



Successful Strategy

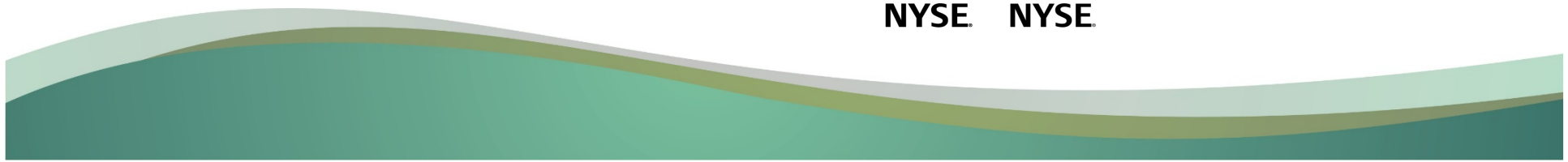
Performance reflects balanced portfolio structure

2017



CIG
LISTED
NYSE.

CIG.C
LISTED
NYSE.



Some statements and estimates in this material may represent expectations about future events or results that involve risks and uncertainties known and unknown. There is no guarantee that the events or results referred to in these expectations will occur.

These expectations are based on present assumptions and analyses from the viewpoint of our management, based on their experience, the macroeconomic environment, market conditions in the energy sector and our expected future results, many of which are not under Cemig's control.

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

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

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

All figures are in BR GAAP.

#1 Integrated Power Utility in Brazil

#4⁽²⁾ Market cap US\$ 3.9⁽¹⁾ B.

+23% Growth in EBITDA 2008-15

Leading consolidator Role in industry

In the Power Industry since **1952**

(1) As of April 17th, 2017

(2) In the Brazilian Energy Industry

121

Power plants

86



32



1



2



8.4 GW

Total installed capacity

540,000 km

Electricity Distribution lines



8,200 km

Power Transmission lines

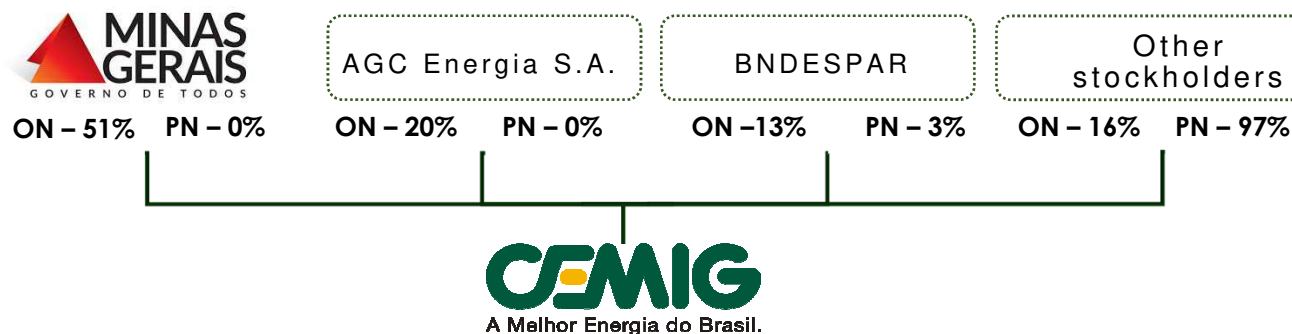


Cemig at a Glance



- Based in State of Minas Gerais, controlling shareholder
 - Assets in 23 Brazilian states
- Strong financial profile:
 - 2016 Net revenues: R\$18.7 B EBITDA: R\$2.6 B
 - 2015 Net revenues: R\$21.9 B EBITDA: R\$5.5 B
- Highest liquidity in the sector
 - listed on 3 stock exchanges New York, São Paulo, Madrid
 - More than 120,000 shareholders in more than 40 countries
 - Average Daily Trading Volume (last twelve months up to March)

R\$58.8M in Bovespa and US\$11.4M in NYSE
- Solid dividend policy
 - Minimum 50% payout ratio
 - Every two years, may pay extra dividends, if cash conditions permit
- Shareholder Structure:



