

2020 Regaining Financial Solidity

CEMIG



Disclaimer

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.

In this material, financial amounts are in **R\$ million (R\$ mn)** unless otherwise stated. Financial data reflect the adoption of IFRS

Brazil's Leading Power Utility

In the Power Industry since 1952

1ST

Integrated Power Utility in Brazil

5ST

Market Cap - US\$3.5B⁽¹⁾

1ST

Market share in the free market⁽²⁾

3ST

**EBITDA⁽³⁾ – 2019 US\$1.15B
Sep/20 (LTM) US\$0.84B**

(1) As of Nov 19th, 2020

(2) In the Brazilian Energy Industry

(3) FX R\$/US\$4,0307 on December 31st, 2019 and R\$/US\$5.4760 on June, 2020



Cemig: in Numbers

88

Power plants

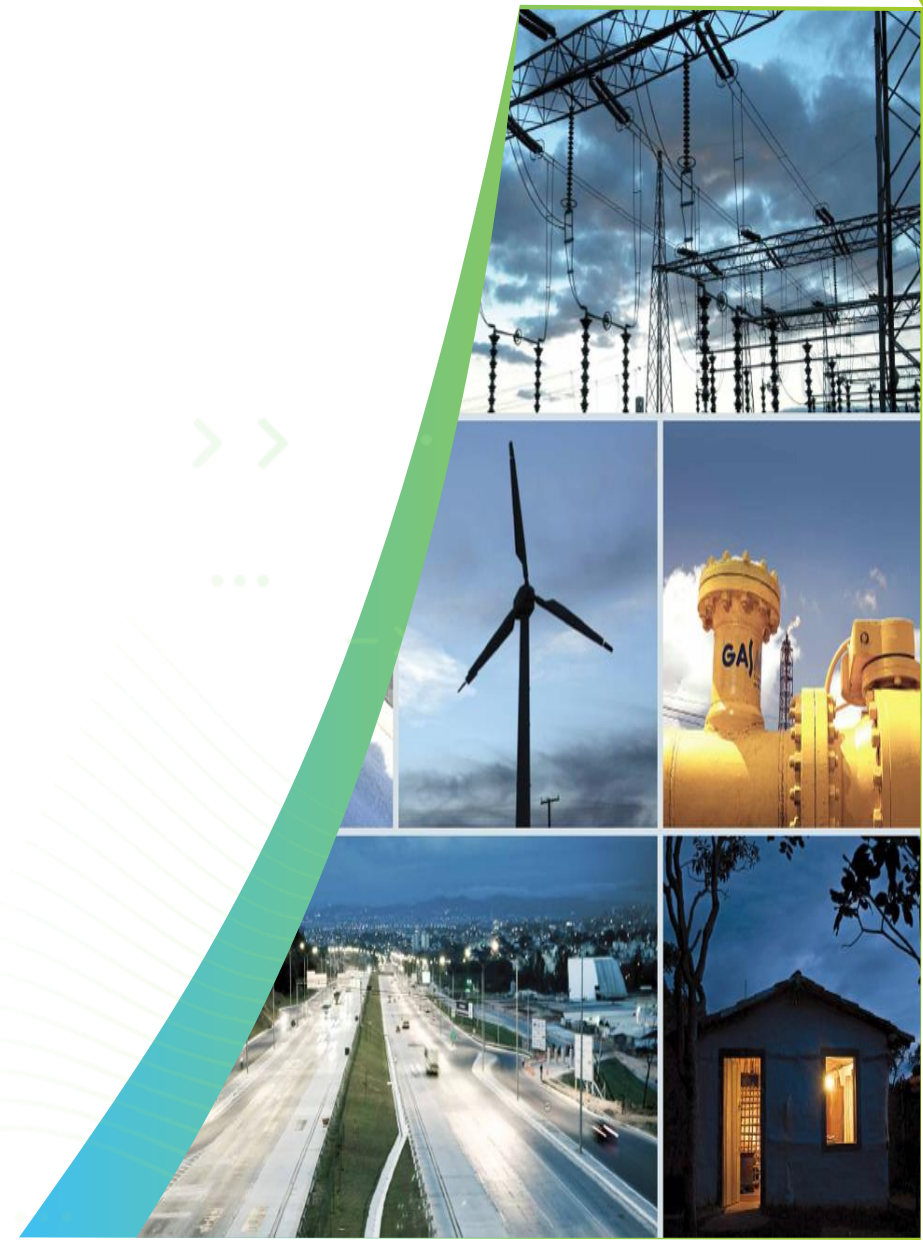
81



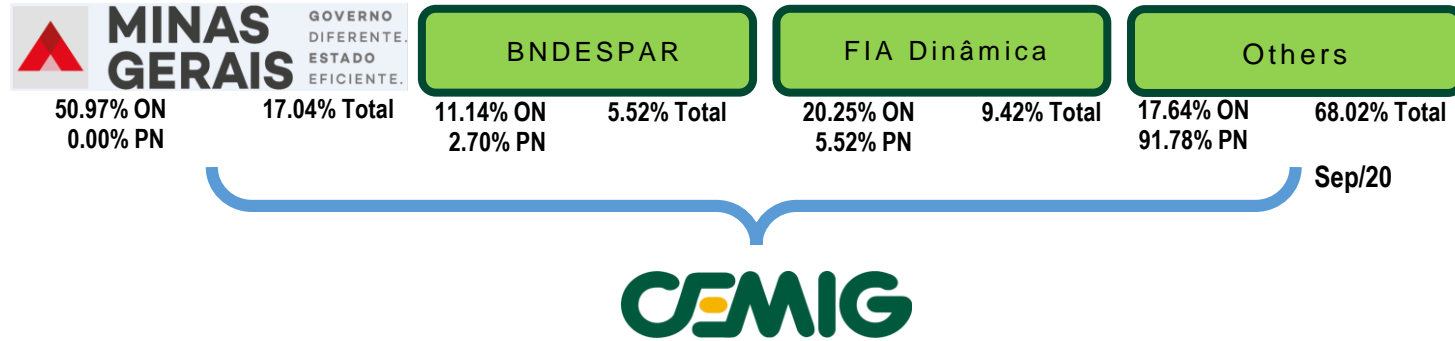
6



1

6.1
GW**Total installed capacity**557,592
KM**Electricity Distribution lines**9,830
KM**Power Transmission lines**

Cemig at a Glance



1

Based in State of Minas Gerais

2

Among the most liquid stocks in Brazil's electricity sector

- listed on New York, São Paulo and Madrid
- More than 198,000 shareholders in more than 39 countries
- Average daily trading volume until August 18th, 2020
R\$155.5M in Bovespa and US\$10.3M in NYSE

3

Solid dividend policy

Shareholder structure

Cemig: Sustainability

How our practices distinguish us from the pack



Cemig is Uniquely Positioned

#1

Integrated Power Utility in Brazil



Electricity Distributor



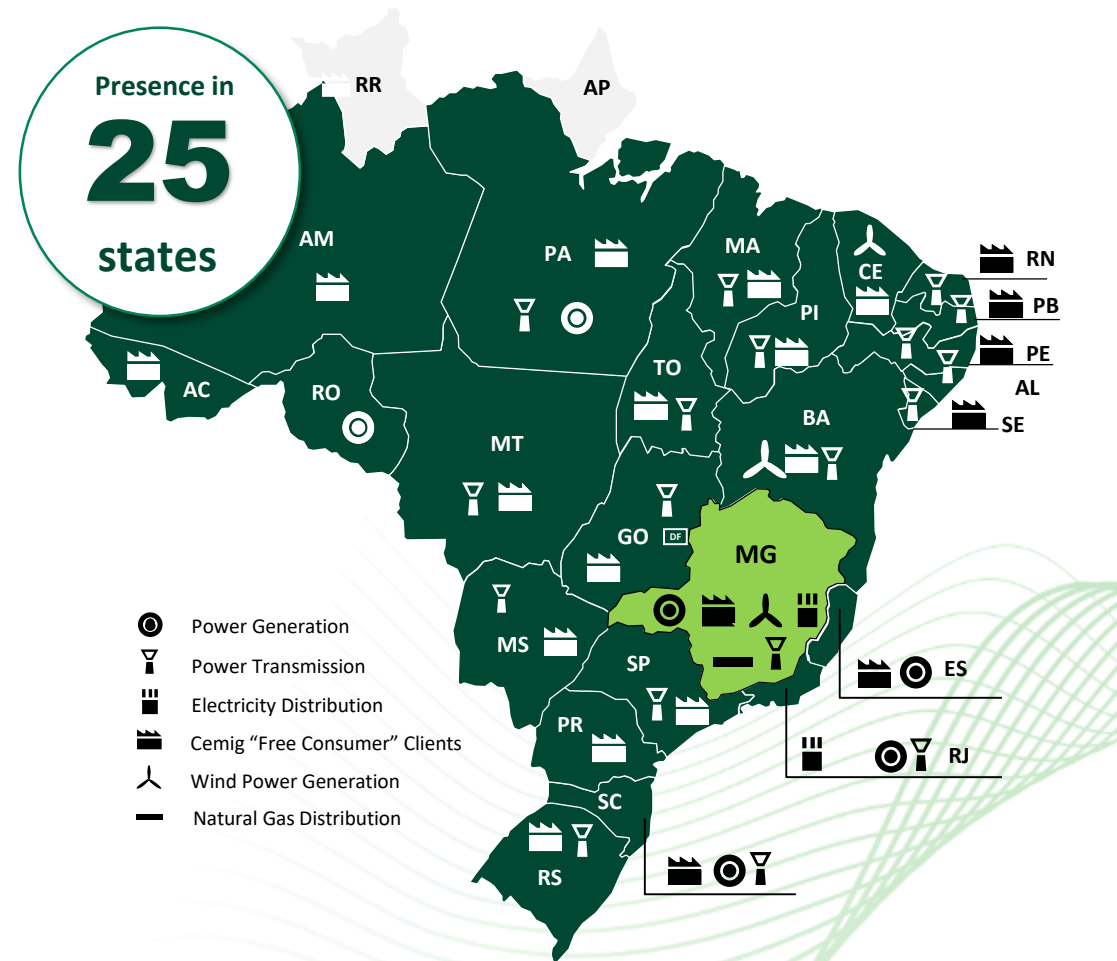
Largest Power Transmission Group



Largest Power Generation Group

(1) In terms of length of electricity distribution lines – January, 2020

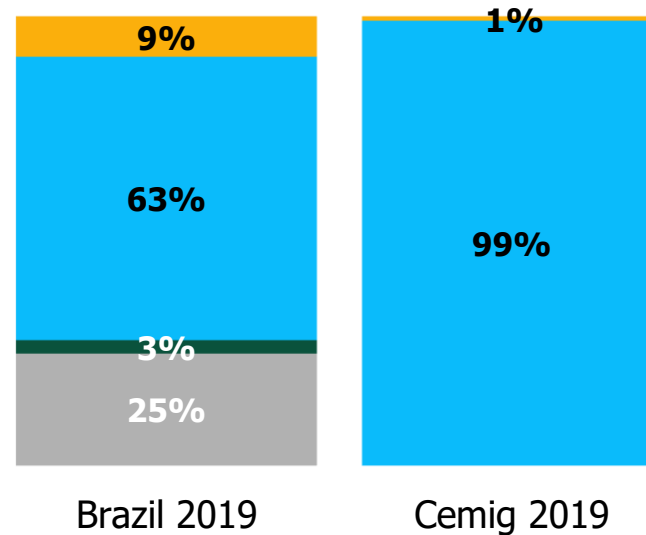
Integrated



Leader in Renewable Hydro Power Energy

Power Generation by Source

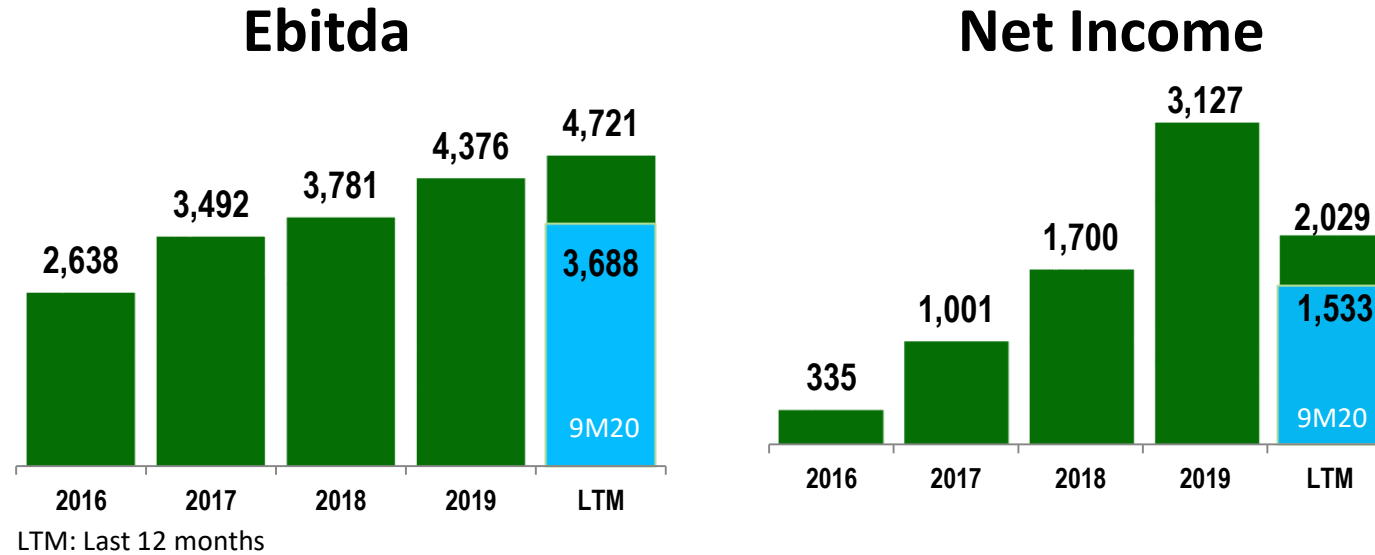
100% of our generation is renewable



■ Fossil Source Fuels ■ Nuclear ■ Hydro ■ Others

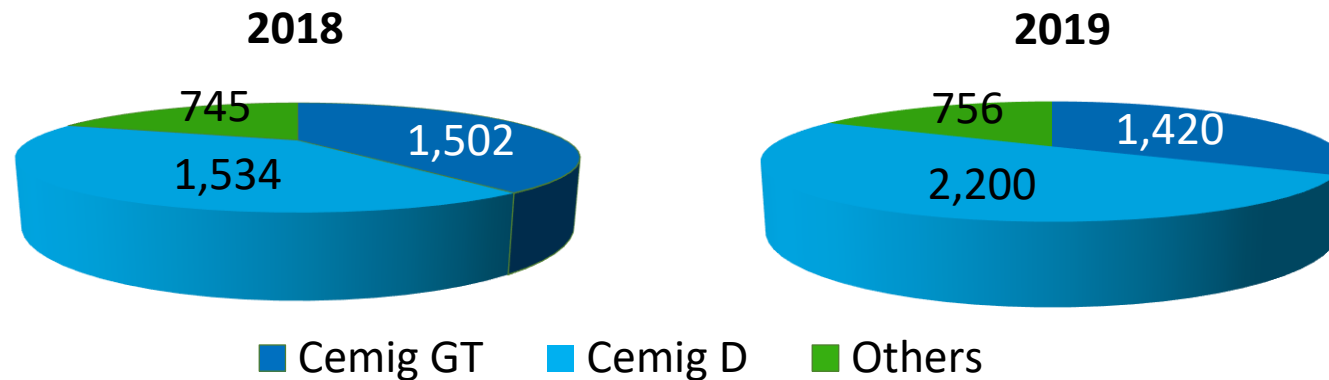


Cash generation



Breakdown of Ebitda

Diversified, Low Risk Business Portfolio



Most of the revenues are inflation protected

Solid dividend policy

Bylaws

- Guaranteed - The minimum annual dividend

Shares	Number of Shares	Guarantee	Minimum Annual
Common	507,670,289	-	-
Preferred	1,011,082,312	R\$ 0.50	R\$ 505,541,156
Total	1,518,752,601	-	R\$ 505,541,156

