

ENERGY CO OF MINAS GERAIS

Form 6-K

August 26, 2013

[Table of Contents](#)

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16 OF THE SECURITIES EXCHANGE ACT OF 1934

For the month of August 2013

Commission File Number 1-15224

Energy Company of Minas Gerais

(Translation of Registrant's Name Into English)

Avenida Barbacena, 1200

30190-131 Belo Horizonte, Minas Gerais, Brazil

(Address of Principal Executive Offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Edgar Filing: ENERGY CO OF MINAS GERAIS - Form 6-K

Form 20-F x Form 40-F o

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): o

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): o

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes o No x

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): N/A

Table of Contents

Index

Item	Description of Item
<u>1.</u>	<u>Material Announcement dated July 31, 2013: Acquisition of a Small Hydro Plants</u>
<u>2.</u>	<u>Material Announcement dated August 8, 2013: Decision to Apply for Rescission of the Itaocara Hydroelectric Plant Concession</u>
<u>3.</u>	<u>Market Announcement dated August 8, 2013: Investment Agreement Relating to Renova and Brasil PCH</u>
<u>4.</u>	<u>Summary of Principal Decisions of the 573rd Meeting of the Board of Directors held on August 8, 2013</u>
<u>5.</u>	<u>Summary of Principal Decisions of the 574th Meeting of the Board of Directors held on August 8, 2013</u>
<u>6.</u>	<u>Material Announcement: Presentation of Second Quarter 2013 Results</u>
<u>7.</u>	<u>Earnings Release Announcement of Second Quarter 2013 Results</u>
<u>8.</u>	<u>Summary of the Minutes of the 573rd Meeting of the Board of Directors held on August 8, 2013</u>
<u>9.</u>	<u>Summary of Principal Decisions of the 575th Meeting of the Board of Directors held on August 20, 2013</u>
<u>10.</u>	<u>Convocation and Proposal for Extraordinary General Shareholders Meeting dated August 8, 2013</u>

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

COMPANHIA ENERGÉTICA DE MINAS GERAIS CEMIG

By: /s/ Arlindo Porto Neto
Name: Arlindo Porto Neto
Title: Acting Chief Officer for Finance and
Investor Relations

Date: August 26, 2013

Table of Contents

1. Material Announcement dated July 31, 2013: Acquisition of a Small Hydro Plants

Table of Contents

COMPANHIA ENERGÉTICA DE MINAS GERAIS CEMIG

LISTED COMPANY

CNPJ 17.155.730/0001-64 NIRE 31300040127

MATERIAL ANNOUNCEMENT

On acquisitions of small hydro plants

Cemig (*Companhia Energética de Minas Gerais*), a listed company with securities traded on the stock exchanges of São Paulo, New York and Madrid, in accordance with CVM Instruction 358 of January 3, 2002, as amended, hereby publicly informs the Brazilian Securities Commission (CVM), the São Paulo Stock, Commodities and Futures Exchange (BM&F Bovespa S.A.) and the market in general, as follows:

Media reports on July 30, 2013 stated that Cemig is studying the possibility of acquisition of small hydroelectric plants (PCHs), with the participation of **Renova**.

Light Energia S.A., a wholly-owned subsidiary of **Light S.A.**, is a member of the block holding stockholding control of **Renova**.

Cemig hereby reports that Renova and its controlling stockholders (**RR Participações S.A.** and **Light Energia S.A.**) are negotiating with **Cemig** for **Renova** to participate in the acquisition of the company **Brasil PCH S.A.**

Cemig recently signed a share purchase agreement for acquisition of 49% of the share capital of **Brasil PCH S.A.** This percentage could increase to 100% if the other stockholders of Brasil PCH S.A. exercise the right of joint sale that they have under the stockholders' agreement.

Negotiations have not been completed, and to date no decision has been approved by the corporate decision bodies of Cemig. If the negotiations develop into a concrete transaction, their terms and conditions will be published to the market.

Edgar Filing: ENERGY CO OF MINAS GERAIS - Form 6-K

Cemig will keep its stockholders and the market opportunely and appropriately informed on the conclusion of this transaction.

Belo Horizonte, July 31, 2013.

Luiz Fernando Rolla

Chief Finance and Investor Relations Officers

Av. Barbacena 1200 Santo Agostinho 30190-131 Belo Horizonte, MG Brazil Tel.: +55 31 3506-5024 Fax +55 31 3506-5025

This text is a translation, provided for information only. The original text in Portuguese is the legally valid version.

Table of Contents

2. Material Announcement dated August 8, 2013: Decision to Apply for Rescission of the Itaocara Hydroelectric Plant Concession

Table of Contents

COMPANHIA ENERGÉTICA DE MINAS GERAIS CEMIG

LISTED COMPANY

CNPJ 17.155.730/0001-64 NIRE 31300040127

MARKET ANNOUNCEMENT

Decision on the Concession for the Itaocara Hydroelectric Plant

Cemig (Companhia Energética de Minas Gerais), a listed company with securities traded on the stock exchanges of São Paulo, New York and Madrid, **hereby** in accordance with CVM Instruction 358 of January 3, 2002 as amended, and complementing its Market Announcement of July 6, 2013 **informs** the Brazilian Securities Commission (CVM), the São Paulo Stock Exchange (BM&F Bovespa S.A.) and the market in general, as follows:

On June 8, 2013 the Boards of Directors of **Cemig**, and of its wholly-owned subsidiary **Cemig GT** (*Cemig Geração e Transmissão S.A.*) which holds 49% of the **Itaocara Hydroelectric Plant Consortium** (*Consórcio UHE Itaocara*) (the Consortium) decided to apply to the Brazilian electricity regulator, Aneel, for **rescission of Concession Contract 12/2001** (the Concession contract) under Clause 4 of Law 9074/2005, introduced by Law 12839/2013.

The initial plan and project for the Itaocara Plant (the Project) faced environmental obstacles, and the license application for it was set aside, because the Brazilian environment authority, Ibama, decided it was not feasible. However, over a period of years, the Consortium determinedly sought alternatives that would make the Project environmentally feasible and enable the impediments to be overcome. This resulted in the Project being altered, as per Aneel Dispatch 3634 of September 6, 2011, which specified installed capacity of 145 MW. As a result, it was only in December 2011 that Prior Environmental License 428/2011 was obtained, enabling the next stage application for the Environmental Construction License to take place. This License was finally issued on July 29, 2013.

The decision to apply for rescission of the Concession Contract is based on the impossibility, in view of the above factors, of sustaining economic and financial equilibrium for the Concession Contract following the decision by the Mining and Energy Ministry to refuse an application to alter the period of the Concession to a period of 35 years from the grant of the Prior License since without this change 12

Edgar Filing: ENERGY CO OF MINAS GERAIS - Form 6-K

Av. Barbacena 1200 Santo Agostinho 30190-131 Belo Horizonte, MG Brazil Tel.: +55 31 3506-5024 Fax +55 31 3506-5025

This text is a translation, provided for information only. The original text in Portuguese is the legally valid version.

