



Successful Strategy

*Performance reflects balanced portfolio structure
2018*

CIG
LISTED
NYSE

CIG.C
LISTED
NYSE

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

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

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

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

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

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

#1

Integrated Power
Utility in Brazil

#6⁽²⁾

Market cap
US\$2.9⁽¹⁾ B.

#1

Market share in
the free market

#4⁽²⁾

EBITDA 2017
US\$1.1 B

In the Power Industry since **1952**

(1) As of May 28th, 2018

(2) In the Brazilian Energy Industry

116

Power plants

82



32



1



1



5.7 GW

Total installed capacity

567,634 km

Electricity Distribution lines



8,200 km

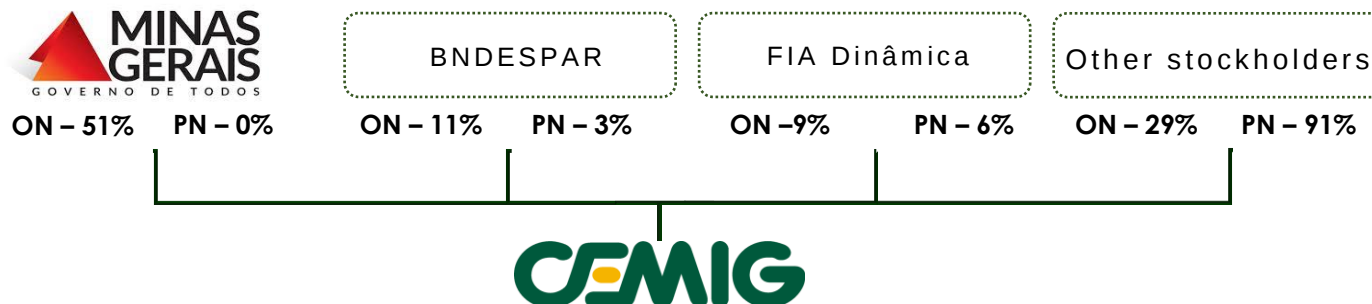
Power Transmission lines



- Based in State of Minas Gerais, controlling shareholder
 - Assets in 23 Brazilian states
- Among the most liquid stocks in Brazil's electricity sector
 - listed on 3 stock exchanges New York, São Paulo, Madrid
 - More than 140,000 shareholders in 38 countries
 - Average Daily Trading Volume in 2017

R\$73.5M in Bovespa and US\$11.8M in NYSE

- Solid dividend policy – established in the bylaws
 - Minimum 50% payout ratio
 - Minimum R\$0.50 per preferred share
- Shareholder Structure:



The Brazil advantage

An Emerging Powerhouse Economy

#1 Latin American economy

#9 Ranking of economy in world⁽¹⁾

R\$6.6 Trillion GDP 2017

1.50% GDP growth 2018⁽²⁾

207 M Population

(1) World Bank

(2) Brazil's Central Bank Focus Report, July 16th 2018

Cemig is Uniquely Positioned

Unmatched scale

Largest Integrated Utility in Brazil

***#1**

Electricity
Distributor

#2

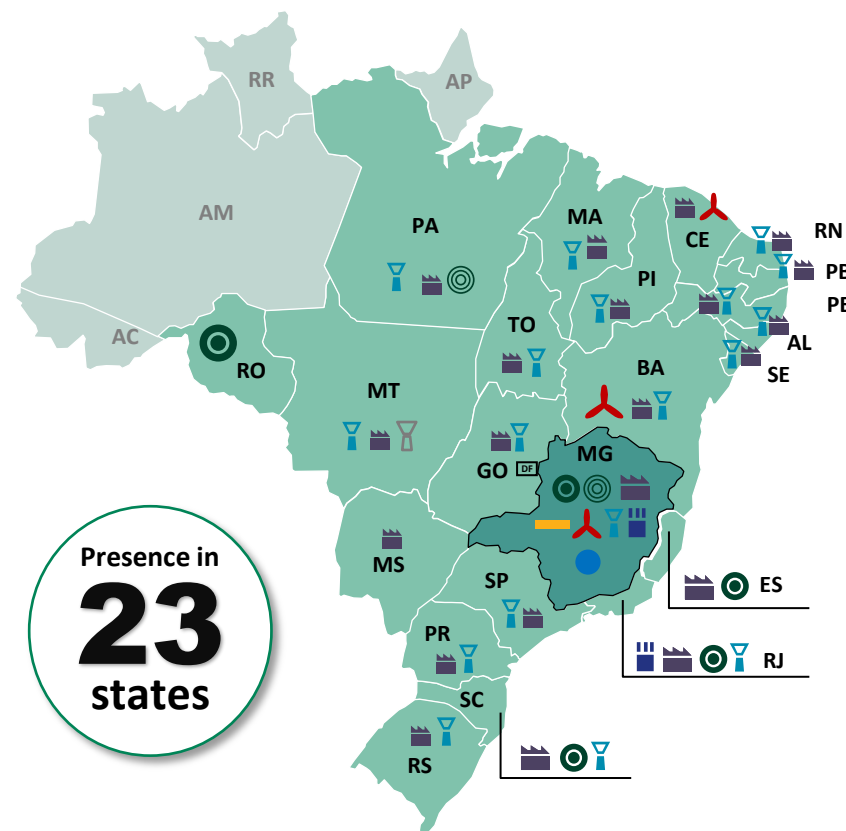
Largest Power
Transmission
Group

#4

Largest Power
Generation
Group

#1 Integrated Power Utility in Brazil

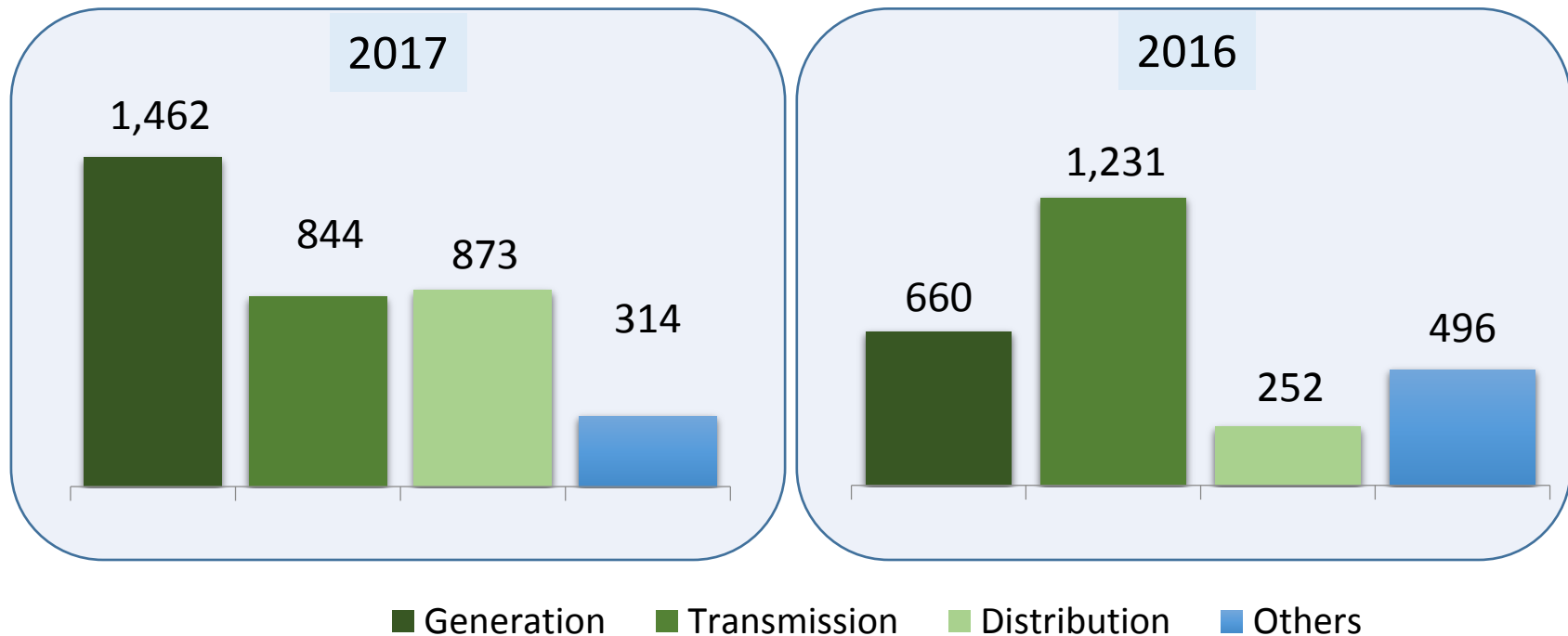
-  Power Generation
-  Power Generation (under construction)
-  Power Transmission
-  Power Transmission (under construction)
-  Electricity Distribution
-  Cemig "Free Consumer" Clients
-  Wind Power Generation
-  Natural Gas Distribution
-  Telecom Backbone Provider



* In terms of length of electricity distribution lines

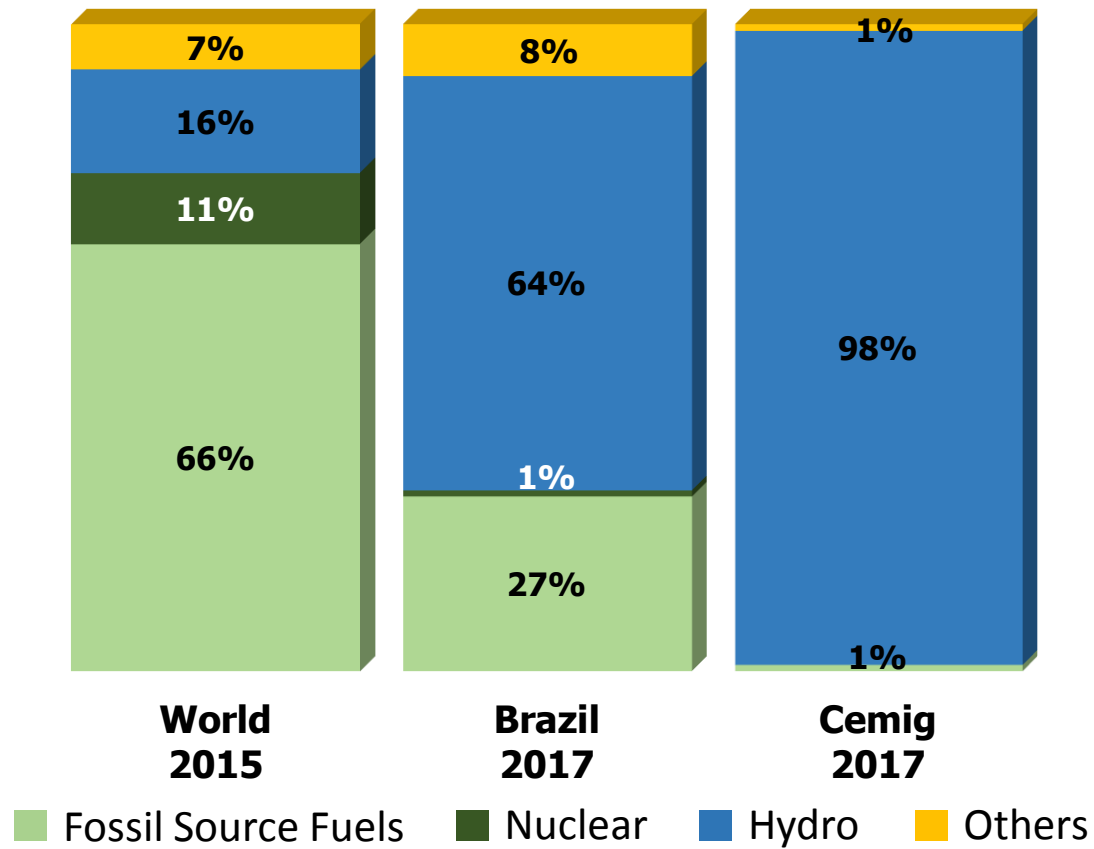
Diversified, Low Risk Business Portfolio