Dividends' proposal to be paid in 2020:

- Total to be distributed of the 2019 net profit : R\$764 million
- R\$400 million to be paid as Interest on Equity
 - by December 30, 2020
 - record date: December 23, 2019
- R\$364 million as dividends to be paid by December 30, 2020
 - to stockholders of record on date of the AGM

Dividend yield of 3.8%⁽¹⁾



Dividends

Balance Sheet

1.55x Net debt to Ebitda adj – 9M20

54% Debt in foreign currency* – 9M20

5.5 R\$ billion Cash on hand – 9M20

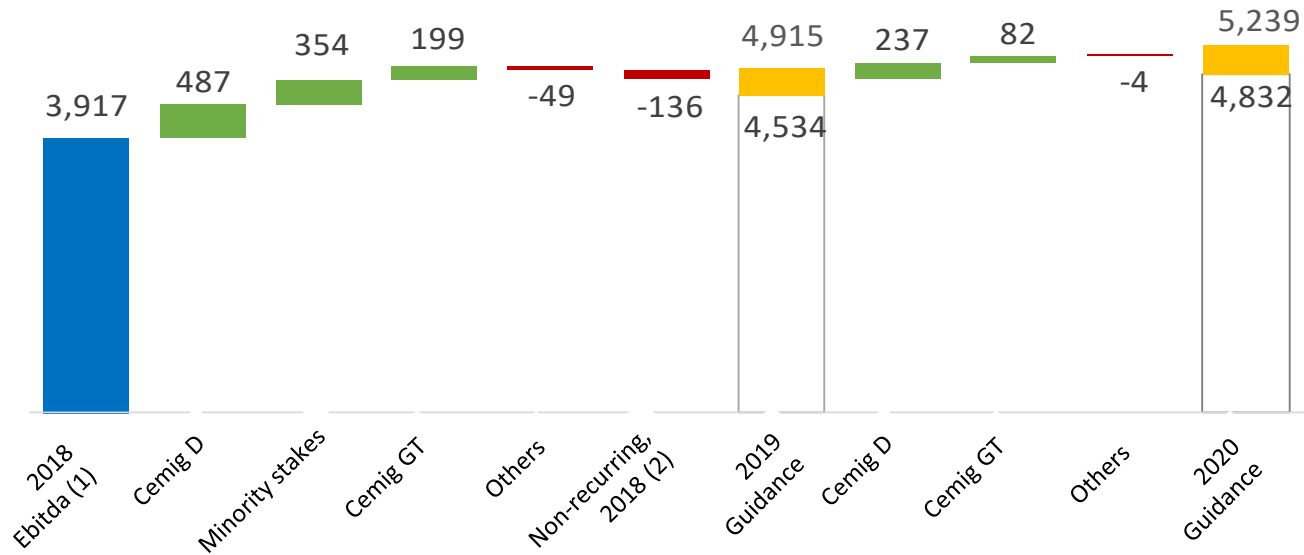
10.6 R\$ billion Net Revenue – 9M20



STABILITY

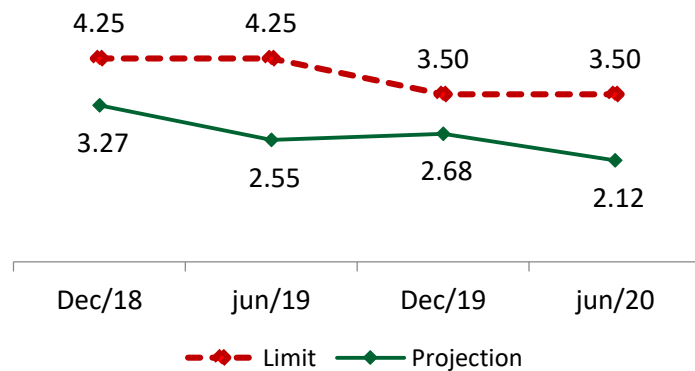
* Debt in Dollar converted into CDI percentage per hedging instrument, within a band of Exchange variation

Ebitda Consolidated 2019 - Guidance

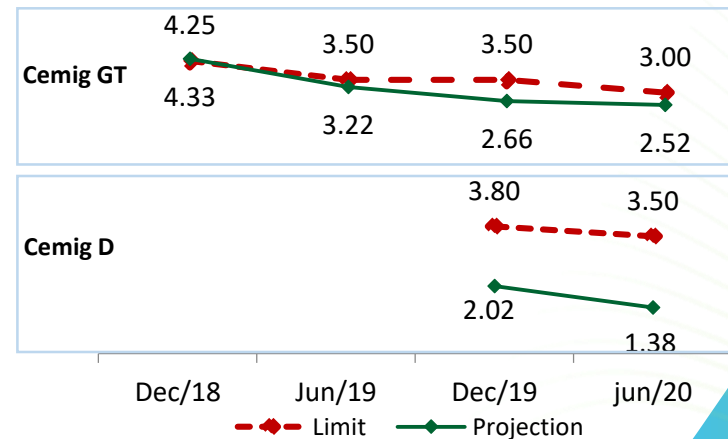


- (1) 2018 Ebitda (3,781) updated to June 2019 R\$.
- (2) Light, LightGer, Santo Antônio, Telecom, Wind farms (Parajuru and Volta do Rio), generation indemnity and Quotas revenue.
- (3) Calculation excludes cashflow from sale of Light.

Net debt/Ebitda – Eurobond



Net debt/Ebitda Debentures – 7th Issue



Net debt and Ebitda are adjusted according to the definitions in the debt contracts.



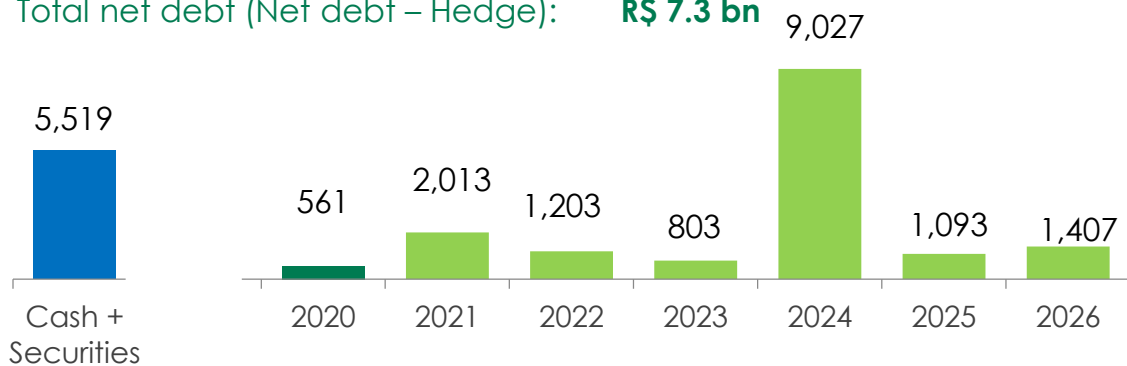
Debt profile – consolidated

Effective strategy reduced costs and leverage

Maturities timetable – Average tenor: 3.9 years

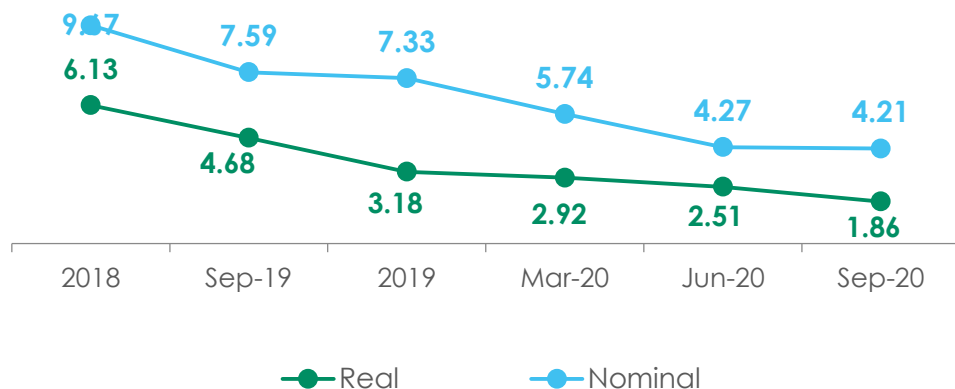
Net debt (Debt – Cash and Securities): **R\$ 10.6 bn**

Total net debt (Net debt – Hedge): **R\$ 7.3 bn**

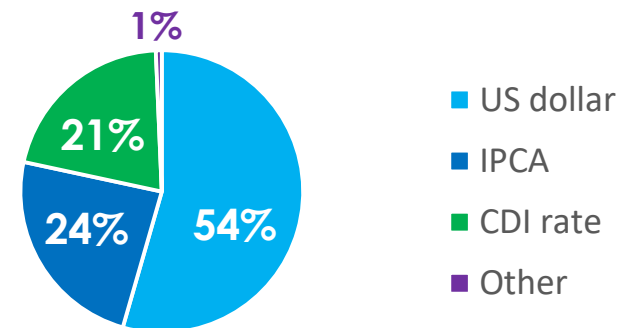


■ **R\$ 294 million** amortized in 3Q20

Cost of debt – %

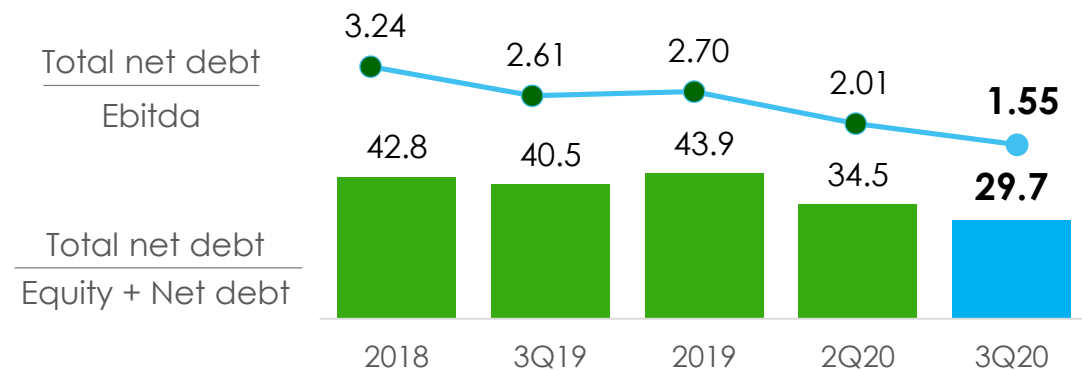


Main indexors



■ The hedge instrument transformed debt in USD into debt costing a set percentage of CDI rate, within an FX band.

Leverage – %



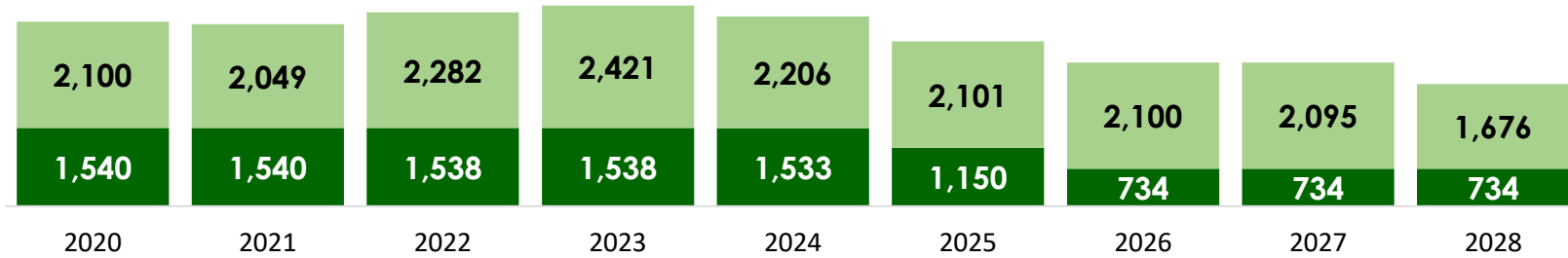
Cemig group*: Supply and demand

Position in September, 2020

MW_{average}

Supply

■ Own generation
■ Purchased



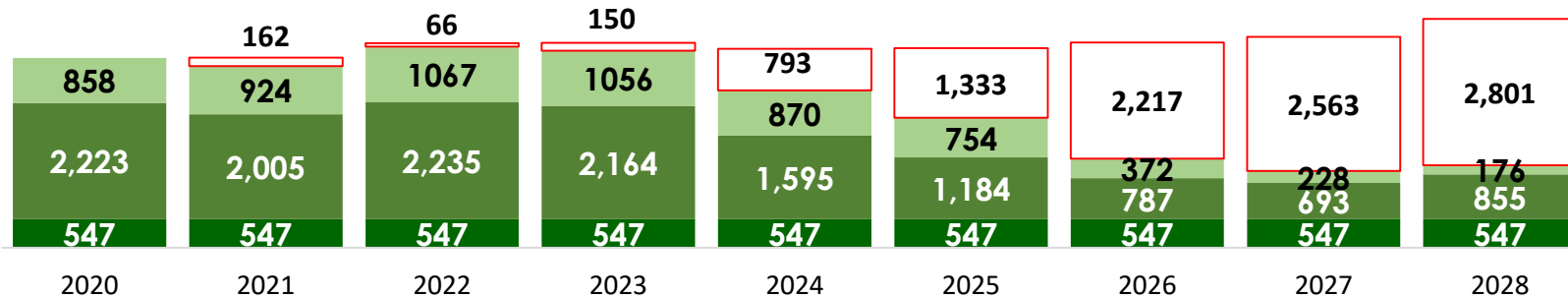
Total Supply	3,640	3,589	3,820	3,959	3,739	3,251	2,834	2,829	2,410
Current Balance	12	113	-29	192	817	766	1,128	1,361	832
Total Demand	3,628	3,476	3,849	3,767	2,922	2,485	1,706	1,468	1,578

Average price billed

R\$/MWh

2020	224.39
2021	212.99
2022	207.33
2023	198.93

Demand



■ Sales: Regulated Market ■ Sales: Free Market ■ Sales: Free Market conventional □ Probable renewals conventional

(*) Considers the total availability of the Cemig group's generation companies (Cemig GT, Sá Carvalho, Horizontes, Cemig PCH, Rosal, Cemig Geração Três Marias, Cemig Geração Salto Grande, Cemig Geração Itutinga, Cemig Geração Camargos, Cemig Geração Leste, Cemig Geração Oeste, Cemig Geração Sul), plus purchases from outside sources.

Cemig group*: Supply and demand

Position in September, 2020

	2020	2021	2022	2023	2024	2025	2026	2027	2028
TOTAL SUPPLY	3.640	3.589	3.820	3.959	3.739	3.251	2.834	2.829	2.410
Own generation	1.540	1.540	1.538	1.538	1.533	1.150	734	734	734
Purchased	2100	2049	2282	2421	2206	2101	2100	2095	1676
TOTAL DEMAND	3.628	3.476	3.849	3.767	2.922	2.485	1.706	1.468	1.578
Free Market Sales	3.081	2.929	3.302	3.220	2.375	1.938	1.159	921	1.031
Regulated Market Sales	547	547	547	547	547	547	547	547	547
CURRENT BALANCE	12	113	-29	192	817	766	1.128	1.361	832
Average price billed (R\$/MWh)	224,39	212,99	207,33	198,93					

(*) Considers the total availability of the Cemig group's generation companies (Cemig GT, Sá Carvalho, Horizontes, Cemig PCH, Rosal, Cemig Geração Três Marias, Cemig Geração Salto Grande, Cemig Geração Itutinga, Cemig Geração Camargos, Cemig Geração Leste, Cemig Geração Oeste, Cemig Geração Sul), plus purchases from outside sources.