Table of Contents

years have been lost from the period of the concession, reducing the time of revenue to less than the period necessary for the return on the investment.

Cemig GT also advises the public that its intention would be to continue to hold the Concession Contract in the event that any supervening decision by the concession-granting power, or any legislative decision, should make commercial operation of the Project financially viable.

Cemig GT may also, if it sees fit, take part in any future auction for the concession of the Project.

Finally, the Company informs the public that the rescission of the Concession Contract referred to above will not result in any financial charge or burden for Cemig GT, since it has the rights guaranteed by Article 4 A of Law 9074 of 2005, introduced by Law 12839/2013, in regard to:

- (i) release from guarantees of compliance with obligations under the Concession Contract;
- (ii) non-payment for Use of a Public Asset; and
- (iii) reimbursement of the costs incurred in preparation of studies or projects.

Cemig will keep its stockholders and the market opportunely and appropriately informed on the progress of this matter.

Belo Horizonte, August 8, 2013.

Luiz Fernando Rolla

Chief Finance and Investor Relations Officer

Av. Barbacena 1200 Santo Agostinho 30190-131 Belo Horizonte, MG Brazil Tel.: +55 31 3506-5024 Fax +55 31 3506-5025

This text is a translation, provided for information only. The original text in Portuguese is the legally valid version.

Table of Contents

3. Market Announcement dated August 8, 2013: Investment Agreement Relating to Renova and Brasil PCH

Table of Contents

COMPANHIA ENERGÉTICA DE MINAS GERAIS CEMIG

LISTED COMPANY

CNPJ 17.155.730/0001-64 NIRE 31300040127

MATERIAL ANNOUNCEMENT

Investment Agreement relating to Renova and Brasil PCH

Cemig (Companhia Energética de Minas Gerais), a listed company with securities traded on the stock exchanges of São Paulo, New York and Madrid, **hereby** in accordance with CVM Instruction 358 of January 3, 2002, as amended **publicly informs** the Brazilian Securities Commission (CVM), the São Paulo Stock, Commodities and Futures Exchange (BM&F Bovespa S.A.) and the market in general, as follows:

On August 8, 2013 Cemig's wholly-owned subsidiary **Cemig GT** (Cemig Geração e Transmissão S.A.) approved signature of an Investment Agreement with **Renova Energia S.A.** (**Renova**), **RR Participações S.A.** (**RR**), Light Energia S.A. (**Light Energia**) and **Chiplely SP Participações S.A.** (**Chiplely**), governing the entry of **Cemig GT** into the controlling stockholding block of **Renova**, through subscription by **Cemig GT** of new shares to be issued by **Renova**, and the structuring of **Chiplely** as a vehicle for growth, in which equity interests would be owned by **Cemig GT** and **Renova**, with assignment to **Chiplely** of the Agreement for Purchase of Shares in **Brasil PCH S.A.** signed on June 14, 2013 by Cemig GT and Petrobras (*Petróleo Brasileiro S.A.*) (the Brasil PCH Share Purchase Agreement).

The issue price for the shares in **Renova** has been set at R\$ 16.2266 per common share, in accordance with Article 170, §1, I of the Brazilian Corporate Law, resulting in a value of up to R\$ 1,414,732,915.53 for the portion of the increase in the share capital of **Renova** to be subscribed by **Cemig GT** both amounts to be updated by the CDI Rate from December 31, 2012.

The company further informs the public that this transaction is subject to conditions precedent and commercial conditions. When and if these conditions are fulfilled, the precise amount of the increase in the capital of **Renova** will be decided, and a new stockholders' agreement will be signed to include **Cemig GT**, **RR** and **Light Energia** in the controlling stockholding block of **Renova**, under which the total number of shares bound by that stockholders' agreement will be at least 51% of the common shares of **Renova**.

Cemig will keep its stockholders and the market opportunely and appropriately informed on the conclusion of this transaction.

Edgar Filing: ENERGY CO OF MINAS GERAIS - Form 6-K

Belo Horizonte, August 8, 2013.

Luiz Fernando Rolla

Chief Finance and Investor Relations Officer

Av. Barbacena 1200 Santo Agostinho 30190-131 Belo Horizonte, MG Brazil Tel.: +55 31 3506-5024 Fax +55 31 3506-5025

This text is a translation, provided for information only. The original text in Portuguese is the legally valid version.

Table of Contents

4. Summary of Principal Decisions of the 573rd Meeting of the Board of Directors held on August 8, 2013

Table of Contents

COMPANHIA ENERGÉTICA DE MINAS GERAIS CEMIG

LISTED COMPANY

CNPJ 17.155.730/0001-64 NIRE 31300040127

BOARD OF DIRECTORS

Meeting of August 8, 2013

SUMMARY OF PRINCIPAL DECISIONS

The Board of Directors of **Cemig** (Companhia Energética de Minas Gerais), at its 573rd meeting, held on August 8, 2013, decided the following:

1. Signature of the legal instruments relating to the financings of Santo Antônio Energia S.A.

Av. Barbacena 1200 Santo Agostinho 30190-131 Belo Horizonte, MG Brazil Tel.: +55 31 3506-5024 Fax +55 31 3506-5025

This text is a translation, provided for information only. The original text in Portuguese is the legally valid version.

Table of Contents

5. Summary of Principal Decisions of the 574th Meeting of the Board of Directors held on August 8, 2013

Table of Contents

COMPANHIA ENERGÉTICA DE MINAS GERAIS CEMIG

LISTED COMPANY

CNPJ 17.155.730/0001-64 NIRE 31300040127

BOARD OF DIRECTORS

Meeting of August 8, 2013

SUMMARY OF PRINCIPAL DECISIONS

At its 574th meeting, held on August 8, 2013, the Board of Directors of **Cemig** (Companhia Energética de Minas Gerais) decided the following:

1. Proposal to the EGM to be held at 11 a.m. on September 10, 2013, for orientation of vote in the EGM of Cemig GT, which will decide on reduction of the share capital of that Company following the transfer to Cemig of the equity interest in Taesa held by Cemig GT.
2. Specific Collective Employment Agreement for Profit Sharing for 2013 - 2014.
3. Signature of a working agreement with INDI for secondment of employees.
4. Signature of a corporate surety guarantee letter with Ventos Potiguares Comercializadora de Energia S.A.
5. Orientation of vote in meetings of Taesa and waiver of right of first refusal in Transleste.

Edgar Filing: ENERGY CO OF MINAS GERAIS - Form 6-K

6. Ratification of the appointment of a director of Cemig as member of the Board of Directors of Gasmig, and orientation of vote in the EGM of Gasmig deciding on the subject.

7. Ratification of the appointment of Managers for Gasmig.

8. Signature of a term of agreement with MDU Resources Luxembourg II LLC, S.À.R.L.

9. Ratification of signature of a letter of intent, and amendment, with the State of Minas Gerais, SEDE, SEF, BDMG, INDI and Guanhões Energia S.A.

10. Signature of a mutual cooperation working agreement with the State of Minas Gerais.

11. The Jequitibá II Project.

12. Orientation of vote in a meeting of the Board of Directors of Light on the rescission of Concession Contract 012/2001, relating to the Itaocara Hydroelectric Plant.