Breakdown of Ebitda



Most of the revenues are inflation protected

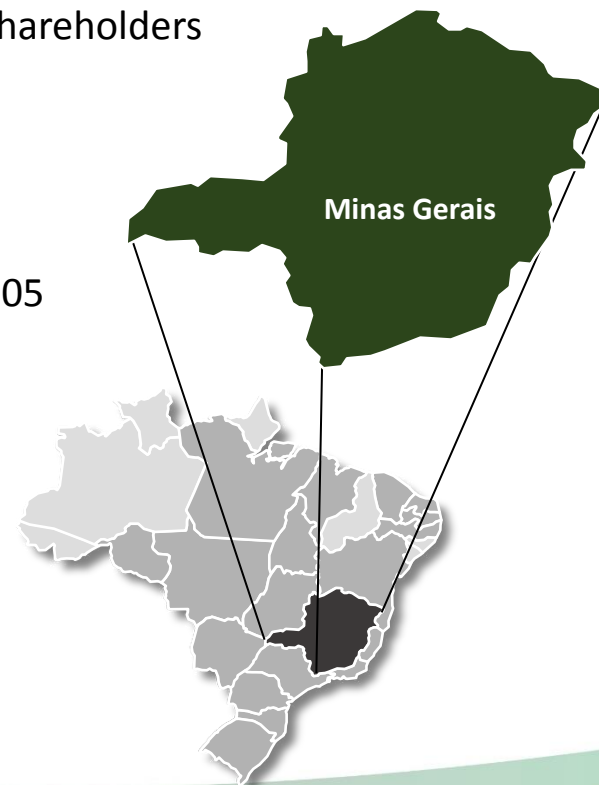
Power Generation by Source



Source: EPE [BEN 2017 – Preliminar Results and IEA [Key World Energy Statistics-2015]

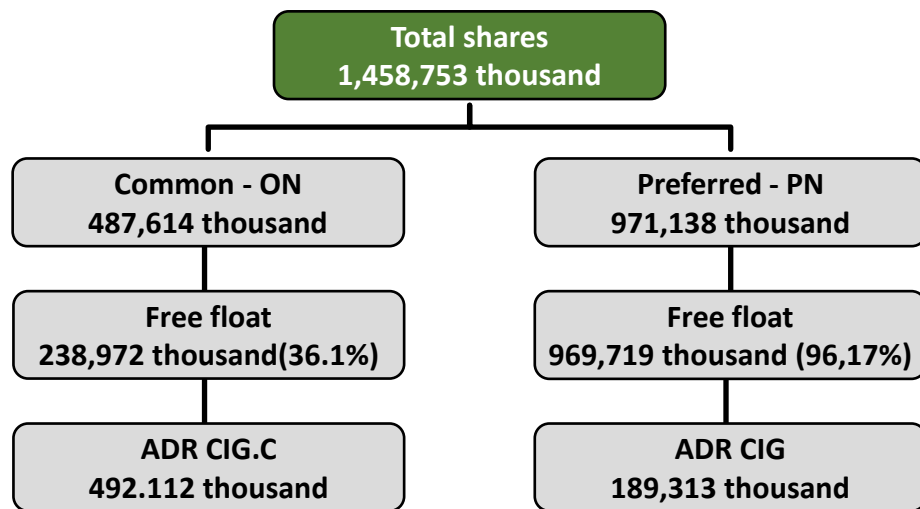
Strong governance

- ✓ Minas Gerais, controlling shareholder – a positive influence
 - One of the fastest growing, investor-friendly states in Brazil
 - Growth and profitability interest aligned with minority shareholders
 - 5 from a total of 11 members are appointed by minority shareholders
- ✓ Leader in sustainability
 - Only Latin American utility in DJSI – Dow Jones since 1999
 - Included in the ISE – Bovespa Sustainability Index since 2005
- ✓ Present in the Global Dow Index