Cemig G: Renewal of Concessions

Preservation of existing generation plants:

- These assets have 53% of Cemig GT's total offtake guarantees
- Cemig has formally advised the Energy Ministry of its interest in extension
- Actions in progress:
 - Interactions with MME
 - Authorizations for creation of SPCs;
 - Request for statement by Attorney General's Office, and competent bodies of Minas Gerais State, to authorize privatization
- In parallel, we are evaluating other options that may materialize arising from the “Power Sector Modernization” Draft Law.



Emborcação

- **Physical guarantee:** 499.7 MW_{average}
- **Concession expires:** July 23, 2025*



Nova Ponte

- **Physical guarantee :** 270.1 MW
- **Concession expires:** July 23, 2025*



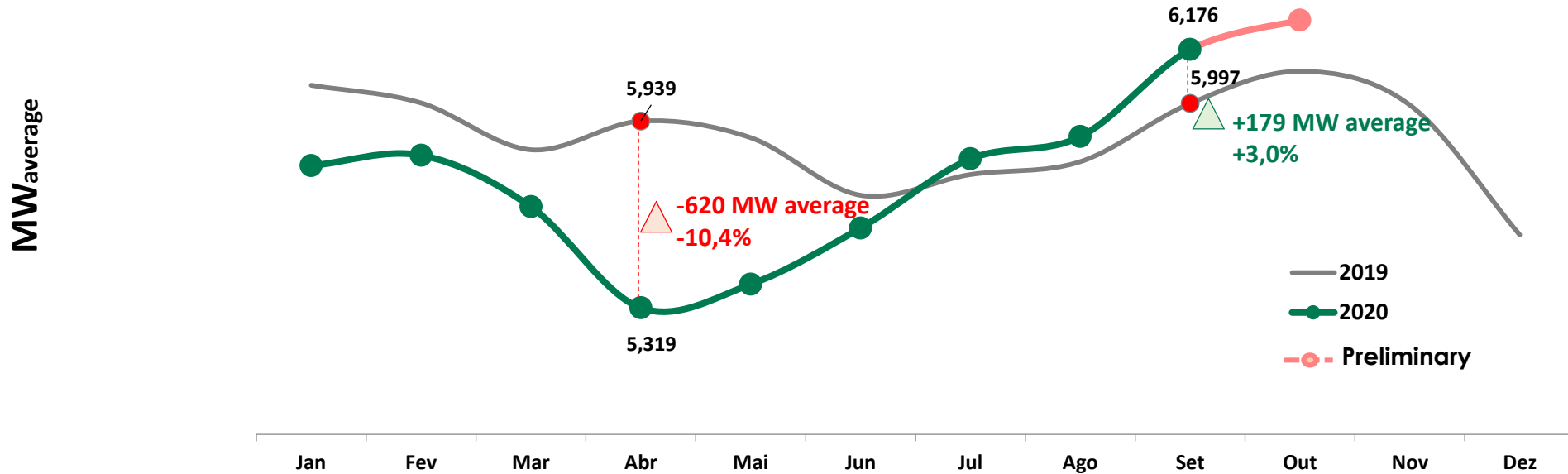
Sá Carvalho

- **Physical guarantee :** 56.1 MW
- **Concession expires:** Nov. 30, 2024*

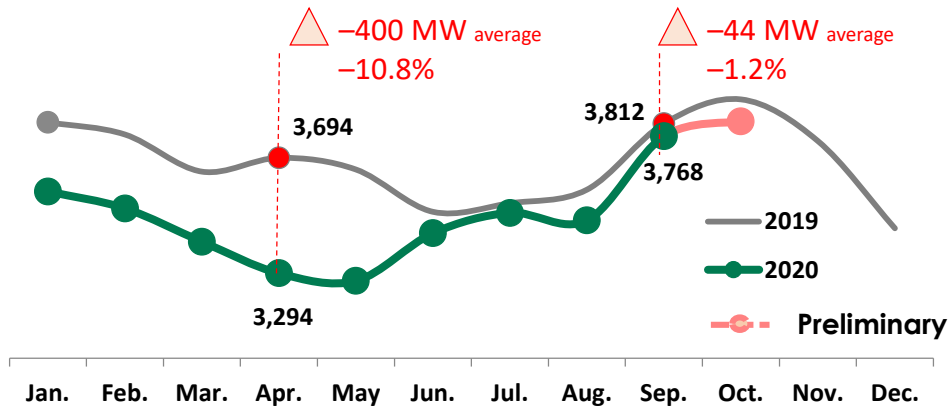
* Law 14052 ('GSF') will extend expiry date – actual date to be set by Aneel.

Cemig D – Distribution: Load figures

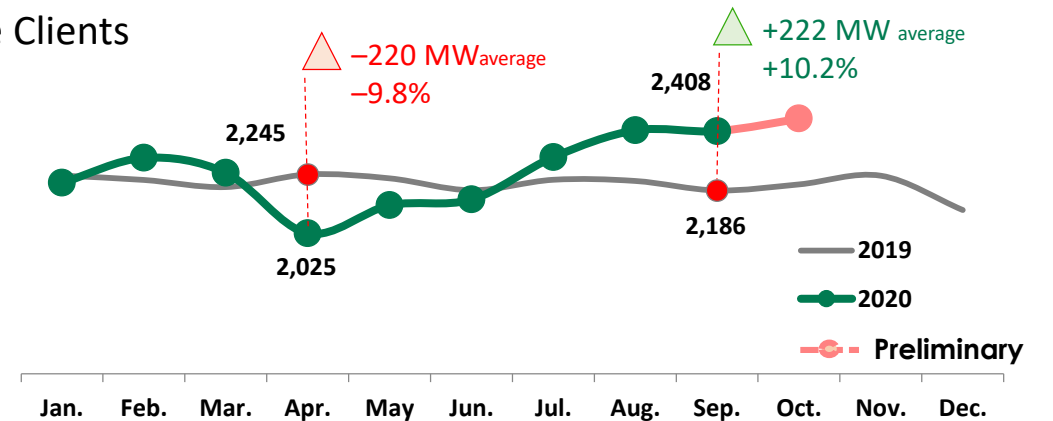
Significant market recovery



Own load



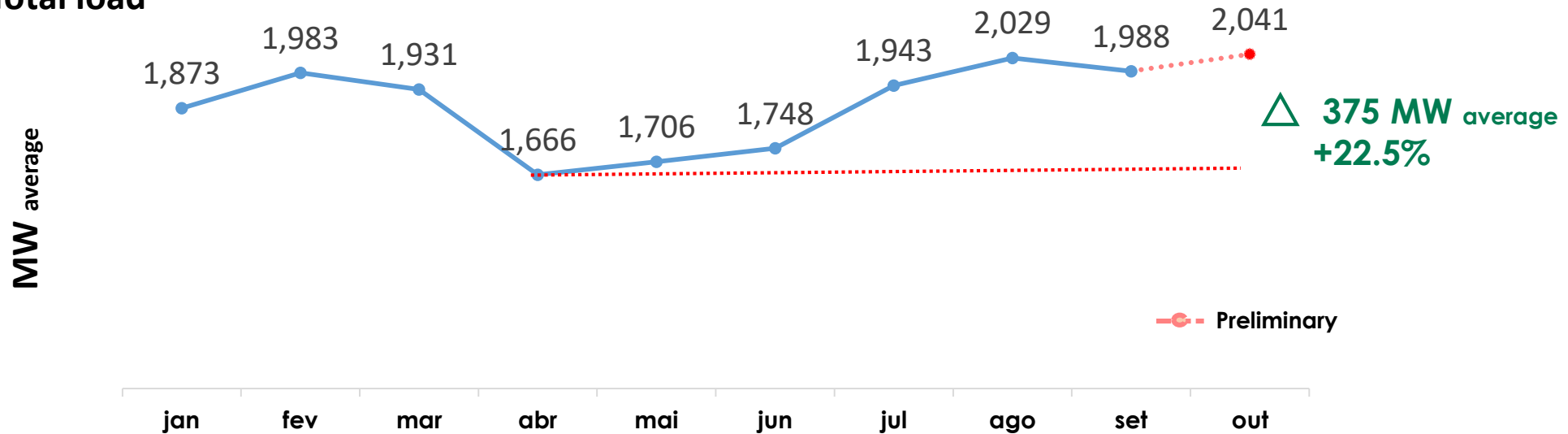
Free Clients



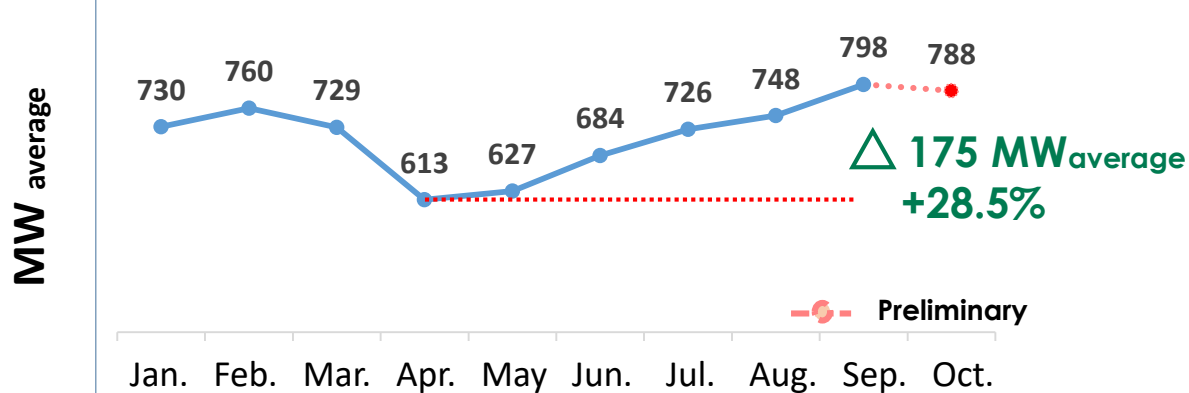
Cemig GT – Load figures for Free Clients

Significant market recovery

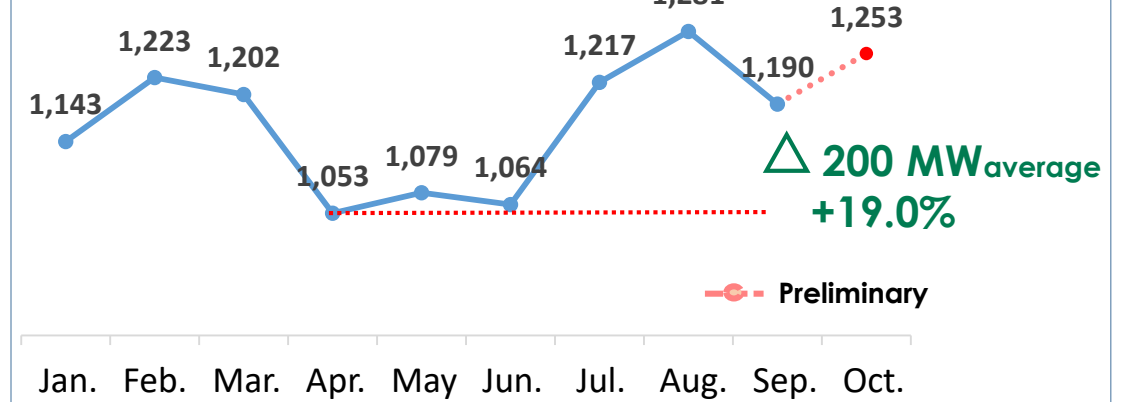
Total load



Load – incentive-bearing



Load – conventional

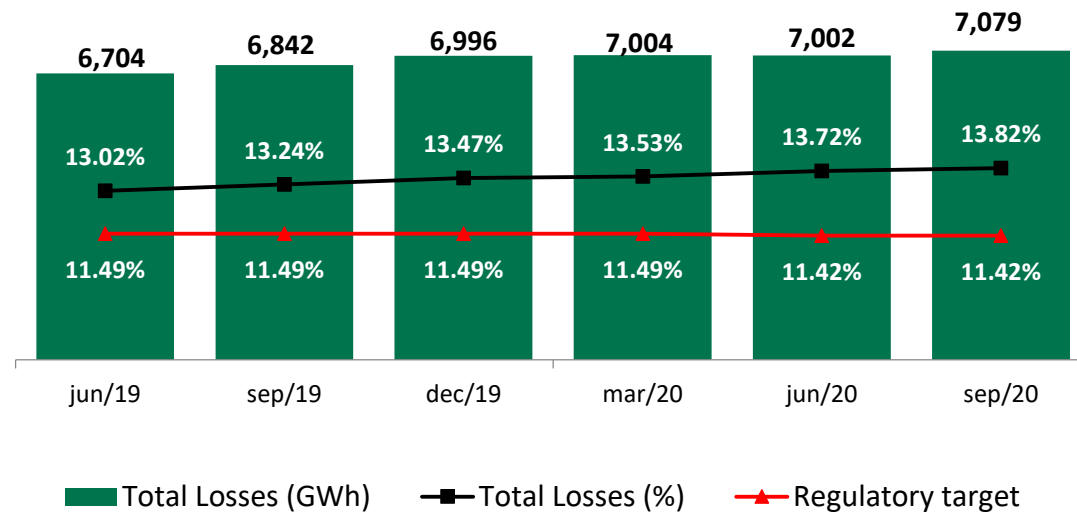


Cemig D –Energy losses

Losses in distribution

12-month moving average

Total energy losses




Of the total losses, approximately **65%** originate from technical losses and **35%** from commercial losses.

Cemig D: Robust Plan to Combat Energy Losses

Energy losses recovery plan: in progress – 2019-21

- **1.6 million** inspections
- Regularization of **120,000** unauthorized connections
- Public lighting: Inspection of **2.2 million** public illumination points
- Remote and automated metering: Installation of **345,000** points with advanced metering infrastructure



Actions
comprising
94%
of the Plan's
solutions

A donut chart with a dark green outer ring and a light tan inner ring. The dark green ring represents 94% of the total, while the light tan ring represents the remaining 6%. The text 'Actions comprising 94% of the Plan's solutions' is centered within the white space of the donut chart.

The CEMIG logo is rendered in a bold, white, sans-serif font. The letters 'C', 'E', and 'M' are connected, as are 'I' and 'G'. The logo is centered within a dark green, irregularly shaped area that overlaps with other colorful shapes (yellow, blue, and light green) on a background of a blue-to-green gradient with bokeh and wavy line patterns.