Av. Barbacena 1200 Santo Agostinho 30190-131 Belo Horizonte, MG Brazil Tel.: +55 31 3506-5024 Fax +55 31 3506-5025

This text is a translation, provided for information only. The original text in Portuguese is the legally valid version.

Table of Contents

6. Material Announcement: Presentation of Second Quarter 2013 Results

Table of Contents

7. Earnings Release Announcement of Second Quarter 2013 Results

37

Table of Contents

ANNOUNCEMENT OF 2Q13 RESULTS

CEMIG REPORTS

NET INCOME OF R\$ 617 MILLION

FOR 2ND QUARTER 2013

Highlights

- 2Q13 Cash flow (Ebitda): R\$ 1.2 billion
- 2Q13 Net revenue: R\$ 3.4 billion
- 2Q13 Revenue from transactions on CCEE:
- R\$ 262mn up more than 147% from 2Q12 (R\$ 106mn).
- Gain of R\$ 284mn on disposal of TBE to Taesa.

Table of Contents

Conference call and webcast

Announcement of Second Quarter 2013 Results

Video Webcast and Conference Call

August 14 , 2013 (Wednesday), 10 a.m. Brasília time

(9 a.m. New York)

Simultaneous translation in English

PARTICIPATE LIVE:

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

Conference call contact: + 55 (11) 4688 6341
Password: CEMIG

PLAYBACK:

Playback: Video Webcast:

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

Click on banner and download

Playback: Conference Call:

Tel: (+55-11) 4688-6312

Password:

7965701# (Portuguese)

8317594# (English)

Edgar Filing: ENERGY CO OF MINAS GERAIS - Form 6-K

Available 90 days

Available August 14 to 21

Table of Contents

Cemig Investor Relations:

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

ri@cemig.com.br

Tel (31) 3506-5024

Fax (31) 3506-5025

Executive Investor Relations Team

Chief Finance and Investor Relations Officer

Luiz Fernando Rolla

General Manager, Investor Relations

Antonio Carlos Vélez Braga

Investor Markets Manager

Stefano Dutra Vivenza

Table of Contents

Contents

<u>CONFERENCE CALL AND WEBCAST</u>	39
<u>CEMIG INVESTOR RELATIONS:</u>	40
<u>EXECUTIVE INVESTOR RELATIONS TEAM</u>	40
<u>DISCLAIMER</u>	42
<u>FROM THE CEO AND CFO</u>	43
<u>CEMIG S SHARES PERFORMANCE</u>	47
<u>CEMIG S LONG TERM RATINGS</u>	48
<u>ECONOMIC INFORMATION SUMMARY</u>	48
<u>ADOPTION OF IFRS</u>	49
<u>INCOME AND LOSS ACCOUNTS</u>	49
<u>CEMIG S CONSOLIDATED ELECTRICITY MARKET</u>	50
<u>THE ELECTRICITY MARKET OF CEMIG D</u>	53
<u>THE ELECTRICITY MARKET OF CEMIG GT</u>	53
<u>BALANCE OF SOURCES AND USES OF ELECTRICITY MWH</u>	54
<u>CONSOLIDATED OPERATIONAL REVENUE</u>	54
<u>SECTOR / REGULATORY CHARGES DEDUCTED FROM REVENUE</u>	56
<u>OPERATIONAL COSTS AND EXPENSES</u>	57
<u>GAIN ON THE TRANSFERS OF THE SHARES IN TBE</u>	59
<u>FINANCIAL REVENUES AND EXPENSES</u>	59
<u>INCOME TAX AND SOCIAL CONTRIBUTION TAX</u>	60
<u>EBITDA</u>	61
<u>DEBT</u>	62
<u>ACQUISITIONS</u>	64
<u>RENEWAL OF CONCESSIONS</u>	66
<u>DIVIDENDS</u>	66
<u>LIGHT HIGHLIGHTS OF 2Q 2013</u>	68
<u>FINANCIAL STATEMENTS SEPARATED BY COMPANY</u>	69
<u>INFORMATION BY OPERATIONAL SEGMENT</u>	71
<u>TRANSMISSION: PERMITTED ANNUAL REVENUE RAP</u>	72
<u>PLANTS</u>	73
<u>APPENDICES</u>	74

Table of Contents

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. Because of 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. None of Cemig's professionals nor any of their related parties or representatives shall have any liability for any losses that may result from use of the content of this material.

To evaluate the risks and uncertainties as they relate to Cemig, and to obtain additional information about factors that could originate 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).

Table of Contents

From the CEO and CFO

Cemig's CEO, Mr. Djalma Bastos de Moraes, comments:

The results for the second quarter of 2013 are in line with the guidelines set out in our Long-Term Strategic Plan. The challenges introduced into the electricity sector in 2012, of which the Company is still feeling the effects, show that at this moment the strategy of sustainable growth becomes even more important, in expanding the operations that can add value to our business and provide our stockholders with adequate and attractive return on their investments. The acquisition of interest of Brasil PCH, one of Brazil's leading independent companies generating electricity from renewable sources, is part of this context. As well as growing through mergers and acquisitions, we continue to invest strongly in our concession area, with investments in the order of R\$ 560mn in the distribution business. We are working to enable this strategy to result in firm consolidation of our position as one of the largest groups in the Brazilian electricity sector by the end of this decade.

Cemig's Chief Finance and Investor Relations Officer, Mr. Luiz Fernando Rolla, comments:

In this second quarter of 2013 Cemig has continued to produce robust cash flow. Operational cash flow, as measured by Ebitda, was R\$ 1.25 billion in the quarter, 3.3% more than in first quarter 2012. This is in line with what was expected for the period, and also in line with our Ebitda guidance for the full year of 2013: between R\$ 5.8 and R\$ 6.4 billion. Thus we can say that our strategy of improving operational efficiency and achieving gains from synergy and growth – whether through acquisitions or through participation in new projects – has certainly been effective. Cemig's net income for 2Q13 is R\$ 617 million, with a cash position of R\$ 4.4 billion at the end of the second quarter. These two figures serve to guarantee execution of both our Long-Term Strategic Plan and our dividend and debt management policies, continuing to identify Cemig as an increasingly solid company, with efficient corporate management.

Table of Contents

Summary Economic Outlook

One of the principal concerns on the international economic outlook has been the possible reduction of the stimulus program for the US economy. With a recovery in the US economic activity in the first quarter, these rumors gained strength, considerably affecting international markets.

The US reported GDP growth of 1.7% in the second quarter, above the forecast 0.9%. In addition, an improvement was reported in the US labor market, with an unemployment rate reported in June of around 7.5% although this is still above levels regarded as comfortable. Inflation, as measured by the PCE (personal consumer spending) index, remained below the 2% level stipulated as a target by the FOMC (Federal Reserve Open Markets Committee), decelerating in the quarter. Other indicators published during the second quarter point to weaker performance of the US economy, postponing a possible reduction in the program.

