the decision by the Mining and Energy Ministry (MME) which refused, on its merits, Cemig GT's request for ratification of the extension of its concession for the Miranda Hydroelectric Plant, under its Concession Contract, number 007/97, was revoked.

Up to March 291, 2017 (the date of repeal of the interim injunction), the Company recognized revenue from sales of electricity and operational costs of this plant, since it remained in control of the asset up to that date.

On March 31, 2017 the balance of the concession value not yet amortized, represented by book value of R$ 629 million, was transferred from PP&E to a specific account line of Non-current assets, considering that it is still in dispute in the courts. The Company does not expect any losses on the realization of the asset.

On April 25, 2017 the Mining and Energy Ministry, by Ministerial Order 157/17, designated Cemig GT as the party responsible, temporarily, for provision of the service of electricity generation through the Miranda Hydroelectric Plant, thus ensuring continuity of the service. The Generation Assets Management (GAG) expense, of R$ 30 million per year, will be used for the decision on the initial Annual Generation Revenue (RAG) of the plant.

<ins>Administrative Proceeding</ins>

Subsidiarily to its request for extension for 20 years of the concessions of the Jaguara, São Simão and Miranda Hydroelectric Plants, the Company requested opening of an Administrative Proceeding under Paragraph 1-C of Article 8 of Law 12783/2013, to the benefit of Cemig GT.

Paragraph 1-C was added to Article 8 of Law 12783, of 2013, by Law 13360, of November 17, 2016, and enables the federal government to grant a concession contract for electricity generation for a period of 30 (thirty) years when there is transfer of control of the legal entity which is already providing this service (in this case, one of the subsidiaries of Cemig GT), and is under direct or indirect control of an individual State, or the Federal District, or the municipality, provided that:

I – the tender, which may be by auction or by competitive bidding, is held by the controlling shareholder on or before February 28, 2018; and

II – the transfer of control takes place by June 30, 2018.

The subsidiary request was made on the grounds of the spirit of conciliation and cooperation that should govern the relationship between a concession holder and the concession-granting power, and the constant quest, at all times, for alternatives that present the best solution for consumers, for the country and for the shareholders of the Company – who in this case include the people of the state of Minas Gerais.

Thus, in the event that the Ministry decides to maintain its position, and if all the court judgments that have determined that Law 12783/2013 should prevail to the detriment of the provisions of the Second Subclause of Clause 4 of Contract CEMIG 007 of 1997 are maintained, Cemig GT has requested application of the rule that is now contained in §1-C of Article 8 of Law 12783 of 2013.

We would point out that the presentation of the Subsidiary Request does not result in any waiver by Cemig GT of its right – which is the subject of the legal actions that it currently has in progress against the federal government – that is to say its right to guaranteed extension of the concessions as specified in Clause 4 of Concession Contract 007/1997.

On the same date the Company filed with the MME a response to the formal question as to its interest in remaining as provider of electricity generation service after the ending of the concession period of the *Volta Grande* Hydroelectric Plant, which took place on February 23, 2017. In this response, and adding a request of its own, the Company stated its interest in remaining responsible for the provision of electricity generation service by this hydroelectric plant, and also requested opening of an administrative proceeding for the purposes of §1-C of Article 8 of Law 12783/2013, also to the benefit of one of the service providing subsidiaries of Cemig GT.

Management continues to be confident of its right in relation to the *Jaguara, São Simão* and *Miranda* plants, supported by a contractual clause, by the legislation in force, and by opinions issued by renowned jurists. The Company's internal and external legal advisers have categorized the chance of success in the court dispute as 'possible'.