CEMIG

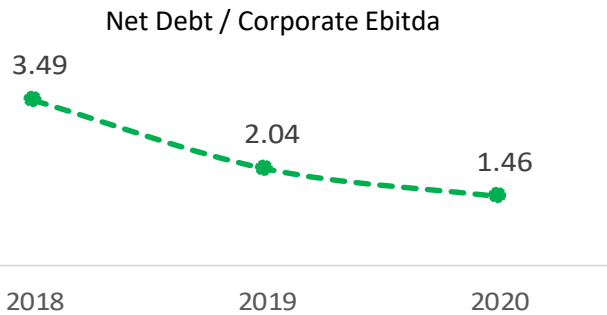
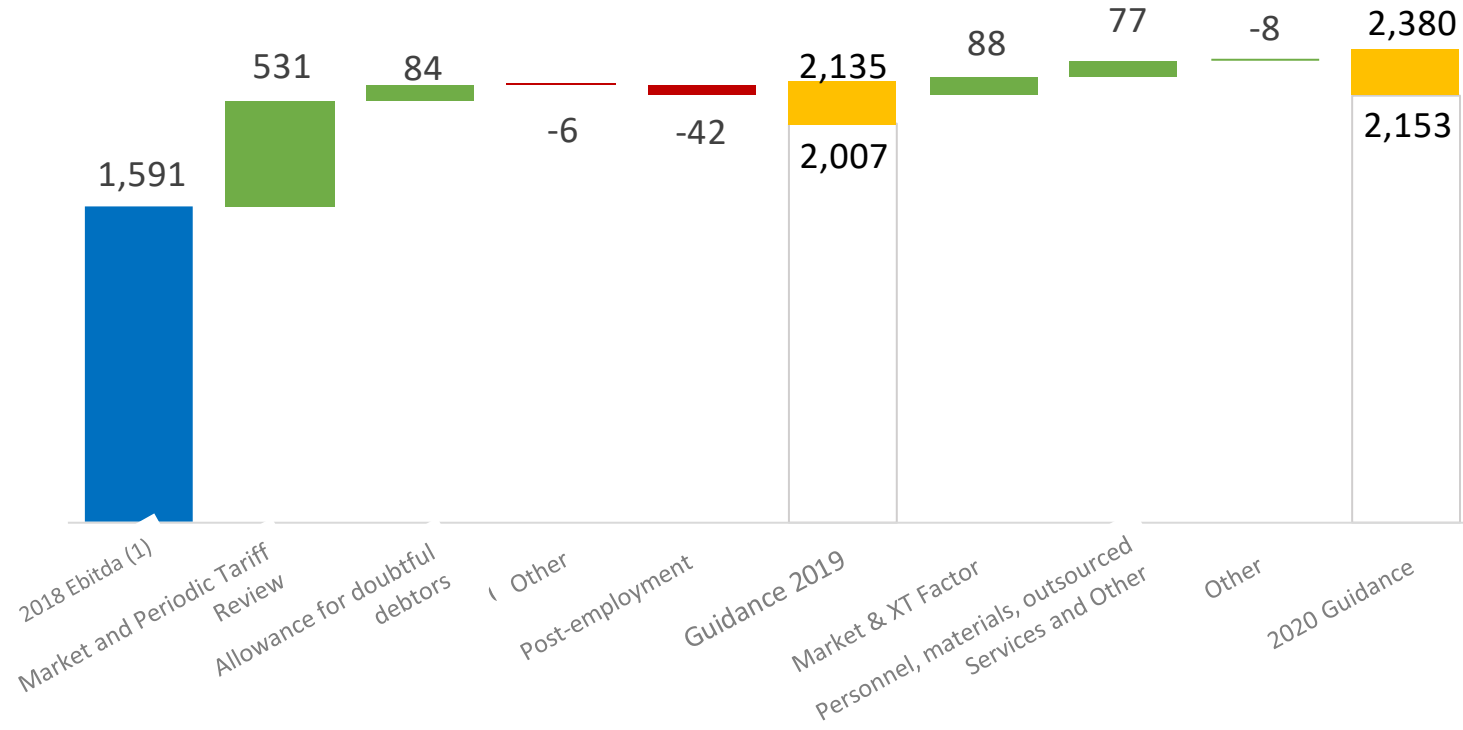
Relações com Investidores

Tel: +55 (31) 3506-5024

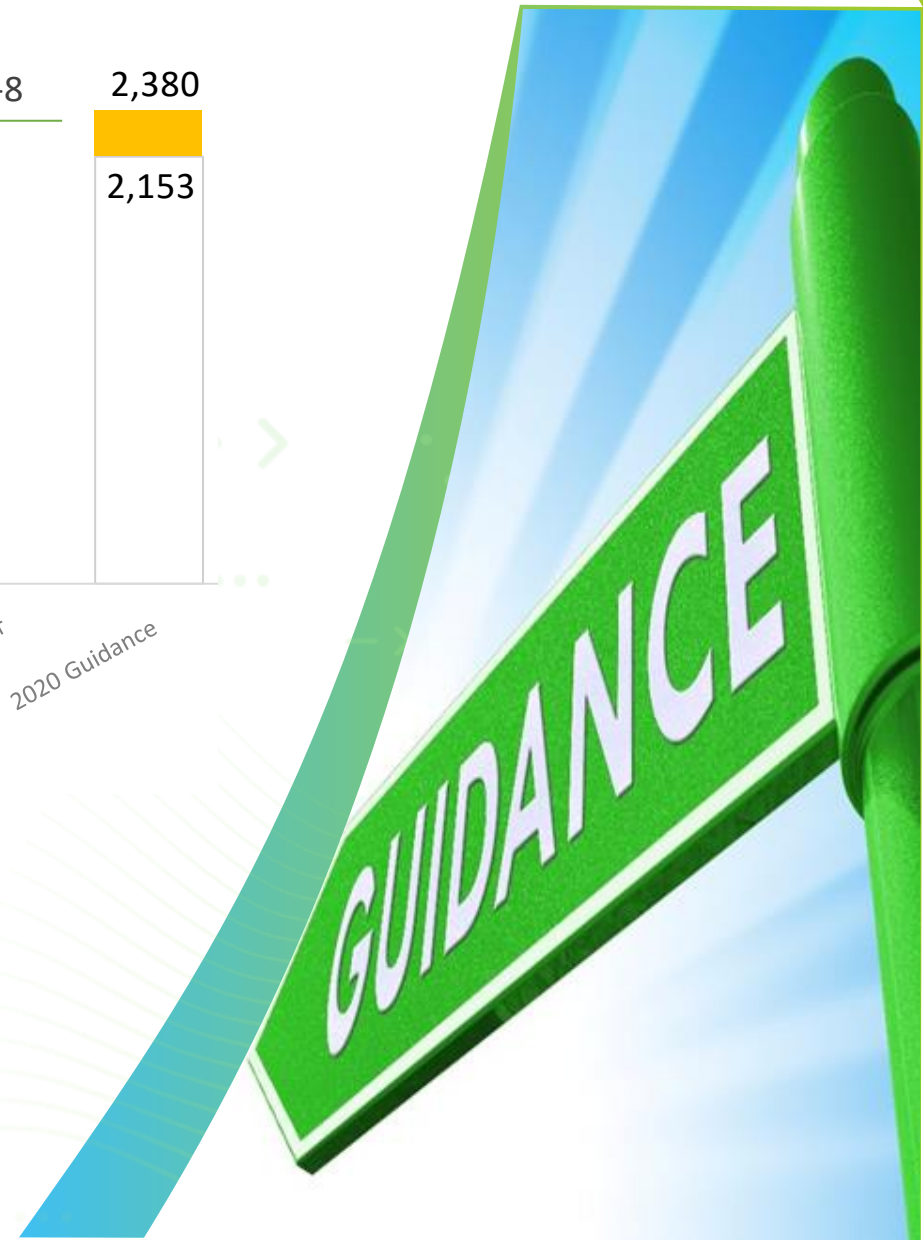
ri@cemig.com.br

<http://ri.cemig.com.br>

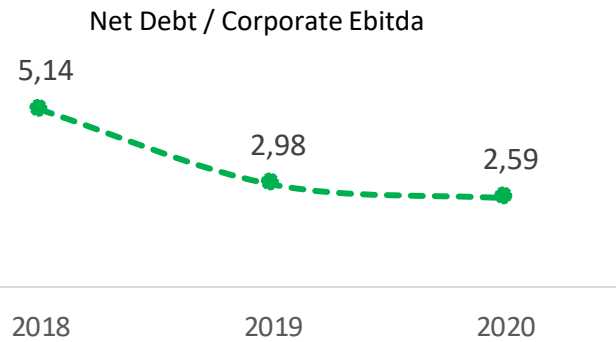
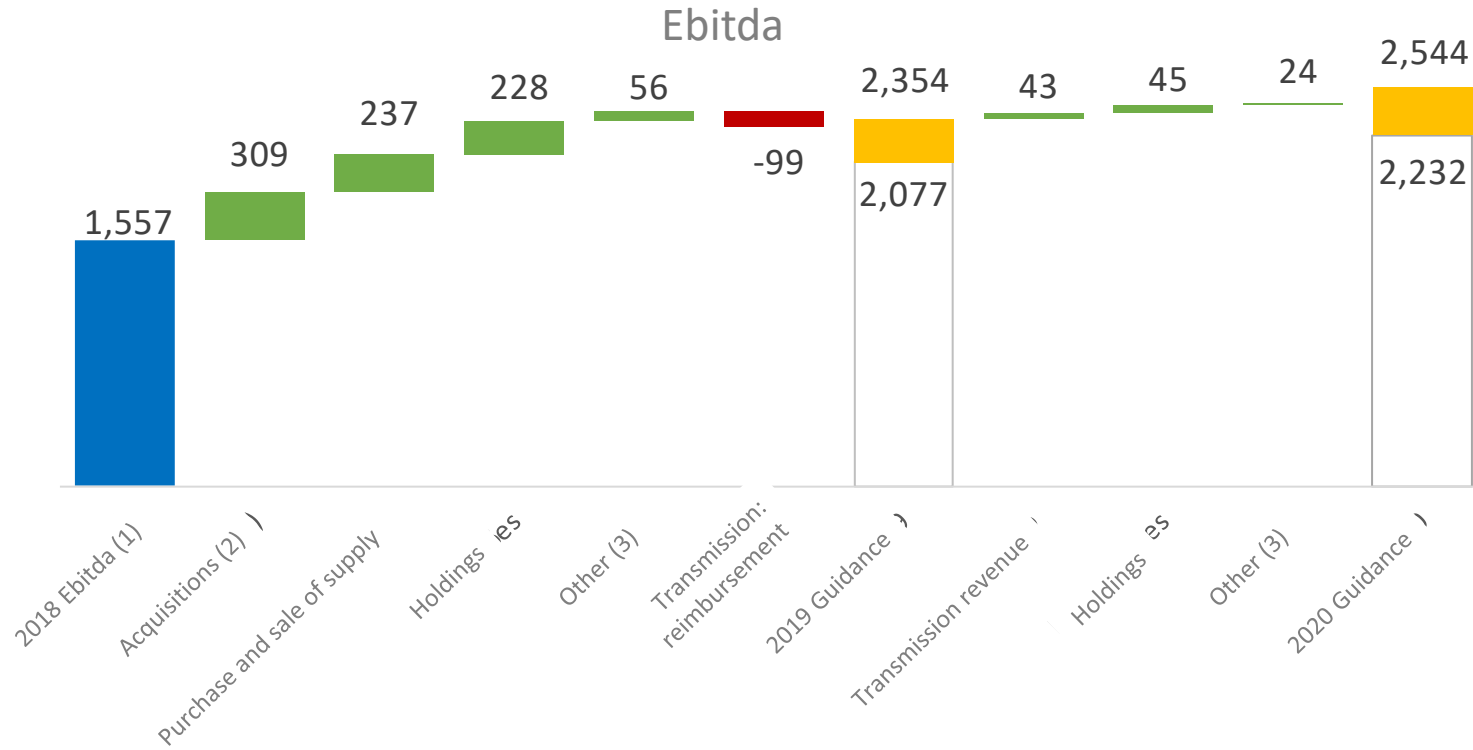
Cemig D: Ebitda 2019



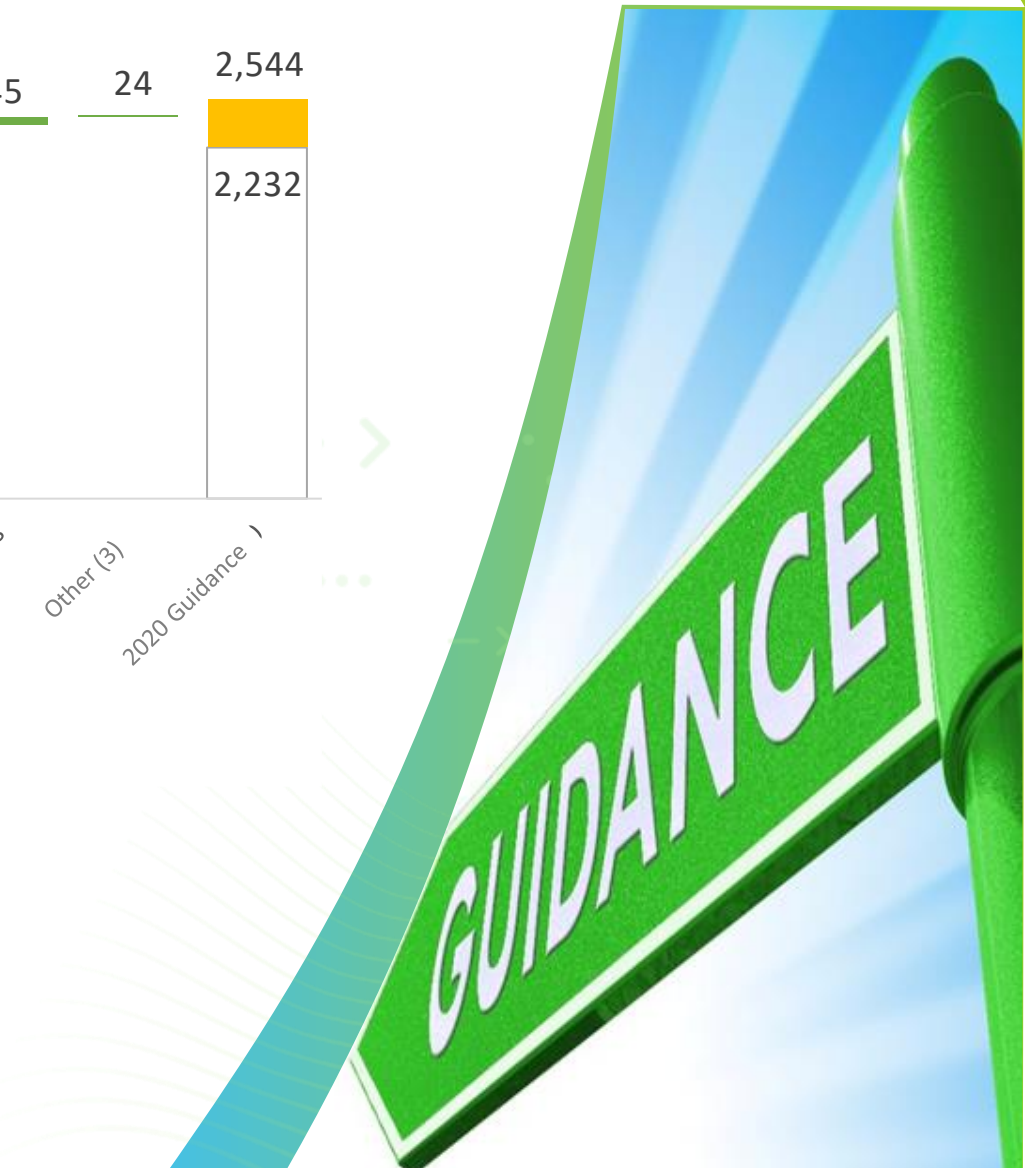
(1) 2018 Realized Ebitda (1,534) ad R\$ mn (June 2019)



