



CEMIG GERAÇÃO E TRANSMISSÃO S.A.

THIRD PUBLIC ISSUE OF DEBENTURES

ANNUAL REPORT OF THE FIDUCIARY AGENT

2013 BUSINESS YEAR

Rio de Janeiro, April 30, 2014

Dear Debenture Holders,

As Fiduciary Agent for the Third Public Issue of Debentures by CEMIG GERAÇÃO E TRANSMISSÃO S.A. (“the Issue”) we present to you the annual report on that issue, in compliance with CVM Instruction 28 of November 23, 1983 and the Issue Deed.

The situation of the company was considered based on the audited Standardized Financial Statements (DFP), other information supplied by the Issuer, and the internal controls of Pentágono.

This report is available to debenture holders at the head office of the Issuer Company, at the head office of Pentágono, at the CVM, at Cetip and at the head office of the Lead Manager of the Issue.

The Web version of this report has been sent to the issuer, and is also available on our website www.pentagonotrustee.com.br.

Yours,

PENTÁGONO S.A. DTVM.

Characteristics of the Issuer

- Formal name: CEMIG GERAÇÃO E TRANSMISSÃO S.A.
- Brazilian Corporate Tax Number (CNPJ/MF): 06.981.176/0001-58
- Investor Relations Director: Mr. Luiz Fernando Rolla
- Activities:
The objects of the Company are:
 - i) to study, plan, project, build and commercially operate systems of generation, transmission and sale of electricity and related services for which concessions are granted to it, or to any company of which it holds stockholding control, under any form of law.
 - ii) to operate in the various fields of energy, from whatever source, with a view to economic and commercial operation;
 - iii) to provide consultancy services, within its field of operation, to companies in and outside Brazil; and
 - iv) to carry out activities directly or indirectly related to its objects.
- These activities may be operated directly by the Company or, as intermediary, by companies constituted by it or in which it may hold a majority or minority stockholding interest, upon decision by the Board of Directors of the sole stockholder, Cemig, under Article 2 of State Law 8655 of September 18, 1984, and prior authorization by the National Electricity Agency, Aneel.

Characteristics of the Issue

- Data of the Issue (all series): February 15, 2012
- Maturity date: (i) 1st Series: February 15, 2017; (ii) 2nd Series: February 15, 2019; (iii) 3rd Series: February 15, 2022
- Bookkeeping Institution and Mandated Bank: Banco Bradesco S.A.
- CETIP/ISIN Codes: (i) 1st Series: CMTR13/BRCMGTDDBS047; (ii) 2nd Series: CMTR23/BRCMGTDDBS054; (iii) 3rd Series: CMTR33/BRCMGTDDBS062

- Lead Manager: HSBC Corretora de Títulos e Valores Mobiliários S.A.
- Use of proceeds: The net proceeds obtained by the Issuer from paying-up of the debentures will be allocated to early redemption of the one hundred commercial promissory notes of the Company's Fourth Issue, issued on January 13, 2012, for their nominal unit value, of R\$ 10,000,000.00, plus remuneratory interest equal to: (i) 103% of the Over DI Rate, applied to the nominal unit value of each promissory note, from the date of issue up to the date of actual redemption, if such redemption takes place by the 60th calendar day from the date of issue of the commercial promissory notes (exclusive); (ii) 104% of the Over DI Rate, applied to the nominal unit value of each commercial promissory note, from the last payment date of the remuneratory interest up to the date of the actual redemption, if such redemption takes place between the 60th calendar day from the date of issue of the commercial promissory notes (inclusive) and the 120th calendar day from the date of issue of the commercial promissory notes (exclusive); and e (iii) 105% of the Over DI Rate, applied to the nominal unit value of each commercial promissory note, from the last date of payment of the remuneratory interest up to the date of the actual redemption, if such redemption takes place between the 120th calendar day from the date of issue of the commercial promissory notes (inclusive) and the 180th calendar day from the date of issue of the commercial promissory notes(exclusive).

If the net funds obtained by the Issuer from the paying-up of the Debentures are not sufficient for full redemption of the commercial promissory notes of the Company's 4th Issue, the Issuer may use its own funds and carry out full redemption of those securities or, also, it may opt to effect early redemption of only part of the said commercial promissory notes, in proportion to the funds raised by the Offering.