Cemig is Uniquely Positioned



The Brazil advantage

An Emerging Powerhouse Economy

#1

Latin American economy

#9

Ranking of economy in world⁽¹⁾

R\$6.3 Trillion

GDP 2016

0.48%

GDP growth 2017⁽²⁾

206 M

Population

(1) World Bank

(2) Brazil's Central Bank Focus Report, March 10th 2017

Cemig is Uniquely Positioned



Unmatched scale

Largest Integrated Utility in Brazil

#1

Electricity
Distributor

#2

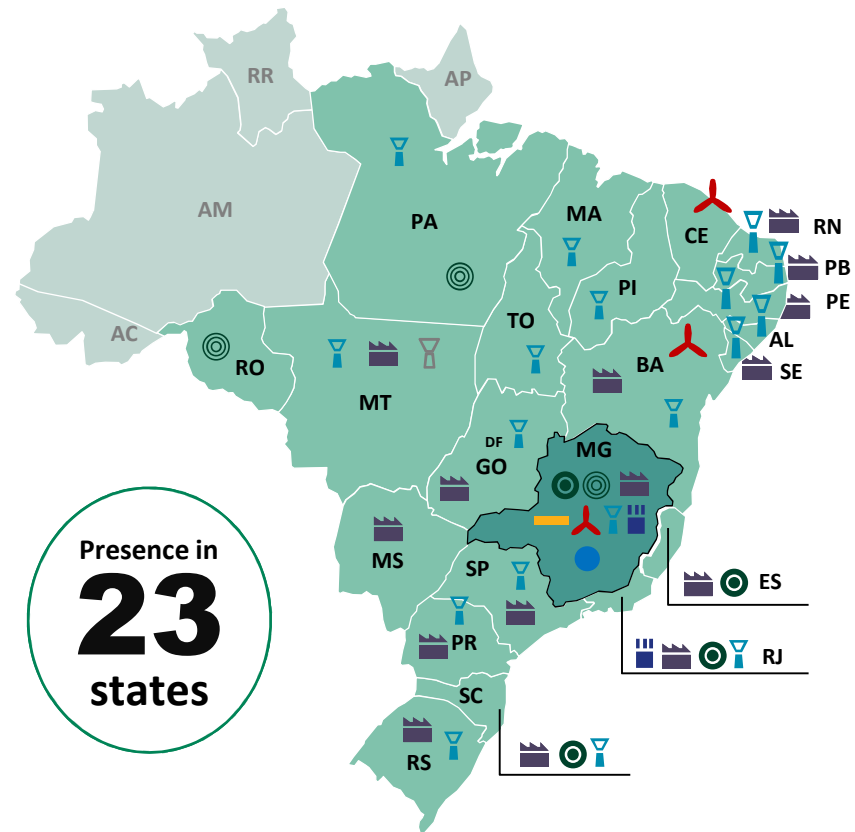
Largest Power
Transmission
Group

#3

Largest Power
Generation
Group

#1 Integrated Power Utility in Brazil

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



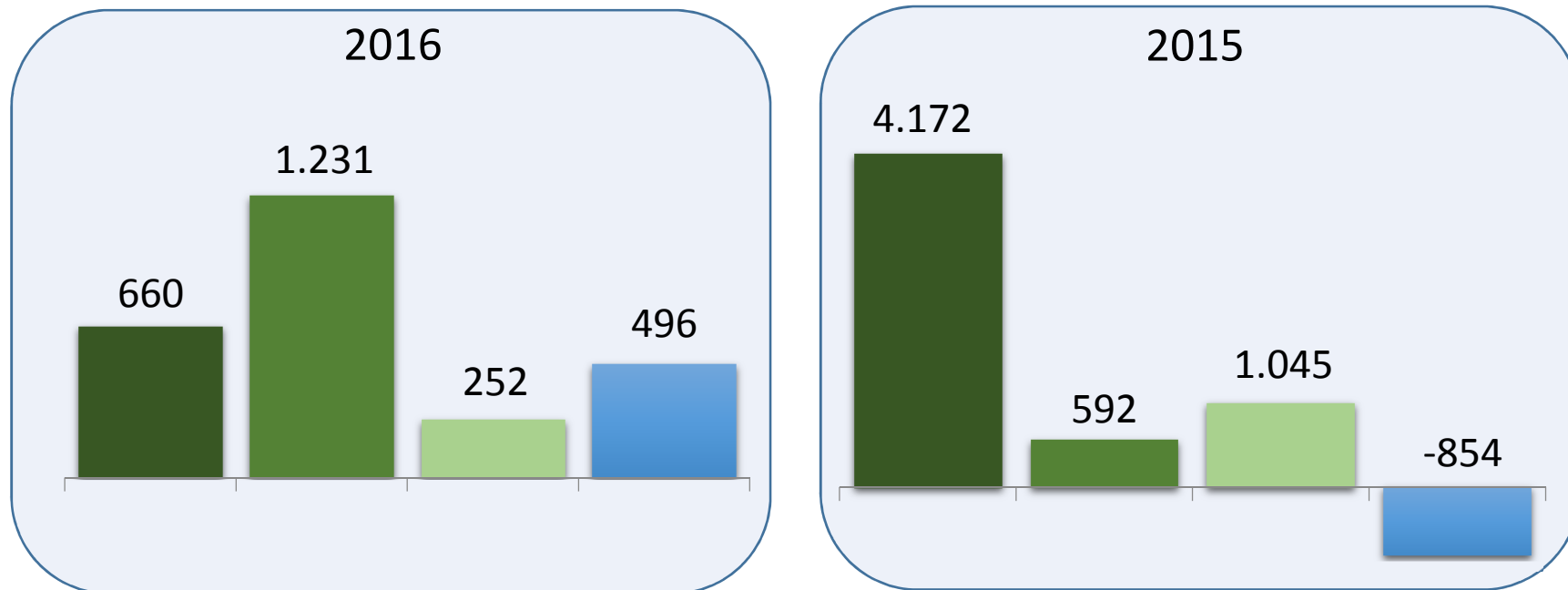
Cemig is Uniquely Positioned



Diversified portfolio

Diversified, Low Risk Business Portfolio

Breakdown of Ebitda



■ Generation ■ Transmission ■ Distribution ■ Others

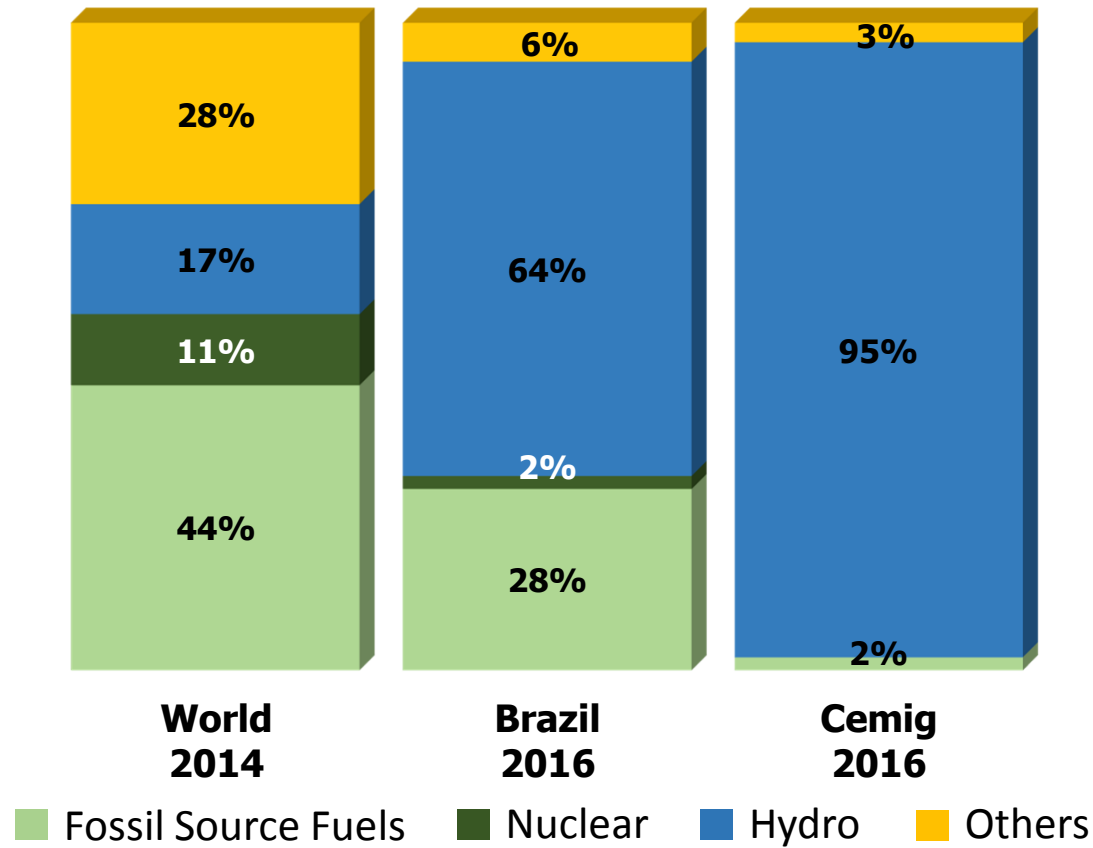
Most of the revenues are inflation protected

Leader in Renewable Hydro Power Energy



Renewable Leader

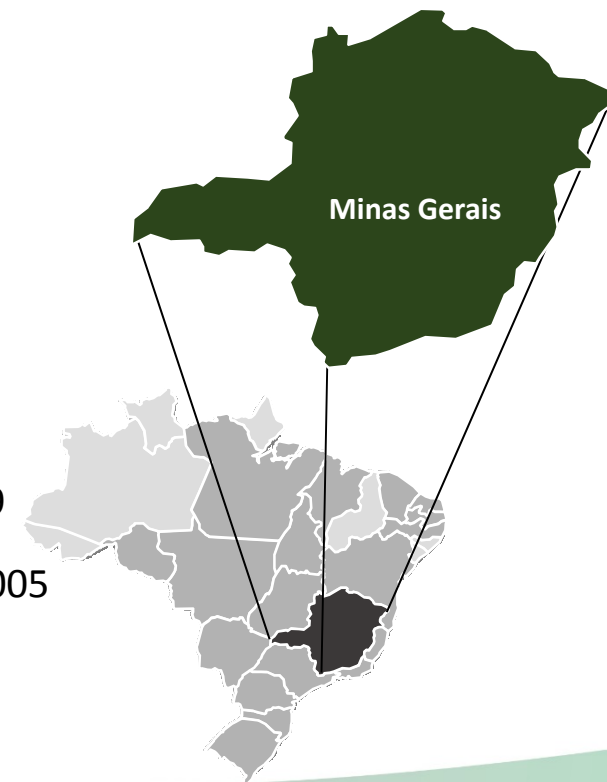
Power Generation by Source



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

Strong governance

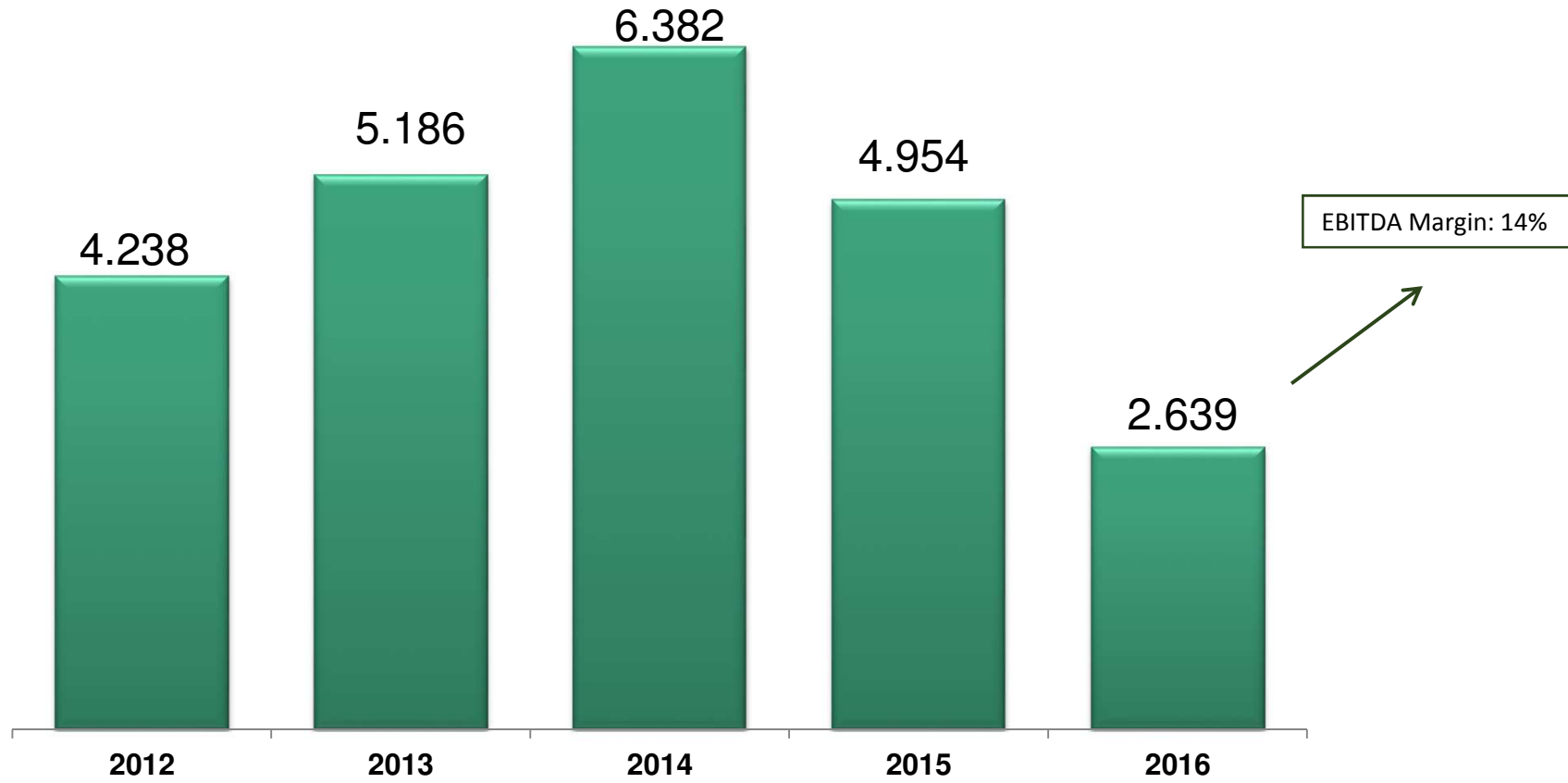
- ✓ Minas Gerais, controlling shareholder – a positive influence
 - One of fastest growing, investor-friendly states in Brazil
 - Growth and profitability interest aligned with minority shareholders
 - 7 from a total of 15 members are appointed by minority shareholders
- ✓ Pro-market corporate bylaws include
 - Minimum 50% dividend payout
 - Capex limited to 40% of EBITDA
 - Net debt limited to 2.5x EBITDA
 - Net debt limited to 50% of total cap.
- ✓ Leader in sustainability
 - Only Latin American utility in DJSI – Dow Jones since 1999
 - Included in the ISE – Bovespa Sustainability Index since 2005
- ✓ Present in the Global Dow Index