Within the eurozone, the current chairman of the European Central Bank, Mario Draghi, continued to defend accommodative monetary policies, with a view to promoting the economic recovery of the block. By keeping interest rates low, the government hopes to encourage lending to the private sector.

Despite government efforts to engineer a recovery of the European economy, the unemployment rate in the eurozone remained high, closing June at 12.1% stable from March. Inflation nevertheless rose to 1.6%. Under this scenario of high unemployment, low inflation and a deceleration of the economy, the OECD is forecasting a 0.1% contraction in eurozone GDP growth.

On China, the concern is with a possible further economic slowdown. After several releases of lower than expected figures in the second quarter including figures for exports and imports a number of analysts reduced their 2013 GDP forecasts to 7.5%. The possible deceleration of the second largest economy in the world could pressure commodity prices, principally affecting emerging markets.

Table of Contents

In Brazil, the uncertainties on the global economy, especially the US and China, were the main factor containing aggregate demand. The IBGE reported Brazilian GDP growth of only 0.6% in 1Q13. On the supply side, the main engines of this growth were farming, with growth of 9.7%, and capital investment.

Brazilian industry is indicating a gradual and irregular recovery, with monthly results in the first quarter alternating between significant rises and sharp falls. IBGE quarterly data report industrial production growing 1.1% in 2Q13 from the previous quarter, and 4.3% year-on-year. The positive result for June (which reversed the sharp fall in May) was due above all to the upturn in construction and in mining.

Despite the fall in business and consumer confidence indices, reflecting several factors – concerns on the economic scenario, the impact of the demonstrations in Brazil, and the possible reduction of stimulus in mature economies – capacity utilization has remained stable, with slight falls in some months.

In the labor market, the unemployment rate increased by 2 percentage points in June to 6%. Effective average worker wages were down month-on-month in May, but up 1.33% year-on-year.

The Brazilian Central Bank's Focus Report for June reduced its reported consensus forecast for 2013 GDP growth to 2.4% – a further reduction from 3.3% at the start of the year.

We would highlight that we continue to believe that the long-term outlook for the Brazilian economy is positive. The staging of major sporting events, and investments in the oil and gas sector – among other projects – represent singular opportunities for the country to improve its infrastructure and at the same time to boost its economy. And we believe this means positive effects for the electricity sector, since electricity generation and distribution tend to grow at the same rate as industry as a whole.

Table of Contents

According to the Brazilian Energy Research Company (Empresa de Pesquisa Energética - EPE), total electricity consumption through Brazil's National Grid was up 2.8% YoY in the first half of 2013, up 3.0% year-on-year in the second quarter, and up 2.7% in the first quarter.

The consumer group contributing most to this growth was the Residential category, with year-on-year consumption growth of 6% in the first half of the year. This consumer base grew by 3.3%, to more than 62.6 million units, with an increase of almost 2 million in a year. The expansion in private consumption was due, among other factors, to increased ownership and use of household appliances. In part, this is associated with favorable conditions of employment, income and lending, and reduction in the tax burden, in recent months. There was also strong growth, of 5.5% year-on-year, in the Commercial and Services category in the half-year.

Industrial consumption was up 1.1% year-on-year in the second quarter, which compares with a YoY contraction of 2.2% in 1Q13. Taking into account seasonally adjusted series, this result nevertheless does not yet provide signals of a sustained recovery in industrial consumption. The metal and aluminum industries were principally responsible for this weak performance. In the half-year, consumption was down 0.5%.

For 2013, the EPE is forecasting growth of 4.5% in consumption via the national grid, assuming a gradual recovery in industrial production throughout the year, with the connection to the grid of the Northern System (Tucuruí-Macapá-Manaus), resulting in a growth rate of 5.2% for April-December 2013, compared to the 2.7% reported for 1Q13.

Table of Contents**Cemig's shares Performance**

Security	Ticker	Currency	Close of 2Q13	Close of 1Q13	Change in period (%)
Cemig PN	CMIG4	R\$	19.91	19.76	0.75
Cemig ON	CMIG3	R\$	19.64	19.59	0.26
ADR PN	CIG	US\$	8.97	9.99	(10.19)
ADR ON	CIG.C	US\$	9.15	10.00	(8.46)
Cemig ON (Latibex)	XCMIG	EUR	6.975	9.065	(23.06)
Ibovespa	Ibovespa		47,457	56,352	(15.78)
IEEX	IEEX		25,407	27,750	(8.44)

Sources: *Economática, Latibex.*

Total trading volume in Cemig's preferred shares (CMIG4) in 2Q13 was R\$ 5.7 billion. This level maintains CMIG4 as the most liquid share in the Brazilian electrical sector, and one of the most widely traded shares in the Brazilian capital market.

On the New York Stock Exchange, trading in ADRs for our preferred shares (CIG) in second quarter 2013 totaled US\$2 billion, reflecting the recognition of investors, and again affirming Cemig's status as a global investment option.

The Ibovespa, the benchmark index for the performance of the São Paulo Stock Exchange, fell by 15.78% over the period, ending the second quarter at 47,457 points. The negative performance reflected growing investor pessimism on the Brazilian economy. This can be seen in the increase in investors' short positions, and the outflow of foreign capital. With Ibovespa at historic lows, it is possible to perceive a possibility of its recovering in coming quarters, supported by a possible strengthening of internal policy and a reversal of capital flows.

Cemig's shares appreciated in 2Q13 – the common shares appreciated 0.26% and the preferred shares appreciated 0.75% – both considerably outperforming the Ibovespa and the Brazilian electricity sector index. Hence Cemig's shares were good investment options over the period. The uptrend in Cemig's share prices could also be interpreted as a recovery from the effects of Law 12783/13 (the former MP 579).

Table of Contents

Stock performance up to August 12th

Cemig's long term ratings

The leading rating agencies have maintained their long-term credit ratings for Cemig:

Agency	Cemig		Cemig D		Cemig GT	
	Nota	Outlook	Nota	Outlook	Nota	Outlook
Fitch	AA(bra)	Negative	AA(bra)	Negative	AA(bra)	Negative
S&P			brAA	Stable	brAA-	Stable
Moody's	Ba1	Negative	Baa3	Negative	Baa3	Negative

Economic information summary

	2Q13	2Q12	Change, %
Electricity sold, GWh (excluding CCEE)	14,901	14,569	2.28
Gross revenue, R\$ million	4,639	4,997	(7.17)
Net revenue	3,439	3,463	(0.70)
Ebitda, R\$ million	1,253	1,214	3.13
Net income, R\$ million	617	604	2.15

Table of Contents**Adoption of IFRS**

The results below are reported under the new Brazilian accounting practices, reflecting harmonization of Brazilian accounting rules with IFRS.