FINANCIAL STATEMENTS SEPARATED BY SEGMENT

INFORMATION BY MARKET SEGMENT ON MARCH 31, 2017								
DESCRIÇÃO	ELECTRICITY			TELECOMS	GAS	Other	Eliminations	TOTAL
	GENERATION	TRANSMISSÃO	DISTRIBUIÇÃO					
ASSETS OF THE SEGMENT	**14,275,170**	**4,429,953**	**18,236,415**	**340,276**	**2,530,107**	**2,241,607**	**(289,439)**	**41,764,089**
ADDITIONS TO THE SEGMENT	**165,727**	**-**	**181,358**	**8,928**	**11,328**	**-**	**-**	**367,341**
Additions to the financial asset	**-**	**2,920**	**-**	**-**	**-**	**-**	**-**	**2,920**
INVESTMENTS IN SUBSIDIARIES AND JOINTLY-CONTROLLED ENTITIES	**5,380,762**	**1,733,227**	**1,746,439**	**19,019**	**-**	**17,136**	**-**	**8,896,583**
NET REVENUE	**1,565,603**	**146,636**	**2,767,988**	**28,319**	**344,442**	**26,837**	**(66,895)**	**4,812,930**
COST OF ELECTRICITY AND GAS								
Electricity purchased for resale	(734,885)	-	(1,378,708)	-	-	(9)	20,514	(2,093,088)
Charges for use of the national grid	(83,090)	(87)	(162,447)	-	-	-	39,127	(206,497)
Gas bought for resale	-	-	-	-	(222,512)	-	-	(222,512)
Operational costs, total	**(817,975)**	**(87)**	**(1,541,155)**	**-**	**(222,512)**	**(9)**	**59,641**	**(2,522,097)**
OPERATING COSTS AND EXPENSES								
Personnel	(67,438)	(24,660)	(254,179)	(4,584)	(11,809)	(18,538)	-	(381,208)
Profit sharing	(3,108)	(1,412)	(13,516)	(315)	-	(533)	-	(18,884)
Post-retirement obligations	(14,124)	(5,941)	(64,905)	-	-	(9,668)	-	(94,638)
Materials	(2,152)	(546)	(8,108)	(29)	(428)	(22)	6	(11,279)
Outsourced services	(25,239)	(4,871)	(172,693)	(6,747)	(3,535)	(2,787)	7,248	(208,624)
Depreciation and amortization	(45,634)	-	(129,767)	(8,372)	(13,640)	(3,952)	-	(201,365)
Operational provisions (reversals)	(53,742)	(1,783)	(136,594)	56	-	(16,469)	-	(208,532)
Construction costs	-	(2,920)	(181,358)	-	(16,281)	-	-	(200,559)
Other operating expenses, net	(17,971)	(2,253)	(68,750)	(5,115)	(3,290)	863	-	(96,516)
Total cost of operation	**(229,408)**	**(44,386)**	**(1,029,870)**	**(25,106)**	**(48,983)**	**(51,106)**	**7,254**	**(1,421,605)**
OPERATING COSTS AND EXPENSES	**(1,047,383)**	**(44,473)**	**(2,571,025)**	**(25,106)**	**(271,495)**	**(51,115)**	**66,895**	**(3,943,702)**
OPERATIONAL PROFIT BEFORE EQUITY GAINS (LOSSES) AND FINANCIAL REVENUE (EXPENSES)	**518,220**	**102,163**	**196,963**	**3,213**	**72,947**	**(24,278)**	**-**	**869,228**
Equity method gains in non-consolidated investees	(25,223)	65,989	(8,271)	(725)	-	(2,129)	-	29,641
Financial revenues	46,883	1,775	102,499	446	5,134	23,154	-	179,891
Financial expenses	(339,474)	(667)	(215,963)	(4,027)	(13,642)	1,136	-	(572,637)
PRE-TAX PROFIT	**200,406**	**169,260**	**75,228**	**(1,093)**	**64,439**	**(2,117)**	**-**	**506,123**
Income and Social Contribution taxes	(84,108)	(30,530)	(34,591)	117	(20,712)	6,435	-	(163,389)
NET PROFIT (LOSS)	**116,298**	**138,730**	**40,637**	**(976)**	**43,727**	**4,318**	**-**	**342,734**
Interest of the controlling shareholders	**116,298**	**138,730**	**40,637**	**(976)**	**43,589**	**4,318**	**-**	**342,596**
Interest of non-controlling shareholder	-	-	-	-	138	-	-	138

