

CEMIG REPORTS FOR 2Q20

2Q20 EBITDA: R\$ 1,809 MILLION
ADJUSTED 2Q20 EBITDA: R\$ 941 MILLION

Highlights of 2Q20:

- Revenue from supply of electricity lower due to the pandemic:
down 8.5% YoY for Cemig GT; down 5.6% YoY for Cemig D.
- **Cemig D** distributed 6% less energy in 2Q20 than in 2Q19
 - Captive market: Down 8.0% YoY
 - Transport for clients: Down 3.5% YoY
- **PMSO**: 8.3% lower than in 2Q19 (excluded Programmed Voluntary Retirement Plan)
- Gain from Periodic Tariff Review of Transmission Revenue: R\$ 430 million
- Restatement of asset held for sale (**Light**):
 - Gain of R\$ 475 million = R\$ 314 million, net of taxes

Indicators (GWh)	2Q20	2Q19	%
Electricity sold (excluding CCEE)	12,989	13,120	-1.0%
Total energy carried	4,739	4,910	-3.5%
Indicators – R\$ million	2Q20	2Q19	%
Sales on CCEE	7.1	144.8	-95.1%
Net debt	12,157.2	12,449.9	-2.4%
Net debt (excluding hedge)	8,875.7	11,065.6	-19.8%
Gross revenue	8,621.8	9,973.2	-13.6%
Net revenue	5,934.4	7,016.8	-15.4%
Ebitda (IFRS)	1,809.0	1,811.8	-0.2%
Adjusted Ebitda	941.2	1,061.0	-11.3%
Net profit	1,044.0	2,115.0	-50.6%
Adjusted Ebitda margin	17.10%	19.02%	-1,92p.p.
Ebitda of Cemig D and GT	2Q20	2Q19	%
Ebitda Cemig D	530.7	1,237.1	-57.1%
Ebitda Cemig GT	741.9	299.1	148.0%

Conference call

Publication of 2Q20 results

Webcast and Conference call

August 17 (Monday), at 2:00 p.m. (Brasília time)

The transmission of results will have simultaneous translation in English and can be seen by Webcast, at

<https://vcasting.voitel.com.br/?transmissionId=8393> (English)

or by conference call on:

+ (55) 11 3127-4971

+ (1) 929-3783440

<p>Playback of Video Webcast: http://ri.cemig.com.br</p> <p>Click on the banner and download. Available for 90 days.</p>	<p>Playback of Conference call: Tel: (+55-11) 3127-4999 Password: 70732138</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 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. 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.

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).

Our shares

Security	Ticker	Currency	Jun. 2020	Dec. 2019	Change in the period %
Cemig PN	CMIG4	R\$	11.02	13.79	-20.09%
Cemig ON	CMIG3	R\$	11.89	15.59	-23.73%
ADR PN	CIG	US\$	2.05	3.34	-38.62%
ADR ON	CIG.C	US\$	2.21	3.90	-43.33%
Ibovespa	IBOV	–	95,056	115,645	-17.80%
Power industry index	IEEX	–	70,160	76,627	-8.44%

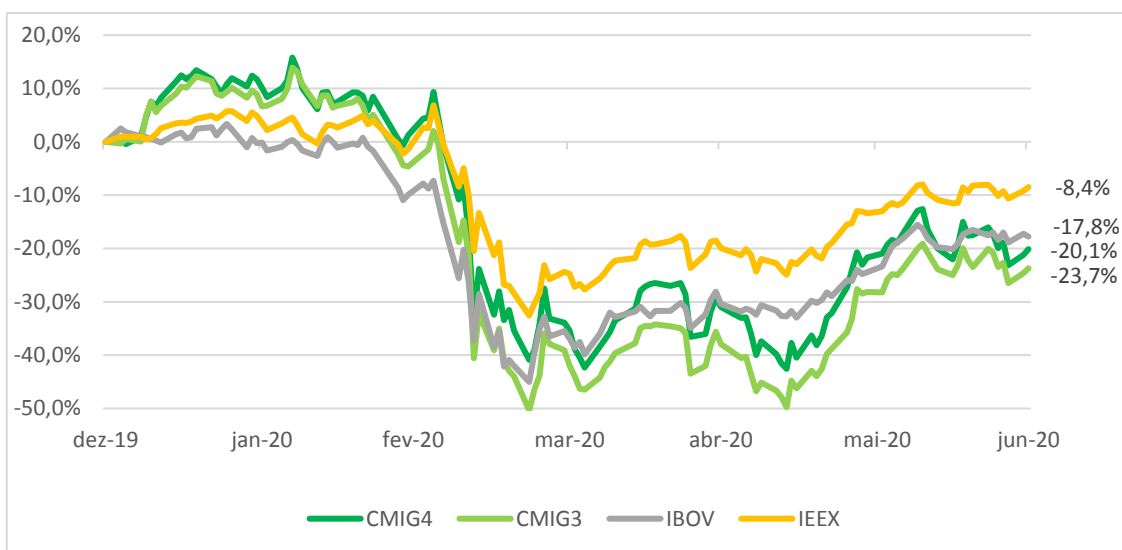
Source: *Economática* – Adjusted for corporate action, including dividends.

Trading volume in Cemig’s preferred shares (CMIG4) in 2020 was R\$ 17.2 billion, of which R\$ 8.25 billion was traded in the second quarter, corresponding to a daily average of R\$ 139.88 million – 8.66% higher than in 2Q19. Trading volume in Cemig’s common shares in 1H20 was R\$ 2.91bn, with average daily trading volume of R\$ 23.66mn in 1H20 and R\$ 21.61mn in the second quarter. Cemig’s shares, by volume (aggregate of common (ON) and preferred (PN) shares), were the third 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 1H20 was US\$1.34 billion. We see this as reflecting recognition by the investor market of Cemig as a global investment option.

The Bovespa index, benchmark for the São Paulo stock exchange, fell strongly, by 17.80%, in 1H20, as a result of the Covid-19 pandemic, despite the 30.18% in 2Q20. Cemig’s preferred shares fell by a similar percentage, 20.09%; and the common shares fell 23.73%. In the 2Q20, CMIG4 rose 23.68% and CMIG3 31.68%. In New York the ADRs for Cemig’s preferred shares were down 38.62% in the half-year and up 20.59% in the 2Q20, and the ADRs for the common shares rose 22.78% in Q2, and were down 43.33% – these figures reflect the strong change in the USD/BRL exchange rate in the year.

Cemig stock prices vs. indices



Cemig's long-term ratings

This table shows long-term credit risk ratings and outlook for the Company as provided by the principal rating agencies:

Brazilian ratings:

Agency	Cemig		Cemig D		Cemig GT	
	Rating	Outlook	Rating	Outlook	Rating	Outlook
Fitch	A+(bra)	Stable	A+(bra)	Stable	A+(bra)	Stable
S&P	brA+	Positive	brA+	Positive	brA+	Positive
Moody's	Baa1.br	Positive	Baa1.br	Positive	Baa1.br	Positive

Global ratings:

Agency	Cemig		Cemig D		Cemig GT	
	Rating	Outlook	Rating	Outlook	Rating	Outlook
Fitch	BB-	Stable	BB-	Stable	BB-	Stable
S&P	B	Positive	B	Positive	B	Positive
Moody's	B1	Positive	B1	Positive	B1	Positive

Ratings of Eurobonds:

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

Adoption of IFRS

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

INCOME STATEMENT

Consolidated	R\$'000	2Q/20	2Q/19	Change
NET REVENUE		5.934.414	7.016.793	-15,43%
OPERATING COSTS AND EXPENSES				
Personnel		339.183	312.031	8,70%
Employees' and managers' profit shares		7.440	108.478	-93,14%
Post-retirement obligations		118.322	97.790	21,00%
Materials		16.141	19.766	-18,34%
Outsourced services		302.609	302.241	0,12%
Electricity bought for resale		2.755.238	2.526.019	9,07%
Depreciation and amortization		245.697	248.403	-1,09%
Operating provisions / adjustments		197.613	869.373	-77,27%
Charges for use of the national grid		257.441	367.375	-29,92%
Gas bought for resale		231.378	330.180	-29,92%
Infrastructure construction costs		373.405	266.107	40,32%
Other operational expenses, net		84.321	41.922	101,14%
		4.928.788	5.489.685	-10,22%
Impairment of assets held for sale		475.137	0	
Share of profit (loss) in associates and joint ventures		82.534	36.274	127,53%
Finance income		670.078	2.272.470	-70,51%
Finance expenses		-705.395	-363.883	93,85%
Pre-tax profit		1.527.980	3.471.969	-55,99%
Current income tax and Social Contribution tax		-198.803	-973.424	-79,58%
Deferred income tax and Social Contribution tax		-285.183	-383.559	-25,65%
NET PROFIT FOR THE PERIOD		1.043.994	2.114.986	-50,64%

2Q20 RESULTS

In thousands of Reais, unless otherwise stated

For second quarter 2020 (**2Q20**), Cemig reports net profit of R\$ 1,043,994, which compares to net profit of R\$ 2,113,986 in 2Q19.

Leading factors in the 2Q20 result:

- Gain on the Periodic Tariff Review of **Cemig GT**: R\$ 429,840.
- Heavy impact of the Covid-19 epidemic on the volume of electricity distributed in 2Q20: down 6% YoY. This effect reached approximately –10.5% in April 2020, and has been showing signs of recovery: load in June and July has been close to that of 2019. Another effect of the pandemic was that the allowance for doubtful receivables in Cemig D was R\$ 57,295 higher than in 2Q19. The amount provisioned in 2Q20 was R\$ 102,504.
- The result of Cemig GT was affected by sale of energy at the lower limit of contractual flexibility ranges for a relevant part of the clients, due to the pandemic.
- **Cemig GT** posted a gain of R\$ 70,770 in Financial revenues (expenses), related to the debt in Eurobonds and the related hedge instrument. In 2Q19, the combined effect of the debt and the hedge on Financial Revenue (expenses) was R\$ 557,833 positive.
- Reversal of part of the impairment of **Light** posted in 1Q20, with recognition of the market value of the investment at June 30, generating a gain in 2Q20 of R\$ 475,137, which net of taxes is R\$ 313,590.
- Continuing reduction of costs of PMSO (Personnel, materials, services and other expenses), which were 8.3% lower YoY – after exclusion of the expenses of R\$ 58,850 on the PDVP voluntary retirement plan, posted in 2Q20.
- **Cemig D** recorded a revenue from transactions under the Surplus Sales Mechanism (MVE) totaled R\$ 41,514 in 2Q20.

- In 2Q19, an impairment of R\$ 688,031 was recognized of Accounts receivable from **Renova**; the amount of impairment posted in 2Q20 was R\$ 37,361.
- In 2Q19, was recorded a revenue of R\$1,438,563 from Tax credits in ICMS/PIS-Cofins case and financial revenue of R\$1,553,112 for updating of these credits.

The 'Covid Account'

On May 18, 2020, in response to the state of public calamity caused by the Covid 19 pandemic, Decree 10350/2020 authorized creation of the 'Covid Account', the purpose of which was to cover deficits, or anticipate revenue, of holders of concessions or permissions to distribute electricity – the basis of the financial flows of the electricity sector, especially related to: (i) overcontracting of supply; (ii) the CVA ('Portion A' Variation Compensation Account); (iii) neutrality of sector charges; (iv) postponement until June 30, 2020 of the results of tariff review processes for distributors ratified up to that date; and (v) bringing forward of the regulatory asset relating to Portion B, as per an Aneel regulation and timetable decided by the distributor.