The blend of shareholders provides long term perspective

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



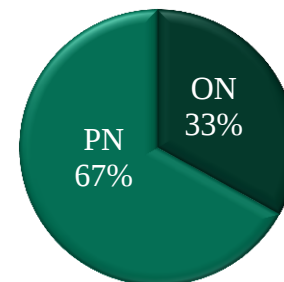
Share nominal value = R\$5.00

ADR outstanding approximately 22% of total shares and 34% of PN shares

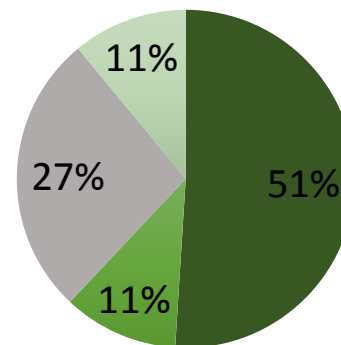
1 ADR = 1 share in Bovespa

ON shares have voting rights

Total Shares



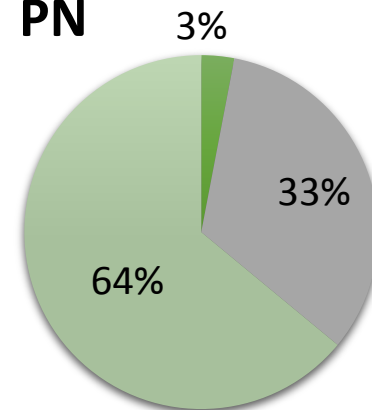
ON



■ MG government

■ Local Investors

PN

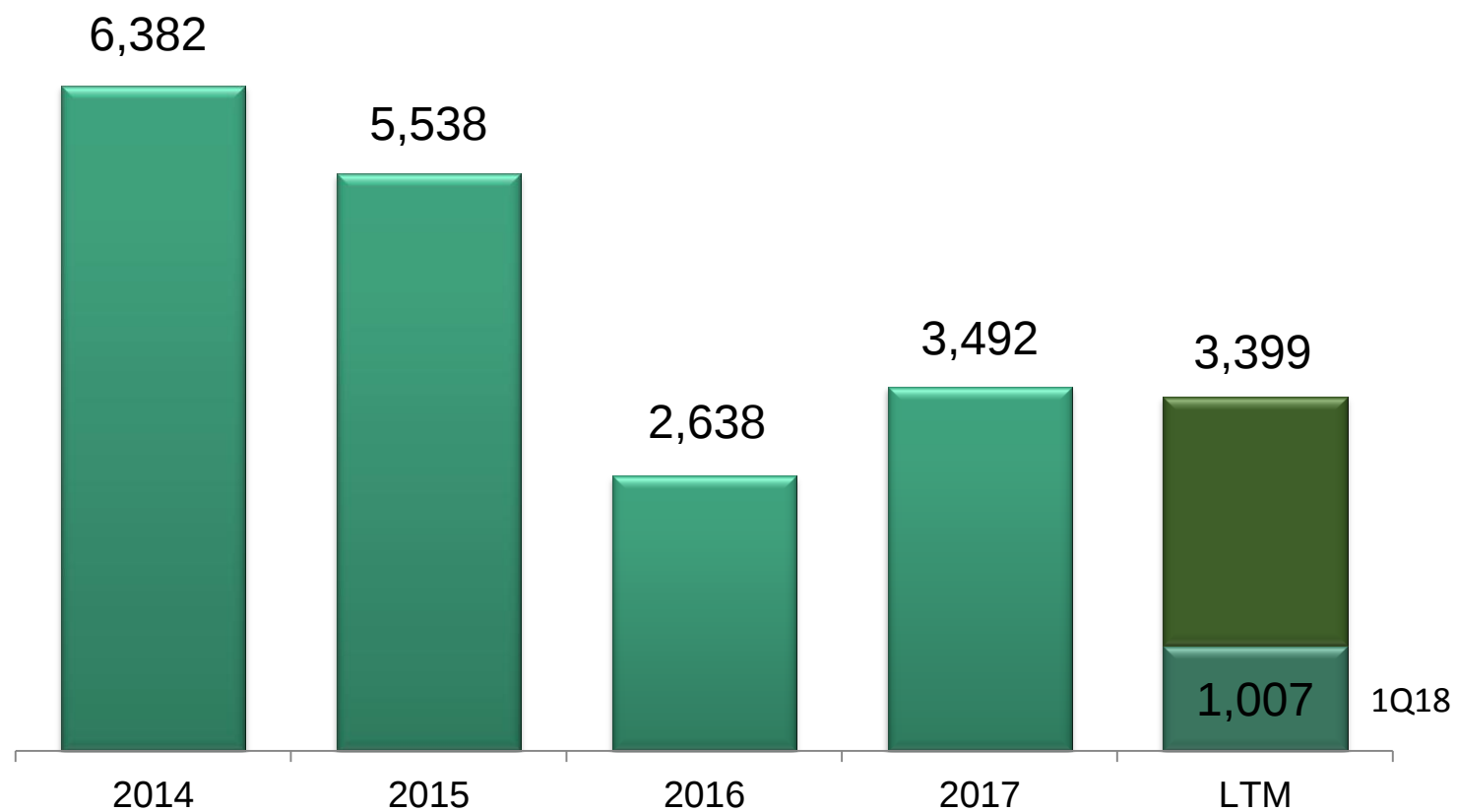


■ BNDESPAR

■ International Investors

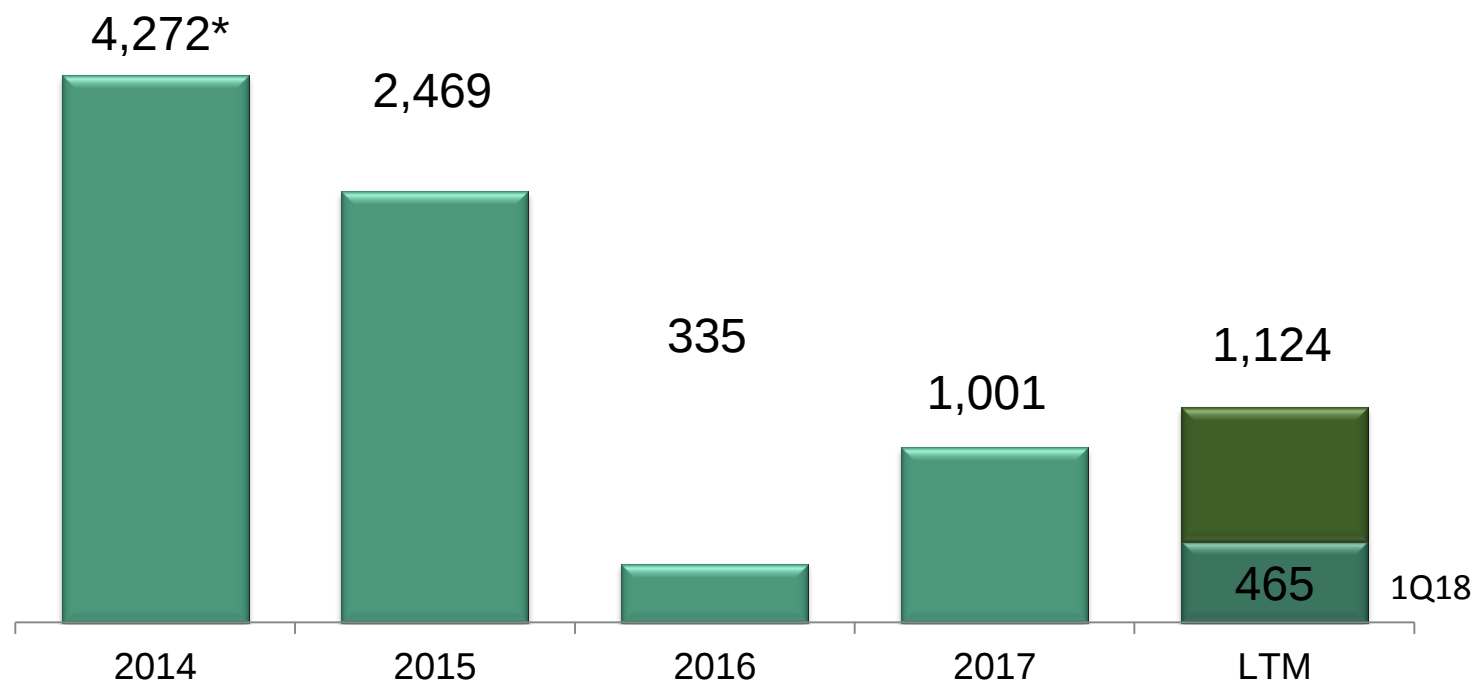
EBITDA

R\$ million



Net Income

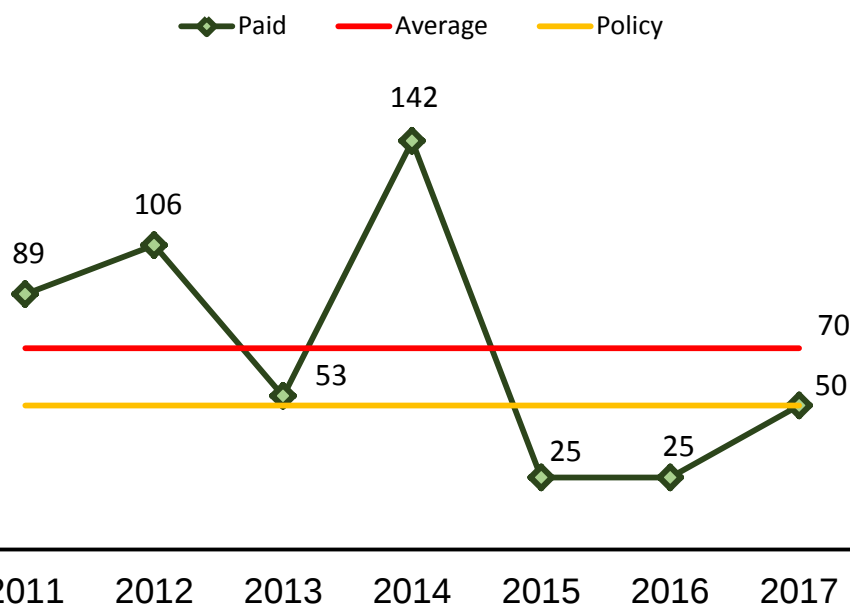
R\$ million



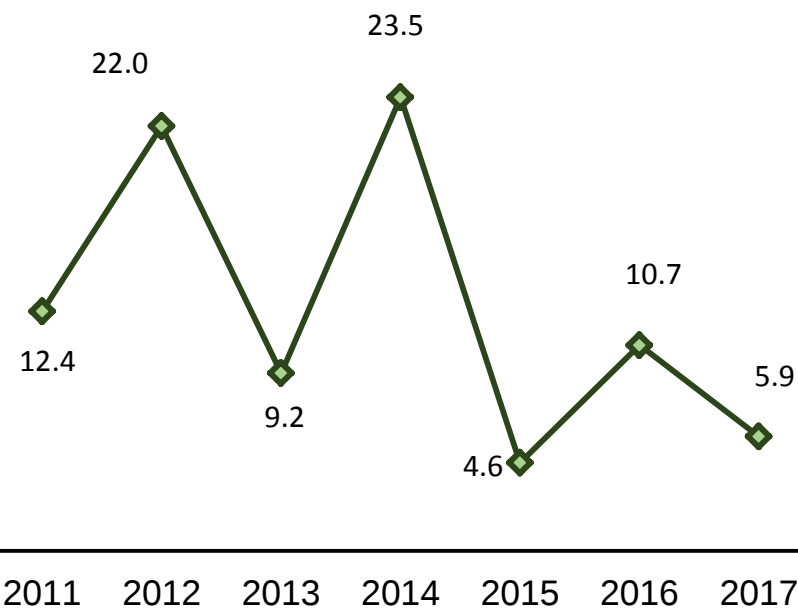
*Includes non-recurring gain of R\$1,572 million with the CRC's (Accounts receivable from Minas Gerais State government) anticipated settlement.

Dividend Payout

(% of Net Income)



Dividend Yield (%)



3.77x

Net debt to EBITDA – 1Q18

25%

Debt in foreign currency^(*)

R\$0,9B

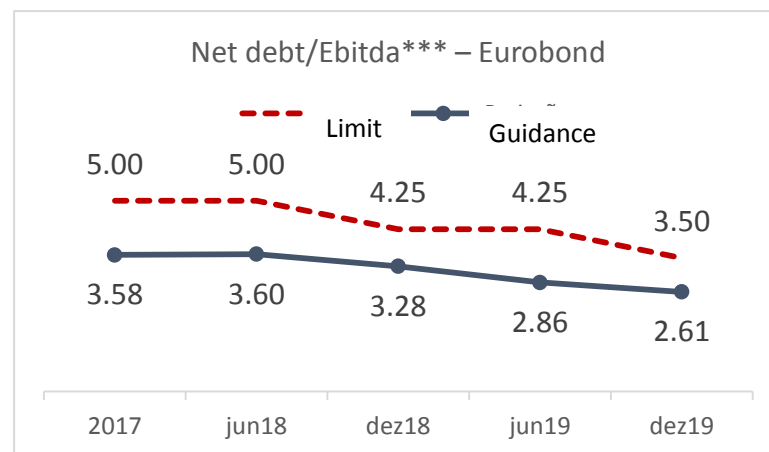
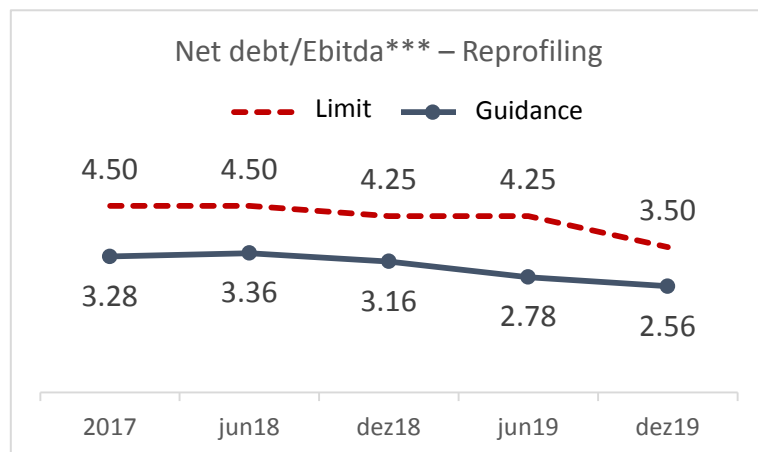
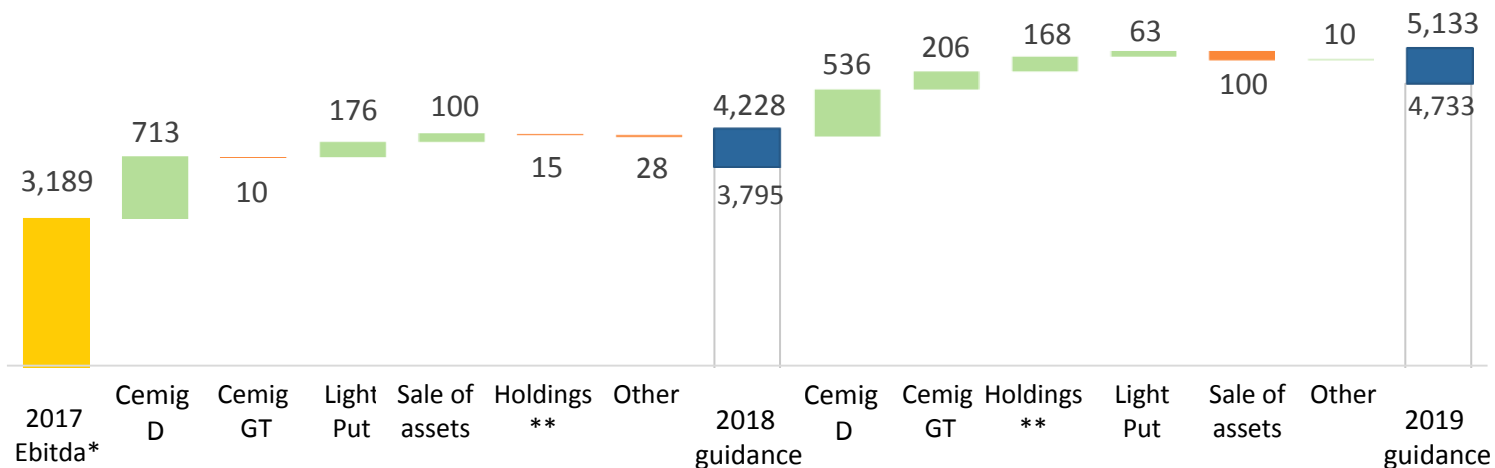
Cash on hand

R\$4,9B

Net Revenue – 1Q18

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

CEMIG – 2018 Guidance



* Recurring 2017 Ebitda.

** Refers to total of companies in which Cemig H has equity interests, other than Cemig D and Cemig GT.

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

Source: Cemig.

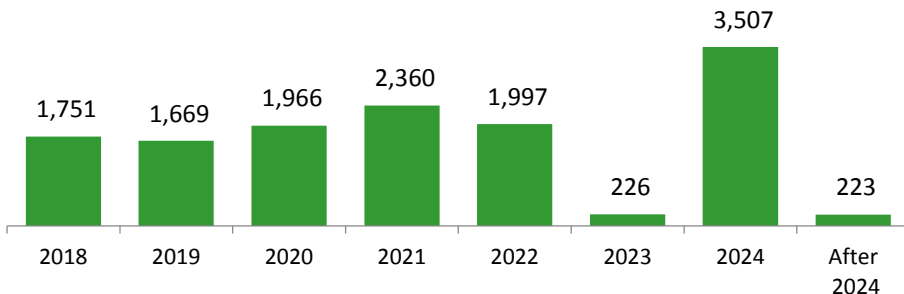
Ebitda IFRS - Constant June 2018 R\$ mn

Cemig - consolidated debt profile

R\$ million

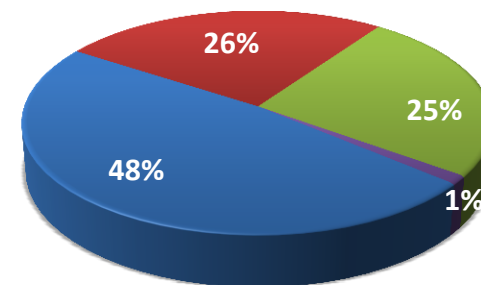
Maturities timetable – Average tenor: 4.1 years

Total net debt: R\$12.8 billion



- Gross debt reduced by R\$ 700 million in the 1Q2018 – from R\$ 14.4 billion to R\$ 13.7 billion
- Borrowing costs lower due to lower debt and fall in Selic basic interest rate: R\$ 171 lower than in 1Q17

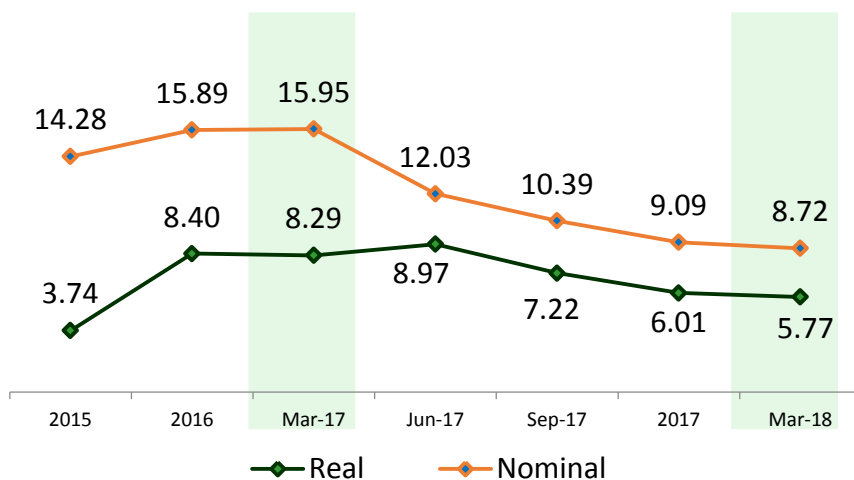
Main indexors



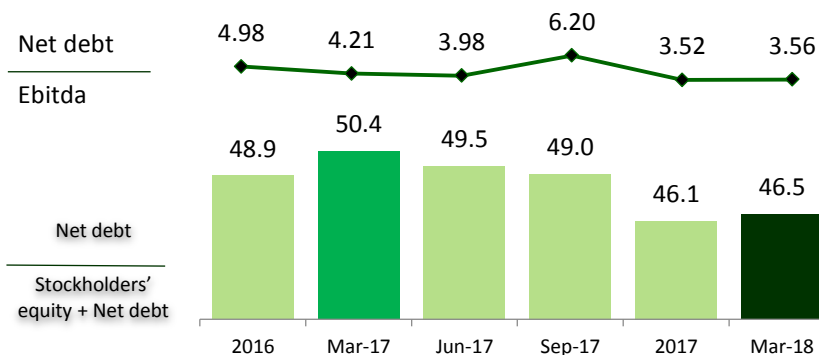
CDI IPCA DOLLAR OTHERS

- A hedge was contracted, transforming the debt in US dollars into a debt costing a set percentage of the CDI rate, within an FX variation band