- Type of issue: Public Issue of unsecured Debentures, not convertible into shares, in three Series.

1. Any omission or inaccuracy contained in the information disclosed by the Company; or any default or arrears in the obligatory presentation of information by the Company: (CVM Instruction 28/83, Article 12, Sub-Item XVII, Subclause 'a')

Pentágono declares that it is not aware of any omission or inaccuracy contained in the information disclosed by the company, nor of any default or arrears in the obligatory presentation of information by the Issuer.

2. **Changes to the Bylaws:** (CVM Instruction 28/83, Article 12, Sub-Item XVII, Subclause 'b')

An Extraordinary General Meeting of Stockholders held on September 26, 2013 approved a change in the Clause 5 of the Company's by-laws, to reduce the Company's share capital, to be conditional upon approval by the Debenture Holders.

An Extraordinary General Meeting of Stockholders held on April 30, 2013 approved a change in Subclause 'g' of Item I, and inclusion of Subclause 'n' in Item XI, of the head paragraph of Article 17, to transfer the activity of the Company's Ombudsman from the Chief Executive Officer to the Chief Institutional Relations and Communication Officer.

3. **Comments on the Company's financial statements, and on its economic, financial and capital structure indicators:** (CVM Instruction 28/83, Article 12, Sub-Item XVII, Subclause 'c')

- **The Company**

- ➔ Principal activity: 35.11-5-01 – Generation of electricity;
- ➔ Company's situation: active;
- ➔ Nature of stockholding control: state-controlled;
- ➔ Criterion for preparation of financial statements: Brazilian Corporate Law method.

- **Financial situation**

- ➔ General liquidity ratio: From 1.64% in 2012, to 0.57% in 2013;
- ➔ Current liquidity ratio: From 0.86% in 2012, to 1.08% in 2013;
- ➔ Acid test ratio: From 0.86% in 2012, to 1.07% in 2013;
- ➔ Asset turnover: From 0.38% in 2012 to 0.50% in 2013.

- **Capital structure**

Loan and financings as a percentage of Stockholders' equity were reduced by 22.26% from 2012 to 2013. Third Party Capital as a percentage of Stockholders' equity

changed from 128% in 2012 to 175% in 2013. PP&E as a percentage of Stockholders' equity changed from 170% in 2012 to 176% in 2013. Non-current liabilities decreased by 5.55% from 2012 to 2013; the Indebtedness Index increased by 13.39% from 2012 to 2013.

- **Results**

For better analysis of the company's economic and financial situation we recommend a complete reading of the Financial statements, the Report of Management and the Opinion of the External auditors.

4. **Position on distribution or placement of the debentures in the market:** (CVM Instruction 28/83, Article 12, Sub-Item XVII, Subclause 'd')

- **UNIT VALUE AT THE ISSUE DATE (OF ALL THE SERIES):** R\$ 1,000.00
- **UPDATING OF THE NOMINAL VALUE:** (i) 1st Series: Not applicable; and (ii) 2nd and 3rd Series: IPCA/IBGE
- **REMUNERATION:** (i) 1st Series: 100% of the DI Rate + 0.90% p.a.; (ii) 2nd Series: 6.00% p.a.; and (iii) 3rd Series: 6.20% p.a.
- **PAYMENTS MADE PER DEBENTURE IN 2013:**
 - CMTR13 – 1st Series:
Interest:
February 15, 2013 – R\$ 88.464400
 - CMTR23 – 2nd Series:
Interest:
February 15, 2013 – R\$ 62.912318
 - CMTR33 – 3rd Series:
Interest:
February 15, 2013 – R\$ 65.008651
- **POSITION OF THE ASSET:**
CMTR13 – 1st Series:
Quantity in circulation: 480,000
Quantity in Treasury: 0
Total quantity issued: 480,000

CMTR23 – 2nd Series:

Quantity in circulation: 200,000

Quantity in Treasury: 0

Total quantity issued: 200,000

CMTR33 – 3rd Series:

Quantity in circulation: 670,000

Quantity in Treasury: 0

Total quantity issued: 670,000

5. Redemption, amortization, conversion, renegotiation or payment of interest of the debentures taking place in the period, and acquisitions and sales of debentures made by the issuer company: (CVM Instruction 28/83, Article 12, Sub-Item XVII, Subclause 'e')

- Redemption: None.
- Amortization: None.
- Conversion: Not applicable.
- Renegotiation: Not applicable.
- Interest on the debentures paid in the period: As per Item 4;
- Debentures acquired and/or sold by the Issuer Company itself: None.