On June 23, 2020 Aneel issued Normative Resolution 885/2020, setting the criteria and procedures for management of the Covid Account, and also regulating use of the CDE tariff charge. Under this Resolution, the amounts transferred to each distributor are reverted as negative financial components up to the tariff adjustment processes of 2022, duly updated by the Selic rate, with neutrality assured.

Cemig D accepted the financial offsetting mechanism of the Covid Account, with a view to strengthening its cash position, enabling compliance with its financial obligations even during the reduction of revenue caused by the severe economic downturn. On July 9, 2020, Aneel informed Cemig D of the amount from the Covid Account to be allocated to it – a total of R\$ 1,404,175, to be passed through in stages. The first tranche, of R\$ 1,186,390, was received on July 31, 2020, with the remaining total of R\$ 217,785 to be received in six monthly payments in August 2020 through January 2021.

Measures to preserve liquidity

In addition to accepting the terms of the Covid Account, to preserve liquidity and mitigate the effects of the impact on the macro economy, the Company took measures including the following:

- Revision of its program of investments and expenses.
- Payment of minimum dividends to stockholders, and postponement of the payments of dividends and Interest on Equity to the end of 2020.
- Negotiation of its contracts with Free Clients.
- Deferral of payment of employment-law taxes and charges, as authorized by legislation.

Cemig's consolidated electricity market

The **Cemig Group** makes its sales of 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, Sá Carvalho, Cemig PCH, Rosal Energia, the wind power companies Praias de Parajuru and Volta do Rio, Cemig Geração Camargos, Cemig Geração Itutinga, Cemig Geração Salto Grande, Cemig Geração Três Marias, Cemig Geração Leste, Cemig Geração Oeste, and Cemig Geração Sul.

These companies sell 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).

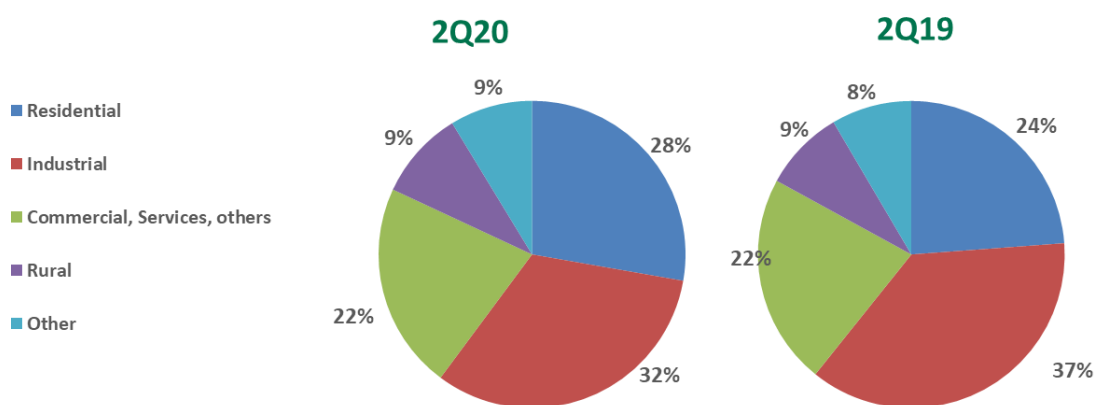
The Cemig group traded a total of 12,988,626 MWh on the CCEE in 2Q20, 1.0% less than in 2Q19. Sales of electricity to final consumers, plus Cemig's own consumption, totaled

9,587,085 MWh, or 10.4% less than in 2Q19. Sales to distributors, traders, other generating companies and independent power producers in 2Q20 were 3,401,541 MWh – or 40.4% more than in 2Q19.

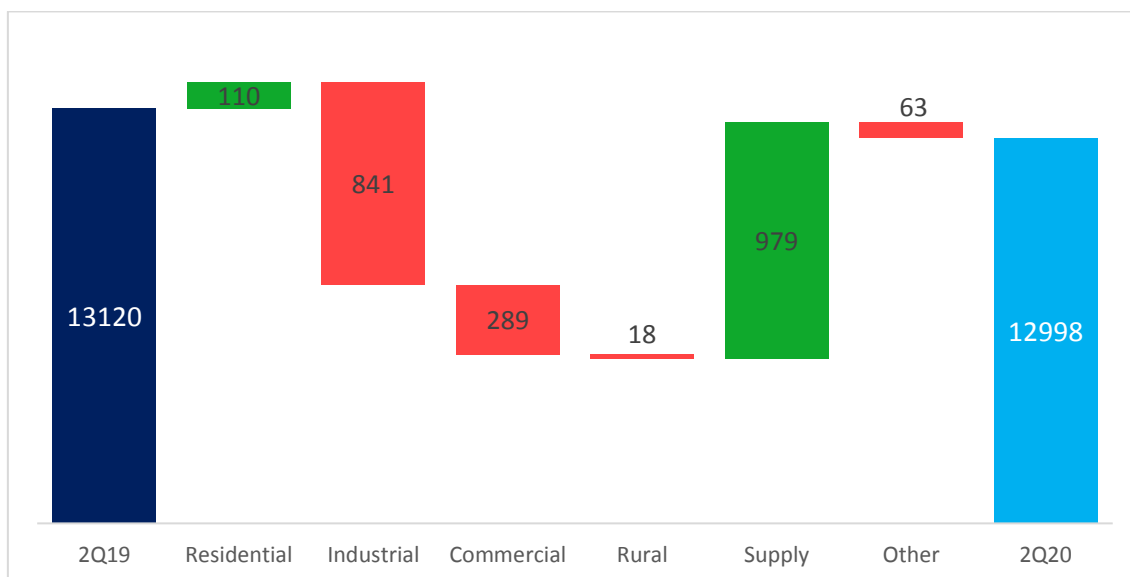
In June 2020 the Cemig Group invoiced 8,590,483 clients – this was 1.5% more than its number of consumers in June 2019. Of this total number of consumers, 8,590,104 are final consumers, and/or represent Cemig’s own consumption; and 379 are other agents in the Brazilian electricity sector.

This chart shows the percentage of the Cemig Group’s sales to final consumers:

Sales to final consumers as % of total



Total consumption of electricity (GWh) – Down 1.0% YoY



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 in 2Q20 totaled 10,526,441 MWh, or 6.0% less than in 2Q19. This result is a composition of: (i) lower use of the network by Free Clients – a YoY decrease of 3.5%; and (ii) consumption by the captive market 8.0% lower YoY.

Captive clients + Transmission service (MWh)

Captive clients + Transmission service (MWh)	2Q20	2Q19	%
Residential	2,657,910	2,547,878	4.32
Industrial	4,782,233	5,112,557	-6.46
Commercial, Services and Others	1,275,441	1,622,920	-21.41
Rural	900,984	917,775	-1.83
Public authorities	169,008	231,943	-27.13
Public lighting	325,162	333,969	-2.64
Public services	339,650	339,955	-0.09
Concession holders (Distributors)	68,082	84,060	-19.01
Own consumption	7,970	7,247	9.98
Total	10,526,441	11,198,304	-6.00

Residential

Residential consumption, which was 25.2% of the energy distributed by **Cemig D** in 2Q20, was 4.3% higher than in 2Q19. This increase reflects a total of 122,382 new consumer units being added to the network since the end of June 2019, and also average monthly consumption per consumer approximately 2.5% higher than in 2Q19.

Industrial

Consumption by the *industrial* consumer category was 45.4% of the total volume of electricity distributed by **Cemig D**, and totaled 4,782,233 MWh in 2Q20, or 6.5% less than in 2Q19. Consumption suffered a strong impact from the pandemic: the heaviest reductions were in the automotive, textiles and steel sectors.

Energy consumed by captive clients totaled 406,876 MWh in 2Q20, 34.5% less than in 2Q19. The volume of energy transported for industrial Free Clients was 41.6% of the total of energy distributed, and was 4,375,358 MWh in 2Q20, 2.6% less than in 2Q19.

Commercial and Services

Distribution to this category of client was also strongly impacted by the pandemic, and by the restrictions on opening of stores, etc. – it was 21.4% less than in 2Q19. Volume was down 23.4% YoY in the captive market, and down 13.5% YoY in the Free Market. The total energy used by captive clients, plus energy transported for Free Clients, in the category was 12.1% of the total of energy distributed by **Cemig D** in 2Q20.

Rural

The *rural* consumer category suffered less from the Covid pandemic than other consumer categories. Its total consumption was 1.8% less in 2Q20 than 2Q19, even with a reduction of 13,023 consumer units in the category, due to re-registry of consumers to comply with Aneel Resolution 800.

Number of clients

A total of 8,589,721 consumers were billed in June 2020, or 123,507 more than in June 2019. Of this total, 1,584 were Free Consumers using the distribution network of Cemig D.

Cemig D	Number of clients		Change, %
	2Q20	2Q19	
Residential	7,002,932	6,880,550	1.78%
Industrial	29,745	29,712	0.11%
Commercial, Services and Others	773,250	761,017	1.61%
Rural	695,510	708,542	-1.84%
Public authorities	65,737	64,565	1.82%
Public lighting	6,742	6,425	4.93%
Public services	13,516	13,506	0.07%
Own consumption	705	677	4.14%
	8,588,137	8,464,994	1.45%
Total energy carried			
Industrial	766	594	28.96%
Commercial	801	618	29.61%
Rural	14	5	180.00%
Concession holders	3	3	0.00%
	1,584	1,220	29.84%
Total	8,589,721	8,466,214	1.46%

Sources and uses of electricity – MWh

Metered market	MWh		Change, %
	2Q20	2Q19	
Total energy carried			
Transported for distributors (metered)	72,404	86,200	-16.00%
Transported for Free Clients (metered)	4,517,041	4,945,263	-8.66%
Own load + Distributed generation (1)(2)	4,589,445	5,031,463	-8.79%
Consumption by captive market – Billed supply	5,787,773	6,288,496	-7.96%
Losses in distribution network	1,719,023	1,688,889	1.78%
Total volume carried	12,096,241	13,008,849	-7.02%

(1) Includes Distributed Micro-generation.

(2) Includes own consumption

The electricity market of Cemig GT

Cemig GT billed a total of 7,233,217 MWh in 2Q20, 5.4% more than in 2Q19. Consumption by industrial clients was 627,536 MWh lower than in 2Q19, while commercial consumption was 1.23% higher – reflecting an increase of approximately 29% in the number of clients.

Sales 51.7% higher in the Free Market mainly reflected the higher volume of sales in the spot market to traders especially in April, and less allocation of energy for settlement on the CCEE.