EBITDA



R\$ million

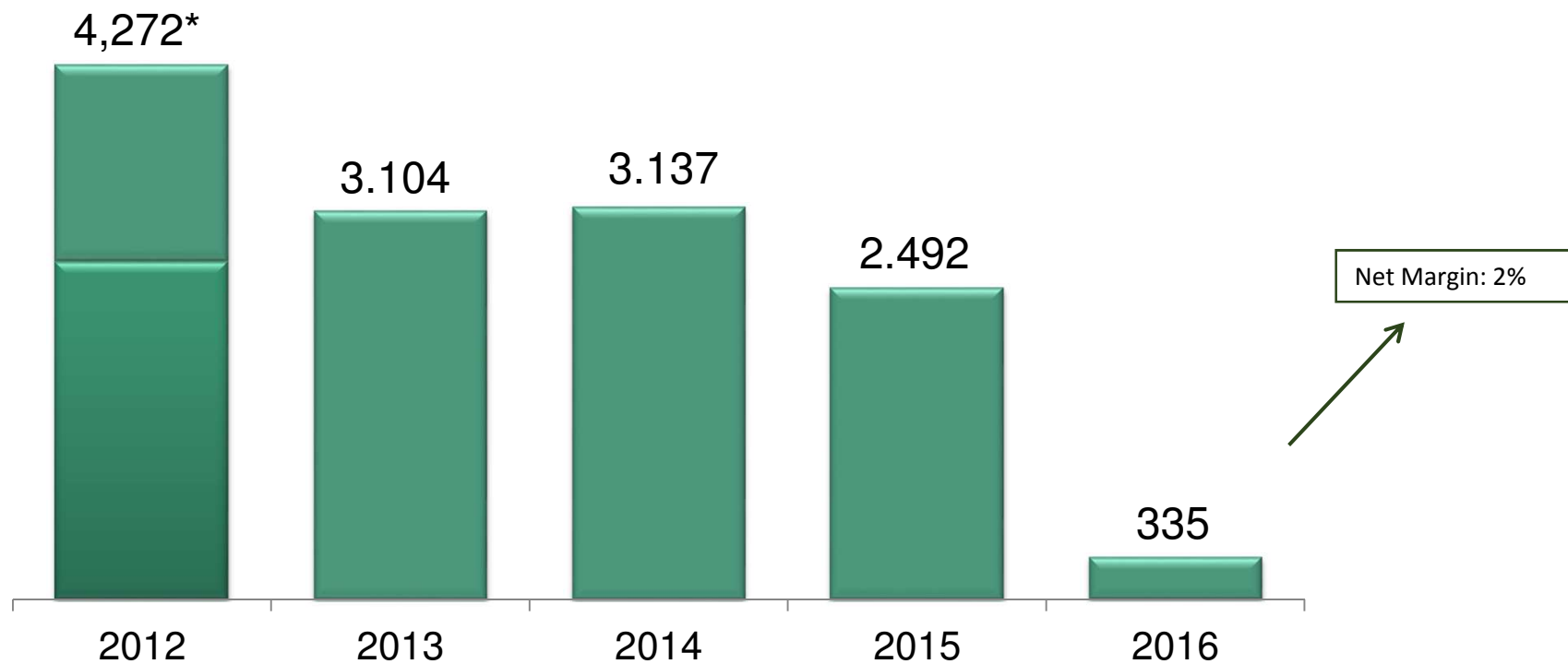


LTM - Last twelve months

Net Income



R\$ million

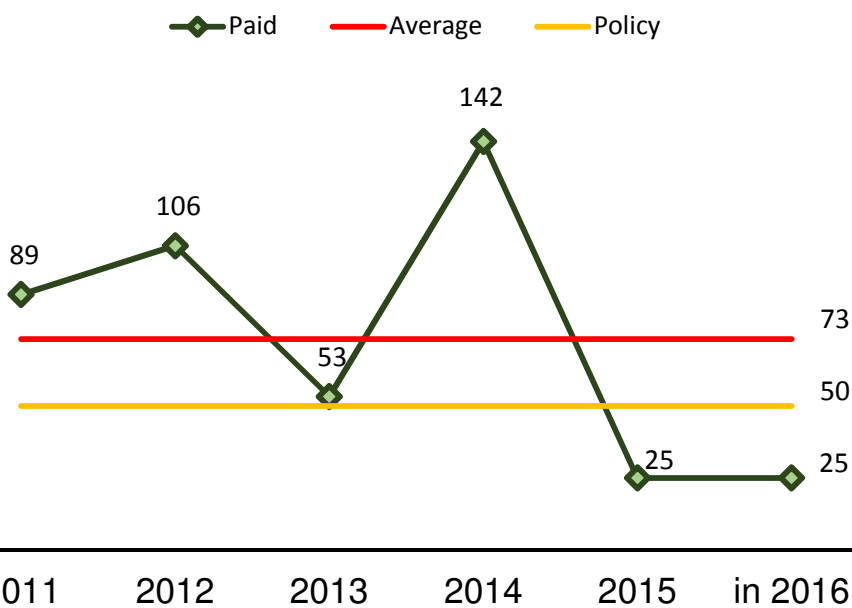


LTM - Last twelve months

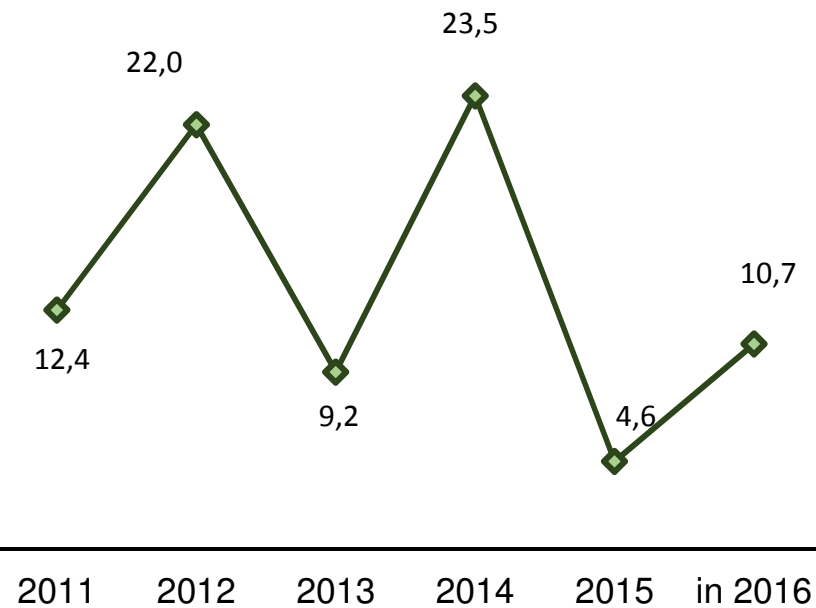
*Includes non-recurring gain of R\$1,572 million with the CRC's (Accounts receivable from Minas Gerais State government) anticipated settlement.

Attractive and Secure Dividend Payout

Dividend Payout (% of Net Income)



Dividend Yield (%)



Balance Sheet to Support Growth

4.98x

Net debt to EBITDA – 2016

0.2%

Debt in foreign currency^(*)

R\$2.1B

Cash on hand

R\$18.8B

Net Revenue – 2016

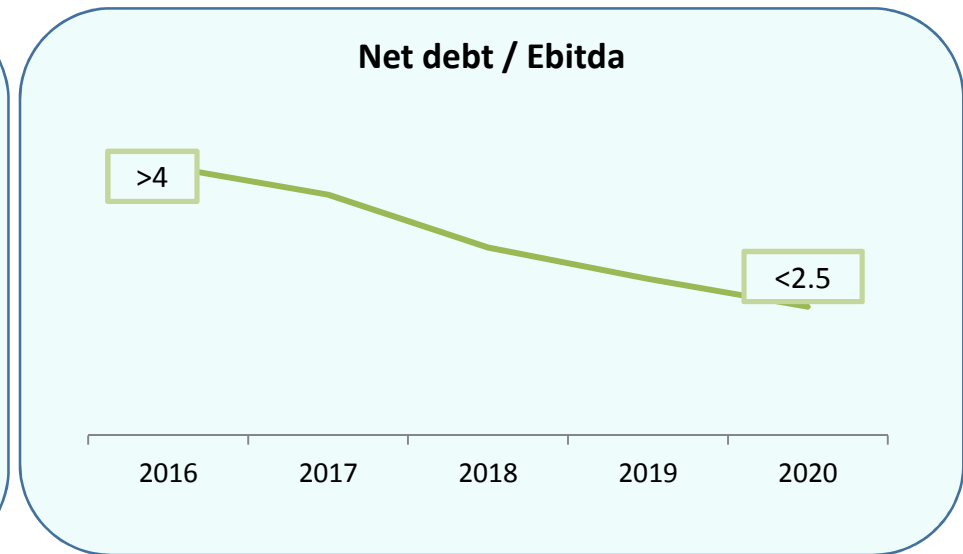
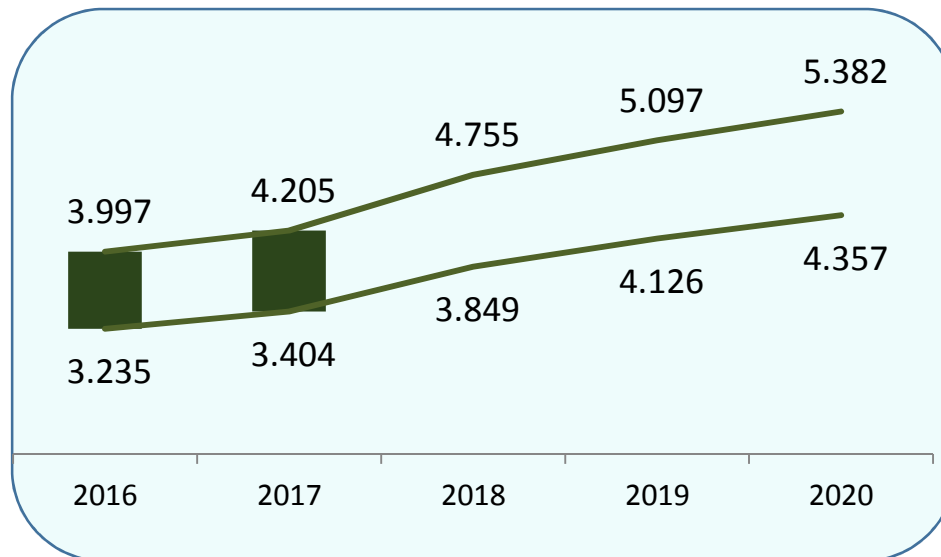
*Net of financial hedging

EBITDA Guidance – 2015/2019



Main assumptions

- Average annual market growth rate of **1.7% GT** and **2.6% D** (2017-2020)
- Creation of seven SPV to operate the plants of the 2015 Concessions Auction ('Lot D')
- Considers *Jaguara* and *São Simão* up to June 2016, and *Miranda up* to December 2016
- Excludes benefits from indemnities received from expired generation concession contracts
- Value revision of transmission indemnity considering rules set by Mining and Energy Ministry (impact on financial revenue/expenses)



Cemig - consolidated debt profile

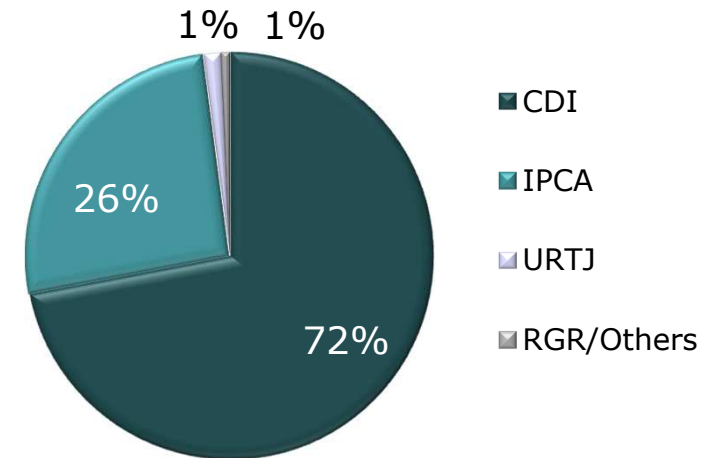
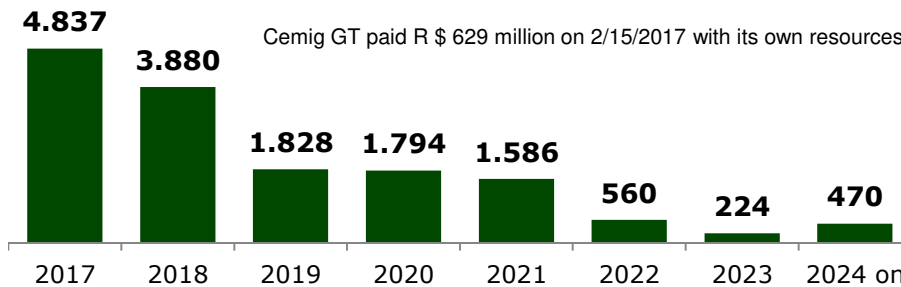