Appendices

Generation plants – December 31, 2016

Usina	Empresa	Tipo	Participação Cemig	Capacidade Instalada (MW)	Garantia Física (MW Médio)	Capacidade Instalada (MW) *	Garantia Física (MW Médio) *	Vencimento
São Simão	CEMIG GT	UHE	100,00%	1.710,00	1.281,00	1.710,00	1.281,00	11/01/2015
Emborcação	CEMIG GT	UHE	100,00%	1.192,00	497,00	1.192,00	497,00	23/07/2025
Nova Ponte	CEMIG GT	UHE	100,00%	510,00	276,00	510,00	276,00	23/07/2025
Jaguara	CEMIG GT	UHE	100,00%	424,00	336,00	424,00	336,00	28/08/2013
Miranda	CEMIG GT	UHE	100,00%	408,00	202,00	408,00	202,00	23/12/2016
Irapé	CEMIG GT	UHE	100,00%	399,00	210,70	399,00	210,70	28/02/2035
Volta Grande	CEMIG GT	UHE	100,00%	380,00	229,00	380,00	229,00	23/02/2017
Igarapé	CEMIG GT	UTE	100,00%	131,00	71,30	131,00	71,30	13/08/2024
Rio de Pedras	CEMIG GT	PCH	100,00%	9,28	2,15	9,28	2,15	19/09/2024
Poço Fundo	CEMIG GT	PCH	100,00%	9,16	5,79	9,16	5,79	19/08/2025
São Bernardo	CEMIG GT	PCH	100,00%	6,82	3,42	6,82	3,42	19/08/2025
Paraúna	CEMIG GT	PCH	100,00%	4,28	1,90	4,28	1,90	-
Pandeiros	CEMIG GT	PCH	100,00%	4,20	0,47	4,20	0,47	22/09/2021
Salto Morais	CEMIG GT	PCH	100,00%	2,39	0,74	2,39	0,74	01/07/2020
Sumidouro	CEMIG GT	PCH	100,00%	2,12	0,34	2,12	0,34	08/07/2015
Anil	CEMIG GT	PCH	100,00%	2,08	1,16	2,08	1,16	08/07/2015
Xicão	CEMIG GT	PCH	100,00%	1,81	0,61	1,81	0,61	19/08/2025
Luiz Dias	CEMIG GT	PCH	100,00%	1,62	0,61	1,62	0,61	19/08/2025
Central Mineirão	CEMIG GT	UFV	100,00%	1,42		1,42	-	-
Poquim	CEMIG GT	PCH	100,00%	1,41	0,58	1,41	0,58	08/07/2015
Santa Marta	CEMIG GT	PCH	100,00%	1,00	0,58	1,00	0,58	08/07/2015
Pissarrão	CEMIG GT	PCH	100,00%	0,80	0,55	0,80	0,55	19/11/2004
Jacutinga	CEMIG GT	PCH	100,00%	0,72	0,47	0,72	0,47	-
Santa Luzia	CEMIG GT	PCH	100,00%	0,70	0,23	0,70	0,23	25/02/2026
Lages	CEMIG GT	PCH	100,00%	0,68	0,54	0,68	0,54	24/06/2010
Bom Jesus do Galho	CEMIG GT	PCH	100,00%	0,36	0,13	0,36	0,13	-
Queimado	CEMIG GT	UHE	82,50%	105,00	58,00	86,63	47,85	02/01/2033
Praias de Parajuru	CEMIG GT	EOL	49,00%	28,80	8,39	14,11	4,11	24/09/2032
Praia do Morgado	CEMIG GT	EOL	49,00%	28,80	13,20	14,11	6,47	26/12/2031
Volta do Rio	CEMIG GT	EOL	49,00%	42,00	18,41	20,58	9,02	26/12/2031
Três Marias	CEMIG G. TRÊS MARIAS	UHE	100,00%	396,00	239,00	396,00	239,00	04/01/2046
Salto Grande	CEMIG G. SALTO GRANDE	UHE	100,00%	102,00	75,00	102,00	75,00	04/01/2046