Cost of debt – %



Leverage – %

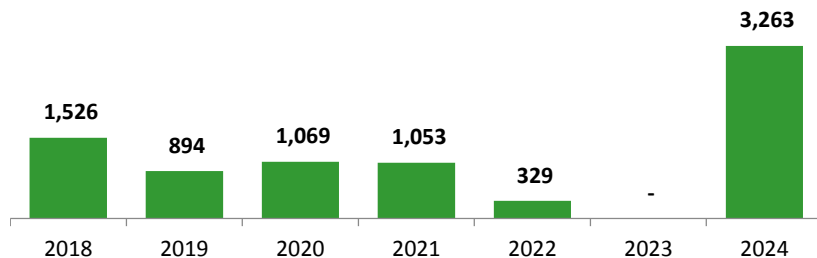


Cemig Generation and Transmission – debt profile

R\$ million

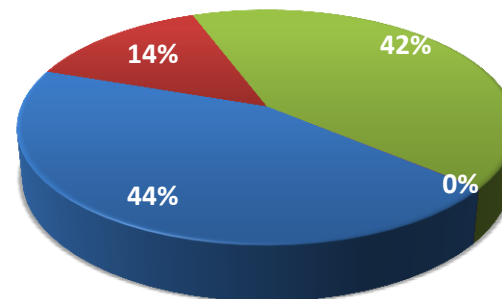
Maturities timetable – Average tenor: 4.1 years

Total net debt: R\$7.8 billion



- Gross debt reduced by R\$ 183 million in the 1Q2018 – from R\$ 8.3 bn to R\$ 8.1 bn
- See Note 17 to the financial statements (Loans, financings and debentures)

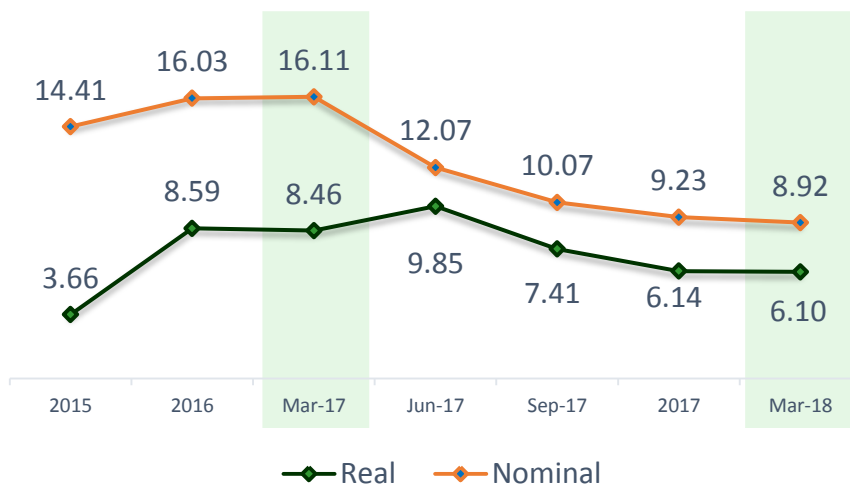
Main indexors



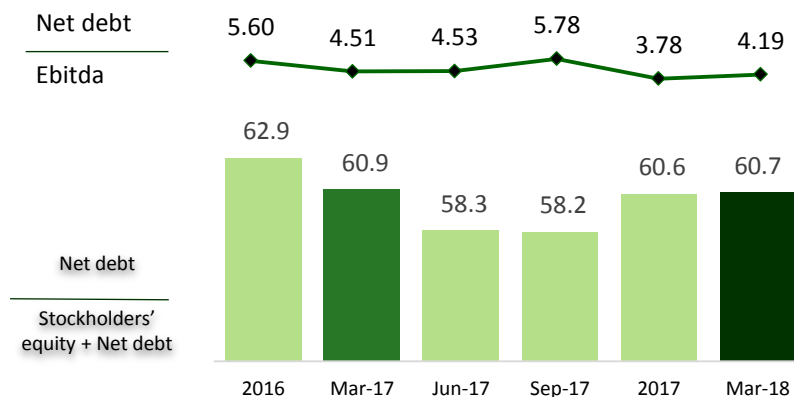
CDI IPCA DOLLAR OTHERS

- A hedge was contracted, transforming the debt in US dollars into a debt costing a set percentage of the CDI rate, within an FX variation band

Cost of debt – %



Leverage – %

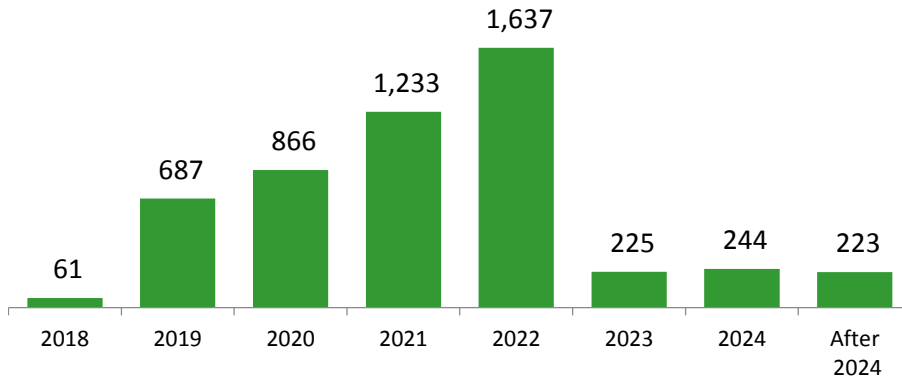


Cemig Distribution – debt profile

R\$ million

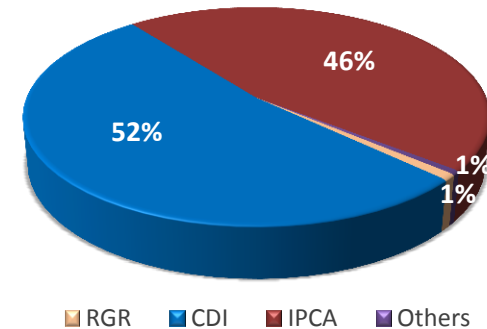
Maturities timetable – Average tenor: 4.1 years

Total net debt: R\$4.9 billion

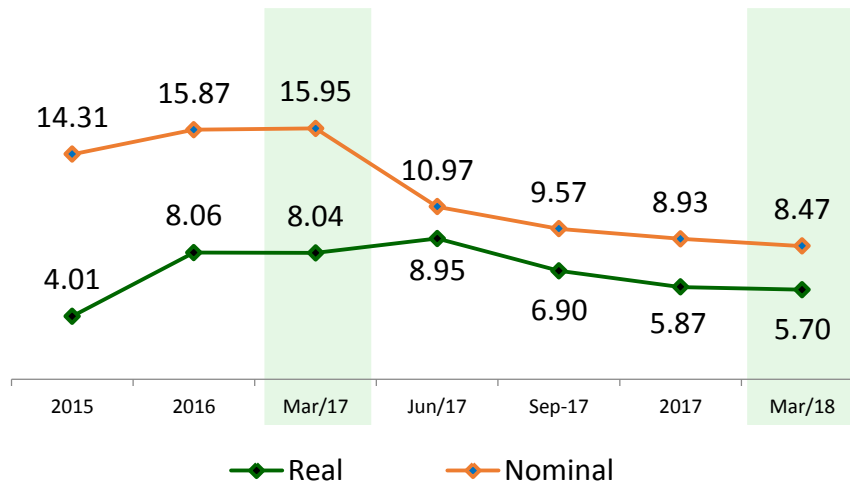


- R\$ 400 million Note issue in May
- Gross debt reduced by R\$ 507 million in the 1Q2018 – from R\$ 5.7 bn to R\$ 5.2 bn

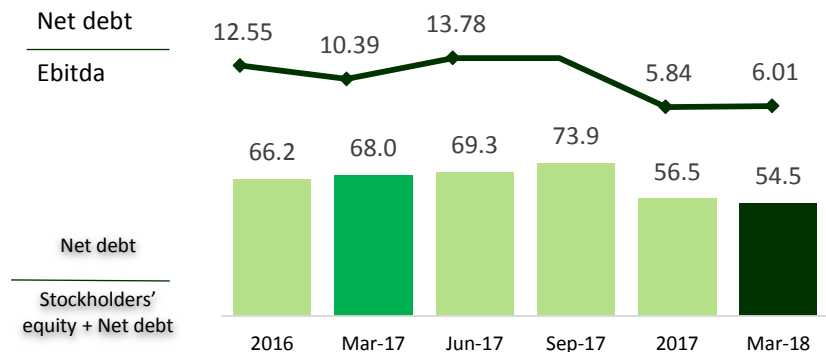
Main indexors



Cost of debt – %



Leverage – %



Disinvestment program

Strategy was designed to deleverage Cemig

Company	Stake %	Amount R\$ mn	Status
Realized			
taesa	9.86%	717	Sale completed
TRANSMINEIRA	25%	80	Transfer, to Taesa, completed
TOTAL		797	
In progress			
CEMIG TELECOM	100%	367 ¹	Absorbed by Cemig, on March 31, 2018. Tender for sale of assets: by May 25. Auction: July 2018.
RENOVA ENERGIA	-	440	Restructuring with sale of assets for settlement of pre-payments under PPA.
Light	48.86%	1,353 ²	Decision on new timetable and structure for disposal.
Santo Antônio	18%	1,117 ³	Negotiations with potential purchaser resumed.
CENTROESTE	51%	48 ⁴	Non-binding proposal from Taesa for transfer of 51% position.
GA/MIG	Up to 49%	1,180 ³	Structuring of sale model.
Gas exploration concessions	24.50%	21 ³	Tender for sale of assets published May 24, 2018. Auction in July 2018.
norte ENERGIA	12%	1,443 ³	Negotiations between private stockholders for sale of 51%.
Cachoeirão, Pipoca, Paracambi	49%	125 ³	Transaction postponed to 2019.
TOTAL		6,094	

Notes:

(1) Minimum price established for the auction.

(2) Market value (BM&F Bovespa) on May 18, 2018: R\$ 13.58/share.

(3) Book value.

(4) Valuation by the Company.