R\$ million

Maturities timetable – Average tenor: 2.8 years

Main indexes

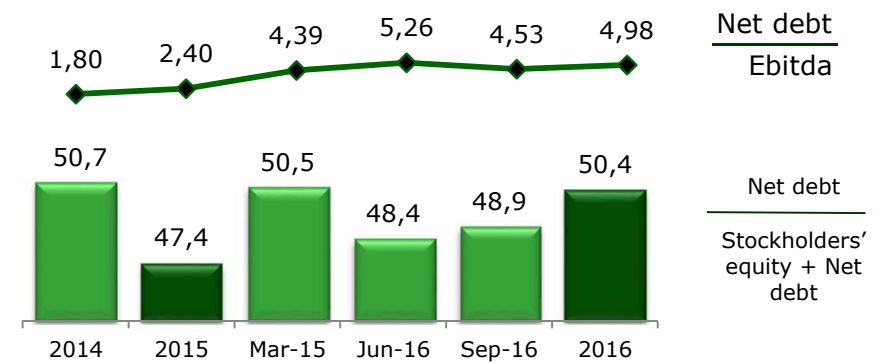
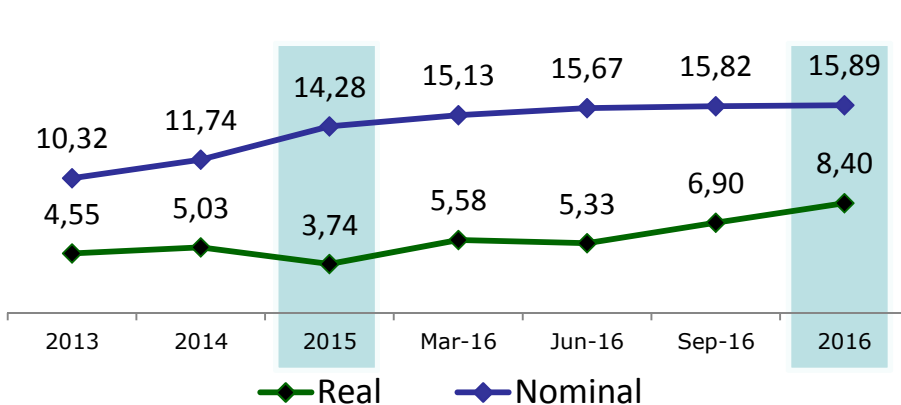
Total net debt : R\$ 13.1 billion



- Each 1 p.p. cut in Selic rate estimated to reduce cost of debt by R\$ 125 million
- Selic: expected to be 8.5% at end-2017 (Central Bank Focus Report – April 7, 2017)

Cost of debt – %

Leverage – %



Cemig GT – debt profile

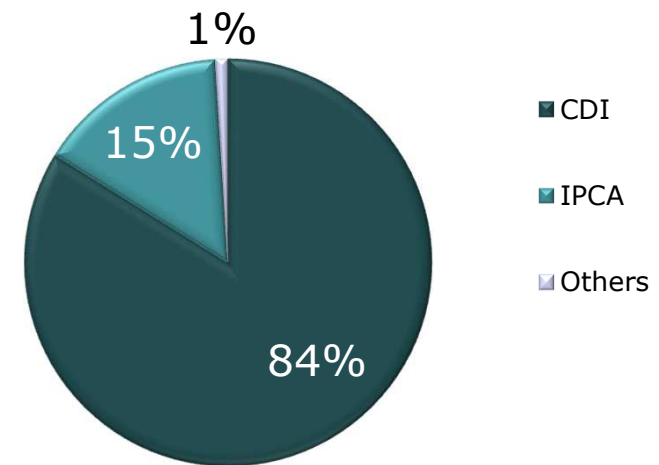
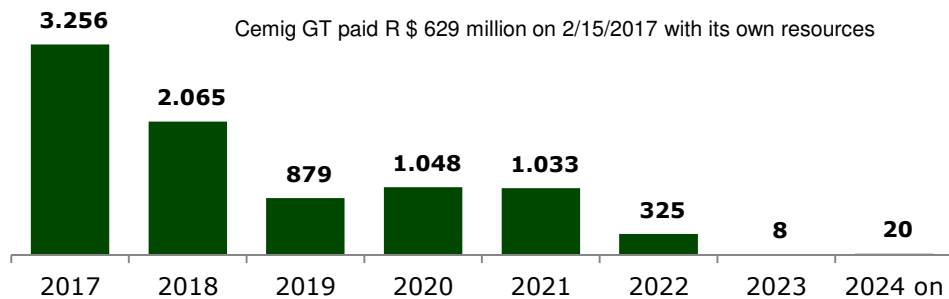


R\$ million

Maturities timetable – Average tenor: 2.5 years

Main indexors

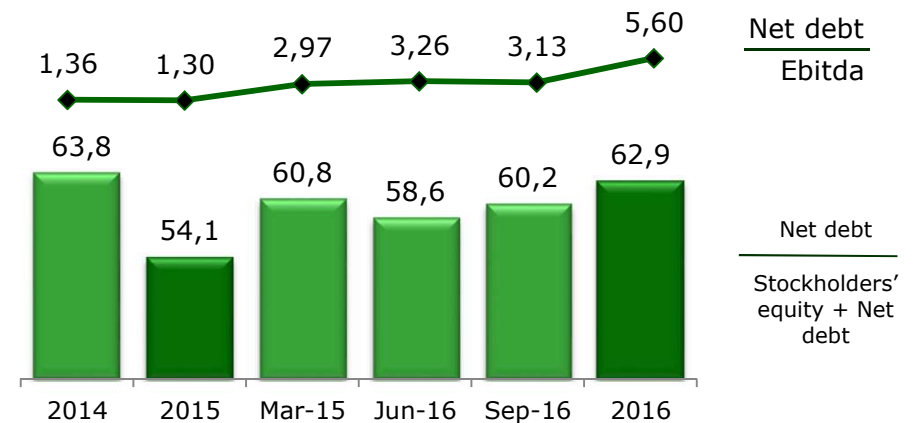
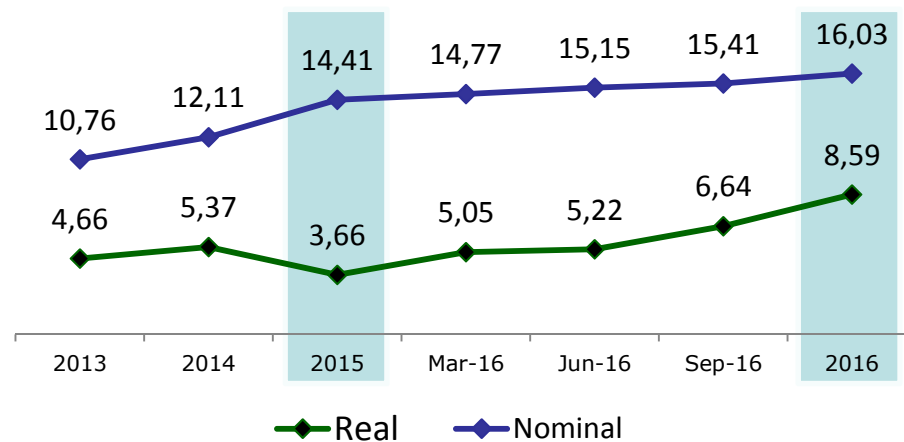
Total net debt: R\$ 7.8 billion



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

Cost of debt – %

Leverage – %



Cemig D – debt profile

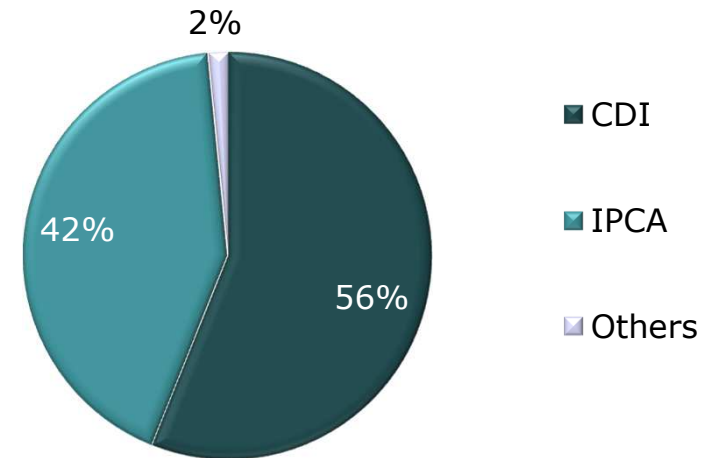
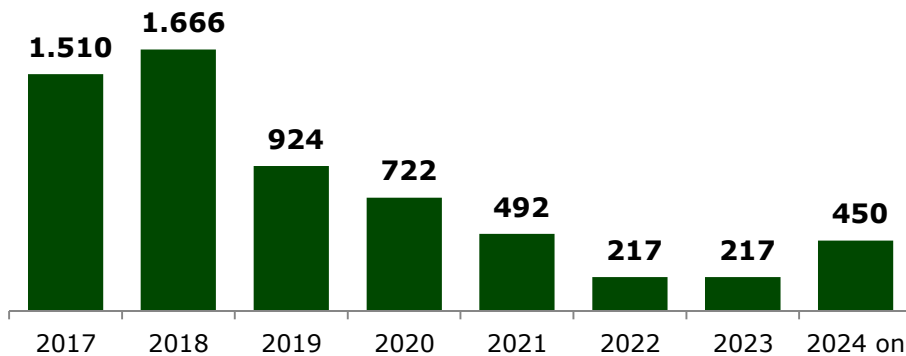


R\$ million

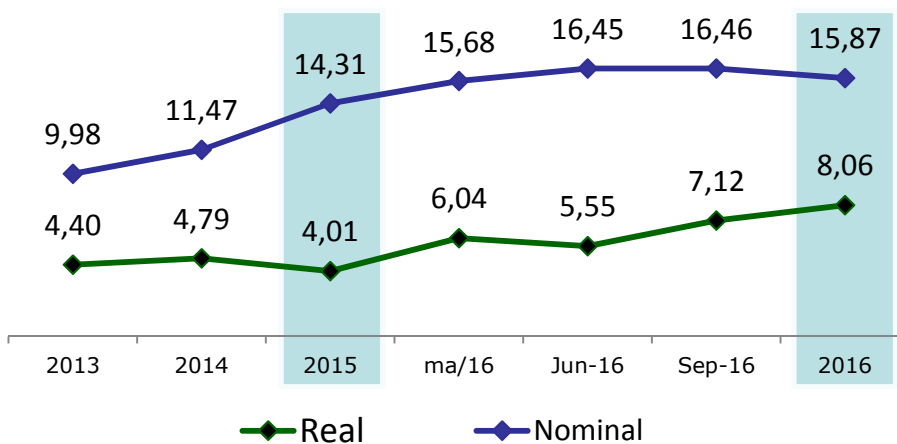
Maturities timetable – Average tenor: 3.2 years