Itutinga	CEMIG G. ITUTINGA	UHE	100,00%	52,00	28,00	52,00	28,00	04/01/2046
Camargos	CEMIG G. CAMARGOS	UHE	100,00%	46,00	21,00	46,00	21,00	04/01/2046
	CEMIG G. SUL	PCHs	100,00%	39,53	27,00	39,53	27,00	04/01/2046
	CEMIG G. LESTE	PCHs	100,00%	35,16	19,95	35,16	19,95	04/01/2046
	CEMIG G. OESTE	PCHs	100,00%	28,90	12,68	28,90	12,68	04/01/2046
Sá Carvalho	Sá Carvalho S.A	UHE	100,00%	78,00	58,00	78,00	58,00	01/12/2024
Rosal	Rosal Energia S. A	UHE	100,00%	55,00	30,00	55,00	30,00	08/05/2032
Pai Joaquim	CEMIG PCH S.A	PCH	100,00%	23,00	2,41	23,00	2,41	01/04/2032
Barreiro	Usina Termelétrica Barreiro	UTE	100,00%	12,90	11,37	12,90	11,37	30/04/2023
Salto Voltão	Horizontes Energia	PCH	100,00%	8,20	6,63	8,20	6,63	04/10/2030
Salto do Paraopeba	Horizontes Energia	PCH	100,00%	2,46	-	2,46	-	04/10/2030
Salto do Passo Velho	Horizontes Energia	PCH	100,00%	1,80	1,48	1,80	1,48	04/10/2030
Machado Mineiro	Horizontes Energia	PCH	100,00%	1,72	1,14	1,72	1,14	08/07/2025
Aimorés	ALIANÇA	UHE	45,00%	330,00	172,00	148,50	77,40	20/12/2035
Funil	ALIANÇA	UHE	45,00%	180,00	89,00	81,00	40,05	20/12/2035
Amador Aguiar I (Capim Branco I)	ALIANÇA	UHE	39,32%	240,00	155,00	94,36	60,94	29/08/2036
Amador Aguiar II (Capim Branco II)	ALIANÇA	UHE	39,32%	210,00	131,00	82,56	51,50	29/08/2036
Porto Estrela	ALIANÇA	UHE	30,00%	112,00	55,80	33,60	16,74	10/07/2032
Igarapava	ALIANÇA	UHE	23,69%	210,00	136,00	49,75	32,22	30/12/2028
Candonga	ALIANÇA	UHE	22,50%	140,00	64,50	31,50	14,51	
Santo Antônio	Santo Antônio Energia	UHE	18,13%	3.568,30	2.424,00	646,90	439,45	12/06/2046
Belo Monte	Norte Energia	UHE	12,77%	2.677,54	2.525,30	341,87	322,43	26/08/2045
Baguari	BAGUARI ENERGIA	UHE	34,00%	140,00	80,20	47,60	27,27	15/08/2041
Retiro Baixo	Retiro Baixo Energética	UHE	49,90%	82,00	38,50	40,92	19,21	25/08/2041
Cachoeirão	Hidrelétrica Cachoeirão	PCH	49,00%	27,00	16,37	13,23	8,02	25/07/2030
Pipoca	Hidrelétrica Pipoca	PCH	49,00%	20,00	11,90	9,80	5,83	10/09/2031
	Light Energia	UHEs	43,33%	855,14	637,00	370,53	275,85	
	Lightger	PCH	71,10%	25,00	19,53	17,77	13,89	
	Renova Energia	EOL	40,94%	386,10	191,30	158,09	78,33	
	Renova Energia	PCH	40,94%	41,80	24,40	17,11	9,99	
	Brasil PCH	PCHs	20,88%	291,00	192,68	60,77	40,23	
Total				**15.828,01**	**10.719,40**	**8.468,82**	**5.258,24**	