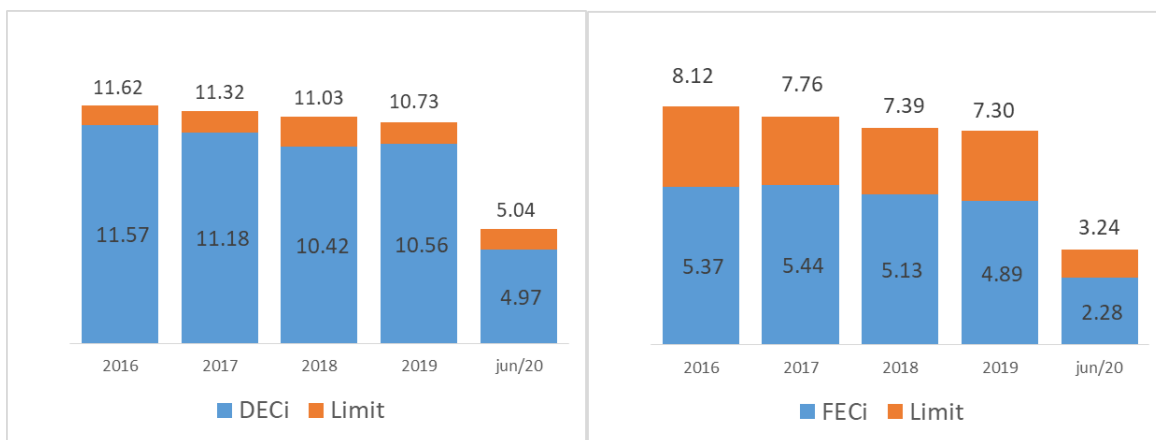
Cemig GT	(MWh)		Change, %
	2Q20	2Q19	
Free Clients			
<i>Industrial</i>	2,698,768	3,326,304	-18.87%
<i>Commercial</i>	1,095,953	1,082,661	1.23%
<i>Rural</i>	4,590	524	775.52%
Free Market – Free contracts	2,870,210	1,892,134	51.69%
Regulated Market	531,332	530,140	0.22%
ACR – Cemig D	32,363	32,348	0.05%
Total	7,233,217	6,864,111	5.38%

SUPPLY QUALITY INDICATORS – DECI and FECI

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

The charts below show Cemig’s indicators for duration and frequency of outages – DECI (Average Outage Duration per Consumer, in hours), and FECI (Average Outage Frequency per Consumer, in number of outages), since January 2016. These quality indicators are linked to the current concession contract of **Cemig D** (distribution), signed in 2015.

Note: Figures for 2016 and 2017 are according to recalculation presented by the Company to Aneel.



Consolidated operating revenue

Revenue from supply of electricity (a)

Total revenue from supply of electricity in 2Q20 was R\$ 5,920,014, 6.4% less than in 2Q19 (R\$ 6,327,737).

	MWh (1)			R\$ '000			Average price billed (R\$/MWh)	
	2Q20	2Q19	Change %	2Q20	2Q19	Change %	2Q20	2Q20
Residential	2,657,910	2,547,878	4.32	2,307,578	2,206,790	4.57	868.19	866.13
Industrial	3,105,644	3,947,233	-21.32	934,197	1,154,786	-19.10	300.81	292.56
Commercial, services and others	2,085,089	2,374,683	-12.20	1,136,848	1,280,841	-11.24	545.23	539.37
Rural	896,651	915,078	-2.01	511,810	460,746	11.08	570.80	503.50
Public authorities	169,009	231,943	-27.13	121,381	158,145	-23.25	718.19	681.83
Public lighting	325,162	333,969	-2.64	142,679	140,508	1.55	438.79	420.72
Public services	339,650	339,954	-0.09	177,860	165,901	7.21	523.66	488.01
Subtotal	9,579,115	10,690,738	-10.40	5,332,353	5,567,717	-4.23	556.66	520.80
Wholesale supply to other concession holders	3,401,541	2,422,273	40.43	726,004	641,532	13.17	213.43	264.85
Total billed	12,980,656	13,113,011	-1.01	6,058,357	6,209,249	-2.43	466.72	473.52
Own consumption	7,970	7247	9.98	0	0	-	-	-
Retail supply not yet invoiced, net	0	0	-	-104,793	80,721	-229.82	-	-
Wholesale supply not yet invoiced, net	0	0	-	-33,550	37,767	-188.83	-	-
Total	12,988,626	13,120,258	-1.00	5,920,014	6,327,737	-6.44	-	-

Final consumers

Revenue from energy sold to final consumers totaled R\$ 5,332,353 in 2Q20, or 4.23% less than in 2Q19 (R\$ 5,567,717) – reflecting consumption of electricity 10.40% lower YoY due to the pandemic, partly offset by the effect of **Cemig D's** annual tariff increase in force from May 28, 2019 (full effect in 2020), which had an average impact on consumers' tariffs of 8.73%.

Revenue from Use of Distribution Systems (the TUSD charge)

In 2Q20 this revenue was R\$ 674,737, or 6.14% more than in 2Q19 (R\$ 635,675). This difference arises mainly from the Company's annual tariff adjustment, in effect from May 28, 2019 (full effect in 2020), which had an average impact of approximately 15.47% for Free Clients; partially offset by volume of energy transported in 3.49% lower in 2Q20 than in 2Q19.

CVA and Other financial components in tariff adjustments

In its financial statements 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 for decision on the rates charged to consumers. In 2Q20 this item comprised a reduction of revenue by R\$ 136,254, compared with an addition to revenue of R\$ 40,109 in 2Q19. This variation mainly reflects: (1) higher costs of energy from Itaipu, due to the rise in the dollar exchange rate; and (2) the effects of overcontracting resulting from lower consumption of electricity, which generated an increase in the net financial asset to be passed through to the Company by the next tariff adjustment. These effects were partially offset by the passthrough of surplus amounts under the Energy Reserve Account (CONER), established by Aneel Dispatch 986/2020. The Company's CVA balance receivable is R\$ 926,183.

Changes in balances of financial assets and liabilities:

	R\$ '000
Balance at March 31, 2019	1,147,415
<i>Net constitution of financial assets</i>	<i>87,700</i>
<i>Realized</i>	<i>-127,809</i>
Advances from the Flag Tariff Centralizing Account ('CCRBT')	-8,581
Updating – Selic rate	32,140
Balance at June 30, 2019	1,130,865
Balance at March 31, 2020	775,885
<i>Net constitution of financial assets</i>	<i>262,167</i>
<i>Realized</i>	<i>-125,913</i>
Advances from the Flag Tariff Centralizing Account ('CCRBT')	-1
Updating – Selic rate	14,045
Balance at June 30, 2020	926,183

Transmission concession revenue

This revenue in 2Q20 was R\$ 299,832, or 138.79% more than in 2Q19 (R\$ 125,564). The higher figure is mainly due to the remeasurement of the Remuneration Base in the Periodic Tariff Review of Permitted Annual Revenue (RAP), ratified by Aneel on June 30, 2020, resulting in an adjustment of R\$ 198,714. Additionally, these revenues were impacted by the increase in annual RAP, in July 2019 – this includes the effects of inflation and also new revenues resulting from investments authorized. The percentages and indices applied are different for different concessions: the IPCA inflation index is applied to the contract of Cemig GT, and the IGP-M index to the contract of Cemig Itajubá. They also include an adjustment to expectation of cash flow from financial assets, due to the change in the fair value of the Regulatory Remuneration Base of Assets (BRR).

Transmission reimbursement revenue

The Company records the updating of the balance receivable for the indemnity (reimbursement of asset value) based on the IPCA inflation index, and the average Regulatory cost of capital, as specified in the regulation for the sector.

The transmission indemnity revenue in 2Q20 was 348.33% higher than in 2Q19 – at R\$ 259,680 compared to R\$ 57,921 in 2Q19. This higher figure mainly reflects the upward adjustment to the economic portion of the indemnity base, as a result of the Periodic Review of RAP, which was recalculated in accordance with the applicable regulatory rules, resulting in an increase of R\$ 231,126 in the Company's profit at June 30, 2020.

Additionally, these revenues were influenced by the difference in the IPCA inflation index between the two periods. At the beginning of the tariff cycle, which takes place in July of each year, the amounts received for the adjustment set for the cycle, corresponding to the amortization of the debtor balance up to the end of the period, are excluded from the remuneration base for updating, reducing the remuneration. The indemnity (reimbursement) is being received through the RAP (Permitted Annual Revenue) since 2017, over a period of 8 years, for the financial portion, and for the remaining period of the useful life of the assets, for the economic portion.

Revenue from transactions on the Wholesale Trading Exchange (CCEE)

Revenue from transactions in electricity on the CCEE in 2Q20 was R\$ 7,074, compared to R\$ 144,821 in 2Q19 – a reduction of 95.1% year-on-year. This reduction is due to the lower availability of electricity for settlement on the CCEE; higher allocation of

electricity to 'bilateral' sales on the spot market in 2Q20, and the lower value of the spot price than in the previous year.

Month	Spot Price			GSF	
	Sub-market	R\$/MWh		2020	2019
		2020	2019		
April	SE/CO	39.68	180.41	1.023	1.189
May	SE/CO	71.95	135.17	0.956	0.923
June	SE/CO	114.79	78.52	0.765	0.669

Revenue from supply of gas

The Company reports revenue from gas 24.62% lower YoY in 2Q20, at R\$ 403,227, compared to R\$ 534,995 in 2Q19. This difference basically reflects volume of gas sold 17.55% lower, at 183,138m³ in 2Q20, compared to 222,106m³ in 2Q19, led by the *industrial* consumer category, which consumed 21.75% less volume year-on-year.

Market ('000 m ³ /day)	2015	2016	2017	2018	2019	1H20	1H19
Residential	1.04	3.38	11.44	17.73	21.28	23.91	19.23
Commercial	22.42	24.68	32.67	39.37	47.7	47.11	41.87
Industrial	2,422.78	2,173.76	2,453.22	2,400.41	2,085.32	1,902.09	2,219.07
Other	119.87	120.19	126.15	155.14	148.44	115.39	154.33
Total, excluding thermal generation	2,566.11	2,322.01	2,623.47	2,612.65	2,302.74	2,088.50	2,434.50
Thermoelectric power	1,309.13	591.52	990.89	414.04	793.94	292.13	534.27
Total	3,875.24	2,913.53	3,614.36	3,026.69	3,096.69	2,380.63	2,968.77

Supply of gas to the residential market began in 2013. In June 2020, a total of 54,552 households were supplied and billed.

Number of clients	2015	2016	2017	2018	2019	June 2020
Residential	3,820	14,935	30,605	41,377	50,813	54,552
Commercial	218	394	591	756	981	978
Industrial	113	112	107	109	109	98
Other	62	49	50	57	61	62
Thermoelectric power	2	2	2	2	2	2
Total	4,215	15,492	31,355	42,301	51,966	55,692

Taxes and charges reported as Deductions from revenue

The total of these taxes and charges reported as deductions from revenue in 2Q20 was R\$ 2,687,389, or 9.10% less than in 2Q19 (R\$ 2,956,432).

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 (reimbursements of costs of assets), tariff subsidies, the subsidy for balanced tariff reduction, the low-income-consumer subsidy, the coal consumption subsidy, and the Fuels Consumption Account (CCC). The charges for contribution to the CDE were R\$ 608,155 in 2Q20, compared to R\$ 679,017 in 2Q19, or 10.44% lower, mainly due to the termination of the Regulated Market Account ('the ACR Account'), in August 2019.

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 'Flag' Tariff system

The 'Flag' Tariff bands are activated as a result of low levels of water in the system's reservoirs – tariffs are temporarily increased due to scarcity of rain.