INCOME AND LOSS ACCOUNTS
FOR THE SECOND QUARTERS OF 2013 AND 2012

R\$ 000 (except Net income per share)

Consolidated	2Q13	2Q12	Change, %
REVENUE	3,438,990	3,463,114	0.70
OPERATIONAL COSTS			
Electricity bought for resale	(1,301,923)	(1,078,457)	20.72
Charges for the use of the national grid	(127,867)	(217,739)	(41.28)
Personnel and managers	(262,802)	(266,455)	(1.37)
Employees and managers net income shares	(15,582)	(61,490)	(74.66)
Post-retirement liabilities	(41,957)	(33,497)	25.26
Materials	(23,740)	(16,396)	44.79
Outsourced services	(249,302)	(198,869)	25.36
Depreciation and amortization	(184,140)	(173,935)	5.87
Operational provisions	(71,060)	(23,216)	206.08
Royalties for use of water resources	(28,812)	(45,875)	(37.19)
Infrastructure construction cost	(261,057)	(360,461)	(27.58)
Others	(90,245)	(81,784)	10.35
TOTAL COST	(2,658,487)	(2,511,219)	5.86
Equity gain (loss) in subsidiaries	84,424	88,343	(4.44)
Unrealized net income	(80,959)		
Gain with the sale of TBE	284,298		
Ebitda	1,252,508	1,214,173	3.16
Net income before Financial revenue (expenses) and taxes	1,068,266	1,040,238	2.69
Financial revenues	144,450	253,840	(43.09)
Financial expenses	(296,036)	(435,521)	(32.03)
Pretax net income	916,680	858,557	6.77
Current and deferred income tax and Social Contribution tax	(299,442)	(254,325)	17.74
NET NET INCOME FOR THE PERIOD	617,238	604,232	2.15
Basic and diluted net income per preferred share	0.64	0.63	
Basic and diluted net income per common share	0.64	0.63	

Table of Contents

Cemig's consolidated electricity market

The figures we report for Cemig's market comprise the sale of electricity by Cemig D and Cemig GT.

This market can be summarized as: sales of electricity to captive and free consumers, in the concession area of the Brazilian state of Minas Gerais, and outside that state; sales of electricity to other agents of the electricity sector in Brazil's Free and Regulated Markets; sales under Brazil's Program to Encourage Alternative Electricity Sources (Proinfa); and sales on the CCBE (Brazil's wholesale electricity market); with elimination of transactions between companies of the Cemig group.

The volume of electricity sold to final consumers in Cemig's concession area in 2Q13 was 3.1% lower than in 2Q12.

This chart shows the breakdown of the Cemig Group's sales to final consumers:

Table of Contents

The volume of electricity energy sold to final consumers in Cemig's concession area during the second quarter of 2013 has decreased 3,1% YoY.

	MWh		Change,	Average price	Average price
Consolidated	2Q13	2Q12	%	2Q13	2Q12
				R\$	R\$
Residential	2,383,392	2,197,817	8.44	474.90	553.37
Industrial	5,683,850	6,343,741	(10.40)	172.29	172.37
Commercial, Services and Others	1,503,197	1,415,086	6.23	388.75	444.60
Rural	702,258	701,811	0.06	242.87	273.43
Public authorities	217,861	214,249	1.69	378.68	437.79
Public illumination	320,156	306,101	4.59	242.15	275.78
Public service	305,469	288,652	5.83	260.05	299.46
Subtotal	11,116,183	11,467,457	(3.06)	279.37	296.09
Own consumption	8,750	8,387	4.33		
Wholesale supply to other concession holders(*)	3,775,989	3,093,110	22.08	119.65	127.16
Total	14,900,922	14,568,954	2.28	237.12	260.48

(*) Includes Electricity Sale Contracts in the Regulated Environment (CCEARs) and bilateral contracts with other agents.

The notes below comments on the various consumption categories:

Residential:

Residential consumption was 16.00% of the total of electricity transacted by Cemig in 2Q13. The figure 8.44% higher than in 2Q12 is associated with the number of consumer units being 2.7% higher, than in 2Q12. The increase in consumption is directly related to the increase of 182,366 in the number of consumers invoiced by Cemig D in 2Q13, and also to average monthly temperatures which were higher than historic averages in the quarter.

Industrial

	MWh		Change,	Average price	Average price
	2Q13	2Q12	%	2Q13	2Q12
				R\$	R\$
Cemig Geração e Transmissão	4,437,693	5,033,218	(11.83)	140.23	134.08
Cemig Distribuição	1,018,347	1,049,500	(2.97)	330.16	376.84

Industrial consumption was 38.14% of the total electricity sold by Cemig in 2Q13.

Table of Contents

The year-on-year reduction of 10.40% from 2Q12 is associated with the weak performance of the industrial sector in Minas Gerais, and the migration of clients to the free market and the special free market, over the course of 2012.

Commercial:

	2Q13	MWh	2Q12	Change, %	Average price 2Q13	Average price 2Q12
Cemig Geração e Transmissão	74,957		57,262	30.90	213.48	199.38
Cemig Distribuição	1,418,035		1,347,886	5.20	399.39	457.24

The total volume of electricity transacted with this user group accounted for 10.10% of Cemig's total in 2Q13, and was 6.23% more than the volume transacted in 2Q12.

This higher figure is due to the increase of 2.25% in the number of consumers.

Rural:

The level of rural consumption, at 4.7% of the total volume of electricity sold, was stable in 2Q13 compared to 2Q12.

Other user categories:

The total of other types of consumption in 2Q13 by public authorities, public illumination, public services, and Cemig's own consumption represented 5.72% of Cemig's total transactions in electricity in the quarter, and was 4.26% higher than in 2Q12.

Supply to other concession holders

The electricity used by captive clients was 25.34% of the volume transacted in the second quarter, 22.08% more than in 2Q12.

Table of Contents

The electricity market of Cemig D

The concession area of Cemig D (Cemig Distribuição S.A.) covers 567,748 km², approximately 97% of the Brazilian State of Minas Gerais. Cemig D has four electricity distribution concessions in Minas Gerais, under four concession contracts for the Western, Eastern, Northern and Southern areas of the State.

Total sales of electricity by Cemig D to its captive market were 4.3% higher than in 2Q12, reflecting an increase in consumption although the number of new consumers added in 2Q13 (19,758 new consumers) was approximately 57.11% lower than the number of new consumers added in 2Q12 (46,070).

7,631,376 consumers were invoiced in June 2013, 2.7% more than in June 2012. Of this total, 7,630,978 are captive consumers, totaling 2.7% more than in the previous year, and 398 a year-on-year increase of 15.7% are Free Consumers, which use the distribution network of Cemig D.

The electricity market of Cemig GT

The consolidated total of electricity sold by Cemig GT means the total of sales made: (I) in the Free Market, to Free Consumers in Minas Gerais and other states and to other generators and traders; (II) in the Regulated Market, to distributors and (III) wholesale sales, in the CCEE (Brazil's Electricity Trading Chamber).

Cemig GT's electricity market was 0.6% smaller, in aggregate, in 2Q13 than in 2Q12. This mainly reflects a total of electricity sold to industrial clients 11.83% lower than in 2Q12, due to the continuing slowdown in industrial activity, the effect being nearly offset by a volume of electricity sold to other concession holders 15.5% higher.