Our Credit capacity

In March 2018

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



BB-(bra)
B-

Cemig H, Cemig GT and Cemig D
Cemig H, Cemig GT e Cemig D

National Scale
Global Scale

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



B2.br
B3

Cemig H, Cemig GT and Cemig D
Cemig H, Cemig GT and Cemig D

National Scale
Global Scale

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



brBBB
B

Cemig H, Cemig GT and Cemig D
Cemig H, Cemig GT and Cemig D

National Scale
Global Scale

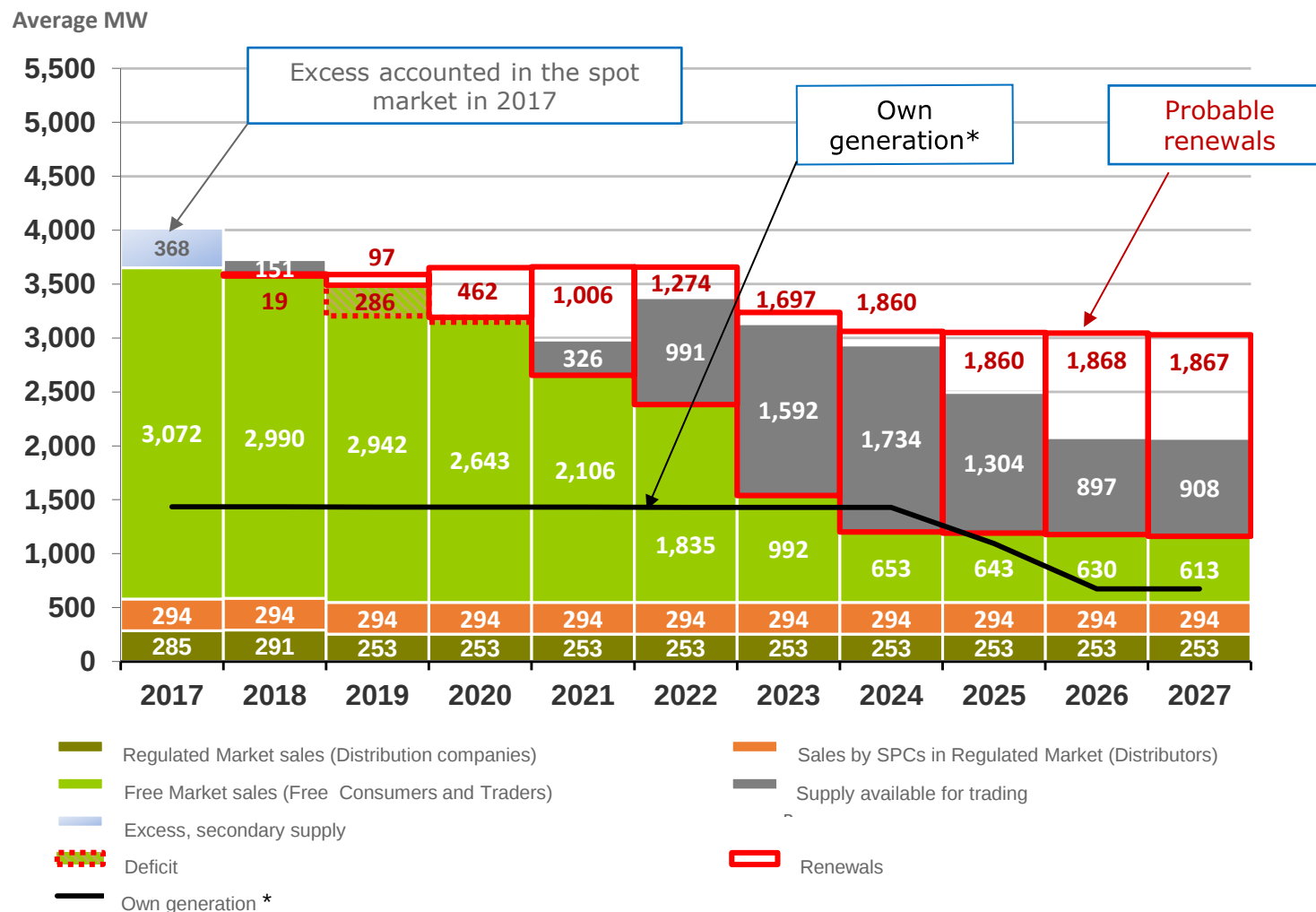
Investment Grade										Speculative Grade											
AAA	AA+	AA	AA-	A+	A	A-	BBB+	BBB	BBB-	BB+	BB	BB-	B+	B	B-	CCC+	CCC	CCC-	CC	C	D
														Euro							

- ✓ 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

Cemig D Tariff Review	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%
Remuneration of the special obligations	-	149
WACC	7.51%	8.09%
CAIMI R\$	147	333
QRR R\$	590	787
Remuneration of capital R\$	587	1,236

Cemig GT: Supply/demand

Updated with the Energy Purchase Auction



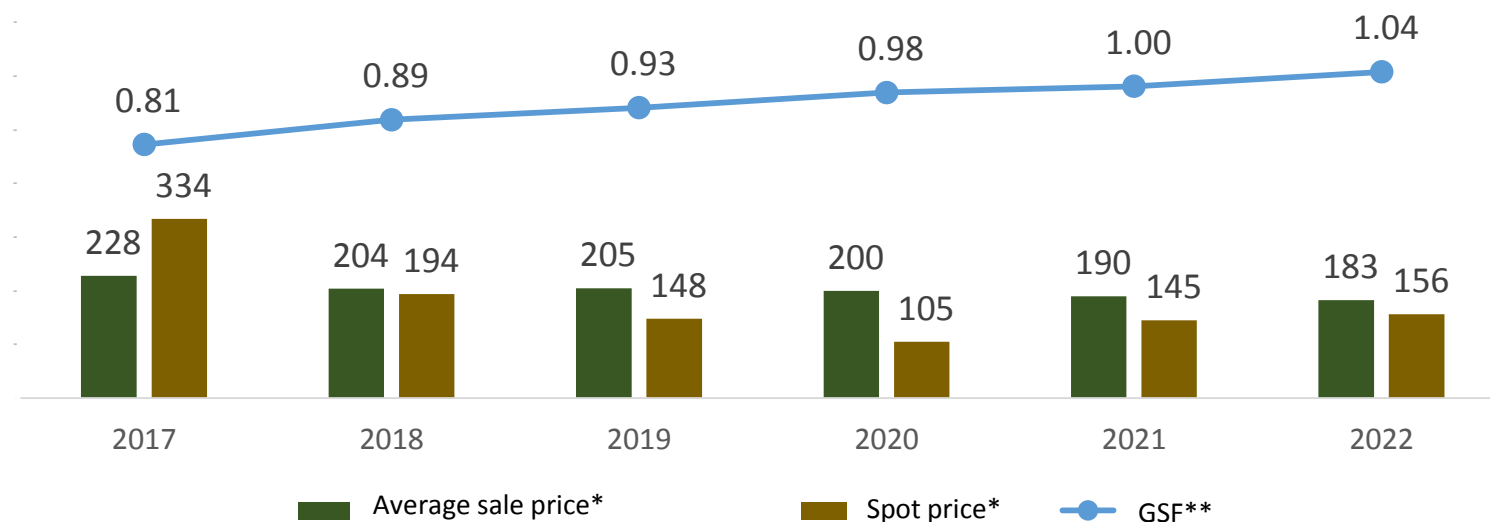
(*) Includes total availability of energy from the SPCs of Cemig GT, and non-representation of intermediation of contracts, Amounts shown for 2017 are actual (realized), including the effect of the GSF on Cemig's total physical offtake guarantee,

Cemig GT: Supply/demand

Position on April 2, 2018

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Own generation	1,434	1,433	1,432	1,431	1,430	1,430	1,429	1,094	674	674
Purchased	2,292	1770	1,714	1,548	1,943	1,701	1,505	1,399	1,399	1,394
Total supply	3,726	3,203	3,146	2,979	3,373	3,131	2,934	2,493	2,073	2,068
Sales: Free Market	2,990	2,942	2,643	2,106	1,835	992	653	643	630	613
Sales: Regulated Market	585	547	547	547	547	547	547	547	547	547
Total demand:	3,575	3,489	3,190	2,653	2,382	1,539	1,200	1,190	1,177	1,160
Balance available	151	-286	-44	326	991	1,592	1,734	1,303	896	908

Average prices and the GSF (Generation Scaling Factor)



Source: Cemig

* Constant R\$/MWh

** Generation Scaling Factor



Investor Relations

Tel: +55 (31) 3506-5024

ri@cemig.com.br

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



Índice de
Sustentabilidade
Empresarial

ISE
2018



MEMBER OF

**Dow Jones
Sustainability Indices**

In Collaboration with RobecoSAM



Summary 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	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 EBITDA Reconciliation

12 months	March 31, 2018	
R\$ (in million)	H	GT
Net income for the period/year (i)	1,122	490
Net financial expenses	761	757
Income tax and Social Contribution tax	653	455
Depreciation and amortization	862	154
EBTIDA	3,398	1,856
minus minority interest result	225	525
minus provision for the variation in value of the put option obligations	323	72
minus non-operating result (which includes any gains on asset sales and any asset write-off or impairments)	(6)	41
minus non-cash credits and gains increasing net income, to the extent they are non-recurring	(720)	(243)
plus expenses related to adherence to the Minas Gerais State Tax Credits Regularization Plan (Plano de Regularização de Créditos Tributários – PRCT), incurred in the third quarter of 2017	562	30
minus non-cash revenues related to transmission and generation indemnification	(497)	(497)
plus cash dividends received from minority investments (as measured in the statement of cash flows)	390	199
minus monetary updating of concession grant fees	(319)	(319)
plus cash inflows related to power generation concession grant fee	239	239
plus cash inflows related to transmission revenue for cost of capital coverage	394	394
Covenant EBITDA	3,989	2,297

Covenant Net Debt Reconciliation

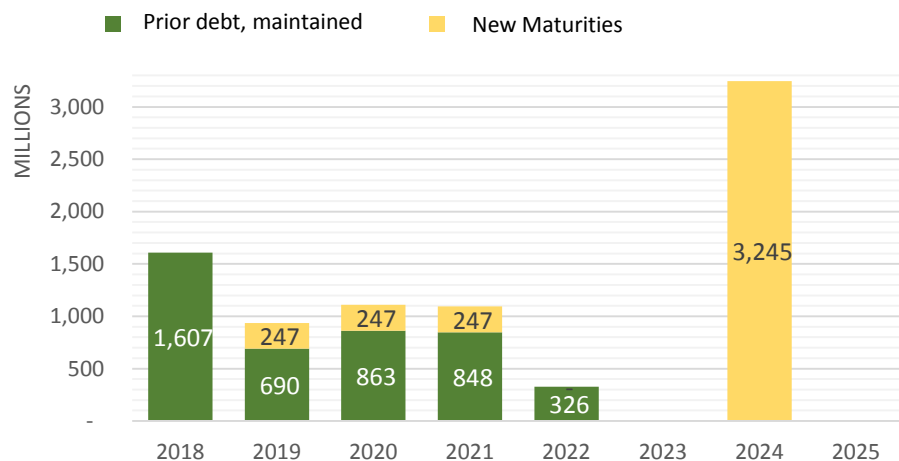
12 months	March 31, 2018	
R\$ (in million)	H	GT
Consolidated Indebtedness	13,699	8,135
<i>plus</i> debt contracts with Forluz	1,089	246
<i>plus</i> carrying liability of any put option obligation	1,014	399
<i>minus</i> escrow account amounts deposited to satisfy any put option obligation	(89)	-
<i>minus</i> consolidated cash and cash equivalents; plus consolidated marketable securities recorded as current assets	(861)	(345)
Covenant Net Debt	14,852	8,435
Covenant EBITDA	3,989	2,298
Covenant Net Debt / Covenant Ebitda	3.72	3.67
Total Secured Debt	5,825	
Total Secured Debt / Covenant EBITDA	1.46	

Debt profile lengthened:

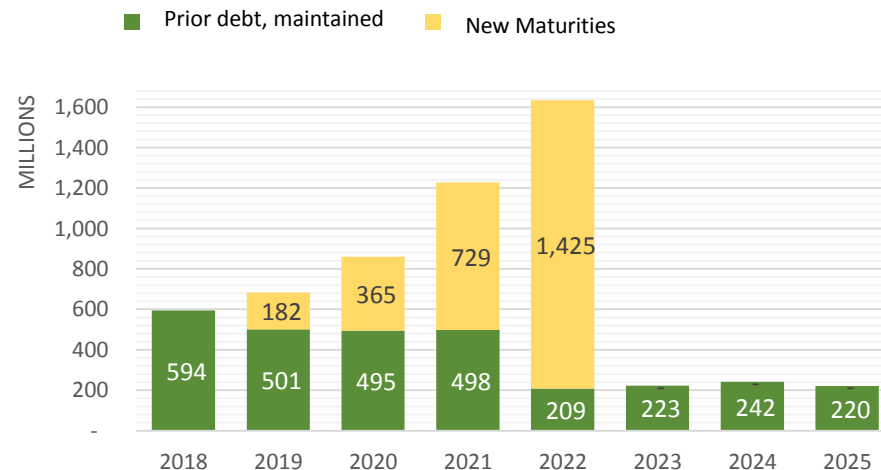
Changing debt profile

- ✓ Short term debt of R\$ 3.4 billion re-profiled
 - Amortization in 36 monthly tranches
 - Cemig GT: R\$ 741 million – from January 2019
 - Cemig D: R\$ 2.700 billion – from July 2019
- ✓ Successful Eurobond issue – for US\$1 billion (R\$ 3.2 billion)
 - maturity 7 years, coupon 9.25%
 - Secondary market yield trading at ~7.5%
- ✓ Improved credit perception, raising S&P's rating on the Company
 - National brBBB- scale for brBBB, with a positive outlook

Debt profile of Cemig GT (Dec/17)

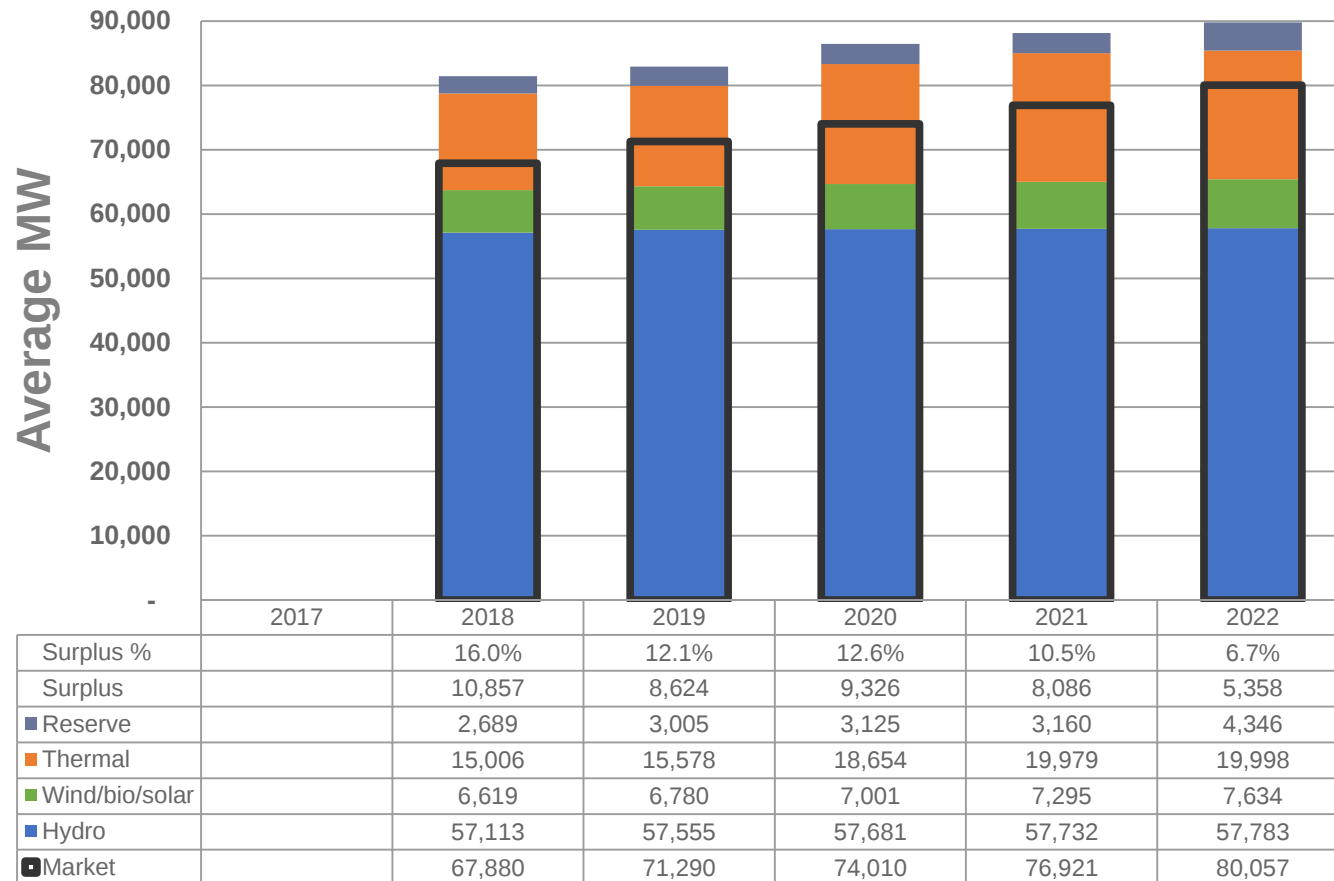


Debt profile of Cemig D (Dec/17)



Brazilian National Grid: projections for 2018 – 22

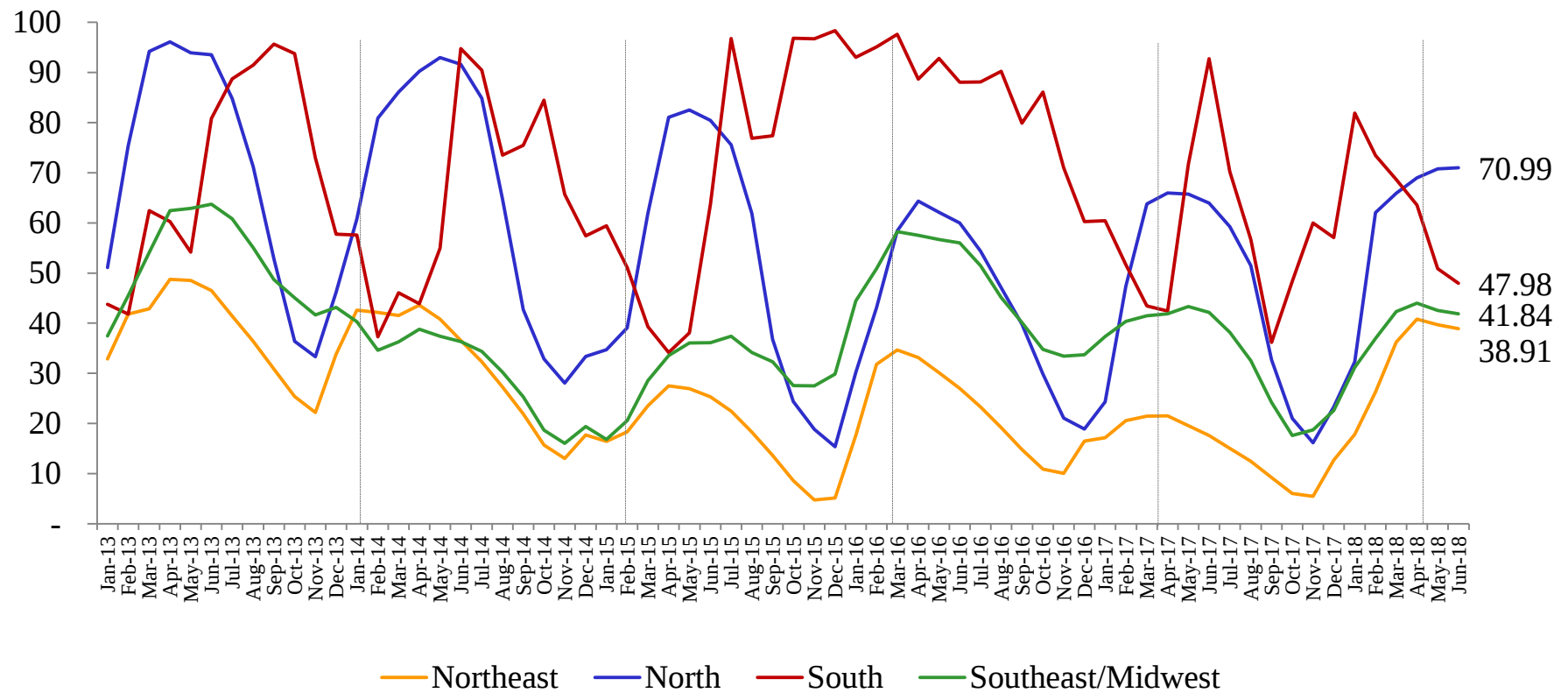
Made in May 2018

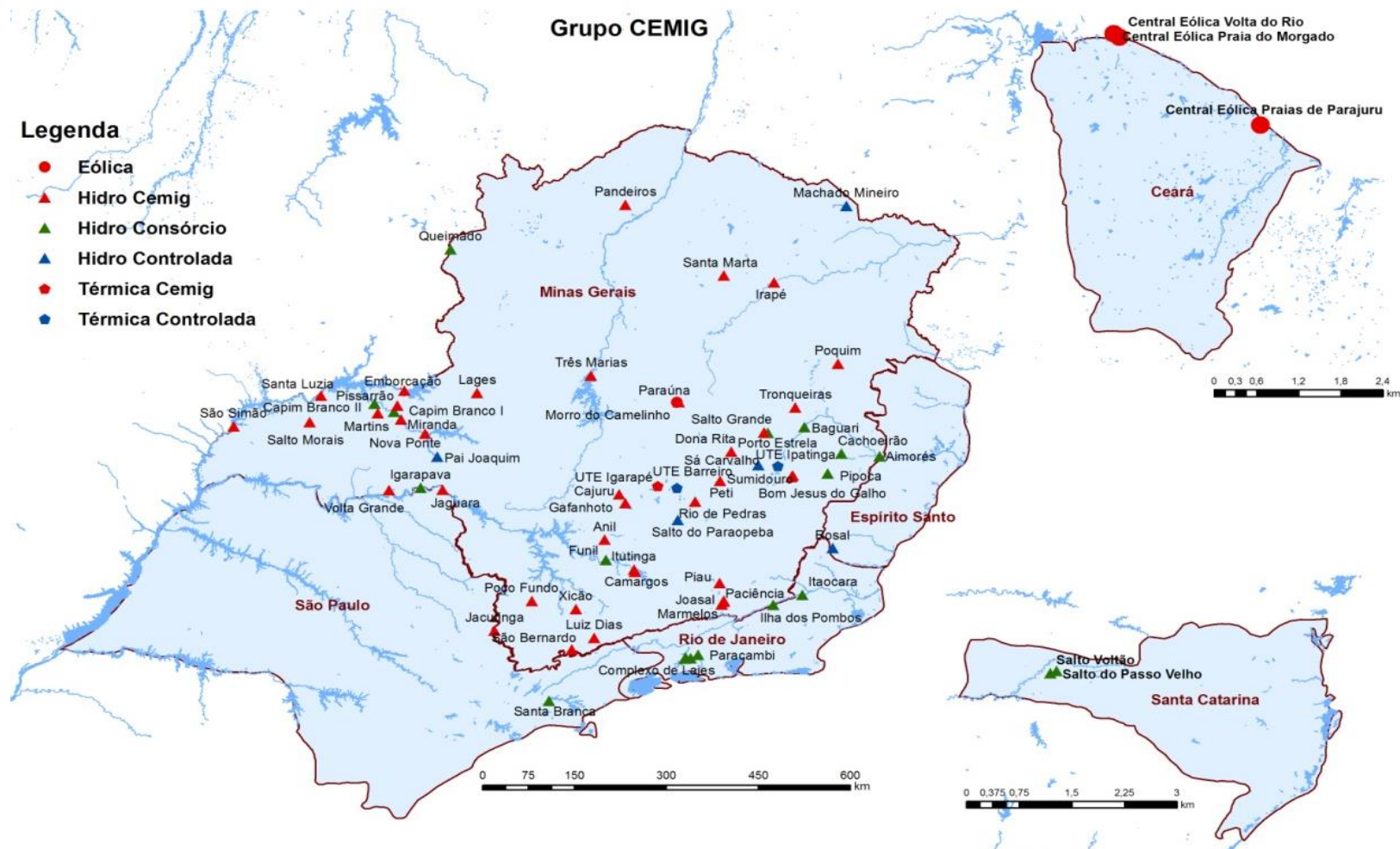


Source: **May 2018 monthly operational survey (PMO)** (includes contracting of Angra III as Reserve Energy from Jan, 2022),