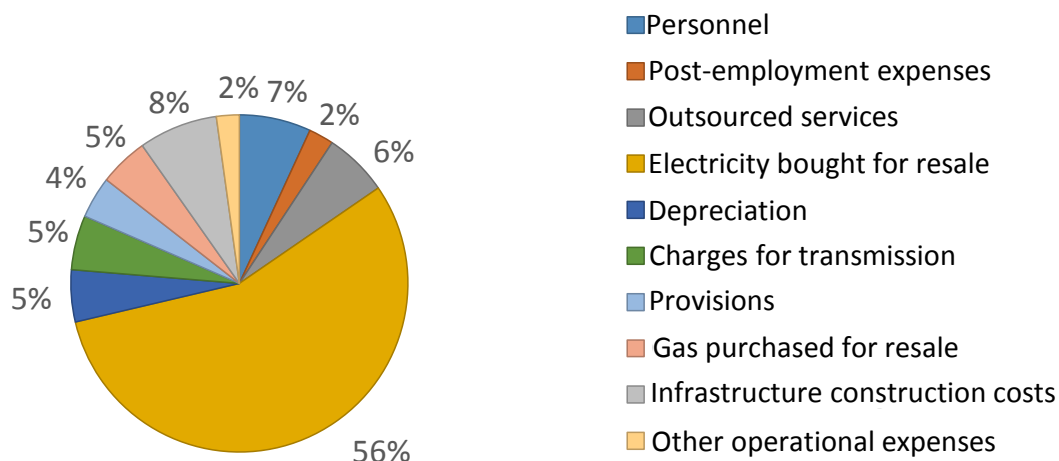
Charges to the consumer arising from the 'Flag Tariff' system in 2Q20 were 99.16% lower year-on-year – at R\$ 73 in 2Q20, vs. R\$ 8,712 in 2Q19. This reflects the flag being 'green' during the whole of 2Q20. For comparison, in 2Q19 the yellow flag was activated in May (with effect on the billing for June 2019).

The 'Flag' Tariff component – history			
Mar. 2020	Green	Mar. 2019	Green
Apr. 2020	Green	Apr. 2019	Green
May 2020	Green	May 2019	Yellow
Jun. 2020	Green	Jun. 2019	Green

Operating costs and expenses

Operational costs and expenses in 2Q20 were R\$ 4,928,788, or 10.22% less than in 2Q19 (R\$ 5,489,685).

The following paragraphs comment on the main variations in expenses:

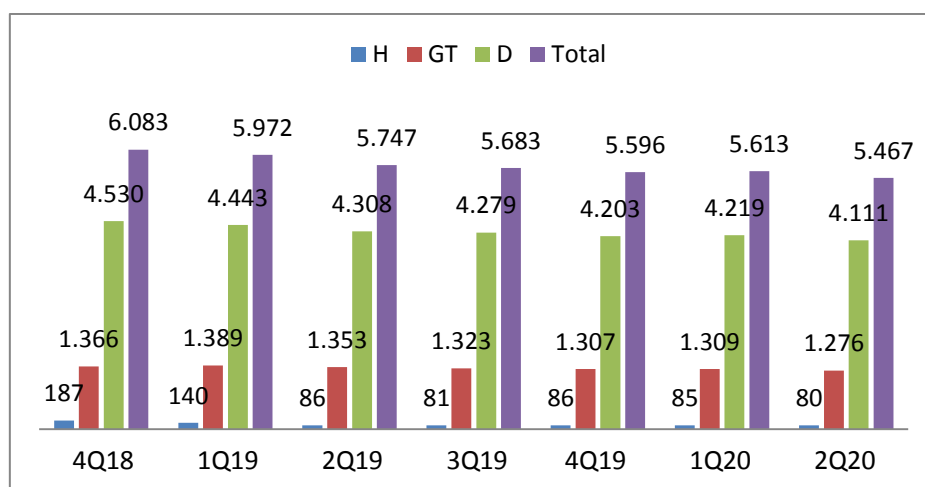


Personnel

The expense on personnel in 2Q20 was R\$ 339,183, or 8.70% more than in 2Q19 (R\$ 312,031). The difference mainly reflects recognition in 2Q20 of R\$ 58,850, the cost of voluntary severance programs; and also the effect of the salary increase of 2.55% agreed in November 2019 under the Collective Work Agreement. Excluding the effects of the voluntary severance program, spending on personnel would have been 10.16% lower than in 2Q19.

PDVP	Cost, R\$ '000	Number of employees accepting
Consolidated	58,850	396
GT	11,348	61
D	45,584	329

Number of employees – by company



Employees' and managers' profit shares

The expense on employees' and managers' profit shares in 2Q20 was R\$ 7,440, compared to R\$ 108,478 in 2Q19, reflecting the lower profit in the period and the change in the criteria for shared profit sharing.

Electricity purchased for resale

The expense on electricity bought for resale in 2Q20 was R\$ 2,755,238, or 9.07% more than in 2Q19 (R\$ 2,526,019). This arises mainly from the following factors:

- Expenses on supply from Itaipu 45.31% higher, at R\$ 524,601 in 2Q20, than in 2Q19 (R\$ 361,021). The difference mainly reflects the higher average US dollar exchange rate – R\$ 5.40 in 2Q20, compared to R\$ 3.92 in 2Q19; and the higher price of energy in US dollars, at R\$ 28.41/kW for the whole of 2020, compared with US\$ 27.71/kW for 2019.
- Expenses on supply acquired at auction were 9.31% higher YoY in 2Q20, at R\$ 748,514, compared to R\$ 684,774 in 2Q19. This increase reflects: (i) volume of energy acquired approximately 10% higher year-on-year; and (ii) the upward adjustment in power purchasing agreements on the regulated market (CCEARs) taking place at the moment of **Cemig D's** tariff adjustment.

- Higher expenses on distributed generation: R\$ 154,315 in 2Q20, compared to R\$ 44,892 in 2Q19. This higher figure reflects the increase in the number of generating facilities installed, and the higher quantity of energy injected into the network (232,076 MWh in 2Q20, compare to 95,965 MWh in 2Q19).

For **Cemig D**, purchased energy is a non-manageable cost: the difference between the amounts used as a reference for calculation of tariffs and the costs actually incurred is compensated for in the subsequent tariff adjustment.

Consolidated	2Q20	2Q19	Change
Supply from <i>Itaipu Binacional</i>	524,601	361,021	45.31%
Physical guarantee quota contracts	189,617	185,427	2.26%
Quotas for <i>Angra I</i> and <i>II</i> nuclear plants	75,742	67,293	12.56%
Spot market	251,066	278,055	-9.71%
Proinfa	77,933	95,309	-18.23%
Individual ('bilateral') contracts	84,216	78,883	6.76%
Electricity acquired in Regulated Market auctions	748,514	684,774	9.31%
Acquired in Free Market	900,703	973,506	-7.48%
Distributed generation	154,315	44,892	243.75%
Credits of PIS, Pasep and Cofins taxes	-251,469	-243,141	3.43%
	2,755,238	2,526,019	9.07%

Cemig D	2Q20	2Q19	Change
Supply from <i>Itaipu Binacional</i>	524,601	361,021	45.31%
Physical guarantee quota contracts	199,970	185,427	7.84%
Quotas for <i>Angra I</i> and <i>II</i> nuclear plants	75,742	67,293	12.56%
Spot market – CCEE	195,334	246,418	-20.73%
Individual ('bilateral') contracts	84,216	78,883	6.76%
Acquired in Regulated Market auctions	757,419	702,423	7.83%
Proinfa	77,933	95,308	-18.23%
Distributed generation	154,314	44,892	243.74%
Credits of PIS, Pasep and Cofins taxes	-166,429	-154,239	7.90%
	1,903,100	1,627,426	16.94%

Gas bought for resale

The expense on acquisition of gas was 29.92% lower in 2Q20, at R\$ 231,378, compared to R\$ 330,180 in 2Q19. This basically reflects volume of gas purchased 14.61% lower, at 185,852m³ in 2Q20, compared to 217,646m³ in 2Q19.

Post-retirement obligations

The impact on operational profit of the Company's post-retirement obligation was an expense of R\$ 118,322 in 2Q20, compared to an expense of R\$ 97,790 in 2Q19. This is mainly the result of reduction in the discount rate used in the actuarial calculation – which increased the amount of the actuarial liabilities, and consequently the scale of the expense reported.

Charges for use of the transmission network

Charges for use of the national grid in 2Q20 were R\$ 257,441, or 29.92% less than in 2Q19 (R\$ 367,375).

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

Operating provisions

Operational provisions in 2Q20 totaled R\$ 197,613, or 77.27% less than in 2Q19 (R\$ 869,373). This arises mainly from the following factors:

- Recognition in 2Q19 of a higher provision for impairment of Accounts receivable from Renova: R\$ 688,031, compared to R\$ 37,361 in 2Q20.
- Losses expected on doubtful receivables from clients 142.22% higher, at R\$ 115,360 in 2Q20, compared to R\$ 47,627 in 2Q19. This difference mainly reflects higher default by clients in the *public authorities* category, and, especially, worsening of performance in the *residential* and *industrial* consumer categories, due to the pandemic.

- Lower provisions made for employment-law contingencies: R\$ 23,375 in 2Q20, compared to R\$ 105,122 in 2Q19. This mainly reflects recognition, in 2Q19, of a change in the indexor used for monetary updating of employment-law actions, from the TR reference rate to the IPCA-E inflation rate, for claims between March 25, 2015 and November 10, 2017 – which are at an advanced phase of execution. The chances of loss have been assessed as ‘probable’.

Share of profit (loss) in associates and joint ventures

The Company reported a gain of R\$ 82,534 as share of net profit in associates and joint ventures, which was 127.5% more than in 2Q19. This mainly reflects improvement in the result of **Taesá** and a less negative result from the stake in **Santo Antônio** that was negative R\$ 18,528 in 2Q20 and negative R\$ 58,154 in 2Q19.

Note: The result of Companhia de Transmissão **Centroeste** de Minas is no longer included in this account (equity income), since the conclusion of purchase by the Company of the remaining stake in Centroeste in January 2020.

Share of profit (loss) in affiliates and joint ventures	2Q20	2Q19
Taesá	90,404	64,858
Aliança Geração	24,939	23,276
Baguari Energia	5,539	5,138
Retiro Baixo	2,609	1,267
Hidrelétrica Pipoca	2,430	858
Hidrelétrica Cachoeirão	2,204	2,730
LightGer	1,339	0
Janaúba fotovoltaic plant – distributed generation	480	-78
Ativas Data Center	200	-249
Guanhães Energia	5	0
Companhia de Transmissão Centroeste de Minas	0	1,398
Axxiom Soluções Tecnológicas	-73	0
Itaocara	-151	0
Aliança Norte (Belo Monte Plant)	-11,271	-2,213
Amazônia Energia (Belo Monte Plant)	-17,592	-2,557
FIP Melbourne (Santo Antônio Plant)	-8,244	-26,241
Madeira Energia (Santo Antônio Plant)	-10,284	-31,913
Total	82,534	36,274

Financial revenue and expenses

For 2Q20, Cemig reports net financial expenses of R\$ 35,317, which compares to net financial revenue in 2Q19 of R\$ 1,908,587. This reflects two main factors:

- Appreciation of the dollar in 2Q20 by 5.33%, compared to a depreciation of 1.66% in 2Q19, resulting in FX variation expenses on the principal debt in Eurobonds of R\$ 415,950 in 2020, compared to revenues in 2Q19, of R\$ 96,750.
- In 2Q20 the fair value of the hedge instrument increased by R\$ 486,720, offsetting the effect of FX variation on the principal of the debt in Eurobonds – with a combined positive result of R\$ 70,770. In 2Q19 the variation in the fair value of the hedge instrument was R\$ 461,083 which added to the positive effect of FX variation, of R\$ 96,750, generated a combined gain of R\$ 557,833. The increase in the fair value of the hedge instrument in 2Q20 arises, especially, from lowering of the DI curve (short leg), which reduced the expectation of the obligation to pay interest; and appreciation of dollar futures, which resulted in an increase in the value of the call spread options.