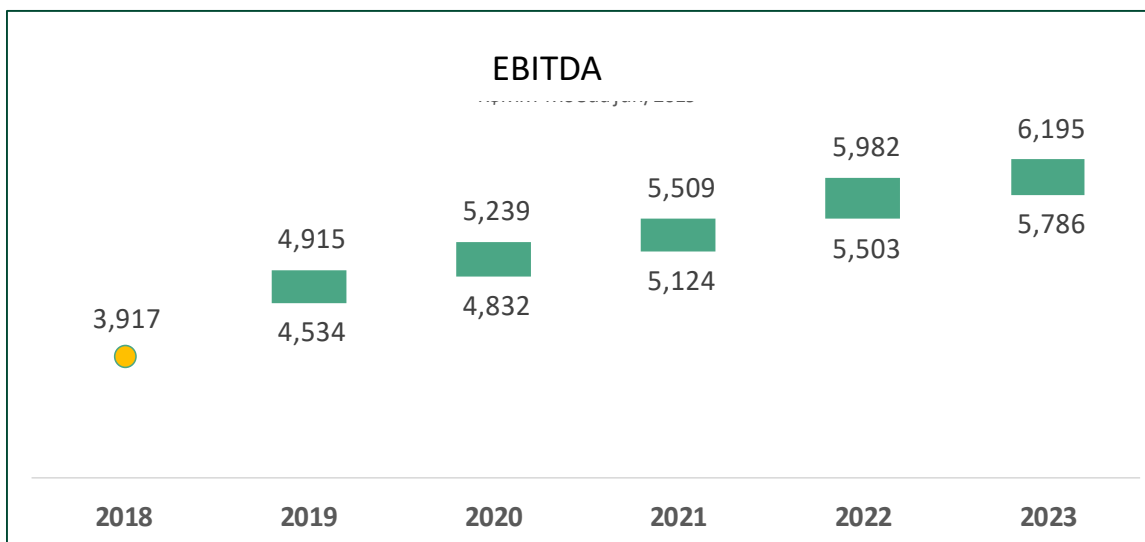
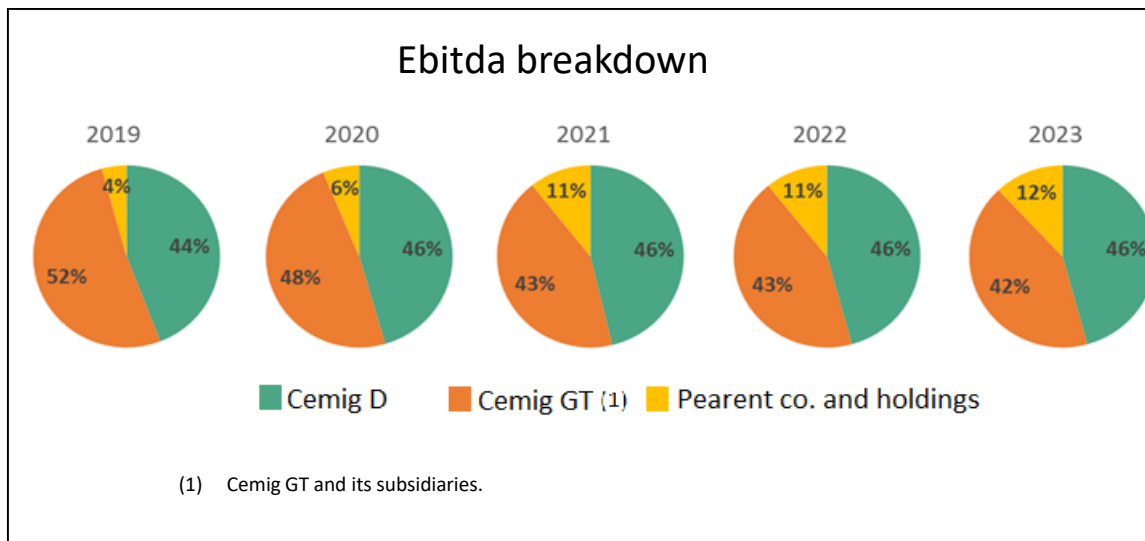
Cemig GT: Ebitda 2019



(1) 2018 adjusted Ebitda (1,517) adjusted to June 2019 R\$.
 (2) Parajuru, Volta do Rio and wholly-owned subsidiaries of the Cemig parent company.
 (3) Includes PMSO, PDV, other revenues and expenses and non-recurring items.



CEMIG – Guidance, 2019–23



Summary of Covenant Package (Eurobond)

Cemig Consolidated (Guarantor)

Maintenance Covenants

Leverage Maintenance	
Covenant Net Debt / Covenant EBITDA	Cemig
31/Dec/2017 and 30/Jun/2018	5.00x
31/Dec/2018 and 30/Jun/2019	4.25x
31/Dec/2019 and 30/Jun/2020	3.50x
31/Dec/2020 and s/a thereafter	3.00x

Liens Maintenance	
Total Secured Debt / Covenant EBITDA	Cemig
31/Dec/2017	2.00x
30/Jun/2018 and semi-annually thereafter	1.75x

Dividend Payments
Minimum Legally Required Only

Cemig GT (Issuer & Restricted Subsidiaries)

Maintenance Covenants

Leverage Maintenance	
Covenant Net Debt / Covenant EBITDA	Cemig GT
31/Dec/2017 and 30/Jun/2018	5.50x
31/Dec/2018 and 30/Jun/2019	5.00x
31/Dec/2019 and 30/Jun/2020	4.50x
31/Dec/2020 and 30/jun/2021	3.00x
31/Dec/2021 and s/a thereafter	2.50x

Liens Maintenance	
Total Secured Debt / Covenant EBITDA	Cemig GT
31/Dec/2017 and semi-annually thereafter	1.50x

Incurrence Covenants

Limitation on Incurrence of Indebtedness	
Covenant Net Debt / Covenant EBITDA	Cemig GT
On or Before 31/Dec/2018	5.50x
On or Before 31/Dec/2019	5.00x
On or Before 31/Dec/2020	4.50x
On or Before 31/Dec/2021	3.00x
Thereafter	2.50x
(+) General Basket of US\$100mm or 3% of CNTA	

Limitation on Incurrence of Liens	
Total Secured Debt / Covenant EBITDA	Cemig GT
	1.50x

Restricted Payments	
% of Net Income from Sept. 30, 2017	Cemig GT
If Cov. Net Debt / Cov. EBITDA > 2.5x	0%
If Cov. Net Debt / Cov. EBITDA ≤ 2.5x	50%
(+) Minimum Legally Required Dividends Carve-Out	
(+) US\$30mm or PF 2.5x Cov. Net Debt / Cov. EBITDA	

Asset Sales
Transaction with Affiliates
Limitation on Sale and Lease-Backs
Limitation on Dividend Restrictions on Restricted Subs
Consolidation, Merger, Conveyance, Sale or Lease
Change of Control Put @ 101%

Additional Provisions

- Penalty Interest for Failure to Comply with any Maintenance Covenant: **+2.0% p.a.** for as long as any Maintenance Covenant is breached
- Penalty Interest for Failure to Implement Bank Debt Refinancing: **+2.0% p.a.** if Bank Debt Refinancing not implemented by Feb. 15, 2018

Covenant Eurobond reconciliation

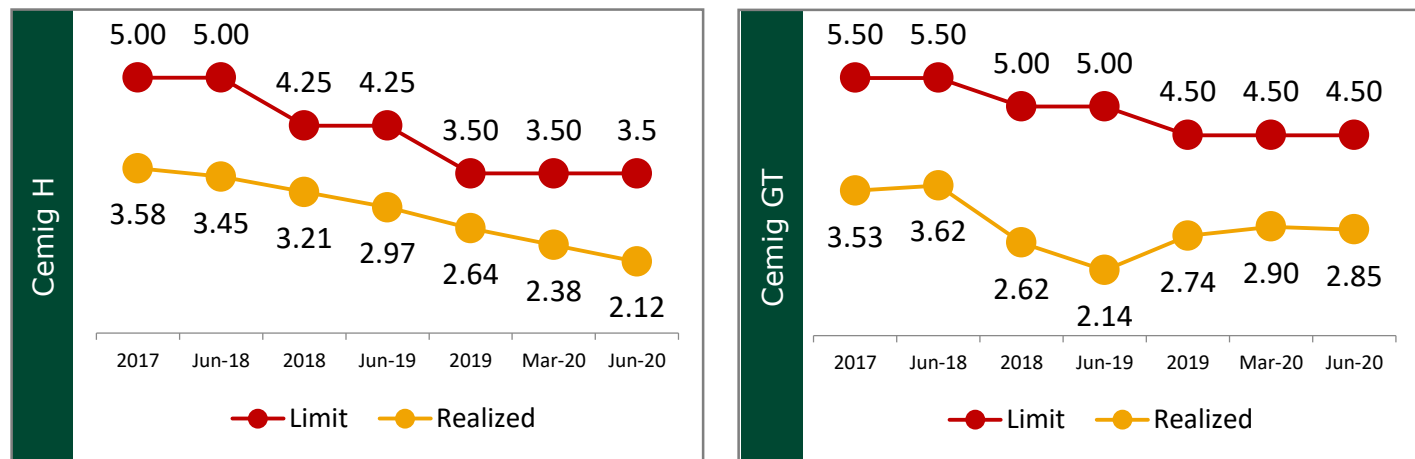
Last 12 months	Set/20		jun/20	
R\$ mn	GT	H	GT	H
consolidated Indebtedness; plus	9.948	16.107	9.564	15.862
Derivative financial instruments	- 3.284	- 3.284	- 3.281	- 3.281
debt contracts with Forluz; plus	232	1.026	246	1.089
(a) the carrying liability of any put option obligation, less	556	556	553	553
consolidated cash and cash equivalents and consolidated marketable securities recorded as current assets.	- 1.764	- 5.519	- 1.361	- 3.705
Covenant Net Debt	5.688	8.886	5.721	10.518
Covenant Net Debt to Covenant EBITDA Ratio	2,33	1,84	2,85	2,12
Limit Covenant Net Debt to Covenant EBITDA Ratio	3,00	3,00	4,50	3,50
Total Secured Debt	-	651	-	758
Total Secured Debt to Covenant EBITDA Ratio	-	0,16	-	0,32
Limit Covenant Net Debt to Covenant EBITDA Ratio	-	1,75	-	1,75

Covenant Eurobond reconciliation

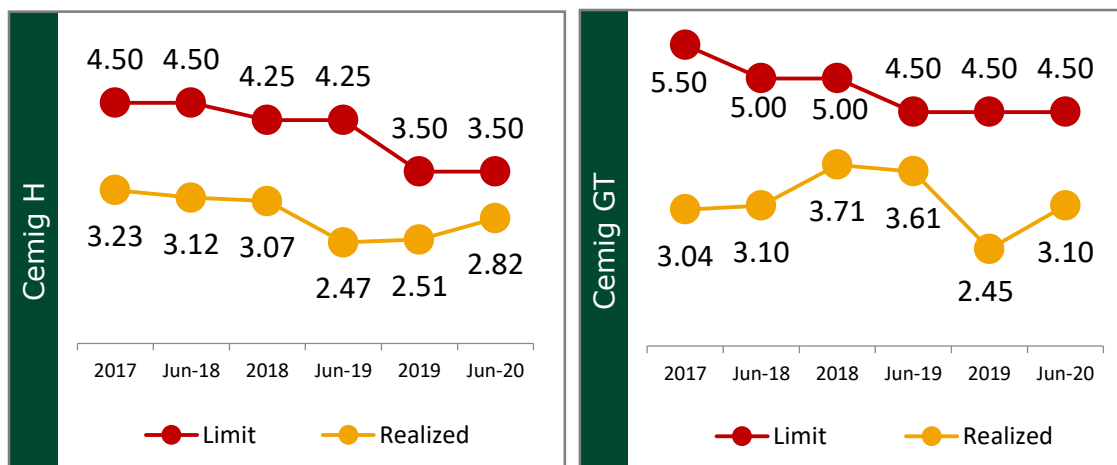
Last 12 months	Set/20		jun/20	
R\$ mn	GT	H	GT	H
net income (loss); plus	411	2.030	274	1.202
financial results net; plus	1.431	1.472	1.148	1.209
income tax and social contribution; plus	60	479	10	257
depreciation and amortization; minus	199	968	206	967
minority interest result; minus	107	- 226	94	- 186
provisions for the variation in value of put option obligations; minus	64	64	65	65
non-operating result (which includes any gains on asset sales and any asset write-off or impairments); plus	87	91	69	92
any non-cash expenses and non-cash charges, to the extent that they are nonrecurring, minus	147	373	406	1.487
any non-cash credits and gains increasing net income, to the extent that they are non-recurring; minus	- 188	- 250	- 188	- 240
non-cash revenues related to transmission and generation indemnification; plus	- 388	- 388	- 381	- 381
cash dividends received from minority investments (as measured in the statement of cash flows); minus	155	343	142	325
monetary updating of concession grant fees; plus	- 302	- 791	- 289	- 289
cash inflows related to concession grant fees; plus	265	265	263	263
cash inflows related to transmission revenue for cost of capital coverage; plus	398	398	185	185
Covenant EBITDA	2.446	4.828	2.004	4.956

Net debt/Ebitda

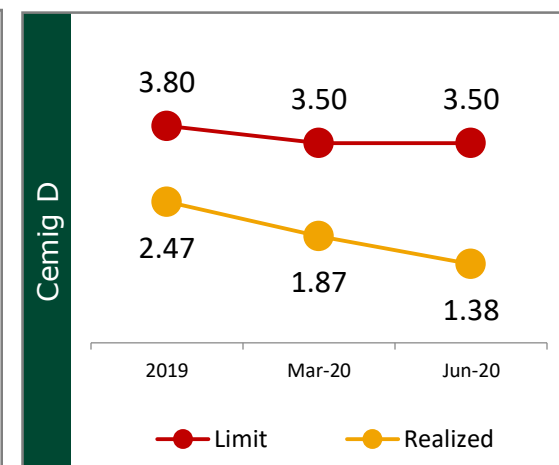
Eurobonds' Covenant - (LTM – Last twelve months)