Main indexors

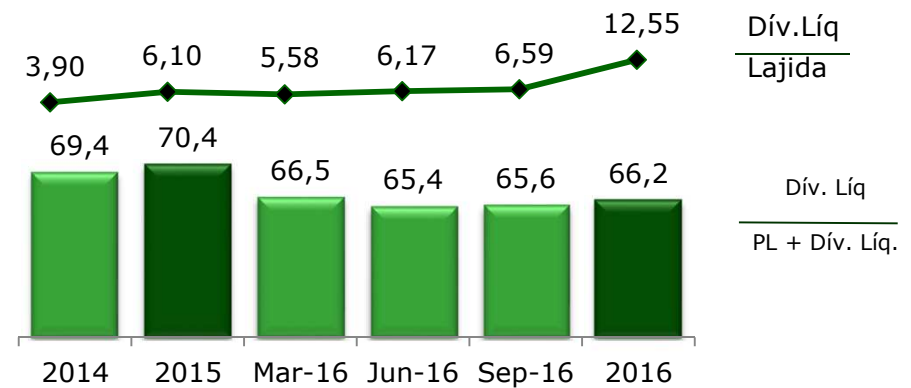
Total net debt: R\$ 5.4 billion



Cost of debt – %



Leverage – %



Our Credit capacity



In March 2017



BBB(bra) Cemig H, Cemig GT and Cemig D

National Scale

Investment Grade										Speculative Grade										
AAA	AA+	AA	AA-	A+	A	A-	BBB+	BBB	BBB-	BB+	BB	BB-	B+	B	B-	CCC	CC	C	RD/D	



Baa1.br Cemig H, Cemig GT and Cemig D

National Scale

B1 Cemig H, Cemig GT and Cemig D

Global Scale

Investment Grade										Speculative Grade										
Aaa	Aa1	Aa2	Aa3	A1	A2	A3	Baa1	Baa2	Baa3	Ba1	Ba2	Ba3	B1	B2	B3	Caa1	Caa2	Caa3	Ca	C



brBBB+ Cemig H, Cemig GT and Cemig D

National Scale

B Cemig H, Cemig GT and Cemig D

Global Scale

Investment Grade										Speculative Grade											
AAA	AA+	AA	AA-	A+	A	A-	BBB+	BBB	BBB-	BB+	BB	BB-	B+	B	B-	CCC+	CCC	CCC-	CC	C	D

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

Leading power utility in Brazil

Powerful drivers fueling growth

Sound Balance Sheet

Consistent profitable track record

Strong Dividend Policy

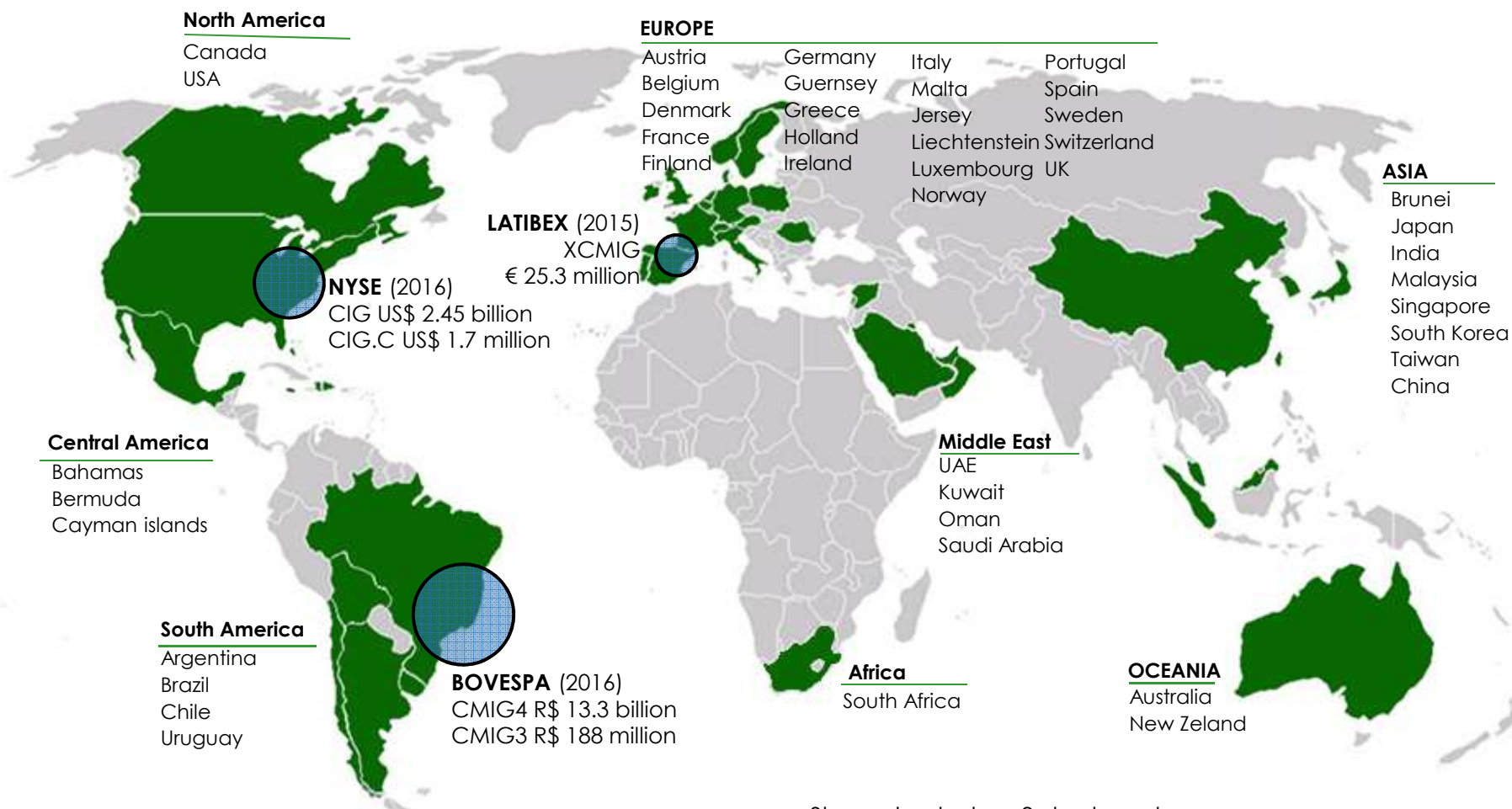
World Leader in Sustainability

Strong shareholders base assures liquidity

Average daily trading volume of shares in the last twelve months

Bovespa: R\$58.8 million

NYSE: US\$11.4 million

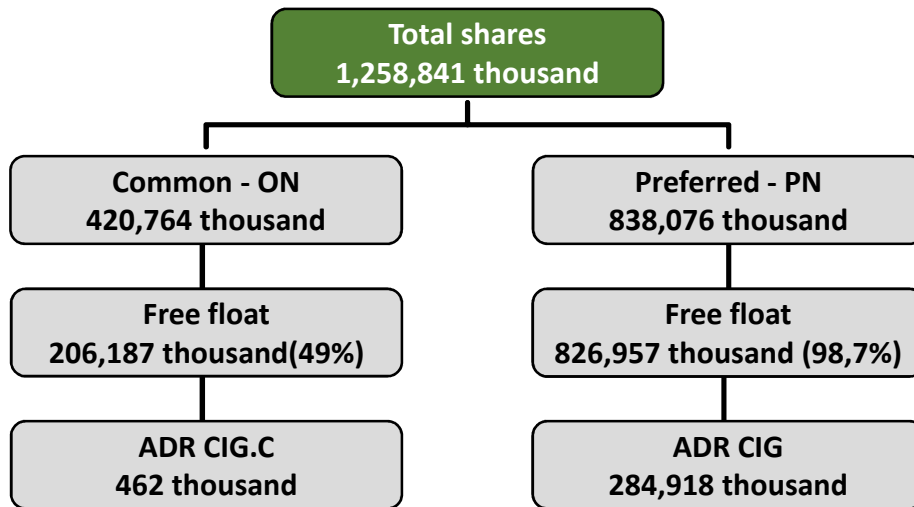


- Shares traded on 3 stock exchanges
- Over 120,000 stockholders in more than 40 countries

The blend of shareholders provides long term perspective



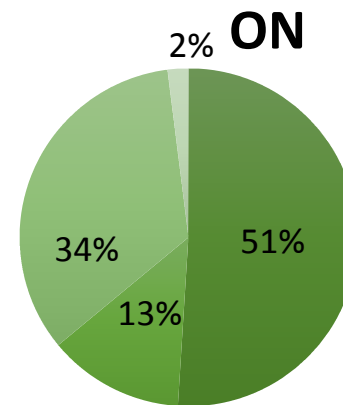
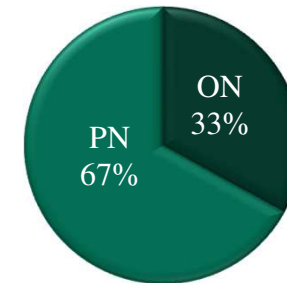
- Our shareholder diversity provides a global business management vision focused on sustainability of the company's activities
- Listed in major stock exchanges
 - **BOVESPA (Brazil) ,NYSE (USA) and LATIBEX (Spain)**