CEMIG
A Melhor Energia do Brasil.

RAP (Permitted Annual Revenue – Transmission) – 2016-17 cycle

Resolução Homologatoria ANEEL - nº 2.098/16*				
Annual Permitted Revenue (RAP)	RAP	% Cemig	Cemig Consolidado	Cemig GT
Cemig GT	296,435,871	100.0%	296,435,871	296,435,871
Cemig Itajuba	37,434,741	100.0%	37,434,741	37,434,741
Centroeste	17,129,836	51.0%	8,736,216	
Transirapé	29,201,132	24.5%	7,154,277	
Transleste	40,172,135	25.0%	10,043,034	
Transudeste	24,899,069	24.0%	5,975,777	
Taesa		31.54%		
ETEO	112,775,455	100.0%	35,569,378	
ETAU	42,527,356	52.6%	7,053,132	
NOVATRANS	512,214,141	100.0%	161,552,340	
TSN	494,919,285	100.0%	156,097,542	
GTESA	9,216,414	100.0%	2,906,857	
PATESA	23,933,818	100.0%	7,548,726	
Munirah	35,919,476	100.0%	11,329,003	
Brasnorte	24,904,755	38.7%	3,037,081	
São Gotardo	5,023,232	100.0%	1,584,327	
NTE	151,048,516	100.0%	47,640,702	
STE	80,334,482	100.0%	25,337,495	
ATEI	146,729,702	100.0%	46,278,548	
ATEII	226,671,244	100.0%	71,492,110	
ATEIII	112,228,974	100.0%	35,397,018	
Mariana **	13,863,000	100.0%	4,372,390	
Miracema **	61,268,000	100.0%	19,323,927	
Janaúba	174,624,789	100.0%	55,076,658	
Aimorés	71,424,700	50.0%	11,263,675	
TBE				
EATE	422,269,558	50.0%	66,568,439	
STC	41,521,642	40.0%	5,236,683	
Lumitrans	26,206,259	40.0%	3,305,016	
ENTE	221,643,644	50.0%	34,945,473	
ERTE	49,750,421	50.0%	7,843,554	
ETEP	96,563,389	50.0%	15,223,312	
ECTE	79,722,528	19.1%	4,800,783	
EBTE	44,400,267	74.5%	10,431,604	
ESDE	12,639,916	50.0%	1,992,695	
ETSE	21,581,574	19.1%	1,299,613	
Light	8,803,216	32.6%	904,595	
RAP TOTAL CEMIG			**1,221,192,595**	**333,870,612**

Cemig D Tables (R$ million)

CEMIG D Market				
	(GWh)			GW
Quarter	Captive Consumers	TUSD ENERGY1	T.E.D2	TUSD PICK3
1Q14	6.744	4.464	11.208	29
2Q14	6.646	4.485	11.132	29
3Q14	6.686	4.298	10.984	27
4Q14	6.935	4.201	11.136	29
1Q15	6.780	4.034	10.814	30
2Q15	6.371	3.896	10.268	28
3Q15	6.471	3.803	10.274	29
4Q15	6.850	3.937	10.787	28
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

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	1Q17	1Q16	Change%
Sales to end consumers	4.179	4.331	(4)
TUSD	468	417	12
CVA and Other financial components in tariff adjustment	(303)	(132)	129
Construction revenue	181	219	(17)
Updating of financial assets – Remuneration Assets Base (BRR)	1	2	(34)
Others	276	297	(7)
Subtotal	**4.802**	**5.133**	**(6)**
Deductions	(2.034)	(2.442)	(17)
Net Revenues	**2.768**	**2.691**	**3**

Operating Expenses	1Q17	1Q16	Change%
Personnel/Administrators/Councillors	254	288	(12)
Employees' and managers' profit shares	14	-	-
Forluz – Post-Retirement Employee Benefits	65	50	30
Materials	8	8	-
Contracted Services	173	167	3
Purchased Energy	1.379	1.276	8
Depreciation and Amortization	130	122	7
Operating Provisions	137	145	(6)
Charges for Use of Basic Transmission Network	162	213	(24)
Cost from Operation	181	219	(17)
Other Expenses	69	88	(22)
Total	**2.571**	**2.576**	**-**

Statement of Results	1Q17	1Q16	Change%
Net Revenue	2.768	2.691	3
Operating Expenses	2.571	2.576	-
EBIT	**197**	**116**	**70**
EBITDA	**327**	**238**	**38**
Financial Result	(113)	(142)	20
Provision for Income Taxes, Social Cont &	(35)	(1)	2.632
Net Income	**49**	**(27)**	**-**

Cemig GT tables (R$ million)

Operating Revenues	1Q17	1Q16	Change%
Sales to end consumers	930	945	(2)
Supply	640	592	8
Gain on monetary updating of Concession Grant Fee	80	81	(2)
Transactions in the CCEE	220	4	5.017
Revenues from Trans. Network	127	94	34
Construction revenue	3	7	(56)
Transmission indemnity revenue	66	31	111
Others	10	6	58
Subtotal	**2.076**	**1.760**	**18**
Deductions	(402)	(359)	12
Net Revenues	**1.674**	**1.401**	**20**