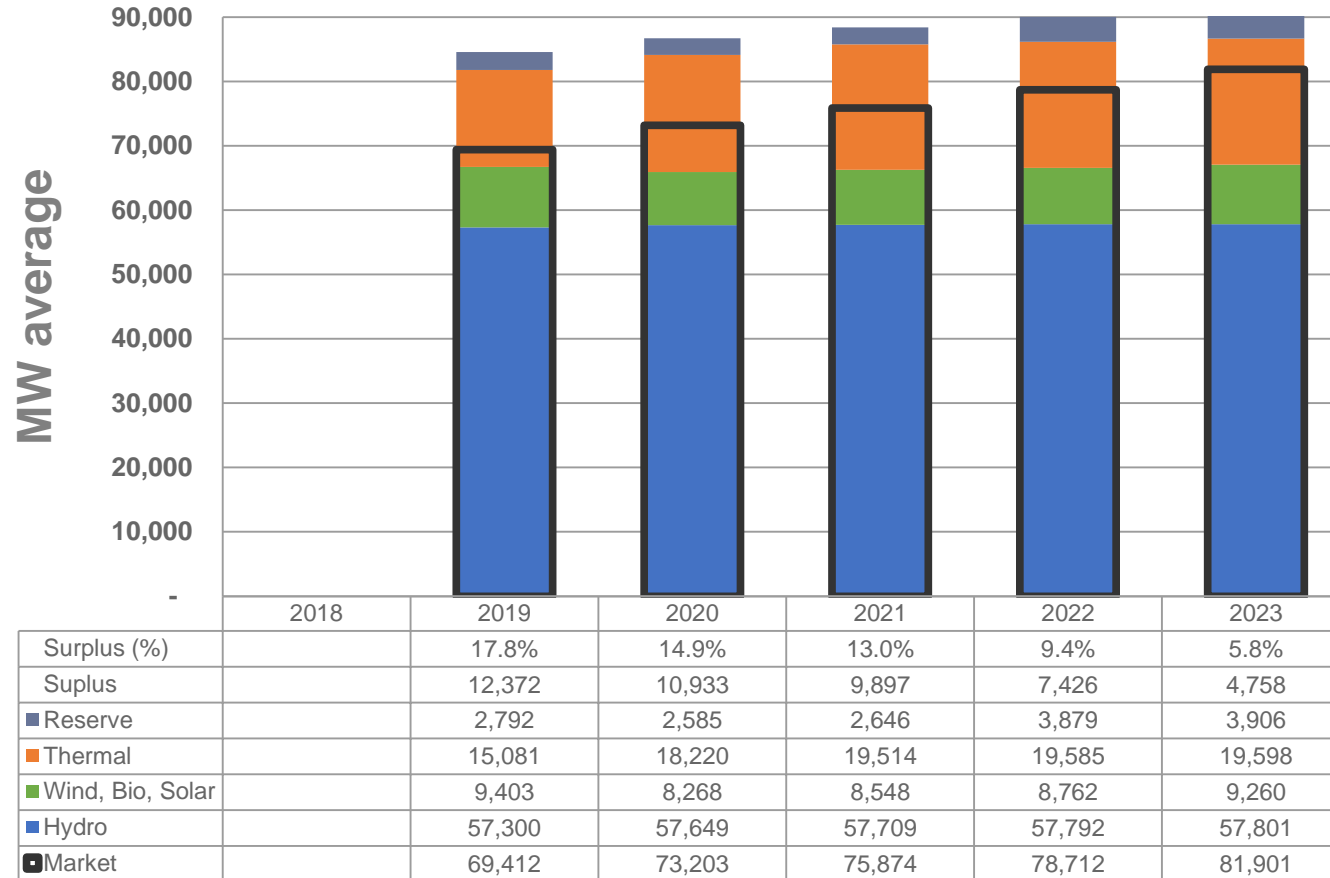
Cemig GT - 7th debenture issue



Cemig D - 7th debenture issue



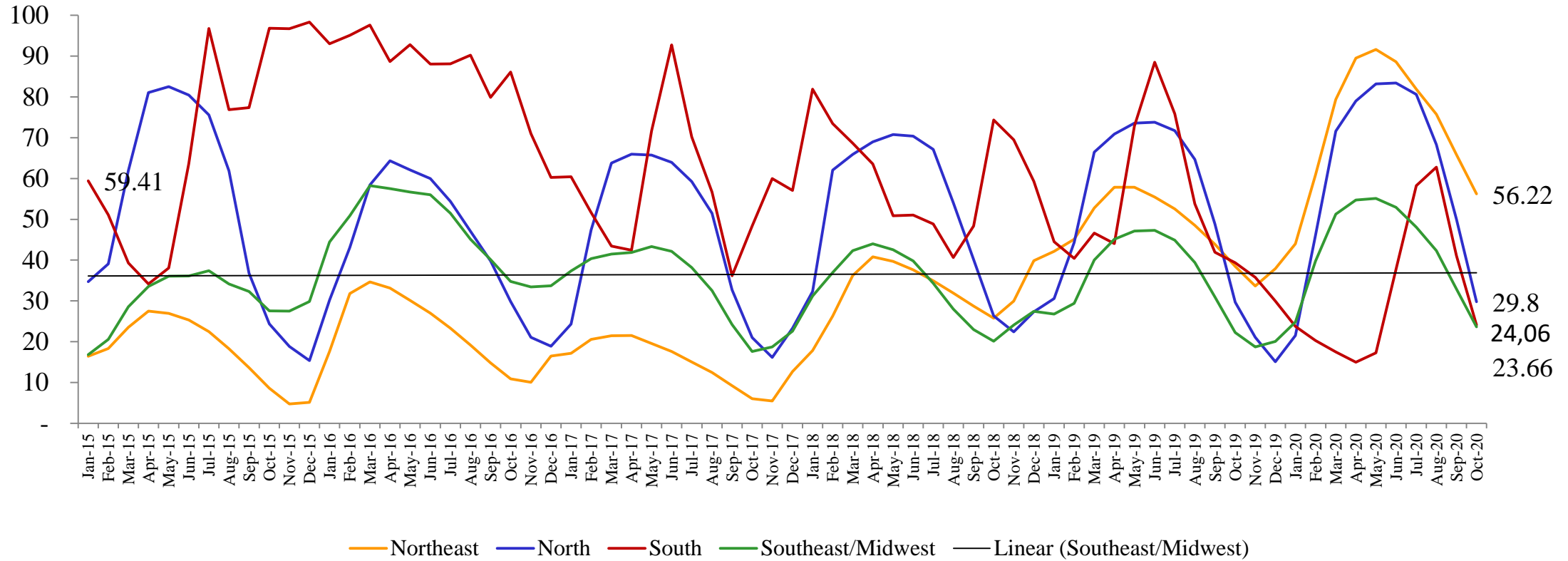
Brazilian National Grid: projections for 2019 – 23



Source: May 2019 monthly operational survey (PMO).

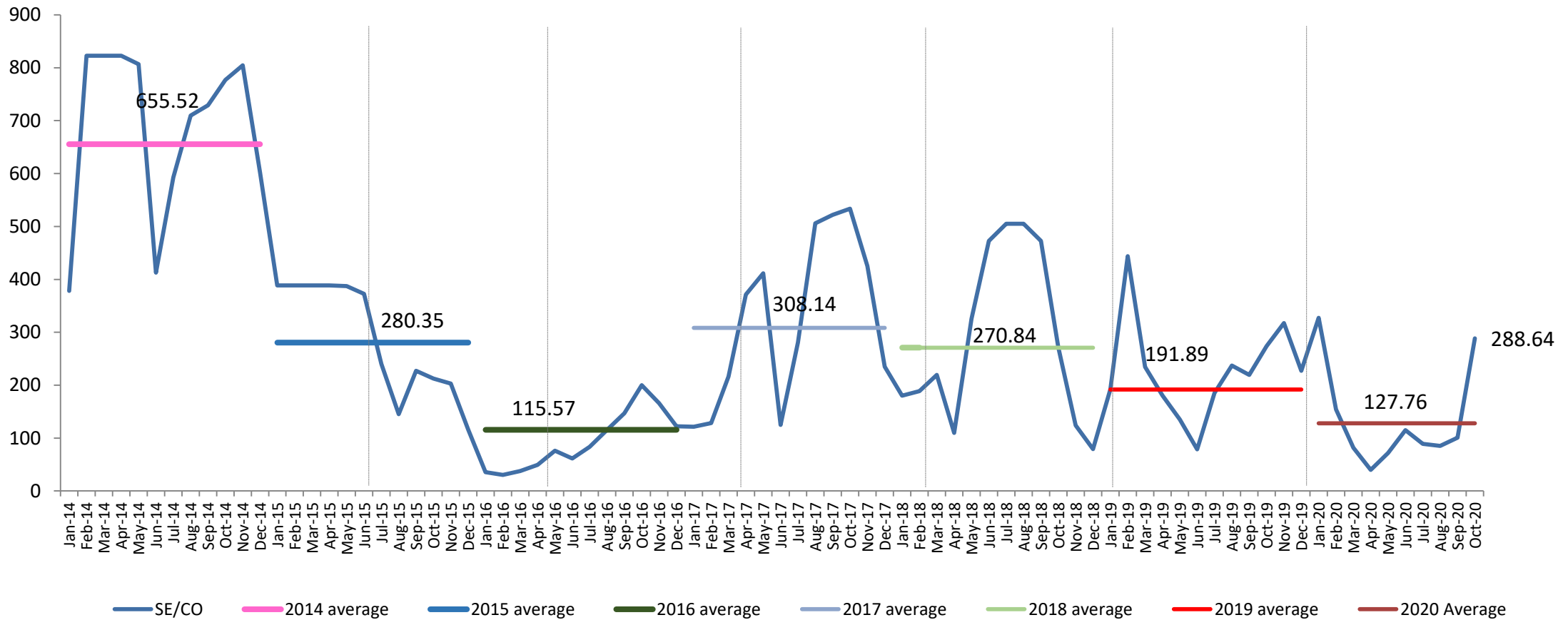
Level of Reservoirs (%)

by region (%)*



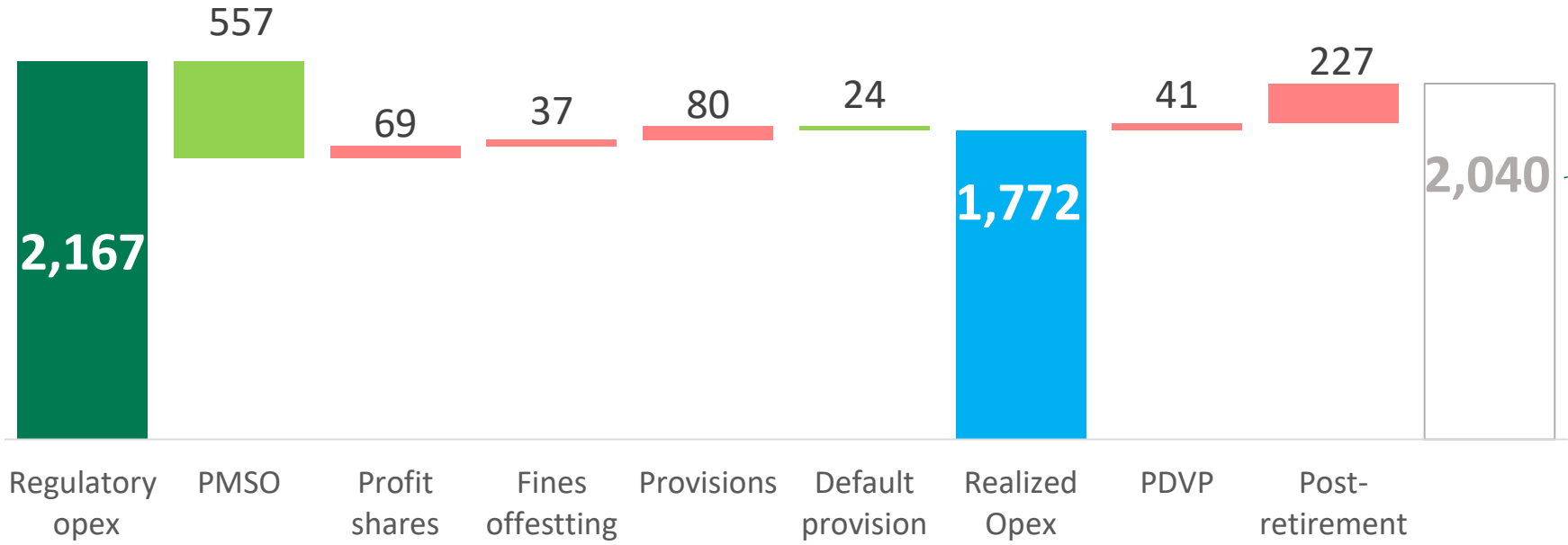
*Source: ONS

Brazil: eletricity spot price – monthly average (R\$/MWh)



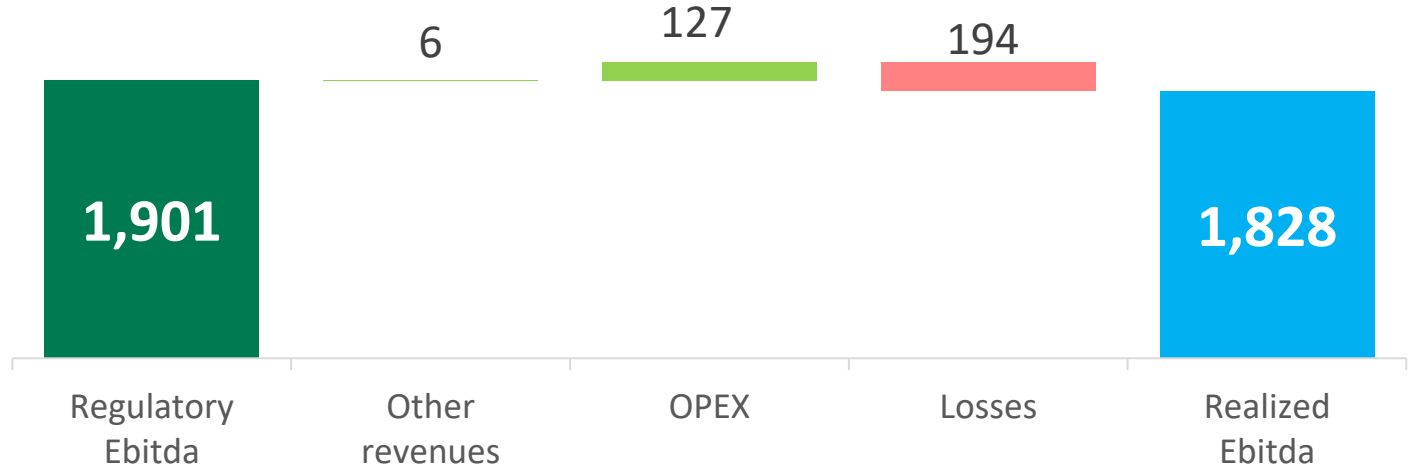
Cemig D: 9M20 Regulatory Opex and Ebitda

Opex



Opex within regulatory target
 ▲ R\$127 million

Ebitda



▲ R\$ 73 million

Ebitda: Realized/Regulatory

2018	2019
78.3%	86.6%

Result for Cemig D Tariff Review

Aneel approved readjustment in the Technical Note 45/2018

- May 28th anniversary regulatory date

Main points of the Review for the 4th Tariff Cycle:

- Investment around R\$ 5 billion
- Investment on 'Special obligations' around R\$ 1.2 billion
- Opex: Cemig D scores above average in efficiency metrics

Regulatory asset base (RAB)	2013	2018
Remuneration Base – gross R\$	15,724	20,490
Remuneration Base – net R\$	5,849	8,906
Average depreciation rate	3.84 %	3.84%
WACC	7.51%	8.09%
Remuneration of the special obligations	-	149
CAIMI R\$	147	333
QRR R\$ - Depreciation (Gross RAB x Dep rate)	590	787
Remuneration of capital R\$ (Net RAB x WACC)	587	1,236