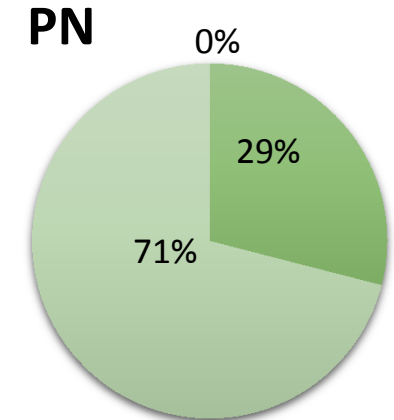
Share nominal value = R\$5.00

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

Total Shares

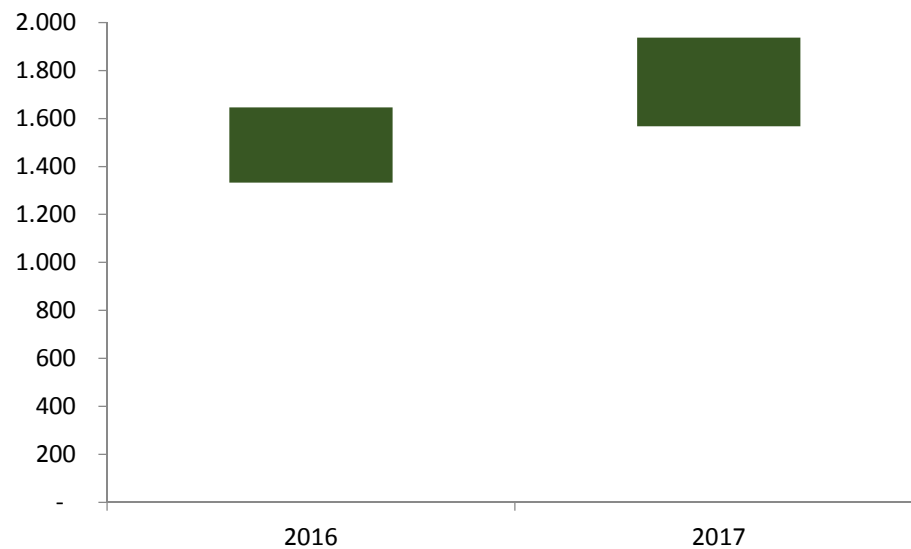


- MG government
- Local Investors



- AGC Energia SA
- International Investors

CEMIG GT - Ebitda Guidance – 2016/2017



Source: Cemig.
 Figures in constant 2016 currency

	2016	2017
Upper limit	1,646	1,937
Lower limit	1,333	1,568

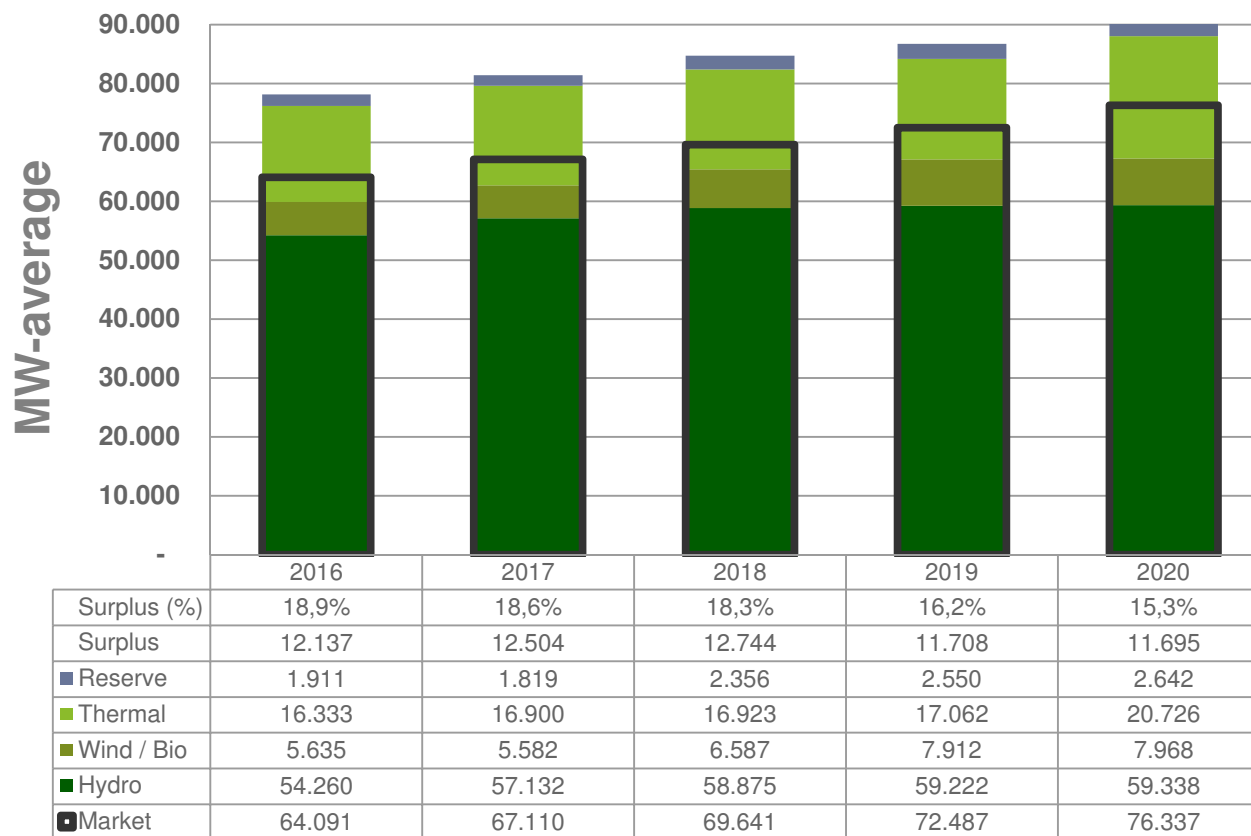
CEMIG D - Ebitda Guidance – 2016/2017



	2016	2017
Upper limit	1,448	1,578
Lower limit	1,173	1,277

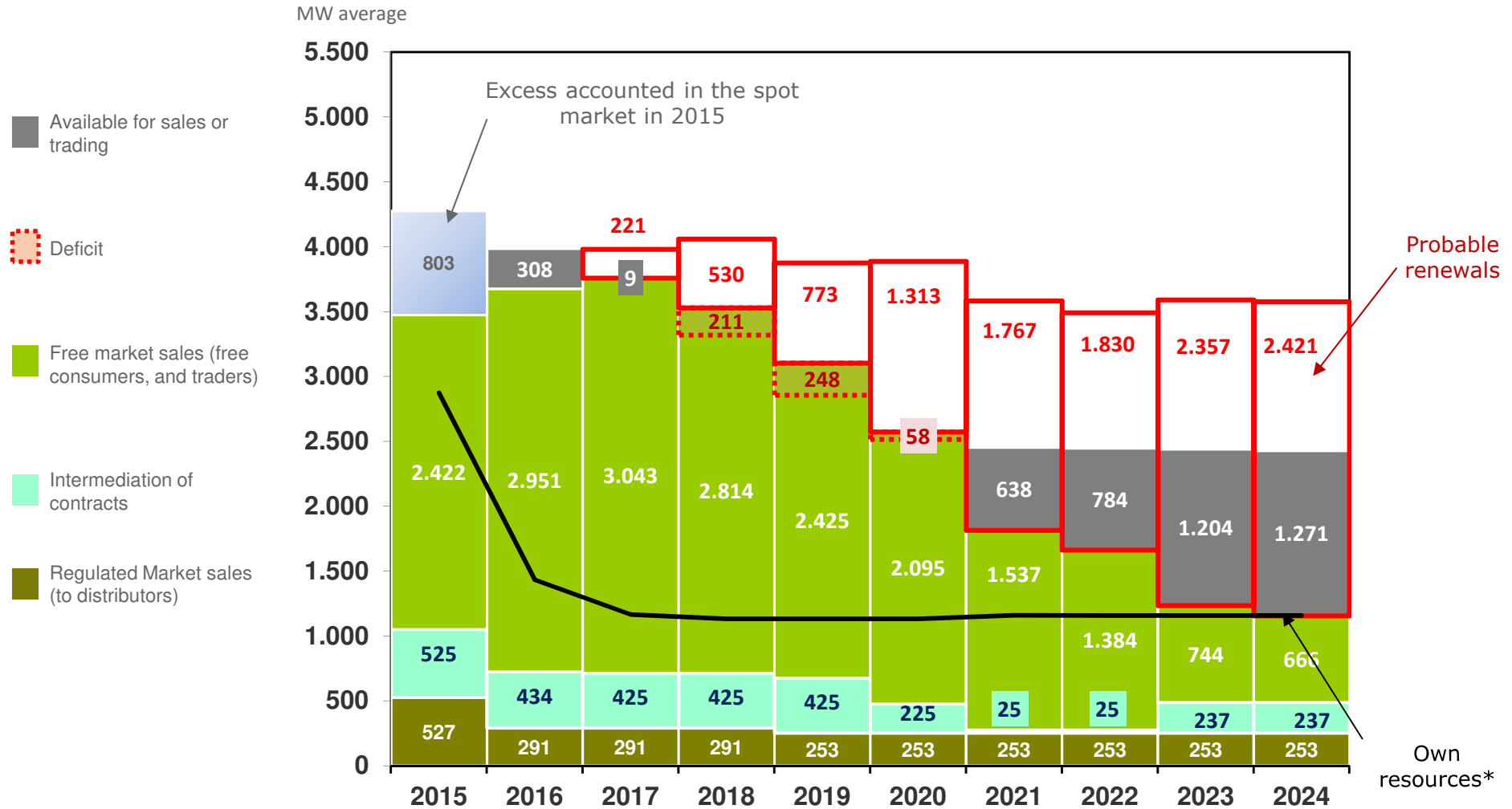
Source: Cemig.
 Figures in constant 2016 currency