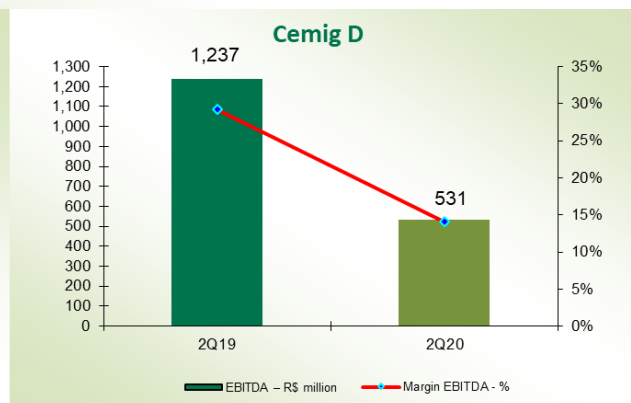
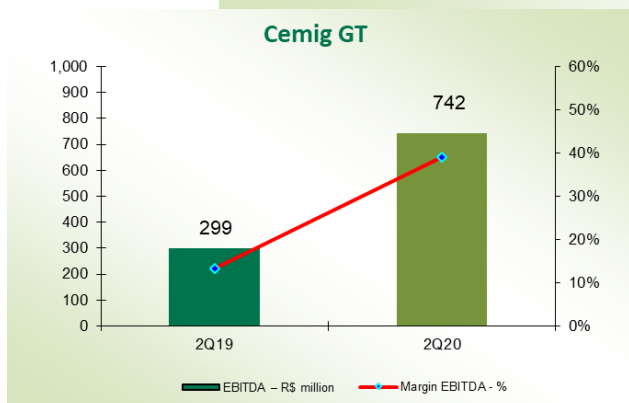
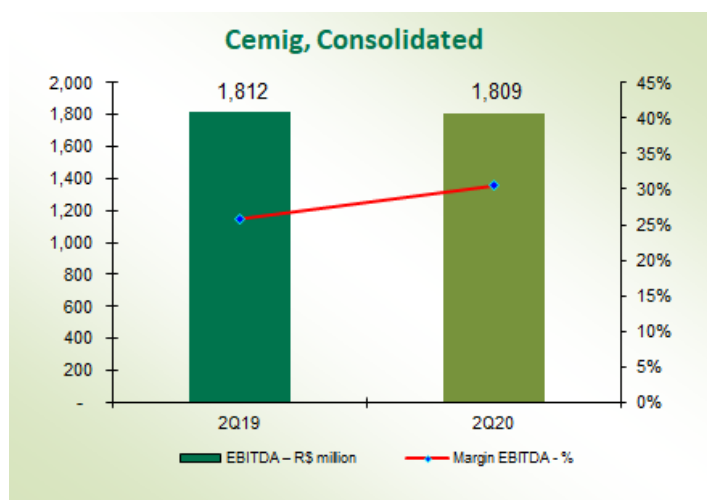
Period	2Q20	2Q19
Effect on the hedge	486,720	461,083
Effect on the principal of the Eurobond debt	-415,950	96,750
Total effect on Financial revenue (expenses)	70,770	557,833

- Recognition of financial revenue in 2Q19 from monetary updating of the R\$ 1,553,112 credits for PIS, Pasep and Cofins taxes.

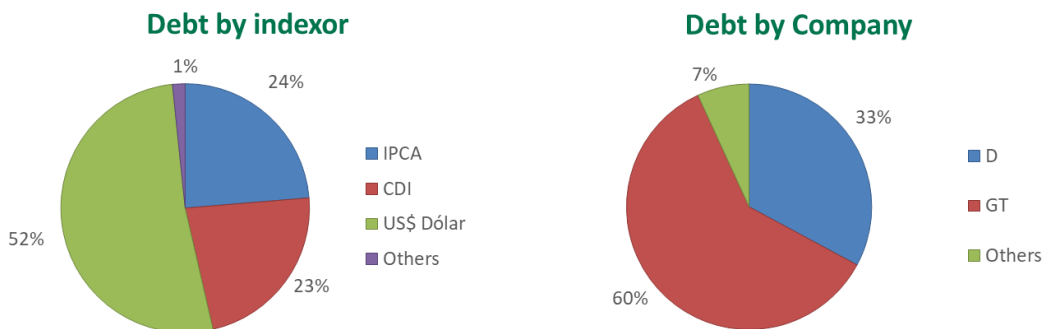
EBITDA

Cemig's consolidated Ebitda in 2Q20 was 0.2% lower than in 2Q19; adjusted Ebitda was 11.3% lower. Ebitda margin in 2Q20 was 32.86% – compared to 25.82% in 2Q19 – but adjusted 2Q20 Ebitda margin was 17.10% compared to 19.02% in 2Q19.

EBITDA – R\$ '000	2Q20	2Q19	Change, %
Net profit for the period	1,043,994	2,114,986	-50.6%
+ Income and Social Contribution taxes	483,986	1,356,983	-64.3%
+ Net financial revenue (expenses)	35,317	-1,908,587	-101.9%
+ Amortization and Depreciation	245,697	248,403	-1.1%
EBITDA	1,808,994	1,811,785	-0.2%
Non-recurring and non-cash effects			
+ Net profit attributed to non-controlling stockholders	-188	-212	-11.3%
+ Pis/Pasep e Cofins sobre ICMS	-	-1,438,563	-
+ Write-down for Renova credit risk	37,361	688,031	-94.6%
+ Reversal of Impairment of assets held for sale (Light)	-475,137	-	-
+ Gain from Periodic Tariff Review of Transmission	-429,840	-	-
Adjusted EBITDA	941,190	1,061,041	-11.3%



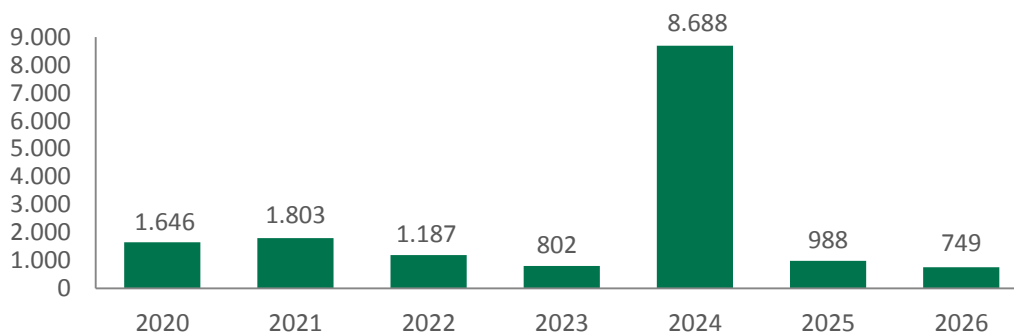
DEBT



The Company's total consolidated debt on June 30, 2020 was R\$ 15,862,429, or R\$ 1,086,398 higher than at the end of 2019 (R\$ 14,776,031). It is important to note that the Company also records a net positive balance on hedge transactions for the Eurobond issue, in the total amount of R\$ 3,281,491: R\$ 1,583,727 for the principal of the debt, and R\$ 1,697,764 for the interest. The total net asset value of the hedge is R\$ 1,590,547 greater than at the end of 2019.

In the first half of 2020, debt totaling R\$ 1,042,496 was amortized: R\$ 488,920 in **Cemig GT**, and R\$ 536,867 in **Cemig D**. No new loans were raised in the period. The rise in gross debt was due to appreciation of the dollar in the half-year, which increased the principal of the Eurobonds debt by R\$ 2.17 billion.

Amortization of debt (R\$ mn)



CEMIG H	Jun. 30, 2020	2019	Change %
Total Debt	15,862,429	14,776,031	7.35%
Cash and cash equivalents + Marketable Securities	3,705,234	1,289,438	187.35%
Total Net Debt	12,157,195	13,486,593	-9.86%
<i>Debt in foreign currency</i>	<i>8,244,066</i>	<i>6,061,097</i>	<i>36.02%</i>

CEMIG GT	Jun. 30, 2020	2019	Change %
Total Debt	9,564,288	7,886,783	21.27%
Cash and cash equivalents + Marketable Securities	1,361,027	585,203	132.57%
Total Net Debt	8,203,261	7,301,580	12.35%
<i>Debt in foreign currency</i>	<i>8,231,132</i>	<i>6,043,046</i>	<i>36.21%</i>

CEMIG D	Jun. 30, 2020	2019	Change %
Total Debt	5,210,787	5,794,922	-10.08%
Cash and cash equivalents + Marketable Securities	1,888,965	344,611	448.14%
Total Net Debt	3,321,822	5,450,311	-39.05%
<i>Debt in foreign currency</i>	<i>12,934</i>	<i>18,051</i>	<i>-28.35%</i>

Covenants – Eurobonds

Last 12 months	jun/20	
R\$ mn	GT	H
net income (loss); plus	274	1,202
financial results net; plus	1,148	1,209
income tax and social contribution; plus	10	257
depreciation and amortization; minus	206	967
minority interest result; minus	94	-186
provisions for the variation in value of put option obligations; minus	65	65
non-operating result (which includes any gains on asset sales and any asset write-off or impairments); plus	69	92
any non-cash expenses and non-cash charges, to the extent that they are non-recurring, minus	406	1,487
any non-cash credits and gains increasing net income, to the extent that they are non-recurring; minus	-188	-240
non-cash revenues related to transmission and generation indemnification; plus	-381	-381
cash dividends received from minority investments (as measured in the statement of cash flows); minus	142	325
monetary updating of concession grant fees; plus	-289	-289
cash inflows related to concession grant fees; plus	263	263
cash inflows related to transmission revenue for cost of capital coverage; plus	185	185
Covenant EBITDA	2,004	4,956

Last 12 months	jun/20	
R\$ mn	GT	H
consolidated Indebtedness; plus	9,564	15,862
Derivative financial instruments	-3,281	-3,281
debt contracts with Forluz; plus	246	1,089
(a) the carrying liability of any put option obligation, less	553	553
consolidated cash and cash equivalents and consolidated marketable securities recorded as current assets.	-1,361	-3,705
Covenant Net Debt	5,721	10,518
Covenant Net Debt to Covenant EBITDA Ratio	2.85	2.12
Limit Covenant Net Debt to Covenant EBITDA Ratio	4.50	3.50
Total Secured Debt		758
Total Secured Debt to Covenant EBITDA Ratio		0.32
Limit Covenant Net Debt to Covenant EBITDA Ratio		1.75