6. Constitution of, and investments made by, a fund for amortization of the debentures, if applicable: (CVM Instruction 28/83, Article 12, Sub-Item XVII, Subclause 'f')

No Amortization Fund has been constituted for this Issue.

7. Monitoring of use of the funds raised through the debenture issue, according to data obtained from the managers of the Issuer company: (CVM Instruction 28/83, Article 12, Sub-Item XVII, Subclause 'g')

According to the information obtained, the funds obtained from the Debenture Issue were allocated as specified in the Issue Deed.

8. List of the assets/amounts delivered for management by the Fiduciary Agent: (CVM Instruction 28/83, Article 12, Sub-Item XVII, Subclause 'h')

There are no assets and/or amounts delivered to the Fiduciary Agent for management.

9. **Compliance with other Obligations assumed by the company in the issue deed:** (CVM Instruction 28/83, Article 12, Sub-Item XVII Subclause 'i')

According to the information obtained, we find that the obligations assumed by the Issuer in the Issue Deed have been complied with.

10. **Statement on the sufficiency and enforceability of guarantees of the debentures:** (CVM Instruction 28/83, Article 12, Sub-Item XVII, Subclause 'j')

The debentures of this issue are of the unsecured type, with an additional surety guarantee.

The Debentures have the following guarantee: (i) Surety, as specified in the Issue Deed.

According to the information obtained from the Issuer, the guarantee(s) provided in this Issue remain perfectly sufficient and enforceable, as constituted, granted and/or issued.

11. **Existence of other issues, public or private, of debentures by the Issuer itself, or by an affiliated company, a subsidiary, a parent company or a member of the same group as the Issuer in which the Fiduciary Agent has also acted as fiduciary agent in the period, and the following data about such issues:** (CVM Instruction 28/83, Article 12, Sub-Item XVII, Subclause 'k')

(i) Name of the offering company: **LIGHT ENERGIA S.A.**

- Issue: 2nd.
- Value of the Issue: R\$ 425,000,000.00.
- Number of debentures issued: 425;
- Type: Unsecured, with surety guarantee.
- Maturity of the Debentures: August 19, 2019;
- Type and value of the goods given in guarantee and name of the guarantors: (i) Surety guarantee by Light S.A.;
- Redemption, amortization, payment, conversion, renegotiation or default events in the period, by debenture:

Interest:

February 19, 2013 – R\$ 40,153.370000

August 9, 2013 – R\$ 42,806.307000

Non-compliance: The issuer did not comply with the obligations to submit financial indices.

(ii) Name of the offering company: **LIGHT ENERGIA S.A.**

- Issue: 3rd (Private)
- Value of the Issue: R\$ 30,000,000.00.
- Number of debentures issued: 30;
- Type: Unsecured, with surety guarantee.
- Maturity of the Debentures: June 4, 2026;
- Type and value of the goods given in guarantee and name of the guarantors: (i) Surety guarantee by Light S.A.;
- Redemption, amortization, payment, conversion, renegotiation or default events in the period, by debenture:

Interest:

June 4, 2013 – R\$ 39,683.305999

December 4, 2013 – R\$ 49,636.548999

Non-compliance: The issuer did not comply with the obligations to submit financial indices.