Brazilian National Grid: projections made in 2015 for 2015 –19



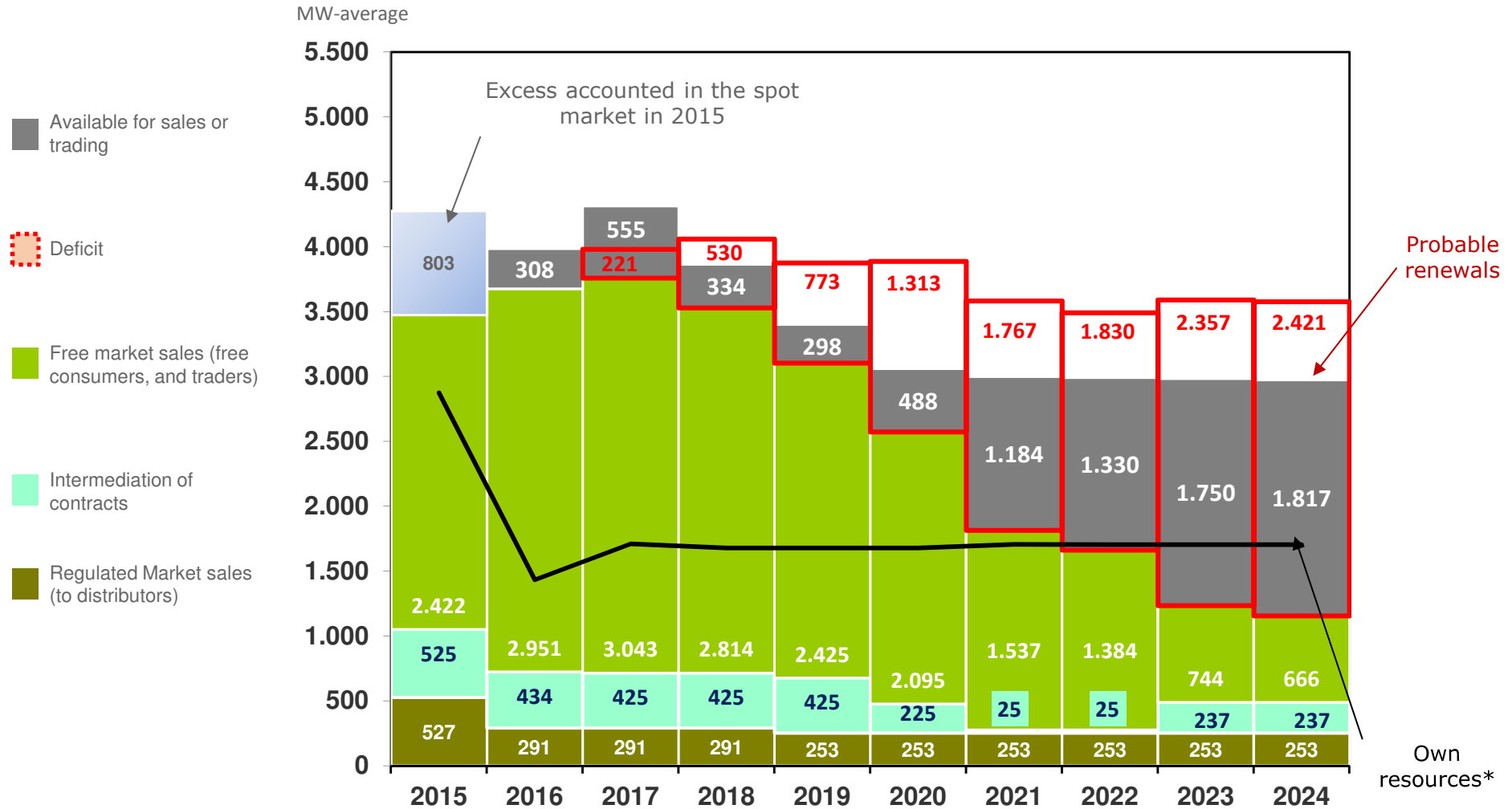
Source: **PMO (Monthly Operation Program), May 2016**. Analysis made by Cemig considering a GDP growth rate forecast of 1.36% in the 2016-2020 period (1st four-month revision,2016). Information provided from May to December during the first year.

Cemig GT: Supply/demand



(*) Assumes exclusion of the Hydroelectric Plants of which the first or second concession periods expire in coming years; and supply availability from SPV within Cemig's holding company.

Cemig GT: Supply/demand



(*) Assumes exclusion of hydroelectric plants with first or second concession contracts expiring in the coming years; and supply availability from SPV within Cemig's holding company. It also assumes the renewal of concessions of *Jaguara*, *São Simão* and *Miranda*, treated as per Provisional Measure 688 ('PM 688').

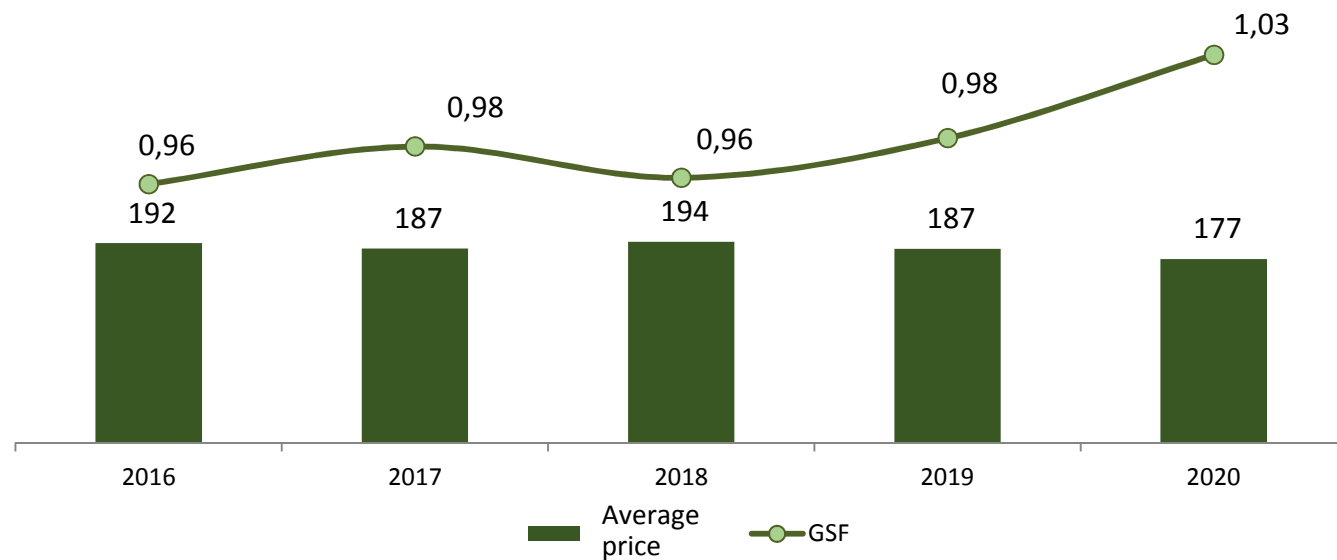
Cemig GT: Supply/demand



MW-average	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Own generation	2,393	1,438	1,050	1,018	1,018	1,017	1,016	1,014	1,014	1,014
Availability from SPV	0	10	128	128	128	128	156	156	156	156
Purchased	1,358	2,102	2,165	1,748	1,285	1,145	1,256	1,250	1,031	1,021
Total supply:	3,752	3,550	3,343	2,893	2,431	2,290	2,428	2,421	2,201	2,191
Sales: Free Market	2,422	2,951	3,043	2,814	2,425	2,095	1,537	1,384	744	666
Sales: Regulated Market	527	291	291	291	253	253	253	253	253	253
Total demand:	2,949	3,242	3,334	3,105	2,678	2,348	1,790	1,637	997	919
Balance available	803	308	9	-211	-248	-58	638	784	1,204	1,271
Hydroelectric supply As per MP 688	0	0	546	546	546	546	546	546	546	546
Balance available	803	308	555	334	298	488	1,184	1,330	1,750	1,817

Position as of March 31, 2016

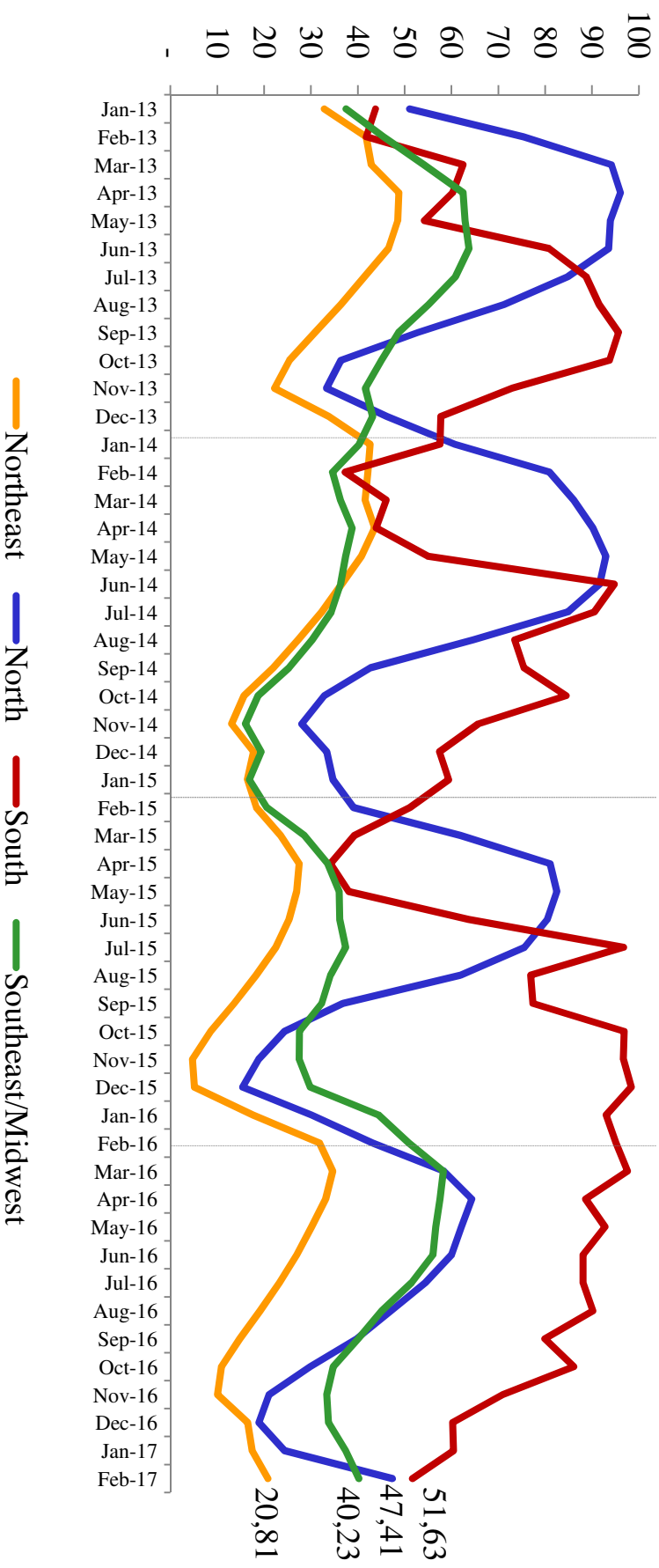
Average prices and the GSF (Generation Scaling Factor)