Table of Contents**Balance of sources and uses of electricity MWh**

	2Q13	MWh	2Q12	Change %
Total energy carried	12,610,807		12,582,864	0.22
Electricity transported for distributors	73,886		66,261	11.51
Electricity transported for free clients	4,809,596		5,018,485	(4.16)
Own load	7,727,325		7,498,118	3.06
Consumption by captive market	6,374,267		6,114,402	4.25
Losses in distribution network	1,353,058		1,383,716	(2.22)

Consolidated operational revenueOverall revenue from supply of electricity

Revenue from total supply of electricity in 2Q13 was R\$ 3.1 billion, 9.41% less than the total for 2Q12 of R\$ 3.4 billion.

The main factors affecting revenue in 2Q13 were:

- Tariff adjustment in Cemig D, with average impact on consumer tariffs of 3.85%, from April 8, 2012 (full effect in 2013).
- Volume of energy invoiced to final consumers 3.06% lower (this excludes Cemig's own internal consumption).
- Average tariff reduction for captive consumers of 18.14%, obeying the Extraordinary Tariff Review legislated by Provisional Measure 579, of September 11, 2012. The tariffs were applied from January 24, 2013 to April 7, 2013, the date of completion of the Ordinary Tariff Review process which is scheduled to take place every 5 years during the concession period.
- Tariff Review, with 2.99% average effect on consumer tariffs, from April 8, 2013.
- Average price per MWh 6.55% lower in Reais in 2Q13 than in 2Q12.

Table of Contents

	2Q13	R\$	2Q13	Change	Average price	Average price	Change
				%	2Q13	2Q12	%
					R\$	R\$	
Residential	1,131,871		1,216,212	(6.93)	474.90	553.37	(14.18)
Industrial	979,298		1,093,493	(10.44)	172.29	172.37	(0.05)
Commerce, Services and Others	584,369		629,149	(7.12)	388.75	444.60	(12.56)
Rural	170,554		191,897	(11.12)	242.87	273.43	(11.18)
Public authorities	82,500		93,796	(12.04)	378.68	437.79	(13.50)
Public illumination	77,525		84,418	(8.17)	242.15	275.78	(12.20)
Public services	79,436		86,440	(8.10)	260.05	299.46	(13.16)
Subtotal	3,105,553		3,395,405	(8.54)	279.37	296.09	(5.65)
Supply not yet invoiced, net	(24,106)		6,183				
Supply to other concession holders(*)	451,791		393,310	14.87	119.65	127.16	(5.90)
Total	3,533,238		3,794,898	(6.90)	237.12	260.48	(8.97)

(*) Includes Contracts for Sale of Electricity in the Regulated Market (CCEARs), and bilateral contracts with other agents.

Revenue from wholesale electricity sales

Although the increase of 22.8% in the quantity of electricity sold to other concession holders was accompanied by an increase of 14.87% in the revenue from electricity sold (R\$ 451.8 million in 2Q12, vs. R\$ 393.3mn in 2Q12), the average price of electricity sold was 5.90% lower, at R\$ 119.65/MWh in 2Q13, compared to R\$ 127.16/MWh in 2Q12.

Revenue from Use of Distribution Systems (the TUSD charge)

Cemig D's revenue from the TUSD charge (tariff for use of the distribution system) was R\$ 220.2 million in 2Q13, a reduction of 51.91% compared to 2Q12 (R\$ 457.8mn). This change is due mainly to the reduction in the tariff effectively of 33.22 for Free Consumers, from April 8, 2013 associated with the reduction in activity of the industrial sector, which resulted in the volume of electricity transported in 2Q13 being 5.54% lower than in 2Q12.

Transmission Concession Revenue

Transmission concession revenue in 2Q13 was R\$ 115.6mn, vs. R\$ 160.5mn in 2Q12, a reduction of 27.95%. This change is mainly because of the renewals of the Company's older transmission concessions, under which, starting in 2013, the Company is now remunerated only for operation and maintenance of the infrastructure, in accordance with the terms of Provisional Measure 579 (converted into Law 12783/13).

Table of Contents

Revenue from transactions in electricity on the CCEE

Revenue from transactions in electricity on the Electricity Trading Chamber (CCEE) in 2Q13 was R\$ 261.6mn, an increase of 146.66%. This difference is mainly due to the greater availability of power for settlement on the spot market, together with the much higher average spot price (R\$ 288.24 per MWh in 2Q13, vs. R\$ 115.40 per MWh in 2Q12).

Other operational revenues

This total includes charged services, sharing of infrastructure, the subsidy for the low-income electricity tariff, and other services provided under the concession. This line was 110.56% higher in 2Q13, at R\$ 246.9mn, than in 2Q12 (R\$ 117.3mn). The higher figure is due to a pass-through of funds from the Energy Development Account (Conta de Desenvolvimento Energético, or CDE) in the amount of R\$ 136mn, in 2Q13, under Law 12783/13, to compensate for the fact that subsidies in the TUSD (Tariff for Use of the Distribution System – Tarifa de Uso do Sistema de Distribuição) were not incorporated into the tariff.

Sector / regulatory charges deducted from revenue

The sector charges, which reduce operational revenue, totaled R\$ 1.20 billion in 2Q13, 21.79% less than their total of R\$ 1.53 billion in 2Q12. This is mainly the result of the application of Provisional Measure 579, which reduced the charge to the consumer for the Energy Development Account (CDE) by 75%, abolished the sharing of the Fuel Consumption Account (Custo de Consumo de Combustível, or CCC), and also ceased the charging of the Global Reversion Reserve (Reserva Global de Reversão, or RGR) to holders of concessions and permissions.

Other deductions from revenue in this category are taxes, calculated as percentages of revenue – hence their variations are, substantially, in proportion to Revenue.

Table of Contents

Operational costs and expenses

Operational costs and expenses (excluding Net financial revenue (expenses)) in 2Q13 totaled R\$ 2.758 billion, 9.81% more than in 2Q12 (R\$ 2.512 billion).

The notes below are on the year-on-year variations in expenses:

Electricity bought for resale

The expense on electricity bought for resale in 2Q13 was R\$ 1.30 billion, 20.72% more than in 2Q12 (R\$ 1.08 billion). This mainly reflects the following:

- Purchases of electricity in the free market R\$ 141mn higher in 2013, as a result of (i) higher sales activity, and (ii) the higher cost of acquisition due to the increase in the price of electricity in the Brazilian market;
- Reduction in the total of expenditure on electricity bought in the spot market via the CCEE, as a result of the reimbursement by the Federal Government of a part of these costs, totaling R\$ 133 mn.

- Expenses on electricity acquired in auctions 9.80% higher, at R\$ 537mn in 2Q13, compared to R\$ 489 million in 2Q12 arising from availability contracts, reflecting expenses on fuel for generation of electricity by the thermal plants.
- Allocation to the distributors taking part in the National Grid of guarantee quotas of energy and power from the plants whose concessions were renewed under Law 12783 of January 11, 2013.