(iii) Name of the offering company: **MADEIRA ENERGIA S.A. – MESA**

- Issue: 1st (Private)
- Value of the Issue: R\$ 1,500,000,000.00.
- Number of debentures issued: (i) 1st Series: 259,455; (ii) 2nd Series: 259,454; (iii) 3rd Series: 231,091. (iv) 4th Series: 231,091. (v) 5th Series: 259,455; (vi) 6th Series: 259,454;
- Type: Unsecured.
- Maturity of the Debentures: (i) 1st and 2nd Series: September 30, 2012, (ii) 3rd and 4th Series: December 30, 2012; and (iii) 5th and 6th Series: September 30, 2013;
- Type and value of the goods given in guarantee and name/s of the guarantors: (i) pledge of the totality of the shares issued by Santo Antônio Energia S.A. owned by Madeira Energia S.A. (Mesa); (ii) fiduciary assignment of the rights arising from the concession for the project held by the Issuer under the concession contract; (iii) fiduciary assignment of the receivables owned by Madeira Energia S.A. (Mesa), arising from the Stockholders' Support Contract; and (iii) Surety guarantee given by (a) Odebrecht Investimentos em Infraestrutura Ltda.; (b) Andrade Gutierrez Participações S.A.; and (c) Odebrecht S.A.;
- Redemption, amortization, payment, conversion, renegotiation or default events in the period, by debenture:

→ MESA11 – 1st Series: Maturity on September 30, 2012

→ MESA21 – 2nd Series: Maturity on September 30, 2012

→ MESA31 – 3rd Series: Maturity on December 30, 2012

→ MESA41 – 4th Series: Maturity on December 30, 2012

→ MESA51 – 5th Series:

- Total Early Redemption

Principal:

June 28, 2013 – R\$ 1,267.619930

Interest:

June 28, 2013 – R\$ 394.232177

Premium

June 28, 2013 – R\$ 1.902730

→ MESA61 – 6th Series:

- Total Early Redemption

Principal:

June 28, 2013 – R\$ 1,267.619930

Interest:

June 28, 2013 – R\$ 394.232177

Premium

June 28, 2013 – R\$ 1.902730

(iv) Name of the offering company: **TRANSMISSORA ALIANÇA DE ENERGIA ELÉTRICA S.A.**

- Issue: 1st;
- Value of the Issue: R\$ 600,000,000.00.
- Number of debentures issued: (i) 1st Series: 34,500; (ii) 2nd Series: 25,500;
- Type: Unsecured.
- Maturity of the Debentures: July 15, 2015;
- Type and value of the goods given in guarantee and name of the guarantors: Not applicable.
- Redemption, amortization, payment, conversion, renegotiation or default events in the period, by debenture:

→ TAES11 - 1st Series:

Amortization:

July 15, 2013 – R\$ 3,333.330000

Interest:

July 15, 2013 – R\$ 855.538149

→ TAES21 - 2nd Series:

Amortization:

July 15, 2013 – R\$ 3,981.813184

Interest:

July 15, 2013 – R\$ 933.208272

(v) Name of the offering company: ANDRADE GUTIERREZ PARTICIPAÇÕES S.A.

- Issue: 2nd
- Value of the Issue: R\$ 639,450,000,00.
- Number of debentures issued: (i) 1st Series: 8,294; (ii) 2nd Series: 7,845; (ii) 3rd Series: 47,806;
- Type: Unsecured, with surety guarantee.
- Maturity of the Debentures: (i) 1st Series: June 15, 2017; (ii) 2nd Series: June 15, 2019; (ii) 3rd Series: June 15, 2022;
- Type and value of the goods given in guarantee and name of the guarantors: (i) Surety given by Construtora Andrade Gutierrez S.A.;
- Redemption, amortization, payment, conversion, renegotiation or default events in the period, by debenture:

→ CANT12 - 1st Series:

Interest:

June 17, 2013 – R\$ 397.810420

December 16, 2013 – R\$ 497.494929

→ CANT22 - 2nd Series:

Interest:

June 17, 2013– R\$ 409.343779

December 16, 2013– R\$ 509.707200

→ CANT32 - 3rd Series:

Interest:

June 17, 2013– R\$ 654.927007

(vi) Name of the offering company: ANDRADE GUTIERREZ PARTICIPAÇÕES S.A.

- Issue: 3rd
- Value of the Issue: R\$ 180,000,000.00.
- Number of debentures issued: 18,000;
- Type: Unsecured.
- Maturity of the Debentures: January 15, 2015;
- Type and value of the goods given in guarantee and name of the guarantors: Not applicable.
- Redemption, amortization, payment, conversion, renegotiation or default events in the period, by debenture: None.

(vii) Name of the offering company: ATIVAS DATA CENTER S.A.