Operating Expenses	1Q17	1Q16	Change%
Personnel/Administrators/Councillors	91	97	(6)
Employees' and managers' profit shares	4	-	-
Forluz – Post-Retirement Employee Benefits	20	17	21
Materials	3	2	14
Contracted Services	27	36	(25)
Depreciation and Amortization	41	47	(12)
Operating Reserves	56	22	154
Charges for Use of Basic Transmission Network	82	74	11
Purchased Energy	734	660	11
Construction Cost	3	7	(56)
Other Expenses	20	22	(10)
Total	**1.081**	**983**	**10**

Statement of Results	1Q17	1Q16	Change%
Net Revenue	1.674	1.401	20
Operating Expenses	(1.081)	(983)	10
EBIT	**594**	**418**	**42**
Equity equivalence results	(25)	(150)	(83)
EBITDA	**610**	**315**	**94**
Financial Result	(295)	(290)	(2)
Provision for Income Taxes, Social Cont & Deferred Income Tax	(88)	(39)	126
Net Income	**185**	**(61)**	**302**

Tables – Cemig Consolidated (R$ million)

Energy Sales (Consolidated)(GWh)	1Q17	1Q16	Change%
Residential	2.537	2.491	2
Industrial	4.253	4.838	(12)
Commercial	1.912	1.688	13
Rural	798	724	10
Others	860	837	3
Subtotal	**10.361**	**10.577**	**(2)**
Own Consumption	9	9	-
Supply	2.894	2.697	7
TOTAL	**13.264**	**13.284**	**-**

Energy Sales	1Q17	1Q16	Δ%
Residential	1.991	2.024	(2)
Industrial	1.182	1.347	(12)
Commercial	1.140	1.163	(2)
Rural	368	323	14
Others	405	409	(1)
Electricity sold to final consumers	**5.087**	**5.266**	**(3)**
Unbilled Supply, Net	227	97	133
Supply	458	552	(17)
TOTAL	**5.772**	**5.915**	**(2)**

Operating Revenues	1Q17	1Q16	Change%
Sales to end consumers	5.123	5.307	(3)
TUSD	463	409	13
Supply	649	608	7
Transactions in the CCEE	227	3	8.518
CVA and Other financial components in tariff adjustment	(303)	(132)	129
Gain on monetary updating of Concession Grant Fee	80	81	(2)
Revenues from Trans. Network	93	73	27
Construction revenue	201	235	(15)
Gas supply	411	379	8
Transmission Indemnity Revenue	66	31	111
Others	349	363	(4)
Subtotal	**7.357**	**7.356**	**-**
Deductions	(2.544)	(2.903)	(12)
Net Revenues	**4.813**	**4.454**	**8**

Operating Expenses	1Q17	1Q16	Δ%
Personnel/Administrators/Councillors	381	413	(8)
Employees' and managers' profit shares	19	-	-
Forluz – Post-Retirement Employee Benefits	95	75	26
Materials	11	11	2
Contracted Services	209	208	-
Purchased Energy	2.093	1.931	8
Depreciation and Amortization	201	199	1
Operating Provisions	209	252	(17)
Charges for Use of Basic Transmission Network	206	259	(20)
Gas bought for resale	223	238	(6)
Cost from Operation	201	235	(15)
Other Expenses	97	128	(25)
TOTAL	**3.944**	**3.949**	**-**

Financial Result Breakdown	1Q17	1Q16	Δ%
Financial revenues	**180**	**225**	**(20)**
Revenue from cash investments	65	59	10
Arrears penalty payments on electricity bills	73	74	(1)
Exchange rate	8	15	(43)
Monetary updating	8	16	(48)
Monetary updating - CVA	-	20	-
Taxes applied to Financial Revenue	(11)	(12)	(9)
Other	37	54	(32)
Financial expenses	**(573)**	**(639)**	**(10)**
Costs of loans and financings	(461)	(428)	8
Exchange rate	-	(17)	(100)
Monetary updating – loans and financings	(43)	(116)	(63)
Monetary updating – paid concessions	(10)	(18)	(46)
obligations	(19)	(37)	(48)
Other	(39)	(22)	77
Financial revenue (expenses)	**(393)**	**(414)**	**5**