Table of Contents

- The expense on electricity from Itaipu was 9.02% higher, since it is indexed to the dollar: it was R\$ 247mn in 2Q13, vs. R\$ 226mn in 2Q12. Among other factors, this reflects the depreciation of the Real against the dollar in the second quarter of 2013, compared to its appreciation during 2Q12. The average dollar exchange rate for invoices of the second quarter of 2013 was R\$ 2.019/US\$, compared to R\$ 2.082/US\$ in 2Q12 a difference of 3.11%.

Charges for the use of the national grid

Expenses on charges for the use of the transmission grid were R\$ 128 million in 2Q13, 41.28% less than in 2Q12 (R\$ 218 million). This is the result of the reduction of sector charges legislated by Provisional Measure 579.

Personnel

Personnel expenses in 2Q13 were R\$ 263mn, 1.37% less than in 2Q12 (R\$ 266mn).

Depreciation and amortization

Depreciation and amortization expense was 5.87% higher in 2Q13, at R\$ 184mn, compared to R\$ 174mn in 2Q12.

Operational provisions

The expense on operational provisions in 1Q13 was R\$ 71mn, compared to a reversal of provisioning expense of R\$ 23mn in 1Q12. This mainly reflects constitution of a provision on June 30, 2013 for a regulatory action on the subject of electricity distribution service quality indicators, in the amount of R\$ 19mn, and increased provisions for employment-law litigation, due to the higher volume of this type of action in the period. The reversal in 2Q12 was for re-assessment of the probabilities of

Table of Contents

losses in various legal actions dealing with consumer relations, based on the opinion of the Company's legal advisors.

Outsourced services

Expenses on outsourced services in 2Q13 were R\$ 249mn, 2.36% higher than in 2Q12 (R\$ 199mn). The main changes were in (i) maintenance, conservation and cleaning services; (ii) higher volume of services related to billing and collection of receivables, primarily meter readers and bill delivery, and (iii) the reimbursable expenses relating to the review of the Asset Control Manual (*Manual de Controle Patrimonial* - MCPSE). The latter are now no longer posted as a financial asset, but as a regulatory asset, hence not recognized by IFRS and as a result the impact of this is perceived in the Net income and loss account.

Gain on the transfers of the Shares in TBE

The Company recorded a net gain of R\$ 284 million in 2Q13 as a result of disposal of its investment in the TBE group, when the whole of the interest in the TBE group held by Cemig GT was transferred to Taesa, on May 31, 2013.

Financial Revenues and Expenses

Cemig posted net financial expenses in 2Q13 of R\$ 152mn, compared to net financial expenses of R\$ 182mn in 2Q12. The main factors are:

- Revenue from cash investments 35.19% higher due to the higher volume of cash invested.

Table of Contents

- Expenses on loans and financings 19.87% lower, at R\$ 159mn, in 2Q13, vs. R\$ 198mn in 2Q12. This is basically because the accumulated CDI rate in 2Q13, at 1.79%, was lower than in 2Q12 (when it was 2.09%).
- Expense on monetary updating of loans and financing 31.80% higher, at R\$ 58 mn, in 2Q13 than in 2Q12 (R\$ 44mn). This mainly reflects a higher volume of financings raised in 2013.
- Charges for late payment on electricity invoices 29.61% higher, at R\$ 49mn in 2Q13, compared to R\$ 38mn in 2Q12, mainly reflecting a Debt Recognition Agreement acknowledging non-payment of Charges for Use of the Distribution System, for the period April 2003 to December 2004.
- Expenses on updating of Accounts Receivable from the Minas Gerais State Government, in the amount of R\$ 34,732 in 2Q12. In 2013 there was no revenue under this line since the whole of the balance of Accounts Receivable from the State Government had been paid in full in 1Q13.

Income tax and Social Contribution tax

In 2Q13, Cemig posted expenses on income tax and the Social Contribution tax of R\$ 299.4mn, representing a rate of 32.67% on the pre-tax net income of R\$ 916.7mn.

In 2Q12, Cemig's expenses on income tax and the Social Contribution tax were R\$ 254.3mn, equal to 29.62% of the pre-tax net income of R\$ 858.6mn.

Table of Contents**EBITDA**

Cemig's consolidated Ebitda in 2Q13 was 3.13% higher than in 2Q12:

Ebitda - R\$ mn	2Q13	2Q12	Change, %
Net net income for the period	617	604	2.15
+ Provision for income tax and Social Contribution tax	299	254	17.72
+ Financial revenue (expenses)	152	182	(16.48)
+ Amortization and depreciation	184	174	5.75
= EBITDA	1,252	1,214	3.13

Consolidated Ebitda was slightly (3.13%) higher in 2Q13 than 2Q12, reflecting revenue 10.39% higher, partially offset by operational costs and expenses (excluding depreciation and amortization) 10.10% higher.

The higher Ebitda, year-on-year, of Cemig D in 2Q13 up 5.12% from 2Q12 mainly reflects operational costs and expenses (excluding amortization) 4.49% lower, and net

Table of Contents

revenue 15.47% higher, partially offset by operational costs and expenses (excluding the effects of depreciation and amortization) 7.24% higher.

The effect on consolidated Ebitda of the higher contribution from Cemig D was slightly compensated by revenue in Cemig GT 2.97% lower year-on-year, and also by its Ebitda 37.27% lower which mainly reflected operational costs and expenses 63.38% higher (excluding depreciation and amortization).

DEBT

Cemig's total debt on June 30, 2013 was R\$ 9.46 billion, equal to 76.30% of consolidated stockholders' equity. Cemig's consolidated Stockholders equity on June 30, 2013 was R\$ 12.41 billion, 15.43% lower than on December 31, 2012 and equivalent to book value per share of R\$ 12.89 per share.

Table of Contents

Table of Contents

ACQUISITIONS

TBE TAESA

The process of stockholding restructuring of Taesa was completed on May 31, 2013, with transfer to Taesa (Transmissora Aliança de Energia Elétrica S.A.) of the equity interests held by Cemig GT in EBTE (49%), and in the transmission companies of the TBE Group: ETEP (49.98%), ENTE (49.99%), ERTE (49.99%), EATE (49.98%) and ECTE (19.09%). The transaction included disbursement by Taesa of R\$ 1.907 billion. The sale resulted in a net gain for Cemig of R\$ 107mn.

R\$m	Consolidated
Value received for the assets	1,691
Recorded book value of the assets	(1,407)
Subtotal	284
Tax effects – income tax + social contribution	(96)
Unrealized gain on the sale	(81)
Net effect on net income	107

BRASIL PCH

On July 14th, 2013 Cemig concluded acquisition of 49% of Brasil PCH, currently considered to be one of the leading independent companies generating electricity from renewable sources.

Brasil PCH owns 13 Small Hydroelectric Plants (Pequenos Centrais Hidrelétricas, or PCHs), operating in the states of Minas Gerais, Rio de Janeiro, Espírito Santo and Goiânia, totaling 291MW of installed generating capacity with assured power of 194 average MW.

A total of R\$ 650mn was invested in the transaction. All the electricity to be produced by the project has been sold to Eletrobras (Centrais Elétricas Brasileiras S.A.), in contracts under the Program to Stimulate Alternative Energy Sources (Programa de Incentivo às Fontes Alternativas de Energia Elétrica, or Proinfa).