- Issue: 1st
- Value of the Issue: R\$ 90,000,000.00.
- Number of debentures issued: 90,000;
- Type: Unsecured.
- Maturity of the Debentures: July 1, 2017;
- Type and value of the goods given in guarantee and name of the guarantors: The debenture holders additionally have “Stockholder support”, through injections of capital into Ativas Data Center S.A. by its controlling stockholders, Ativas Participações S.A. and Cemig Telecomunicações S.A.
- Redemption, amortization, payment, conversion, renegotiation or default events in the period, by debenture:
Interest:
July 1, 2013 – R\$ 88.900350

(viii) Name of the offering company: GASMIG (COMPANHIA DE GÁS DE MINAS GERAIS)

- Issue: 2nd
- Value of the Issue: R\$ 100,000,000.00.
- Number of debentures issued: 10,000;
- Type: Unsecured.
Maturity of the Debentures: November 16, 2015;
- Type and value of the goods given in guarantee and name of the guarantors: Not applicable.
- Redemption, amortization, payment, conversion, renegotiation or default events in the period, by debenture:
Interest:
March 18, 2013 – R\$ 242.124890
April 16, 2013 – R\$ 58.796580
May 16, 2013 – R\$ 63.374719
June 17, 2013 – R\$ 65.489009
July 16, 2013 – R\$ 67.901949
August 16, 2013 – R\$ 78.052090
September 16, 2013 – R\$ 73.444209
October 16, 2013 – R\$ 79.746049
November 18, 2013 – R\$ 83.449049
December 16, 2013 – R\$ 77.793799

- (ix) Name of the offering company: **GASMIG (COMPANHIA DE GÁS DE MINAS GERAIS)**
- Issue: 3rd
 - Value of the Issue: R\$ 100,000,000.00
 - Number of debentures issued: 10,000;
 - Type: Unsecured.
 - Maturity of the Debentures: April 29, 2018;
 - Type and value of the goods given in guarantee and name of the guarantors: Not applicable.
 - Redemption, amortization, payment, conversion, renegotiation or default events in the period, by debenture:
Interest:
August 29, 2013 – R\$ 285.365870
September 30, 2013 – R\$ 79.744870
October 29, 2013 – R\$ 79.177510
November 29, 2013 – R\$ 84.501830
December 30, 2013 – R\$ 80.207800

- (x) Name of the offering company: **GUANHÃES ENERGIA S.A.**
- Issue: 1st
 - Value of the Issue: R\$ 65,000,000.00
 - Number of debentures issued: 6,500;
 - Type: Unsecured.
 - Maturity of the Debentures*: April 22, 2014;
 - Type and value of the goods given in guarantee and name of the guarantors: In a General Meeting of Debenture Holders, on April 16, 2014, it was determined that the Issuer should present Letters of Corporate Guarantee issued by Light S.A., with participation of Light S.A. corresponding to 51%, and participation of Companhia Energética de Minas Gerais and Cemig Geração e Transmissão S.A. corresponding to 49%.
 - Redemption, amortization, payment, conversion, renegotiation or default events in the period, by debenture: None.

*Drafting in accordance with the 1st Amendment to the Issue Deed.

- (xi) Name of the offering company: **AXXIOM SOLUÇÕES TECNOLÓGICAS S.A.**
- Issue: 1st
 - Value of the Issue: R\$ 15,000,000
 - Number of debentures issued: 1,500;

- Type: Unsecured.
- Maturity of the Debentures: January 29, 2016;
- Type and value of the goods given in guarantee and name of the guarantors: Not applicable.
- Redemption, amortization, payment, conversion, renegotiation or default events in the period, by debenture: None.

12. **Opinion:**

We are not aware of any omission or error of fact contained in the information disclosed by the Issuer. The Issuer has kept its registry as a listed company with the Brazilian Securities Commission (*Comissão de Valores Imobiliários*, or CVM) updated.

13. **Statement on capacity to continue exercising the function of Fiduciary Agent:**

(CVM Instruction 28/83, Article 12, Sub-Item XVII, Sub-clause I; and Law 6404 of December 15, 1976, Article 68, Sub-clause 'b')

Pentágono declares that it has full capability to continue to exercise the function of Fiduciary Agent of this Debenture Issue of the Issuer.