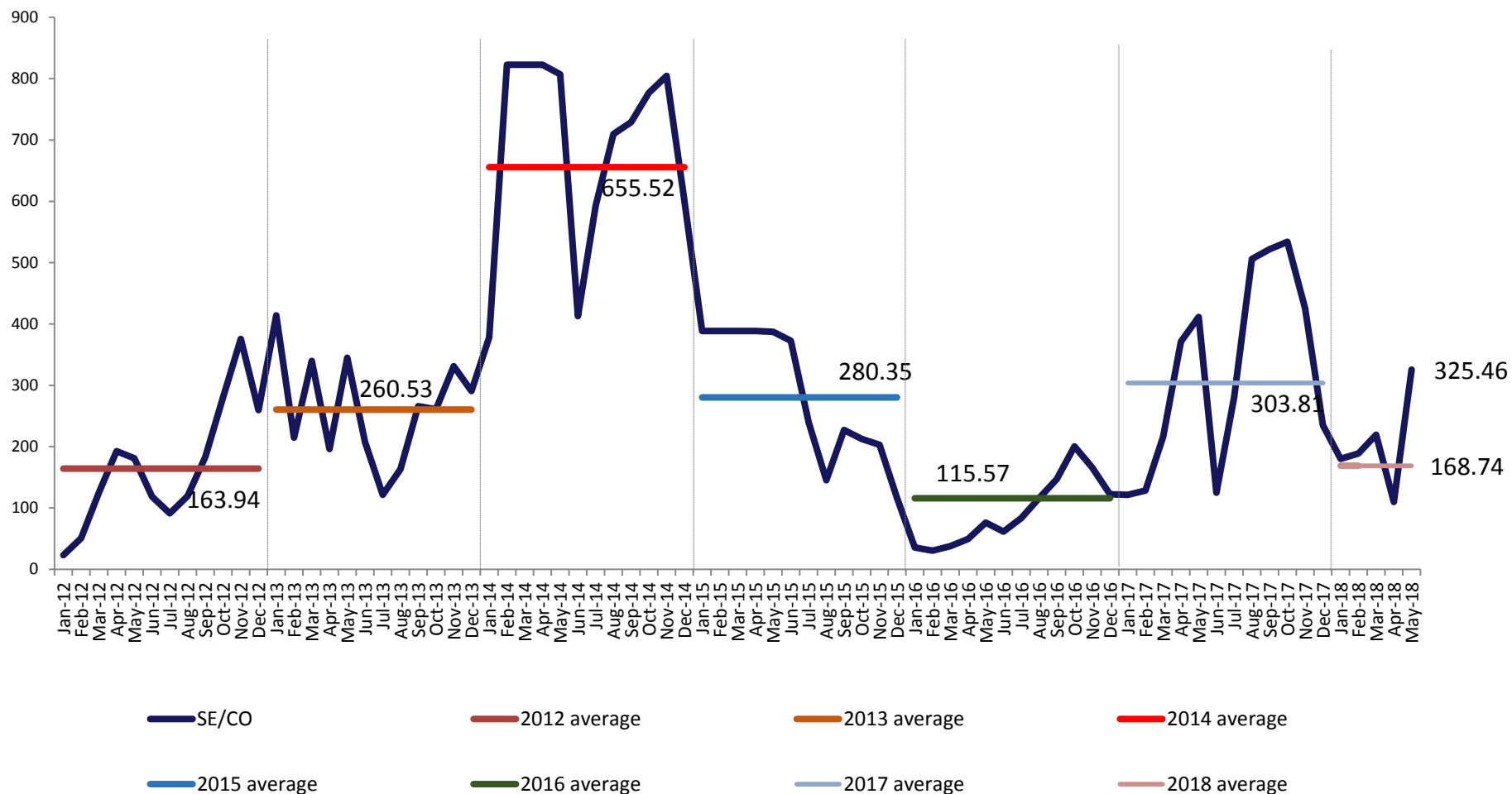
Level of reservoirs (%)

by region (%)*





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



#	Type	Plant	Installed capacity (MW)	firm output (average MW)	Auction – 27 september (with 30 years of concession)		
					Winner	Price (bn)	Premium
1	HPP	São Simão	1,710	1,281	SPIC PACIFIC ENERGY PTY LTD.	7.180	6.51%
2	HPP	Jaguara	424	336	ENGIE BRASIL	2.171	13.59%
3	HPP	Miranda	408	202	ENGIE BRASIL	1.360	22.42%
4	HPP	Volta Grande	380	229	ENEL BRASIL S.A.	1.419	9.84%
TOTAL			2,922	2,048		12.130	9.73%

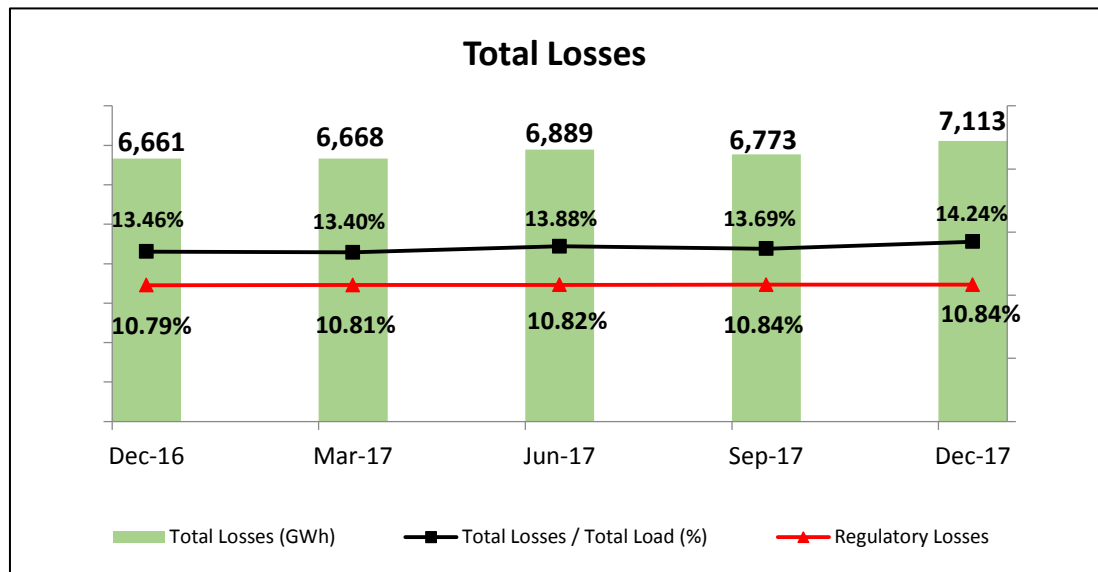
November 7, 2017, has been scheduled for ratification of the result and award of the object of the auction at a Public Meeting of the Council of Aneel.

November 10, 2017, date for payment of the CONCESSION GRANT FEE resulting from the AUCTION and for signature of the CONCESSION CONTRACT(S):

Transfer to the AWARDED PARTIES of the concession(s) for the HYDROELECTRIC PLANT(S) subject of the AUCTION will take place as follows:

At the option of the AWARDED PARTY, counting of the period of the CONCESSION CONTRACT may start from a date up to 180 (one hundred and eighty) days after the date of its signature.

The AWARDED PARTY must advise ANEEL, and the company responsible for the provision of generation service designated under Article 9 of Law 12783/2013, of its interest, or not, in using the prerogative mentioned in item 2.18.2, and if so, state the period of transitional time required for the transfer of title to or responsibility for the provision of service, for each LOT, Sub-lot or each HYDROELECTRIC PLANT. The table below shows the companies designated for temporary provision of the generation services in the HYDROELECTRIC PLANTS that are the subject of this AUCTION



Strong shareholders base assures liquidity

Average daily trading volume of shares in 2017

Bovespa: R\$73.5 million

NYSE: US\$11.8 million

North America

Canada
USA

EUROPE

Austria Germany Italy Portugal
Belgium Guernsey Malta Spain
Denmark Greece Jersey Sweden
France Holland Liechtenstein Switzerland
Finland Ireland Luxembourg UK
Norway

ASIA

Brunei
Japan
India
Malaysia
Singapore
South Korea
Taiwan
China

LATIBEX (2017)

XCMIG
€ 7.1 million

NYSE (2017)

CIG US\$ 2.95 billion
CIG.C US\$ 2.3 million

Central America

Bahamas
Bermuda
Cayman islands

Middle East

UAE
Kuwait
Oman
Saudi Arabia

South America

Argentina
Brazil
Chile
Uruguay

BOVESPA (2017)

CMIG4 R\$ 17.0 billion
CMIG3 R\$ 1.1 billion

Africa

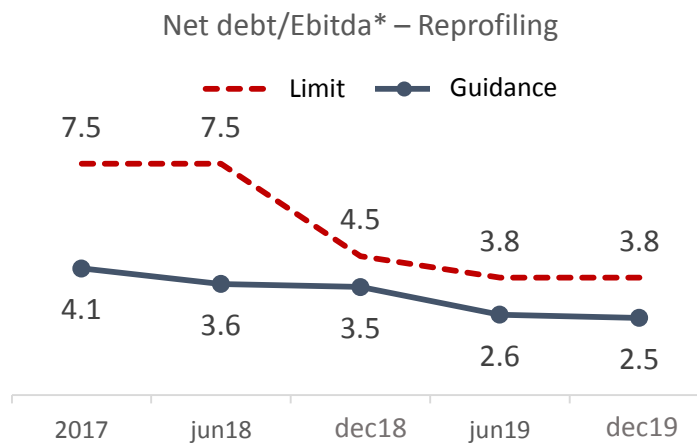
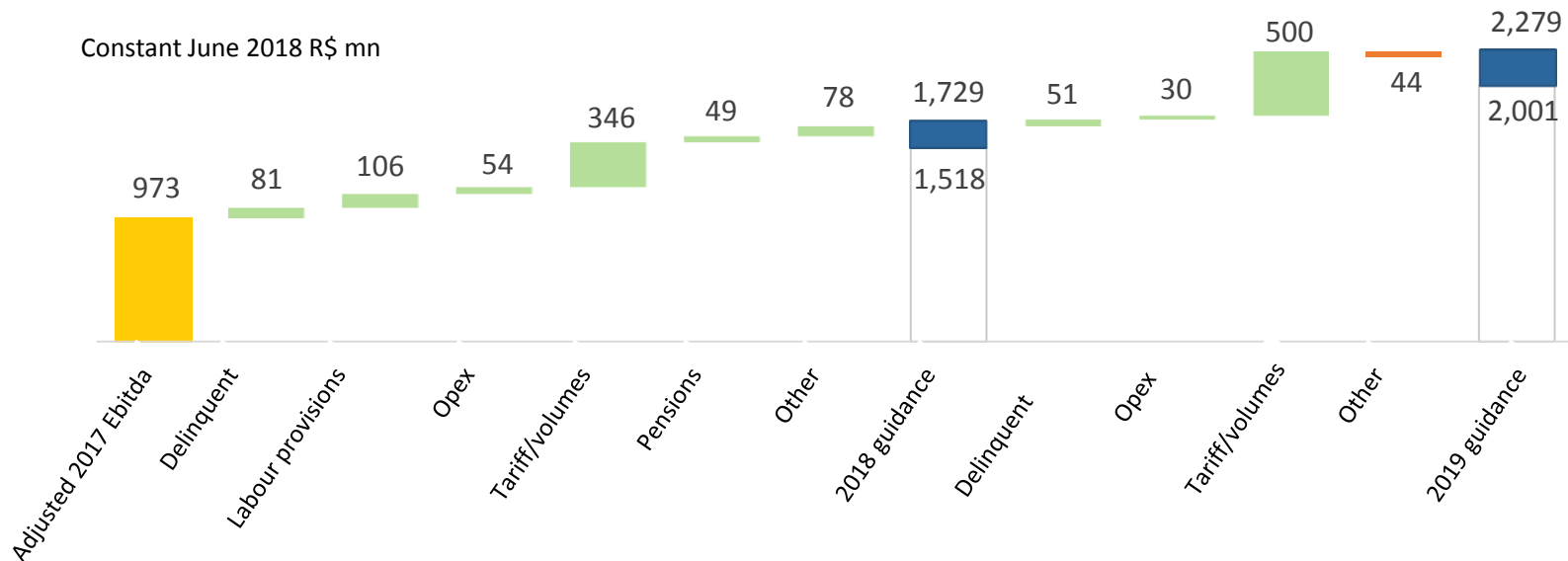
South Africa