Results separated by business segment – 2Q20

INFORMATION BY SEGMENT ON 2Q20							
DESCRIPTION	ELECTRICITY			GAS	OTHER	ELIMINATIONS	TOTAL
	GENERATION	TRANSMISSION	DISTRIBUTION				
NET REVENUE	1,317,873	553,963	3,778,352	336,060	25,773	-77,607	5,934,414
COST OF ELECTRICITY AND GAS							
Electricity purchased for resale	-871,396	0	-1,903,100	0	0	19,258	-2,755,238
Charges for use of the national grid	-48,854	-39	-265,470	0	0	56,922	-257,441
Gas bought for resale	0	0	0	-231,378	0	0	-231,378
Total	-920,250	-39	-2,168,570	-231,378	0	76,180	-3,244,057
OPERATIONAL COSTS AND EXPENSES							
People	-50,473	-29,964	-235,732	-16,270	-6,744	0	-339,183
Employees' and managers' profit shares	-1,279	-559	-2,810	0	-2,792	0	-7,440
Post-retirement obligations	-13,558	-11,894	-80,561	0	-12,309	0	-118,322
Materials	-2,101	-928	-12,727	-288	-100	3	-16,141
Outsourced services	-24,680	-10,579	-254,119	-5,245	-9,410	1,424	-302,609
Depreciation and amortization	-50,438	-1,891	-166,051	-26,526	-791	0	-245,697
Operating provisions (reversals) and adjustments for operational losses	-8,867	-15,123	-124,930	-1,547	-47,146	0	-197,613
Infrastructure construction costs	0	-26,846	-333,337	-13,222	0	0	-373,405
Other operating expenses (revenues), net	-28,465	-3,645	-34,870	-1,719	-15,622	0	-84,321
Total cost of operation	-179,861	-101,429	-1,245,137	-64,817	-94,914	1,427	-1,684,731
	0	0	0	0	0	0	0
OPERATIONAL COSTS AND EXPENSES	-1,100,111	-101,468	-3,413,707	-296,195	-94,914	77,607	-4,928,788
Fair value of business combinations							
Impairment of assets held for sale	0	0	475,137	0	0	0	475,137
Share of profit (loss) in non-consolidated investees	-7,997	90,404	0	0	127	0	82,534
OPER. PROFIT BEFORE FIN. REV. (EXP.) AND TAXES	209,765	542,899	839,782	39,865	-69,014	0	1,563,297
Finance income	465,282	47,628	118,071	31,071	8,026	0	670,078
Finance expenses	-584,370	-63,032	-59,000	1,764	-757	0	-705,395
PRE-TAX PROFIT	90,677	527,495	898,853	72,700	-61,745	0	1,527,980
Income tax and Social Contribution tax:	-49,451	-135,147	-140,915	-19,308	-139,165	0	-483,986
NET PROFIT (LOSS) FOR THE PERIOD	41,226	392,348	757,938	53,392	-200,910	0	1,043,994
Interest of the controlling shareholders	41,226	392,348	757,938	53,204	-200,910	0	1,043,806
Attributable to non-controlling stockholder	0	0	0	188	0	0	188
	41,226	392,348	757,938	53,392	-200,910	0	1,043,994

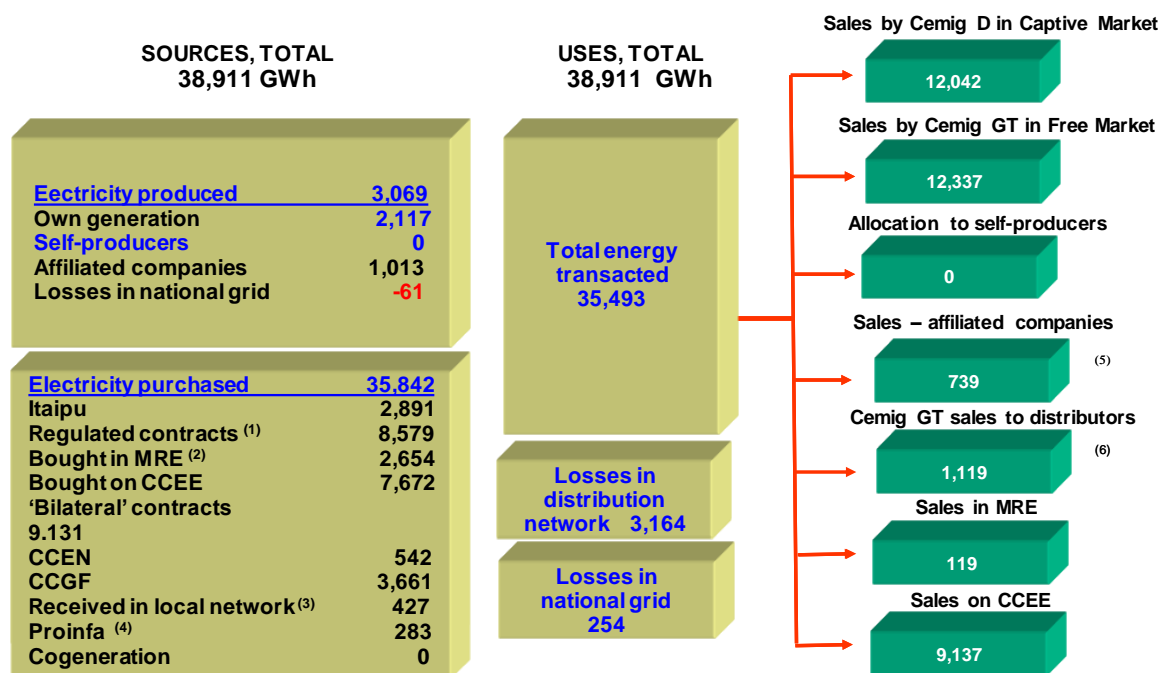
Appendices

Investments

R\$ '000	Proposed 2020	Realized jun/20
GENERATION	76,689	18,809
Investment program	73,172	18,212
Capital injections	3,517	597
Aliança Norte	1,075	438
SPC – Guanhães	-	-
SPC – Amazônia Energia Participações (Belo Monte)	1,254	159
Itaocara Hydroelectric Plant	1,188	-
TRANSMISSION	1,473,168	571,339
Investment program	1,473,168	571,339
Cemig D	1,667,470	227,933
Investment program	1,667,470	227,933
HOLDING COMPANY	183,375	51,927
Capital injections	140,758	9,310
Axxiom	-	-
Cemig GD (Distributed Generation)	-	-
Cemig Overseas	-	-
Gas consortia	-	-
Efficientia – Distributed generation	140,758	9,310
	-	-
Acquisitions – Centroeste	42,617	42,617
Total	1,892,799	717,898

Sources and uses of power – billed market

SOURCES AND USES OF ELECTRICITY – 1H20 CEMIG GROUP (Wholly-owned companies)

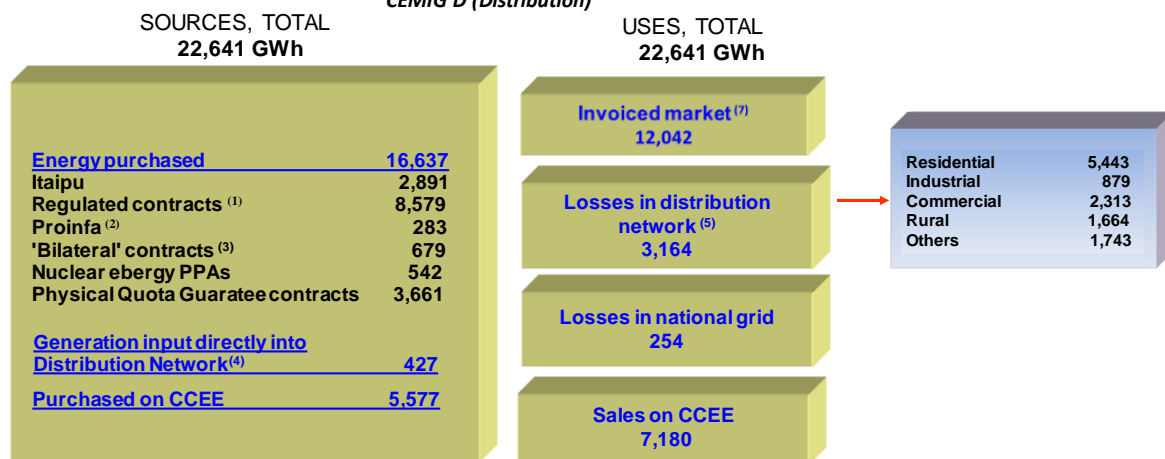


Figures for sources and uses of electricity for the companies of the Cemig Group that are wholly-owned subsidiaries of Cemig: Cemig D, Cemig GT, Cemig PCH, Horizontes, Rosal, Sá Carvalho and SPCs. Excludes inter-company transactions.

- Electricity Sale Contracts in the Regulated Environment (*Contratos de Comercialização de Energia no Ambiente Regulado – CCEARs*); and supply acquired at Adjustment Auctions.
- Energy Reallocation Mechanism – MRE.
- Generation injected directly into the network (includes distributed micro generation).
- Alternative power sources incentivization program (Proinfa).
- Bilateral contracts of the companies CEMIG GT, Sá Carvalho, Horizontes, Rosal, Cemig PCH, and SPCs.
- Sales by Cemig GT in the Regulated Market (*Ambiente de Contratação Regulada – ACR*)

SOURCES AND USES OF ELECTRICITY – 1H20

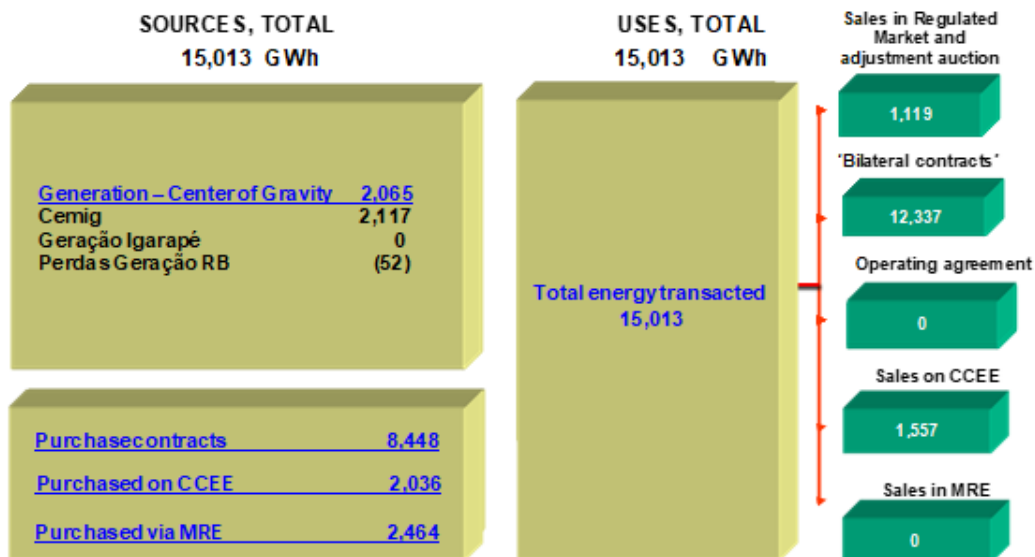
CEMIG D (Distribution)



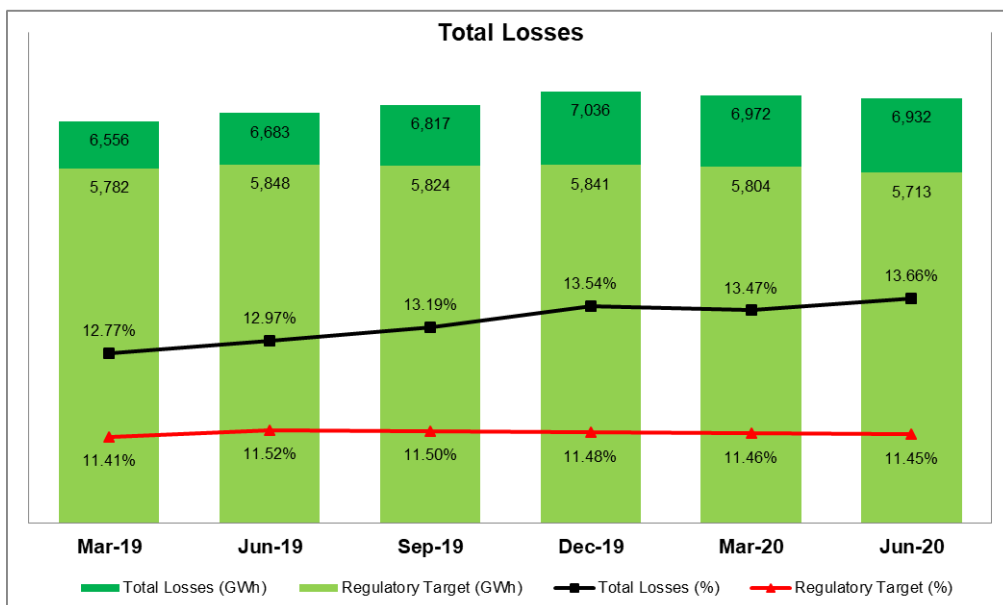
- Purchases by Cemig D through Regulated Contracts (CCEARs) and at Adjustment Auction.
- Alternative power sources incentivization program (Proinfa).
- Corunpe* and *Delta* biomass thermal plants; *Caeté* and *Volta Grande* thermal plants; *Ponte de Pedra* and *Capim Branco* hydroelectric plants.
- Power purchases not modeled on the CCEE, and other generation inputs (including distributed microgeneration).
- Technical and non-technical losses attributed to the captive market and to power transported in the distribution network.
- Does not include registries in progress with the CCEE (approved but not yet published by CCEE).
- Captive market and regulated power contracts (CCERs).