This report was prepared with all the information necessary for complying with the requirements contained in CVM Instruction 28, of November 23, 1983, as amended, and other applicable provisions of legislation.

Although we have made efforts to provide precise and updated information, there is no guarantee of its exactitude on the date on which it was received, nor that this exactitude will continue in the future. This information should not serve as a base for taking any action without qualified professional orientation, preceded by a highly detailed examination of the situation in question.

PENTÁGONO S.A. DTVM

DOCUMENTS ATTACHED

Statement of financial position (Attachment 1)

Profit and loss account (Attachment 2)

Auditors' Opinion (Attachment 3)

Attachment 1
STATEMENTS OF FINANCIAL POSITION
AT DECEMBER 31, 2013 AND 2012, AND JANUARY 1, 2012
ASSETS
R\$ '000

	Note	2013	2012	Jan. 1, 2012 Reclassified
CURRENT				
Cash and cash equivalents	05	1,107,174	509,152	1,150,30
Securities – Cash investments	06	531,993	445,639	170,23
Consumers and traders	07	673,833	494,893	454,95
Concession holders – Transport of electricity		29,303	65,657	66,45
Financial assets of the concession	12	2,254	287,692	42,10
Taxes recoverable	08	183,549	26,708	29,63
Income tax and Social Contribution tax recoverable	09	67,886	82,354	26,86
Traders – Transactions in ‘Free Energy’		42,617	20,755	22,08
Dividends receivable		9,985	66,832	10,72
Inventories		5,574	5,204	4,35
Other credits		59,434	61,330	71,98
TOTAL, CURRENT		2,713,602	2,066,216	2,049,70
NON-CURRENT				
Securities – Cash investments	06	49,613	40,314	
Taxes recoverable	08	40,152	37,392	28,92
Escrow deposits in litigation	11	159,673	159,358	150,51
Related party transactions		15,849	30,471	3,25
Other credits		8,980	9,472	8,55
Financial assets of the concession	12	776,881	717,728	716,23
Investment	13	1,519,321	3,539,372	2,980,57
Property, plant and equipment	14	5,137,692	5,414,273	5,677,75
INTANGIBLE ASSETS	15	53,276	63,915	33,52
TOTAL, NON-CURRENT		7,761,437	10,012,295	9,599,33
TOTAL ASSETS		10,475,039	12,078,511	11,649,03

The Explanatory Notes are an integral part of the Financial Statements.

LIABILITIES
R\$ '000

	Note	2013	2012 Reclassified	Jan. 1, 2012 Reclassified
CURRENT				
Loans and financings	18	455,244	829,396	1,645,152
Debentures	18	630,720	632,886	3,122,650
Suppliers	16	214,240	206,569	116,509
Taxes	17	84,552	76,615	70,448
Interest on Equity, and dividends, payable		905,687	399,476	-
Payroll and related charges		42,668	51,337	57,039
Regulatory charges	19	25,177	75,288	58,003
Profit sharing		32,049	19,377	18,845
Related party transactions		29,968	22,594	29,900
Post-retirement liabilities	20	31,295	11,593	17,048
Concessions payable		19,534	15,440	7,220
Other liabilities		49,605	49,189	51,338
TOTAL, CURRENT		2,520,739	2,389,760	5,194,152
NON-CURRENT				
Loans and financings	18	1,019,832	852,728	272,304
Debentures	18	1,987,010	2,340,953	46,896
Provisions	21	56,624	13,963	14,347
Post-retirement liabilities	20	523,948	585,254	441,274
Taxes	17	101,233	101,233	106,686
Deferred income tax and Social Contribution tax	10a	226,768	276,974	302,504
Regulatory charges	19	77,262	42,935	70,162
Concessions payable		145,490	165,221	123,871
Other liabilities		1,116	3,442	3,875
TOTAL, NON-CURRENT LIABILITIES		4,139,283	4,382,703	1,381,919
TOTAL LIABILITIES		6,660,022	6,772,463	6,576,071
STOCKHOLDERS' EQUITY				
Share capital	22	893,192	3,296,785	3,296,785
Profit reserves		2,384,711	1,418,845	989,503
Adjustments to Stockholders' equity		537,114	590,418	786,674
TOTAL OF STOCKHOLDERS' EQUITY		3,815,017	5,306,048	5,072,962
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		10,475,039	12,078,511	11,649,033

The Explanatory Notes are an integral part of the Financial Statements.