OCEANIA

Australia
New Zealand

- Shares traded on 3 stock exchanges
- Over 140,000 stockholders in 38 countries

Cemig D – 2018 Guidance



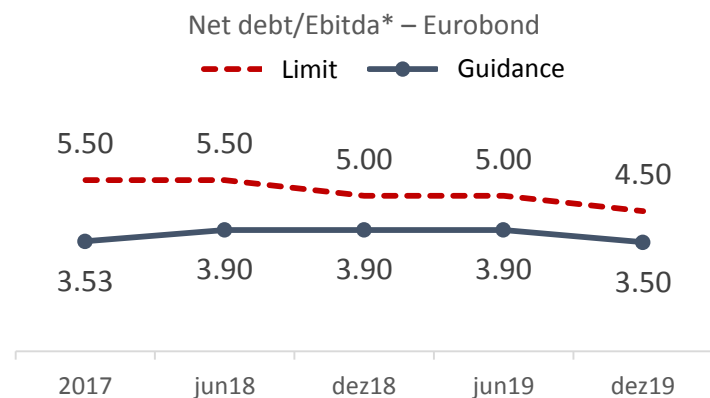
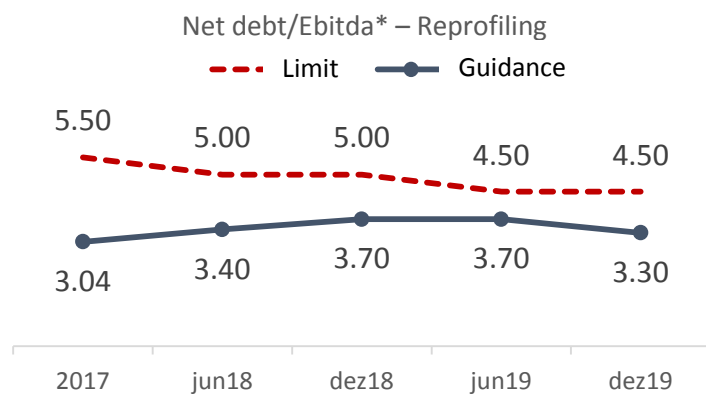
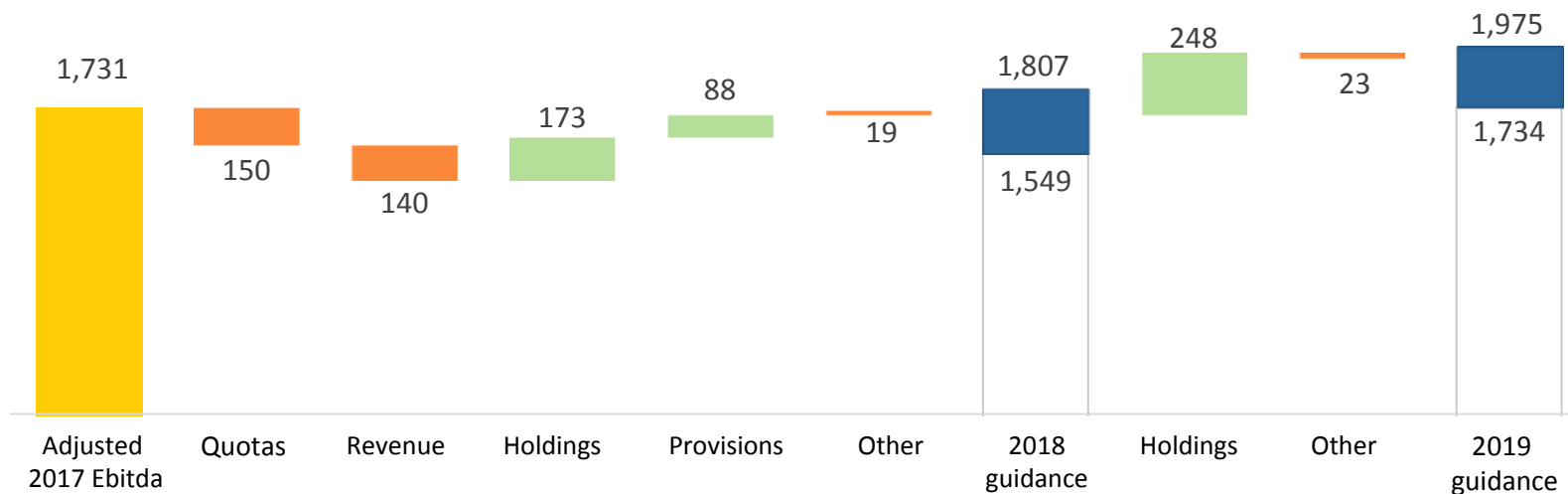
Source: Cemig.

* Adjusted according to definition in the debt contract.

Ebitda IFRS - Constant June 2018 R\$ mn

Cemig GT – 2018 Guidance

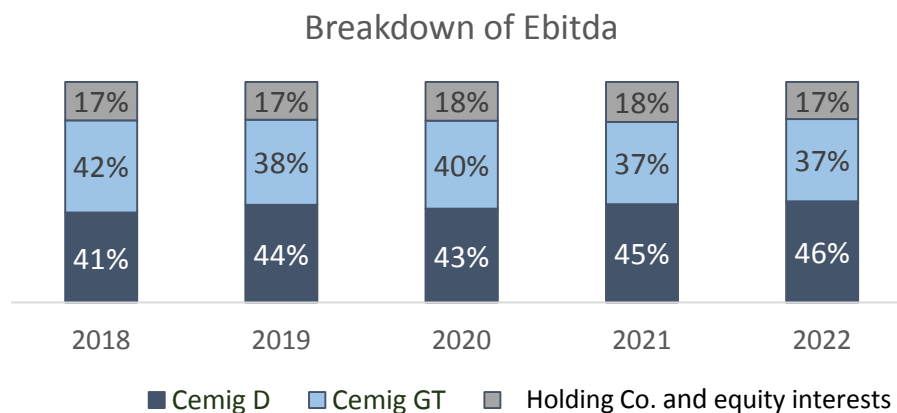
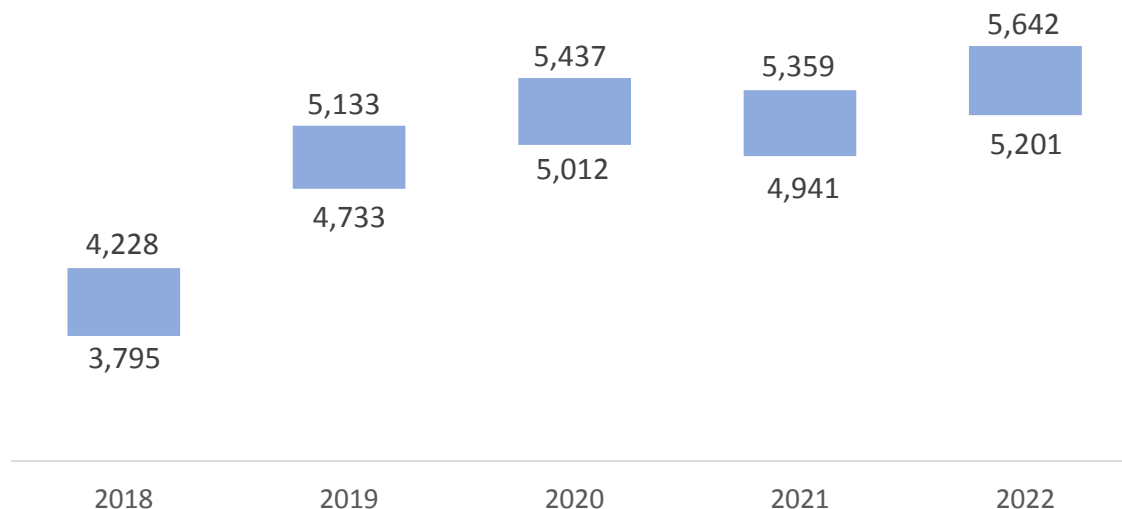
Ebitda IFRS - Constant June 2018 R\$ mn



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

Source: Cemig.

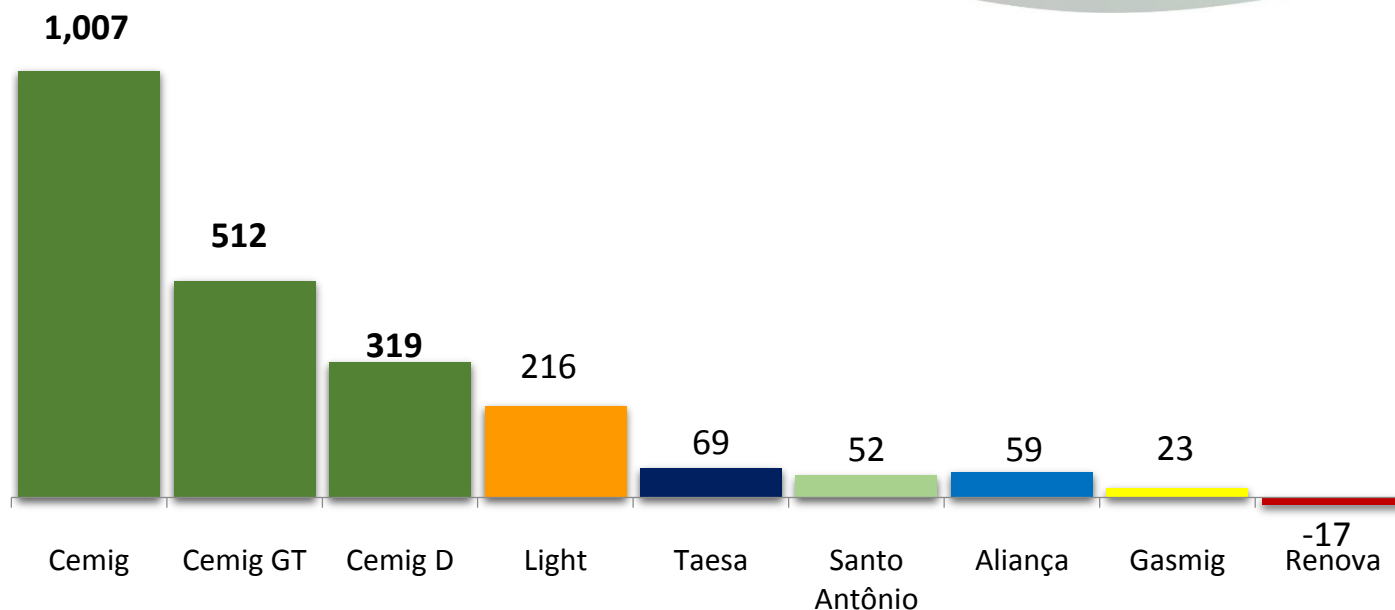
CEMIG – Guidance, 2018–22



Source: Cemig.

Constant June 2018 R\$ mn

Ebitda companies



Companies	Ebitda 1T18	% Cemig	Ebitda Companies	Guidance 2018
Cemig	1,007		1.007	3,795 - 4,228
Cemig GT	512	100%	512	1,549 - 1,807
Cemig D	319	100%	319	1,518 - 1,729
Light	442	48,86%	216	
Taesa	316	21,68%	69	
Aliança*	116	45%	52	
Gasmig	59	99,57%	59	
Santo Antônio	129	18%	23	
Renova	-48	36,23%	-17	

* Estimate