SOURCES AND USES OF ELECTRICITY – 1H20

Cemig GT (Generation)



Losses



Generation plants

Power Plant	Company	Type	Cemig's Stake	Installed Capacity (MW)	Assured Energy(MW average)	Expiration of Concession
Belo Monte	Norte	UHE	12.25%	1,376.24	560.02	26-ago-45
Emborcação	CEMIG GT	UHE	100.00%	1,192.00	499.70	23-jul-25
Santo Antônio	SAE	UHE	15.51%	553.44	375.99	12-jun-46
Nova Ponte	CEMIG GT	UHE	100.00%	510.00	270.10	23-jul-25
Irapé	CEMIG GT	UHE	100.00%	399.00	207.90	28-fev-35
Três Marias	CEMIG G. TRÊS MARIAS	UHE	100.00%	396.00	71.70	4-jan-46
Aimorés	ALIANÇA	UHE	45.00%	148.50	81.86	20-dez-35
Salto Grande	CEMIG G. SALTO GRANDE	UHE	100.00%	102.00	22.50	4-jan-46
Capim Branco I	ALIANÇA	UHE	39.31%	94.35	60.70	29-ago-36
Queimado	CEMIG GT	UHE	82.50%	86.63	56.02	2-jan-33
Nilo Peçanha	Light Energia	UHE	22.60%	85.89	75.42	4-jun-26
Capim Branco II	ALIANÇA	UHE	39.31%	82.56	51.77	29-ago-36
Funil	ALIANÇA	UHE	45.00%	81.00	38.07	20-dez-35
Sá Carvalho	Sá Carvalho S.A	UHE	100.00%	78.00	56.10	1-dez-24
Rosal	Rosal Energia S. A	UHE	100.00%	55.00	29.10	8-mai-32
Itutinga	CEMIG G. ITUTINGA	UHE	100.00%	52.00	8.40	4-jan-46
Igarapava	ALIANÇA	UHE	23.69%	49.75	31.79	30-dez-28
Baguari	BAGUARI ENERGIA	UHE	34.00%	47.60	28.80	15-ago-41
Camargos	CEMIG G. CAMARGOS	UHE	100.00%	46.00	6.30	4-jan-46
Ilha dos Pombos	Light Energia	UHE	22.60%	42.30	24.70	4-jun-26
Volta do Rio	CEMIG GT	EOL	100.00%	42.00	18.41	26-dez-31
Retiro Baixo	Retiro Baixo Energética	UHE	49.90%	41.74	18.26	25-ago-41
Porto Estrela	ALIANÇA	UHE	30.00%	33.60	18.54	10-jul-32
Fontes Nova	Light Energia	UHE	22.60%	29.83	22.33	4-jun-26
Praias de Parajuru	CEMIG GT	EOL	100.00%	28.80	8.39	24-set-32
Pai Joaquim	CEMIG PCH S.A	PCH	100.00%	23.00	13.91	1-abr-32
Pereira Passos	Light Energia	UHE	22.60%	22.58	10.96	4-jun-26
Piau	CEMIG G. SUL	UHE	100.00%	18.01	4.06	4-jan-46
Paracambi	Lightger	PCH	60.53%	15.13	11.82	16-fev-31
Gafanhoto	CEMIG G. OESTE	UHE	100.00%	14.00	2.00	4-jan-46
Others				271.44	98.05	
Total				6,018.39	2,783.68	

RAP (Permitted Annual Revenue – Transmission) – 2020-21 cycle

RAP (Permitted Annual Revenue - Transmission) - 2020/2021 cycle			
	RAP	% Cemig	Cemig
Cemig GT	806.603.919	100,00%	806.603.919
Cemig GT	778.796.255	100,00%	778.796.255
Cemig Itajuba	27.807.664	100,00%	27.807.664
Centroeste	20.798.300	100,00%	20.798.300
Taesa	2.734.081.135	21,68%	592.748.790
Novatrans 2	351.840.172		63.488.599
TSN	325.134.465		65.255.104
Munirah	28.957.338		8.877.228
GTESA	5.877.139		1.195.770
PATESA	17.404.862		3.919.464
ETAU	29.873.865		8.346.861
ETEO	105.372.623		21.448.679
NTE	92.101.202		18.706.925
STE	50.610.141		10.544.318
ATE I	115.112.563		36.262.993
ATE II	275.494.699		56.079.414
EATE	129.046.926		26.502.277
ETEP	29.385.011		5.975.656
ENTE	67.274.425		22.112.856
ECTE	10.849.519		2.208.428
ERTE	15.319.744		4.224.080
Lumitrans	12.731.756		2.592.896
Transleste	19.257.716		5.361.071
Transirapé	22.165.285		4.351.961
Transudeste	16.324.392		3.322.843
ATE III	127.710.614		27.184.378
São Gotardo	5.518.054		1.174.265
Mariana	16.430.777		3.330.503
Miracema	59.650.639		14.099.152
Janaúba	197.703.925		42.072.074
Aimorés	40.432.243		8.604.120
Paraguaçu	60.351.776		12.843.065
Brasnorte	28.003.631		5.280.371
STC	19.247.002		4.104.479
EBTE	36.417.900		7.449.256
ESDE	7.179.269		1.527.778
ETSE	4.102.122		872.948
ESTE	57.165.229		12.160.091
Ivaí	149.760.972		31.869.676
EDTE	32.972.564		7.479.665
Sant'Ana	62.078.724		13.167.171
São João	49.834.778		10.804.180
São Pedro	46.533.005		10.088.356
Lagoa Nova	12.854.068		2.786.762
Light	8.960.261	22,58%	2.023.227
TOTAL RAP CEMIG			1.422.174.236

Proportional RAP of Cemig's proportional stake

EBITDA/NET PROFIT - Management adjustments

Cemig Consolidated Adjustments	EBITDA		Net Profit	
	2Q20	2Q19	2Q20	2Q19
Total recorded	1,809	1,812	1,044	2,115
Tariff Review of transmission company	-430	-	-283	-
Voluntary Severance Program	59	-	39	-
Remeasurement - Light	-475	-	-314	-
Cemig D - Surplus Sales Mechanism	-42	-	-28	-
FX exposure - Eurobonds	-	-	-47	-368
PIS / Cofins judgment	-	-1,439	-	-1,984
Provision - receivable from Renova	37	688	37	688
Seasonalization - Spot price, GSF	-19	-54	-13	-36
Adjusted Total	939	1,007	435	415

Cemig GT Adjustments	EBITDA		Net Profit	
	2Q20	2Q19	2Q20	2Q19
Total recorded	742	299	369	343
Tariff Review of transmission company	-430	-	-283	-
Voluntary Severance Program	11	-	7	-
FX exposure - Eurobonds	-	-	-47	-368
PIS / Cofins judgment	-	-424	-	-439
Provision - receivable from Renova	37	688	37	688
Seasonalization - Spot price, GSF	-19	-54	-13	-36
Adjusted Total	341	509	70	188

Cemig D Adjustments	EBITDA		Net Profit	
	2Q20	2Q19	2Q20	2Q19
Total recorded	531	1,237	283	1,379
Voluntary Severance Program	46	-	30	-
PIS / Cofins judgment	-	-830	-	-1,227
Cemig D - Surplus Sales Mechanism	-42	-	-28	-
Adjusted Total	535	407	285	152

Cemig D – Tables (R\$ million)

CEMIG D Market				
Quarter	(GWh)			GW
	Captive Consumers	TUSD ENERGY ¹	T.E.D ²	TUSD PICK ³
2Q18	6,343	4,873	11,216	30
3Q18	6,309	4,870	11,179	30
4Q18	6,406	4,906	11,313	31
1Q19	6,529	4,760	11,289	33
2Q19	6,288	4,910	11,198	33
3Q19	6,266	4,898	11,164	34
4Q19	6,516	4,783	11,299	33
1Q20	6,254	4,809	11,063	33
2Q20	5,788	4,739	10,526	32

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 (R\$ million)	2Q20	1Q20	2Q19	QoQ	YoY
Sales to end consumers	4,451	4,895	4,578	-9.07%	-2.77%
Revenue from Use of Distribution Systems (the TUSD charge)	681	730	641	-6.71%	6.24%
CVA and Other financial components in tariff adjustment	136	-55	-40	-347.27%	-440.00%
Construction revenue	333	248	203	34.27%	64.04%
Others	404	425	1,247	-4.94%	-67.60%
Subtotal	6,005	6,243	6,629	-3.81%	-9.41%
Deductions	2,227	2,466	2,394	-9.69%	-6.98%
Net Revenues	3,778	3,777	4,235	0.03%	-10.79%

Operating Expenses (R\$ million)	2Q20	1Q20	2Q19	QoQ	YoY
Personnel	236	216	216	9.26%	9.26%
Employees' and managers' profit sharing	3	16	75	-81.25%	-96.00%
Forluz – Post-retirement obligations	81	71	66	14.08%	22.73%
Materials	13	15	15	-13.33%	-13.33%
Outsourced services	254	252	247	0.79%	2.83%
Amortization	166	163	163	1.84%	1.84%
Operating provisions	125	126	136	-0.79%	-8.09%
Charges for Use of Basic Transmission Network	265	372	374	-28.76%	-29.14%
Energy purchased for resale	1,903	1,919	1,627	-0.83%	16.96%
Construction Cost	333	249	203	33.73%	64.04%
Other Expenses	35	46	39	-23.91%	-10.26%
Total	3,414	3,445	3,161	-0.90%	8.00%

Statement of Results (R\$ million)	2Q20	1Q20	2Q19	QoQ	YoY
Net Revenue	3,778	3,777	4,235	0.03%	-10.79%
Operating Expenses	3,414	3,445	3,161	-0.90%	8.00%
EBIT	364	332	1,074	9.64%	-66.11%
EBITDA	530	495	1,237	7.07%	-57.15%
Financial Result	59	-34	975	-273.53%	-93.95%
Provision for Income Taxes, Social Cont & Deferred Income Tax	-141	-101	-670	39.60%	-78.96%
Net Income	282	197	1,379	43.15%	-79.55%

Cemig GT – Tables (R\$ million)