Attachment 2

PROFIT AND LOSS ACCOUNTS

FOR THE PERIODS ENDED DECEMBER 31, 2013 and 2012

R\$ '000 (except Net profit per share)

	Note	2013	2012 Reclassified
REVENUE	23	5,230,134	4,639,948
OPERATIONAL COSTS			
COST OF ELECTRICITY	24		
Charges for the use of the national grid		(256,610)	(267,863)
Electricity bought for resale		(1,244,499)	(713,066)
		(1,501,109)	(980,929)
COST	24		
Personnel and managers		(229,150)	(230,752)
Materials		(10,320)	(10,801)
Raw materials and inputs		(55,597)	(5,025)
Outsourced services		(110,067)	(113,640)
Depreciation and amortization		(339,957)	(308,221)
Operational provisions		(55,117)	(998)
Royalties for use of water resources		(125,751)	(178,072)
Cost of construction – Transmission Infrastructure		(91,176)	(107,304)
Other operational (costs) / revenues		(11,742)	(9,975)
		(1,028,877)	(964,788)
TOTAL COST		(2,529,986)	(1,945,717)
GROSS PROFIT		2,700,148	2,694,231
Operational expenses	24		
Selling expenses		253	(2,004)
General and administrative expenses		(202,097)	(141,596)
Loss on disposal of investment		(94,080)	-
Other operational expenses		(138,268)	(158,484)
		(434,192)	(302,084)
Gain (loss) in subsidiaries by equity method		350,177	537,364
Profit before Financial revenue (expenses) and taxes		2,616,133	2,929,511
Financial revenues	25	303,201	132,785
Financial expenses	25	(506,053)	(574,786)
Pretax profit		2,413,281	2,487,510
Current income tax and Social Contribution tax	10b	(673,089)	(548,612)
Deferred income tax and Social Contribution tax	10b	71,182	(19,413)
NET PROFIT FOR THE PERIOD		1,811,374	1,919,485
Basic profit per common share		0.6253	0.6626
Diluted profit per common share		0.6253	0.6626

The Explanatory Notes are an integral part of the Financial Statements.

Attachment 3

REPORT OF THE EXTERNAL AUDITORS ON THE FINANCIAL STATEMENTS

To the Stockholders, Board members and Managers of

Cemig Geração e Transmissão S.A.

Belo Horizonte, Minas Gerais

We have examined the financial statements of Cemig Geração e Transmissão S.A. (“the Company”), which comprise the financial statements at December 31, 2013 and the related profit and loss accounts, statement of comprehensive income, statement of changes in stockholders’ equity and statements of cash flows for the business year ended on that date, and the summary of the principal accounting practices and other explanatory notes.

Management’s responsibility for the financial statements

The Company’s management is responsible for the preparation and adequate presentation of the financial statements in accordance with accounting practices adopted in Brazil and in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and also for the internal controls that it has decided are necessary to make possible the preparation of those financial statements free of material distortion, whether caused by fraud or error.

Responsibility of the external auditors

Our responsibility is to express an opinion on those financial statements based on our audit, which was conducted in accordance with Brazilian and international auditing rules. These rules require compliance by the auditors with ethical requirements, and that the audit should be planned and executed with the objective of obtaining a reasonable degree of certainty that the financial statements are free of material distortion.

An audit involves execution of selected procedures to obtain evidence on amounts and disclosures presented in the financial statements. The procedures selected depend on the auditor’s judgment, including evaluation of the risks of material distortion in the financial statements, whether caused by fraud or error. In this evaluation of risks, the auditor considers the internal controls that are material for the preparation and appropriate presentation of the Company’s financial statements, for the purpose of planning the auditing procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the efficacy of those internal controls of the Company. An audit also includes evaluation of the appropriateness of the accounting practices used and of the reasonableness of the accounting estimates made by the management, and also evaluation of the presentation of the financial statements taken as a whole.

We believe that the auditing evidence obtained is sufficient and appropriate as grounds for our opinion.