Statement of Results	1Q17	1Q16	Δ%
Net Revenue	4.813	4.454	8
Operating Expenses	3.944	3.949	-
EBIT	**869**	**504**	**72**
Equity gain in subsidiaries	30	(58)	-
Depreciation and Amortization	201	199	1
EBITDA	**1.100**	**646**	**71**
Financial Result	(393)	(414)	(5)
Income Tax	(163)	(27)	516
Net Income	**343**	**5**	**6.481**

Cash Flow Statement	03/31/2017	03/31/2016	Change%
Cash at beginning of period	**995**	**925**	**8**
Cash generated by operations	**528**	**(848)**	**-**
Net profit	343	5	6.482
Current and deferred income tax and Social Contribution tax	163	27	516
Depreciation and amortization	201	199	1
Post-retirement obligations	114	113	-
Passthrough from CDE	303	132	129
Equity gain (loss) in subsidiaries	(30)	58	-
Provisions (reversals) for operational losses	209	252	(17)
Interest paid on loans and financings	356	370	(4)
Other adjustments	(1.131)	(2.003)	44
Financing activities	**(517)**	**147**	**452**
Financings obtained and capital increase	-	1.921	-
Interest on Equity, and dividends	-	(22)	-
Payments of loans and financings	(517)	(1.752)	(70)
Investment activity	**(164)**	**969**	**(117)**
Securities - Financial Investment	192	1.653	(117)
Acquisition / Disposal of ownership interest and future capital commitments	(162)	(480)	(66)
Linked funds	(11)	-	-
Fixed and Intangible assets	(183)	(204)	(10)
Cash at end of period	**842**	**1.193**	**(29)**

Total Cash	**1.710**	**2.040**

BALANCE SHEETS (CONSOLIDATED) - ASSETS	03/31/2017	12/31/2016
CURRENT	**7.902**	**8.285**
Cash and cash equivalents	842	995
Securities	841	1.014
Consumers and traders	3.808	3.425
Financial assets of the concession	508	730
Tax offsetable	235	236
Income tax and Social Contribution tax recoverable	426	590
Dividends receivable	19	11
Linked funds	379	367
Inventories	48	49
Passthrough from CDE (Energy Development Account)	64	64
Other credits	731	803
NON-CURRENT	**33.862**	**33.750**
Securities	27	31
Consumers and traders	146	146
Tax offsetable	189	178
Income tax and Social Contribution tax recoverable	71	112
Deferred income tax and Social Contribution tax	1.880	1.797
Escrow deposits in legal actions	1.911	1.887
Other credits	782	1.073
Assets of the concession of generation	1.006	207
Financial assets of the concession	5.249	4.971
Investments	8.897	8.753
PP&E	2.859	3.775
Intangible assets	10.845	10.820
TOTAL ASSETS	**41.764**	**42.036**

BALANCE SHEETS LIABILITIES AND SHAREHOLDERS' EQUITY	03/31/2017	12/31/2016
CURRENT	**11.381**	**11.447**
Suppliers	1.615	1.940
Regulatory charges	349	381
Profit shares	35	18
Taxes	529	794
Income tax and Social Contribution tax	63	27
Interest on Equity, and dividends, payable	467	467
Loans and financings	4.967	4.837
Payroll and related charges	212	225
Post-retirement liabilities	199	199
Financial liabilities of the concession	851	482
Provisions for losses on investments	1.166	1.150
Advance sale of energy	303	181
Other obligations	625	749
NON-CURRENT	**17.090**	**17.654**
Regulatory charges	488	455
Loans and financings	9.761	10.342
Taxes	724	724
Income tax and Social Contribution tax	592	582
Provisions	875	815
Post-retirement liabilities	4.096	4.043
Provisions for losses on investments	136	323
Financial Instruments - Put Options	239	192
Other obligations	179	179
STOCKHOLDERS' EQUITY	**13.289**	**12.930**
Share capital	6.294	6.294
Capital reserves	1.925	1.925
Profit reserves	5.201	5.200
Adjustments to Stockholders' equity	(482)	(488)
Retained earnings	352	-
NON- CONTROLLING STOCKHOLDER´S EQUITY	**4**	**4**
TOTAL LIABILITIES	**41.764**	**42.036**