Currency – April/2018

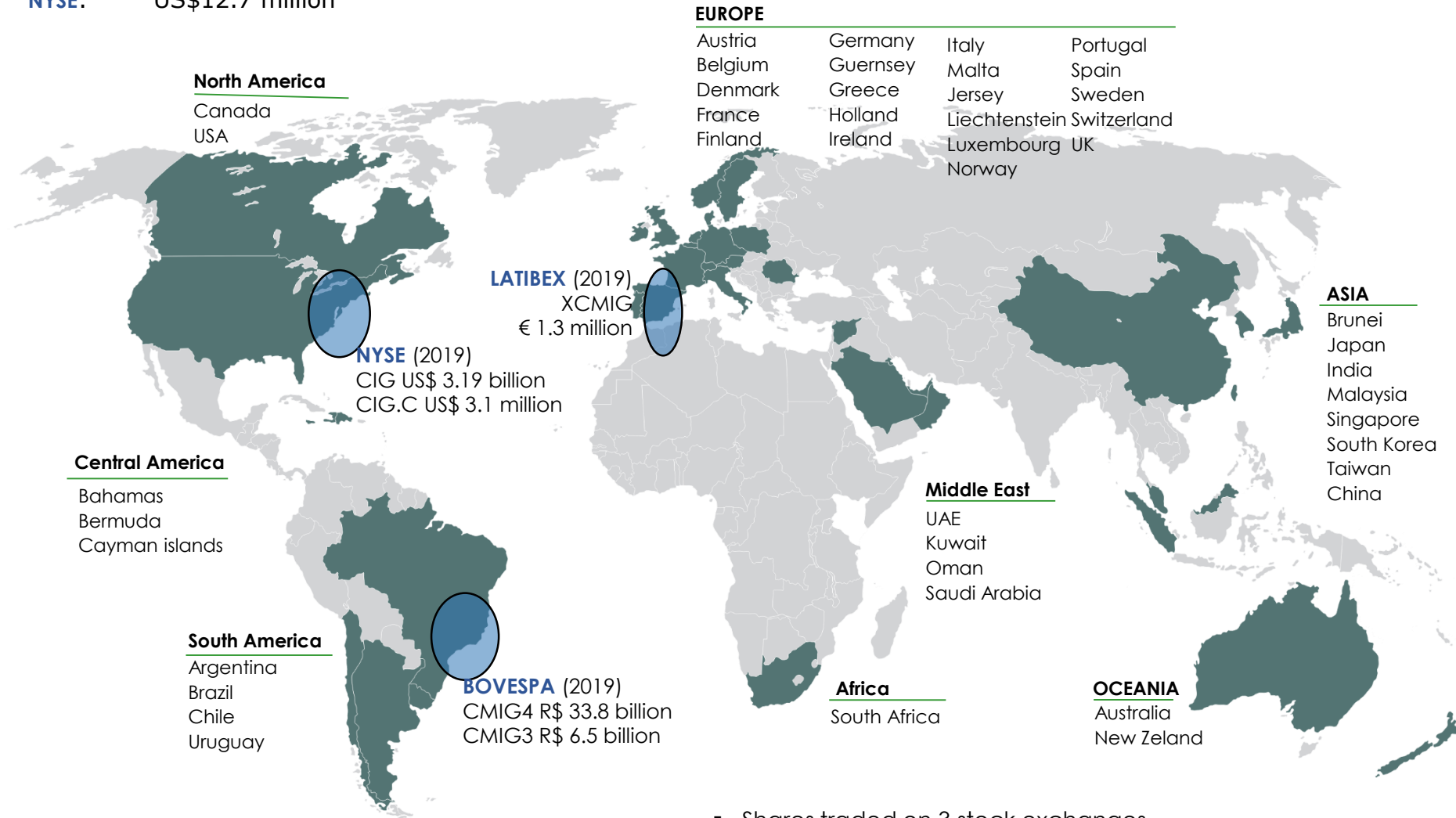
FAIR READJUSTMENT

Strong shareholders base assures liquidity

Average daily trading volume in 2019

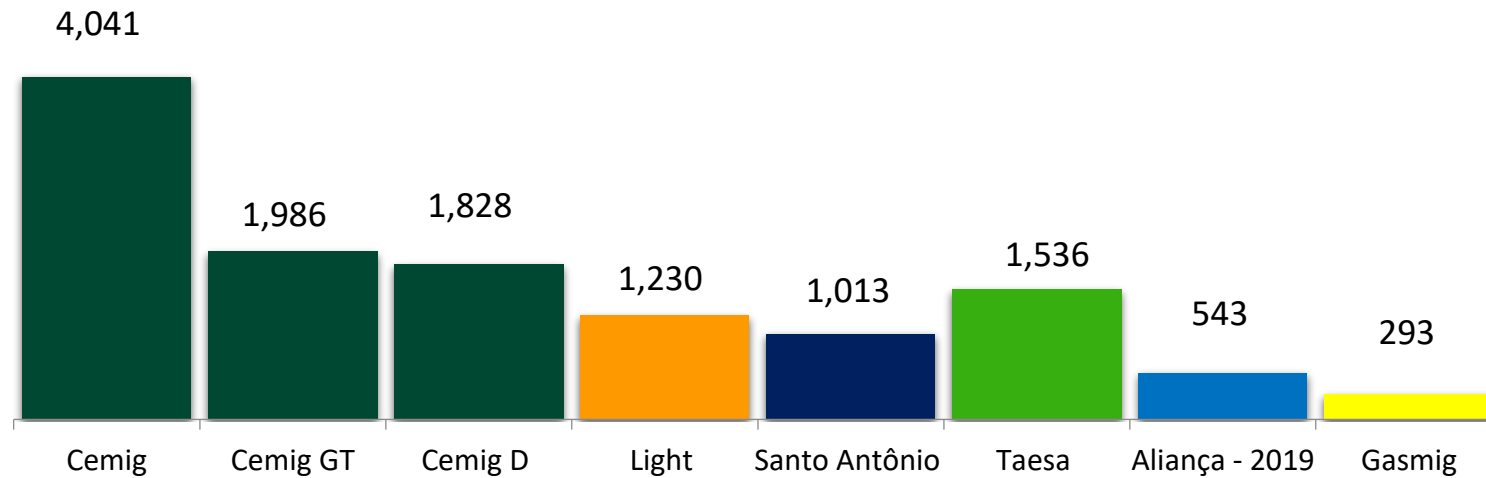
BOVESPA: R\$162.3 million

NYSE: US\$12.7 million



- Shares traded on 3 stock exchanges
- Over 198,000 stockholders in 39 countries

Ebitda by company – 9M20



Companies	9M20 - R\$m	% Cemig	Proportional
Cemig	4.041		4.041
Cemig GT	1.986	100,00%	1.986
Cemig D	1.828	100,00%	1.828
Light	1.230	22,58%	278
Santo Antônio	1.013	15,51%	157
Taesa	1.536	21,68%	333
Aliança - 2019	543	45,00%	244
Gasmig	293	99,57%	292

R\$ 1,447 million

RAP,* 2020-21 cycle

R\$ 488 million of RBSE

53 power plants

50 hydroelectric plants

2 wind plants

1 fotovoltaic plant

3.3 GW

Installed capacity

5,005 km

Transmission lines (km)

Growth strategy:

- Mainly through updating and improvements
- Renewal of concessions
- Integration with Trading
- Development of projects focused on renewables



Net revenue

5964 5717

9M19 9M20

Net profit

792 368

9M19 9M20

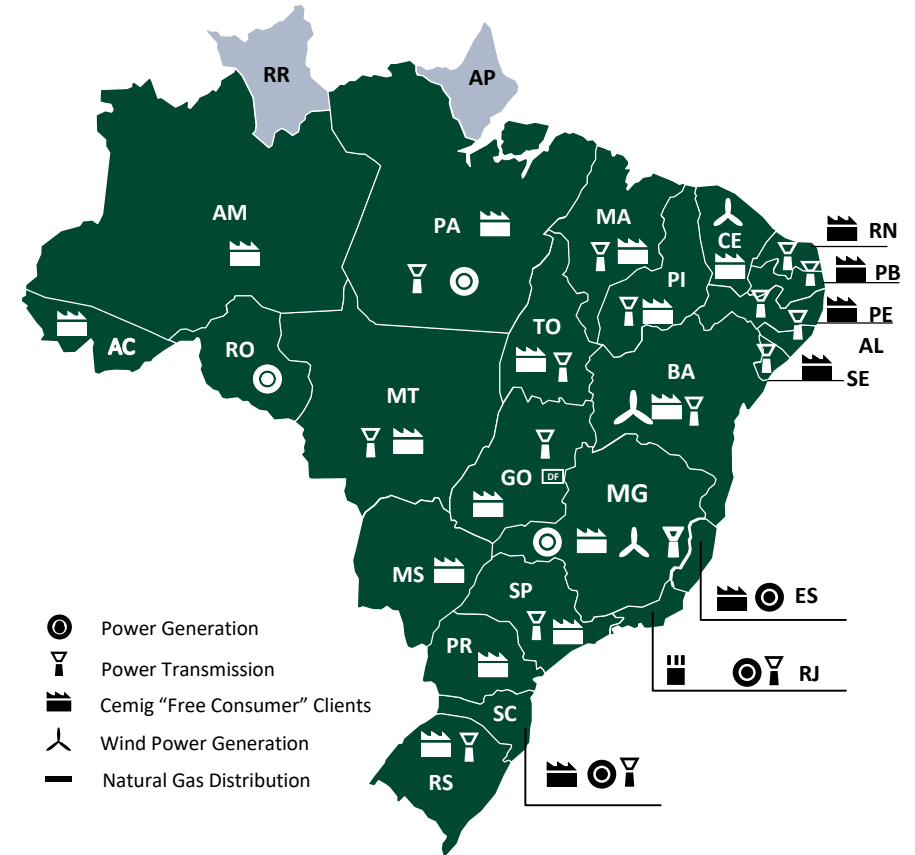
Ebitda

1304 1986

9M19 9M20

Renewables:

100% of our generation is renewable



- Power Generation
- ⚡ Power Transmission
- 🏭 Cemig "Free Consumer" Clients
- 🌬 Wind Power Generation
- 🔥 Natural Gas Distribution

20 million

Population served:
10% of Brazil

8.6 million

Clients in
774 municipalities

Concession

26 years
remaining

***RAB R\$8.9 bn**

R\$13 bn - Expected net
RAB in 2023, assuming all
improvements accepted

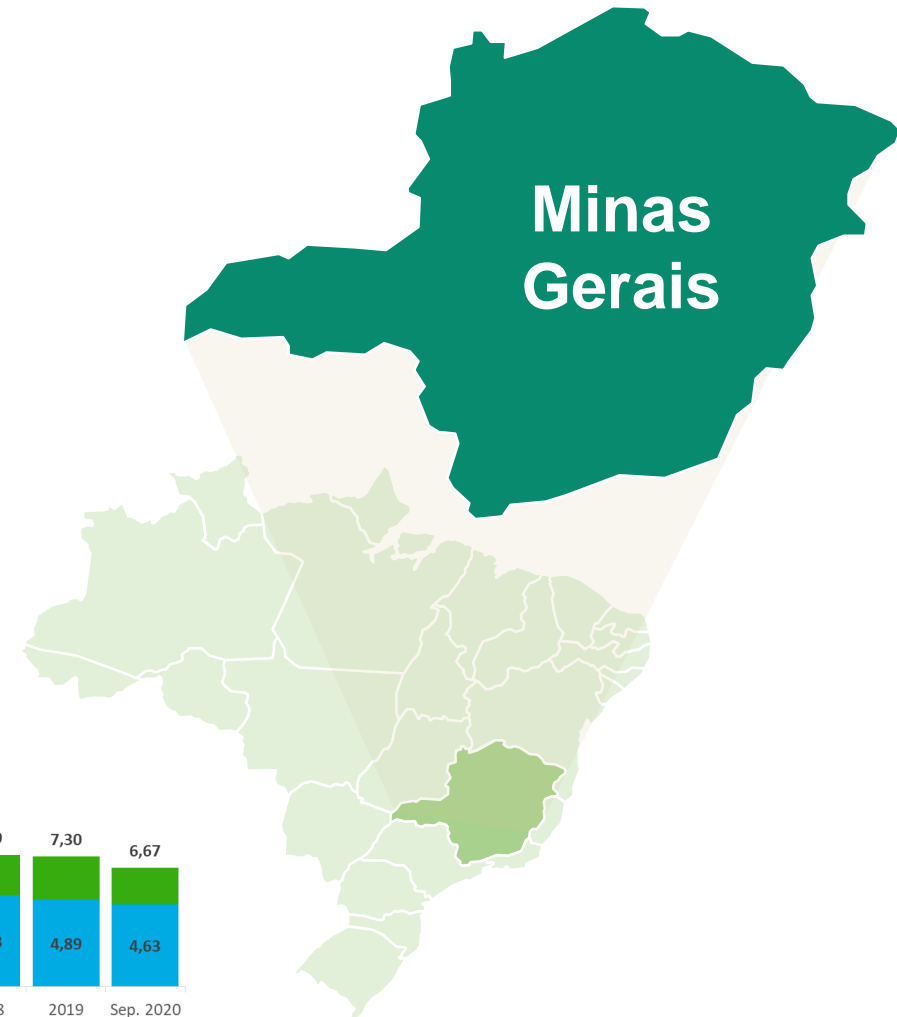
539,000 km

Distribution
network

R\$ 6.2 bn

Total investment in
2018-2022

Brazil's biggest distribution concession



Turnaround strategy



- Exceed regulatory Ebitda
- Leading position in client satisfaction
- Robust investment and digitalization program

Net revenue

11,695 11,723

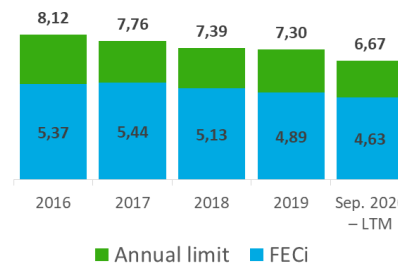
Ebitda

Net profit

1,598 1,828 1,252 938

9M19 9M20 9M19 9M20 9M19 9M20

2020 DEC Outage Index Is Best Ever



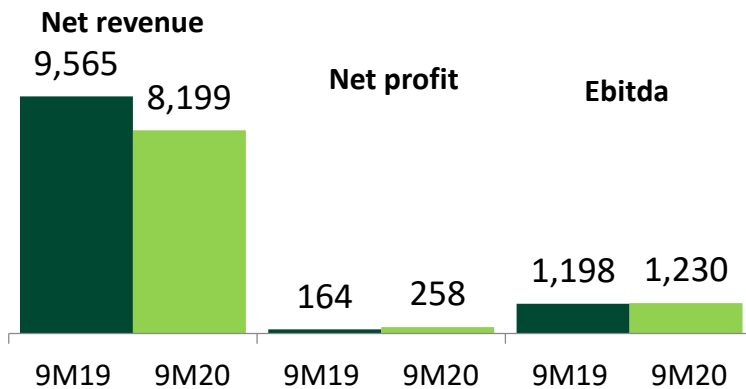
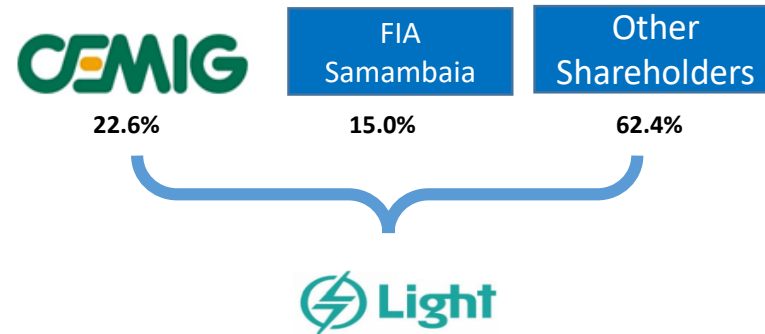
* RAB= Regulatory Asset Base.

8.5 R\$ bn Net RAB - Regulatory Asset Base

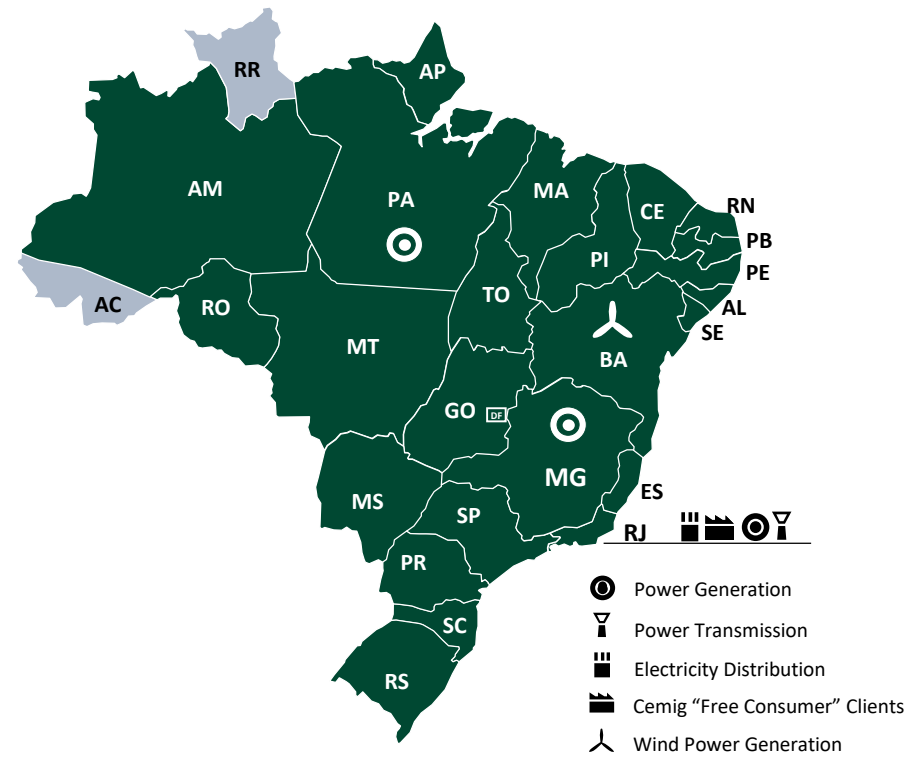
1,024 MW installed capacity

648 MWavg Assured Energy

4.3 R\$ bn of market capitalization
May, 28



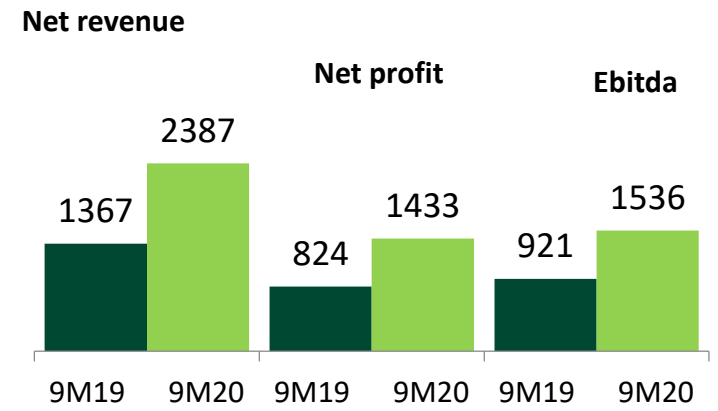
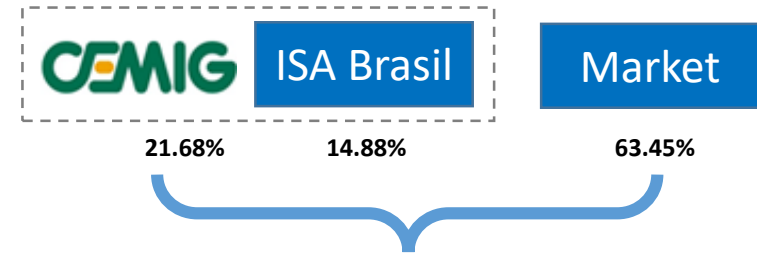
FitchRatings A+(bra) AA+ STANDARD & POOR'S Baa1.br B1