Opinion on the financial statements

In our opinion, the consolidated financial statements referred to above adequately present, in all material aspects, the consolidated equity and financial position of Cemig Geração e Transmissão S.A. on December 31, 2013, the performance of its operations, and its consolidated cash flows, for the business year ended on that date, in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and with the accounting practices adopted in Brazil.

Emphases of matter

Re-presentation of the corresponding amounts for the business year ending December 31, 2012

As described in explanatory note No. 2.5 to the financial statements, due to the change in accounting policy, the corresponding amounts relating to the statements of financial position for the business year ended December 31, 2012 and the corresponding financial information in relation to the profit and loss accounts, the statements of comprehensive income, the statements of changes in stockholders' equity, the statements of cash flows and the statements of added value (supplementary information) for the business year ended December 31, 2012, presented for the purposes of comparison, have been adjusted and are being re-presented as specified in Accounting Pronouncements CPC 23 – *Accounting Policies, Changes in Estimates and Rectification of Errors (Políticas Contábeis, Mudança de Estimativa e Retificação de Erro)* and CPC 26(R1) – *Presentation of Financial Statements (Apresentação das Demonstrações Contábeis)*. Our opinion regarding this matter is unqualified.

Renewal of the concession for the Jaguara hydroelectric plant

As described in Explanatory Note 3 to the financial statements, the concession contract of the Jaguara hydroelectric plant had expiry date in August 2013. On August 30, 2013, the Company was awarded an interim injunction in an application to the Higher Appeal Court (STJ). This interim injunction ensures that the Company will remain in control of the Jaguara Hydroelectric Plant, commercially operating the public service concession granted to it, until final judgment of the case. Based on the terms of the injunction, the Company has been recording the revenues and related operational costs and expenses of the Jaguara plant, since it remains in control of that plant. It should be noted that this is a preliminary decision by the Judiciary, and that there is at present no decision on the merits of the action. The Higher Appeal Court will examine the merits of the action at a later date. Our opinion regarding this matter is unqualified.

Financial assets of the transmission concession

As described in Explanatory Note 12 to the financial statements, based on the provisions of Law 12783/13, the Company submitted information to the Concession-granting power for the latter to ratify the amount to be received as indemnity for revertible assets relating to transmission concession contract 006/97 registered up to May 2000, in the amount of R\$ 533,588,000. The actual value of the indemnity for these assets, and also the conditions, form of remuneration and periods for receipt of such indemnity, are pending homologation by the Concession-granting power. Our opinion regarding this matter is unqualified.

Other matters

Statements of added value

We have also examined the individual and consolidated Added Value Statements (DVAs), for the business year ended December 31, 2013, prepared under the responsibility of the Company's Management, the presentation of which is required by the Brazilian Corporate Law legislation for listed companies, and which is supplementary information under IFRS, which do not require presentation of the DVA. These statements have been submitted to the same auditing procedures described above and, in our opinion, are adequately presented, in all material aspects, in relation to the financial statements taken as a whole.

Audit of the accounting information of the Statement of financial position (balance sheet) at January 1, 2012

The examination of the individual statement of financial position at January 1, 2012, which is now re-presented as a result of the matters described in Explanatory Note 2.5, as specified in CPC 23 – *Accounting Policies, Changes in Estimates and Rectification of Errors (Políticas Contábeis, Mudança de Estimativa e Retificação de Erro)* and CPC 26(R1) – *Presentation of Financial Statements (Apresentação das Demonstrações Contábeis)*, was conducted by other independent auditors, who issued a report, dated August 14, 2013, which contained emphases of matter related to the affiliated company Madeira Energia S.A., on: (i) the recurring losses in its operations and its presentation of an excess of current liabilities over current liabilities assets on December 31, 2013, in the amount of R\$ 1,279,002,000; and (ii) the fact that the financial projections prepared by its Management state that the expenses related to development of the project for construction of the Santo Antonio Hydroelectric Power Plant will be absorbed by the future revenues from the operations.

Belo Horizonte, March 13, 2014.

DELOITTE TOUCHE TOHMATSU
Auditores Independentes
CRC-2SP 011.609/O-8 F/MG

José Ricardo Faria Gomez
Accountant
CRC-SP 218.398/O-1 T/MG