Operating Revenues	2Q20	1Q20	2Q19	QoQ	YoY
Sales to end consumers	836	962	996	-13.1%	-16.1%
Supply	745	881	659	-15.4%	13.1%
Revenues from Trans. Network	353	172	173	105.2%	104.0%
Gain on monetary updating of Concession Grant Fee	47	100	95	-53.0%	-50.5%
Transactions in the CCEE	8	24	145	-66.7%	-94.5%
Construction revenue	27	47	55	-42.6%	-50.9%
Transmission indemnity revenue	260	56	58	364.3%	348.3%
Others	1	83	509	-98.8%	-99.8%
Subtotal	2,277	2,325	2,690	-2.1%	-15.4%
Deductions	379	434	447	-12.7%	-15.2%
Net Revenues	1,898	1,891	2,243	0.4%	-15.4%

Operating Expenses	2Q20	1Q20	2Q19	QoQ	YoY
Personnel	80	75	78	6.7%	2.6%
Employees' and managers' profit sharing	1	6	27	-83.3%	-96.3%
Forluz – Post-retirement obligations	25	23	21	8.7%	19.0%
Materials	3	3	5	0.0%	-40.0%
Outsourced services	35	35	44	0.0%	-20.5%
Depreciation and Amortization	52	52	67	0.0%	-22.4%
Operating provisions	24	31	713	-22.6%	-96.6%
Charges for Use of Basic Transmission Network	49	49	46	0.0%	6.5%
Energy purchased for resale	871	914	916	-4.7%	-4.9%
Construction Cost	27	47	55	-42.6%	-50.9%
Other Expenses	33	9	11	2.67	200.0%
Total	1,200	1,244	1,983	-3.5%	-39.5%

Statement of Results	2Q20	1Q20	2Q19	QoQ	YoY
Net Revenue	1,898	1,891	2,243	0.4%	-15.4%
Operating Expenses	1,200	1,244	1,983	-3.5%	-39.5%
EBIT	698	647	260	7.9%	168.5%
Equity gain in subsidiaries	-8	6	-28	-233.3%	-71.4%
EBITDA	742	705	299	5.2%	148.2%
Financial Result	-134	-690	624	-80.6%	-121.5%
Provision for Income Taxes, Social Cont & Deferred Income Tax	-187	33	-514	-666.7%	-63.6%
Net Income	369	-4	342	-9325.0%	7.9%

Cemig, consolidated – Tables (R\$ million)

Energy Sales (Consolidated)(GWh)	2Q20	1Q20	2Q19	QoQ	YoY
Residential	2,658	2,785	2,548	-4.56%	4.32%
Industrial	3,106	3,448	3,947	-9.92%	-21.31%
Commercial	2,085	2,509	2,375	-16.90%	-12.21%
Rural	897	775	915	15.74%	-1.97%
Others	834	922	906	0.10	-7.95%
Subtotal	9,580	10,439	10,691	-8.23%	-10.39%
Own Consumption	7	9	7	-22.22%	0.00%
Supply	3,401	3,225	2,422	5.46%	40.42%
TOTAL	12,988	13,673	13,120	-5.01%	-1.01%

Energy Sales	2Q20	1Q20	2Q19	QoQ	YoY
Residential	2,307	2,559	2,207	-9.85%	4.53%
Industrial	934	1,047	1,155	-10.79%	-19.13%
Commercial	1,137	1,440	1,280	-21.04%	-11.17%
Rural	511	473	461	8.03%	10.85%
Others	444	490	465	-9.39%	-4.52%
Electricity sold to final consumers	5,333	6,009	5,568	-11.25%	-4.22%
Unbilled Supply, Net	-139	-104	119	33.65%	-216.81%
Supply	726	862	641	-15.78%	13.26%
TOTAL	5,920	6,767	6,328	-12.52%	-6.45%

Operating Revenues	2Q20	1Q20	2Q19	QoQ	YoY
Sales to end consumers	5,333	6,009	5,568	-11.25%	-4.22%
Supply	726	862	641	-15.78%	13.26%
TUSD	674	724	636	-6.91%	5.97%
CVA and Other financial components in tariff adjustment	136	-55	-40	-347.27%	-440.00%
Transmission concession revenue	300	123	126	143.90%	138.10%
Transmission Indemnity Revenue	260	57	58	356.14%	348.28%
Gain on monetary updating of Concession Grant Fee	46	0	95	-	-51.58%
Transactions in the CCEE	7	87	144	-91.95%	-95.14%
Gas supply	403	560	535	-28.04%	-24.67%
Construction revenue	373	310	266	20.32%	40.23%
Others	363	394	1,944	-7.87%	-81.33%
Subtotal	8,621	9,071	9,973	-4.96%	-13.56%
Deductions	2,687	3,012	2,956	-10.79%	-9.10%
Net Revenues	5,934	6,059	7,017	-2.06%	-15.43%

Operating Expenses	2Q20	1Q20	2Q19	QoQ	YoY
Personnel	339	312	312	8.65%	8.65%
Employees' and managers' profit sharing	7	26	108	-73.08%	-93.52%
Forluz – Post-Retirement Employee Benefits	118	105	98	12.38%	20.41%
Materials	16	19	20	-15.79%	-20.00%
Outsourced services	303	299	302	1.34%	0.33%
Energy purchased for resale	2,755	2,814	2,526	-2.10%	9.07%
Depreciation and Amortization	246	243	248	1.23%	-0.81%
Operating Provisions	198	159	869	24.53%	-77.22%
Charges for use of the national grid	257	365	367	-29.59%	-29.97%
Gas bought for resale	232	312	330	-25.64%	-29.70%
Construction costs	373	310	266	20.32%	40.23%
Other Expenses	84	54	43	55.56%	95.35%
Total	4,928	5,018	5,489	-1.79%	-10.22%

Financial Result Breakdown	2Q20	1Q20	2Q19	QoQ	YoY
FINANCE INCOME					
Income from cash investments	21	18	26	16.67%	-19.23%
Arrears fees on sale of energy	85	95	95	-10.53%	-10.53%
Monetary variations – CVA	14	12	32	16.67%	
Monetary updating on Court escrow deposits	38	16	13	137.50%	192.31%
Pasep and Cofins charged on finance income	-7	-9	-41	-22.22%	-82.93%
Gain on Financial instruments - Swap	486	1,314	461	-63.01%	5.42%
Liabilities with related parties	3	0	23	-	-
Monetary updating of PIS/Cofins credits	12	14	1,553	-14.29%	-99.23%
Others	18	22	110	-18.18%	-83.64%
	670	1,482	2,272	-54.79%	-70.51%
FINANCE EXPENSES					
Costs of loans and financings	276	311	310	-11.25%	-10.97%
Foreign exchange variations	406	1,757	-33	0.00%	0.00%
Monetary updating – loans and financings	32	83	3	-61.45%	966.67%
Charges and monetary updating on post-retirement obligation	-4	17	-18	-123.53%	-77.78%
Others	-5	56	101	-108.93%	-104.95%
	705	2,224	363	-68.30%	94.21%
NET FINANCE INCOME (EXPENSES)	-35	-742	1,909	0.00%	-101.83%

Statement of Results	2Q20	1Q20	2Q19	QoQ	YoY
Net Revenue	5,934	6,059	7,017	-2.06%	-15.43%
Operating Expenses	4,928	5,018	5,489	-1.79%	-10.22%
EBIT	1,006	1,041	1,528	-3.36%	-34.16%
Share of profit (loss) in associates and joint ventures	82	81	36	1.23%	127.78%
	0	0	0	-	-
Adjustment for impairment of Investments	475	-609	0	-	-
	0	52	0	-	-
EBITDA	1,809	808	1,812	123.89%	-0.17%
Financial Result	-35	-742	1,909	-95.28%	-101.83%
Provision for Income Taxes, Social Cont & Deferred Income Tax	-484	104	-1,358	-565.38%	-
Net profit for the period	1,044	-73	2,115	-	-50.64%

Cash Flow Statement	2Q20	2Q19
Cash at beginning of period	535	891
Cash generated by operations	4,206	1,083
Net income for the period from going concern operations	987	2,912
Current and deferred income tax and Social Contribution tax	-15	410
Depreciation and amortization	488	479
CVA and other financial components	18	3
Equity gain (loss) in subsidiaries	-165	-104
Provisions (reversals) for operational losses	357	978
Dividends received from equity holdings	169	127
Interest and monetary variation	516	590
Interest paid on loans and financings	-616	-707
Foreign exchange variations - loans and financings	2,162	-70
Redução ao valor recuperável de ativos mantidos para venda	31	134
Variation in fair value of derivative financial instruments	-1,624	-579
PIS/Pasep and Cofins Credits	0	-2,963
Escrow deposits	1,421	34
Others	477	-161
Financing activities	-1,086	-960
Lease payments	-44	-31
Payments of loans and financings	-1,042	-850
Interest on Equity, and dividends	0	-79
Investment activity	-2,684	-266
Securities - Financial Investment	-1,985	140
Contract assets - Distribution and gas infrastructure	-574	-346
Financial assets	-18	-1
Fixed and Intangible assets	-107	-59
	0	0
Cash at end of period	971	748

BALANCE SHEETS (CONSOLIDATED) - ASSETS	June 30, 2020	December 31, 2019
CURRENT	14,161	10,137
Cash and cash equivalents	971	536
Securities	2,529	740
Consumers and traders	4,173	4,524
Financial assets of the concession	1,268	1,080
Contractual assets	176	172
Tax offsetable	2,118	99
Income tax and Social Contribution tax recoverable	497	621
Dividends receivable	97	186
Refund tariff subsidies	89	97
Derivative financial instruments – Swaps	590	165
Public lighting contribution	176	424
Other credits	353	39,790
Assets classified as held for sale	1,124	13
NON-CURRENT	38,374	13
Securities	205	13
Consumers and traders	74	77
Tax offsetable	4,238	6,349
Income tax and Social Contribution tax recoverable	196	228
Deferred income tax and Social Contribution tax	2,538	2,430
Escrow deposits in legal actions	1,170	2,540
Derivative financial instruments – Swaps	2,691	1,456
Other credits	485	542
Financial assets of the concession	4,728	4,850
Contractual assets	2,430	1,832
Investments	5,455	5,399
Property, plant and equipment	2,422	2,450
Intangible assets	11,742	11,624
TOTAL ASSETS	52,535	49,927

BALANCE SHEETS	June 30,	December
LIABILITIES AND SHAREHOLDERS' EQUITY	2020	31, 2019
CURRENT	9,053	7,912
Suppliers	1,945	2,080
Regulatory charges	377	457
Profit sharing	201	212
Taxes	623	358
Income tax and Social Contribution tax	66	134
Interest on Equity, and dividends, payable	746	745
Loans and financings	3,002	2,746
Payroll and related charges	234	200
Post-retirement liabilities	311	288
Other obligations	834	692
NON-CURRENT	26,605	26,124
Regulatory charges	287	147
Loans and financings	12,861	12,030
Taxes	1	1
Income tax and Social Contribution tax	754	661
Provisions	1,865	1,888
Post-retirement liabilities	6,513	6,421
PASEP / COFINS to be returned to consumers	3,522	4,193
Derivative financial instruments - options	506	483
Leasing operations	180	203
Others	116	97
TOTAL EQUITY	16,877	15,891
Share capital	7,294	7,294
Capital reserves	2,250	2,250
Profit reserves	8,751	8,750
Equity valuation adjustments	-2,415	-2,407
Subscription of shares, to be capitalized	993	0
Non-Controlling Interests	4	4
TOTAL LIABILITIES AND EQUITY	52,535	49,927