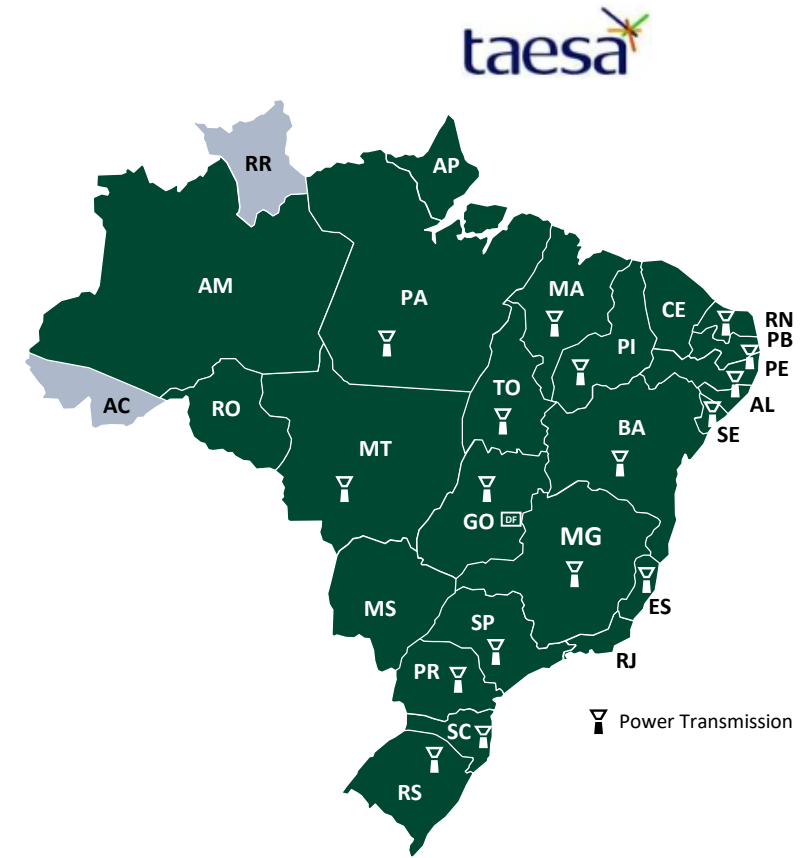
2.73 R\$ bn RAP - Annual Permitted Revenues (2019/2020)

13,579 Km in transmission lines

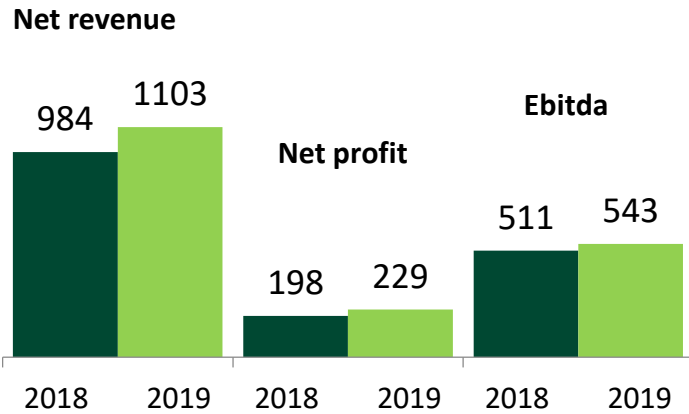
9,8 R\$ bn of market capitalization
May, 28



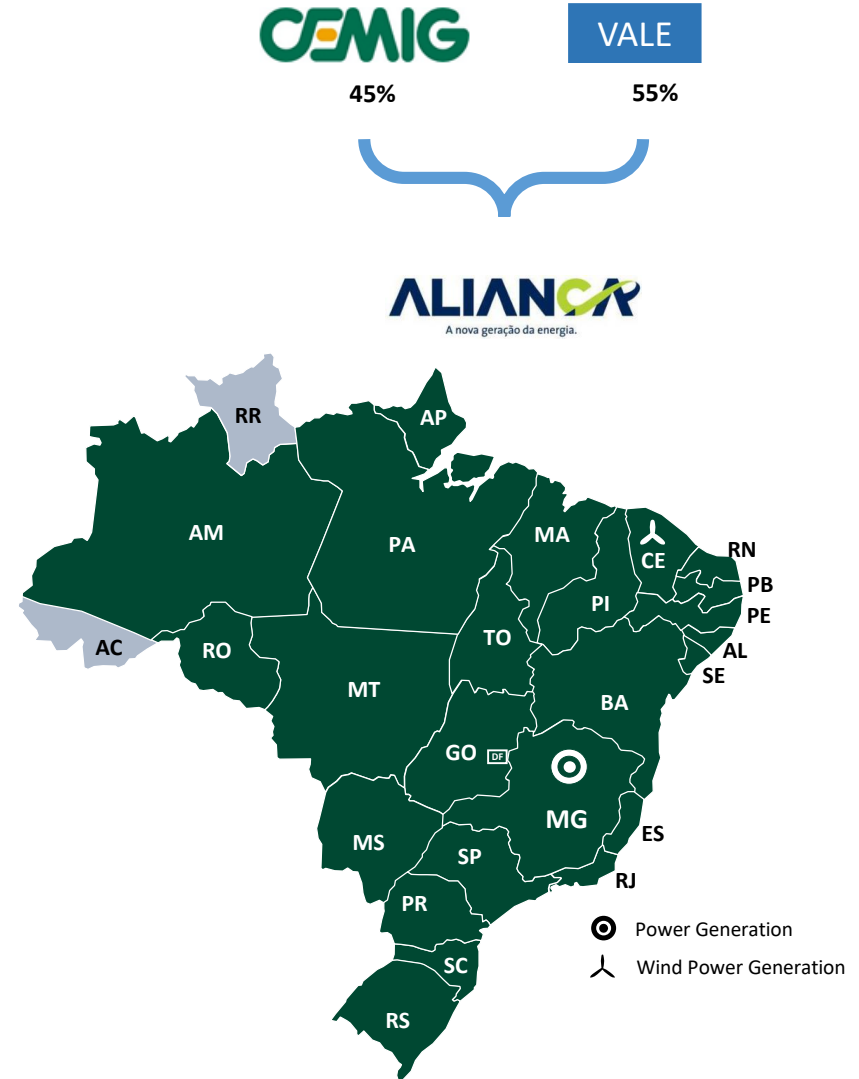
FitchRatings AAA(bra) STANDARD & POOR'S brAAA



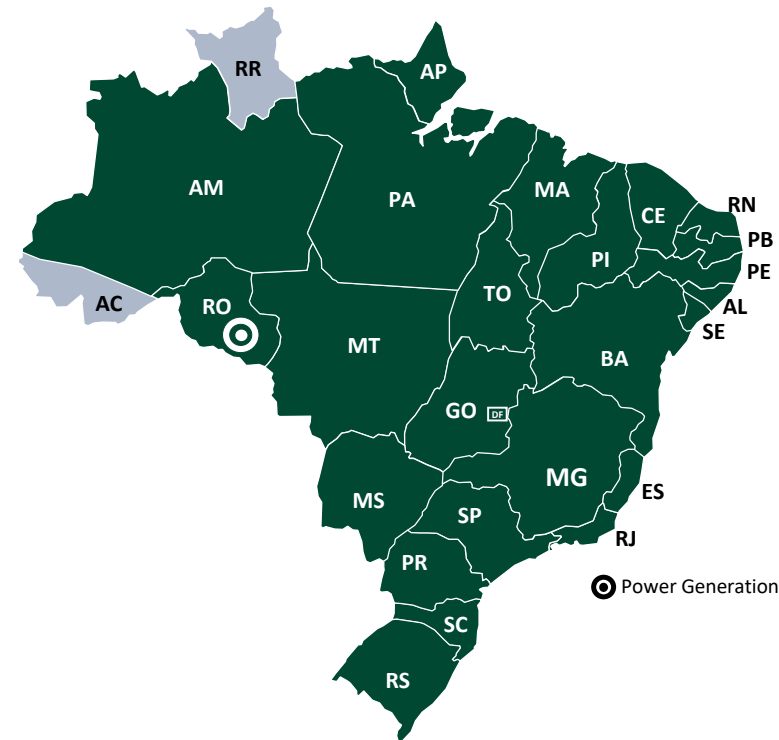
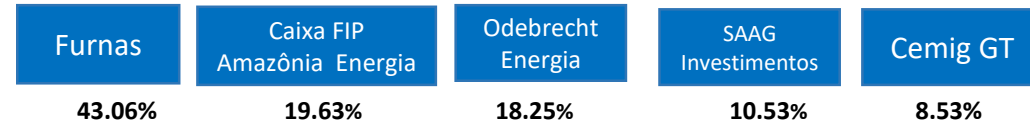
- 8 Enterprises in operation
- 1,257 MW installed capacity
- 695 MWavg Assured Energy



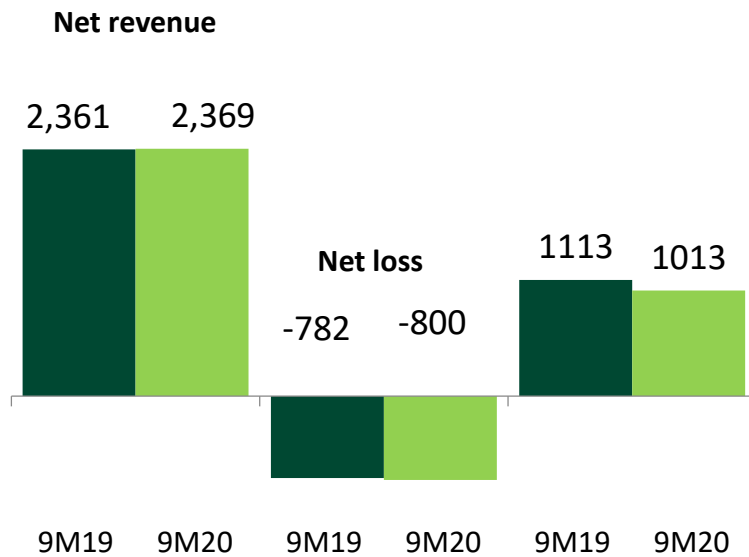
FitchRatings **AAA(bra)**



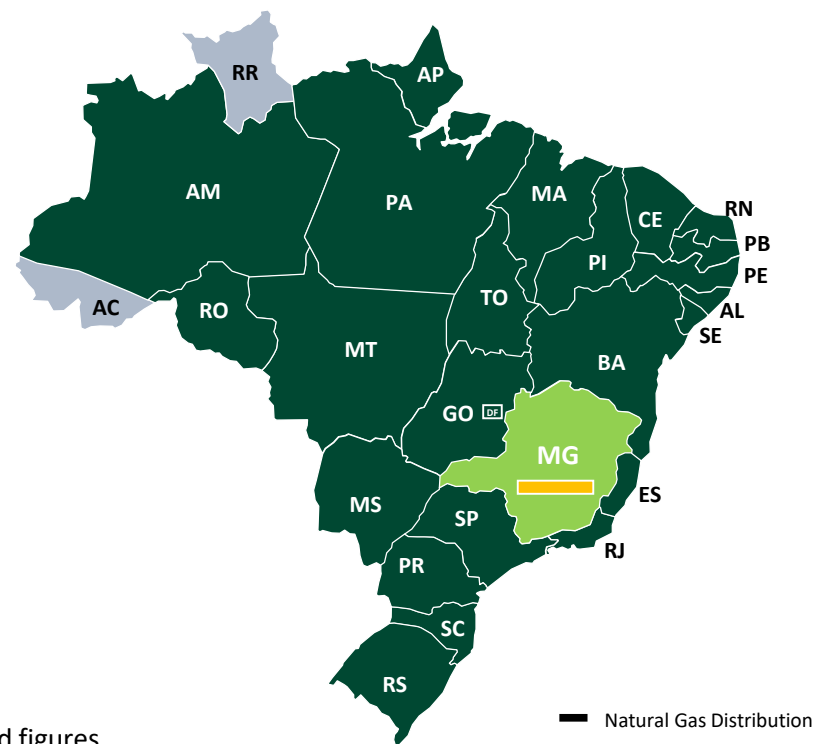
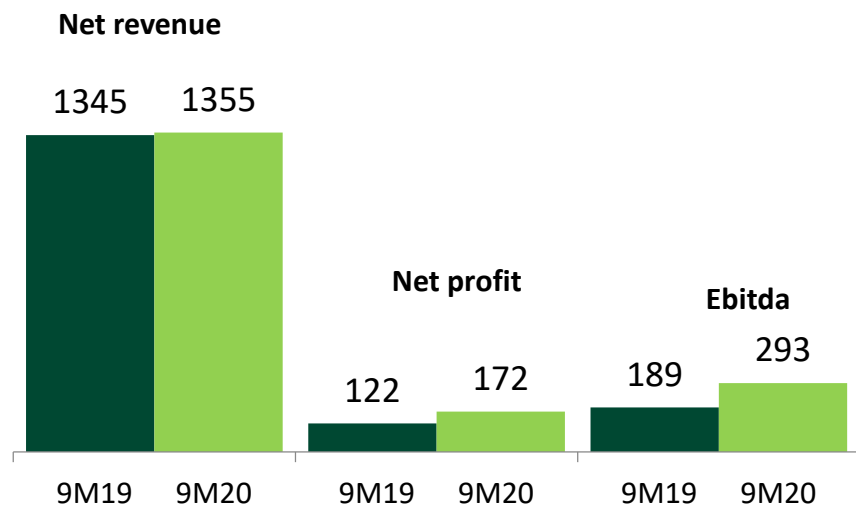
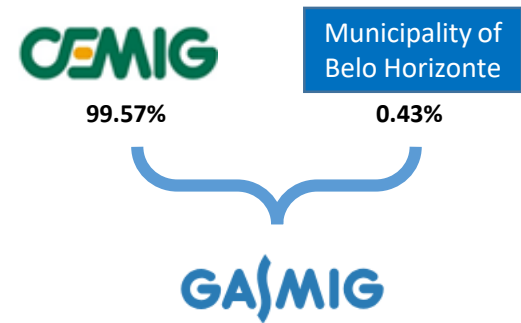
- 3,568** MW installed capacity
- 2,424** MW avg Assured Energy
- 50** Generator units – bulb turbine
- 20** R\$ billion – Capex



Ebitda



- 1,268
In 2019
Km pipeline
- 1.13
Billion m³/year
- 53,351
Consumers units



*Estimated figures