Source: Cemig.
Figures in constant 2016 currency

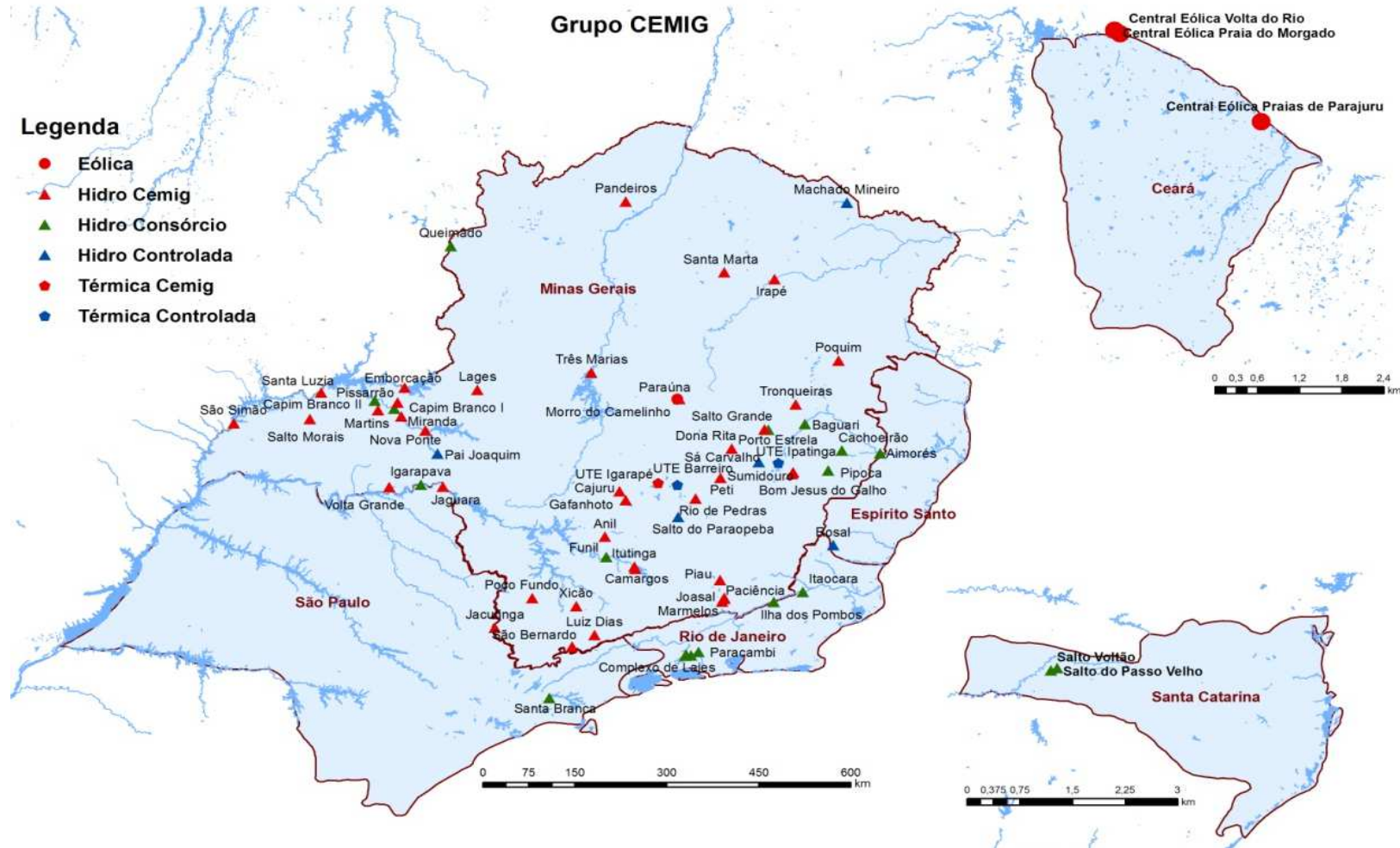
Level of reservoirs (%)

by region (%)*



*Source: ONS

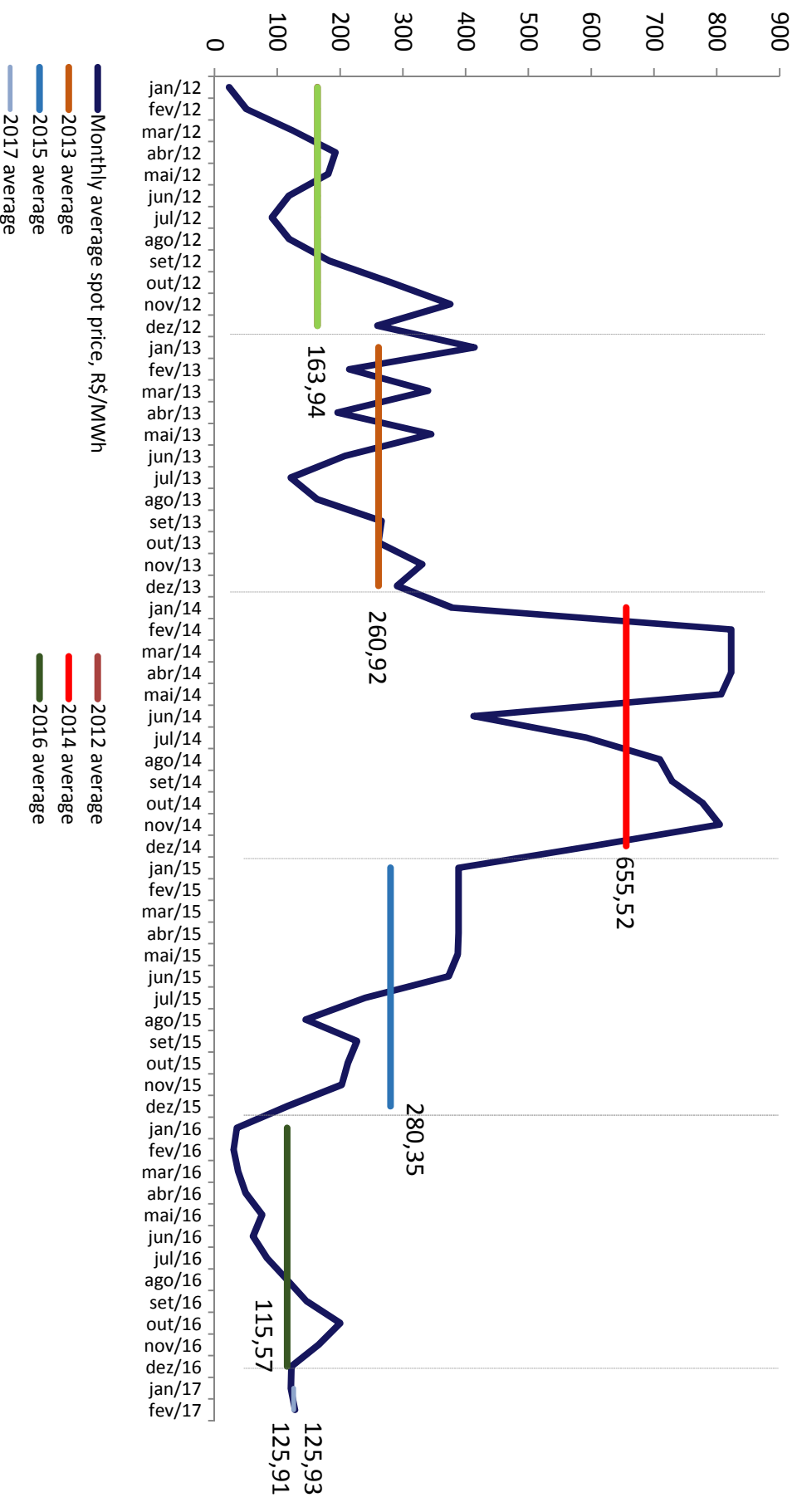
Minas Gerais state - Main Rivers and Plant



Spot price



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



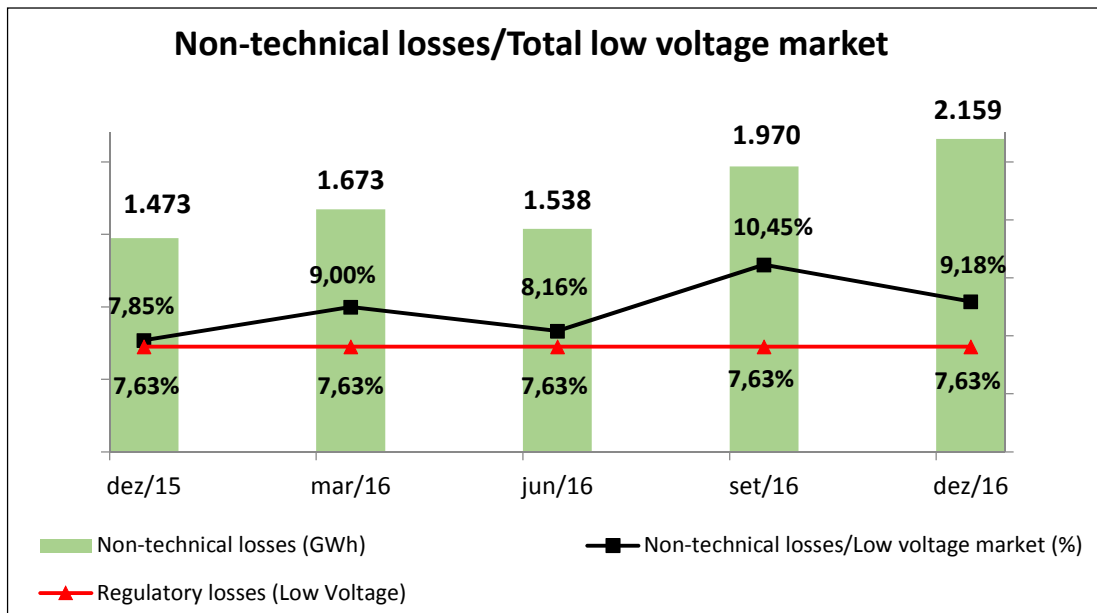
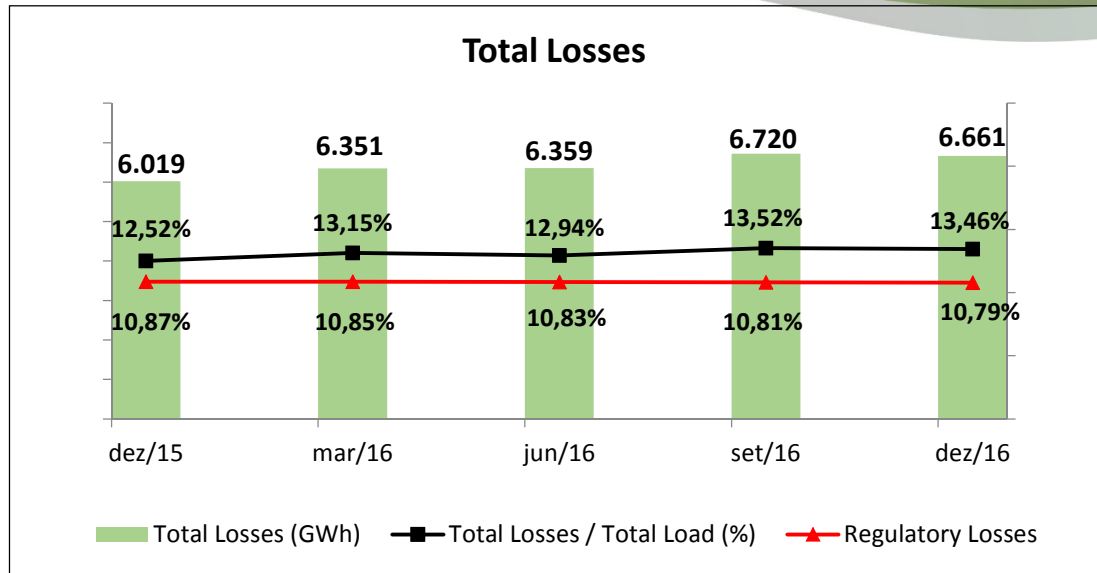
Contracts maturing of generation plants

2nd maturity:

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

1st maturity:

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



Investor Relations

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