The acquisition is part of the strategy contained in Cemig's Long-term Strategic Plan: sustainable growth, through transactions that can add value to its present assets, and which provide stockholders with an appropriate and attractive return on their investments.

Table of Contents

A Material Announcement published on August 8, 2013 reported the Company's decision on that date to enter into an investment agreement governing a capital increase in Renova, with Cemig entering the controlling stockholding block of that company. The agreement provides for Chiplely to become a vehicle of acquisitions for Cemig GT and Renova, with the share purchase agreement between Cemig GT and Petrobras (Petróleo Brasileiro S.A.) being assigned to it. For more information, see the material announcement, in this link:

http://cemig.infoinvest.com.br/enu/10796/CEMIG_FatoRelevante_RenovaeBrasilPCH_08.08.2013_final_ing.pdf

Table of Contents

RENEWAL OF CONCESSIONS

The Brazilian government's Law 12783, successor to Provisional Measure 579 (PM 579), aimed to close the debate on whether the electricity concessions referred to by Articles 17, §5, 19 and 22 of Law 9074, of July 7, 1995 could be extended.

Cemig opted not to renew the concessions of 18 hydroelectric plants. For the concessions of the Jaguara, São Simão and Miranda plants, whose current concession periods complete in August 2013, January 2015 and December 2016, respectively, the company believes it has the right to extension on the terms existing prior to the Provisional Measure, under clauses in the concession contracts themselves and in Article 19 of Law 907/1995.

On June 20, 2013, Cemig GT (Cemig Geração e Transmissão) obtained an interim injunction in its application for an order of mandamus before the Higher Appeal Court, against the decision of the Mining and Energy Ministry not to entertain the application for extension of the period of concession of the Jaguara hydroelectric plant. The interim remedy given by Reporting Justice Sérgio Kukina ensures that the Company will continue to operate Jaguara until final judgment in the action.

DIVIDENDS

Cemig's distribution of dividends is as follows: 50% of net net income is distributed to stockholders as the obligatory dividend, subject to the other provisions in its by-laws and the applicable legislation; the balance, after any retentions specified in a capital or investment budget specified by management, subject to the Long-term Strategic Plan and the investment policy specified in it and duly approved, is paid into a net income reserve, held for the purpose of distribution of extraordinary dividends, up to the limit specified by law.

Table of Contents

Independently of the obligatory dividend, every two years Cemig will use this net income reserve to distribute extraordinary dividends, up to the limit of cash available.

The Board of Directors may declare interim dividends, in the form of Interest on Equity, on account of retained earnings, or on account of net income reserves, or of net incomes reported in six-monthly or interim financial statements.

This table shows our distribution of dividends and Interest on Equity to stockholders over the last five years:

Date approved	Type	Amount per share, R\$
April 30, 2013	Dividend	1.43
December 20, 2012	Interest on Equity	1.99
December 20, 2012	Extraordinary Dividend	1.88
April 27, 2012	Dividend	1.90
December 09, 2011	Extraordinary Dividend	1.25
April 29, 2011	Dividend	1.75
December 16, 2010	Extraordinary Dividend	1.32
April 29, 2010	Dividend	1.50
April 29, 2009	Dividend	1.90
April 25, 2008	Dividend	1.78

Our dividend yield has been growing significantly in the last five years, providing an increasing rate of return each year to the stockholder.

Table of Contents

Light Highlights of 2Q 2013

- Net income increases by 46.2% in the quarter
- Total energy consumption in 2Q13 was 2.5% higher than in 2Q12, totaling 5,897 GWh;
- In the quarter, consolidated net revenue, excluding revenue from construction, came to R\$1,670.9 million, 2.6% up on 2Q12;
- Consolidated EBITDA amounted to R\$277.9 million in 2Q13, 8.9% up on 2Q12. Adjusted EBITDA, which includes regulatory assets and liabilities (CVA), came to R\$397.2 million in 2Q13, 20.1% up year-on-year;
- Net income totaled R\$58.2 million, 46.2% more than in 2Q12;
- Non-technical energy losses in the last 12 months closed the quarter at 44.2% of billed energy in the low-voltage market (ANEEL criterion), 120 bps down on December 2012.
- The Company closed 2Q13 with net debt of R\$4,056.1 million, in line with March 2013. The net debt/EBITDA ratio stood at 2.62x;
- On 08/08/2013, the Company's wholly-owned subsidiary LIGHT ENERGIA S.A. (Light Energia) approved the signature, on this date, of an investment agreement entered into with RR PARTICIPAÇÕES S.A. (RR), Cemig GT, RENOVA ENERGIA S.A. (Renova) and CHIPLEY SP PARTICIPAÇÕES S.A., whose objective is to regulate the entry of Cemig GT in Renova's controlling group, as well as to structure Chipley as a growth vehicle, with equity interest of Cemig GT and Renova, for which the Share Purchase Agreement of Brasil PCH S.A. (CCVA Brasil PCH), entered into between CEMIG GT and Petróleo Brasileiro S.A. - Petrobras, on June 14, 2013, will be granted.

Please see:

http://ri.light.com.br/enu/3608/Press_Release_2T13_caudit_limpa_MZT_eng_rev_2_.pdf

Table of Contents**Financial Statements Separated by Company****FINANCIAL STATEMENTS SEPARATED BY COMPANY JUNE 30, 2013**

ITEM	HOLDING	CEMIG - GT	CEMIG-D	CEMIG TELECOM	SÁ CARVALHO	ROSAL	OTHERS	ELIMINATIONS/TR ANSFERS	TOTAL
ASSETS	14,326,384	12,087,492	12,411,430	330,428	189,287	157,203	636,995	-10,061,277	30,077,942
Cash and cash equivalents	541,690	663,429	748,591	45,058	14,715	12,534	134,909	588	2,161,514
Securities	1,060,014	685,207	383,649	3,431	17,348	10,468	138,416		2,298,533
Accounts receivable		647,848	1,627,580		6,451	4,693	25,438	-21,767	2,290,243
Taxes	427,383	131,880	1,390,538	30,328	513	74	3,744		1,984,460
Other assets	776,745	281,882	1,526,615	28,200	4,027	387	33,899	-568,901	2,082,854
Investments / Fixed / Intangible / Financial Assets of Concession	11,520,552	9,677,246	6,734,457	223,411	146,233	129,047	300,589	-9,471,197	19,260,338
LIABILITIES	14,326,384	12,087,492	12,411,430	330,428	189,287	157,203	636,995	-10,061,277	30,077,942
Suppliers and supplies	14,573	166,504	871,777	10,328	316	439	8,057	-36,114	1,035,880
Loans, financings and debentures		4,099,276	5,246,942	36,090			80,875		9,463,183
Interest on Equity, and dividends	1,418,731	256,475	119,947		31,748	17,619	118,662	-544,451	1,418,731
Post-retirement liabilities	211,722	608,365	1,857,138						2,677,225
Taxes	20,933	416,537	910,941	9,535	39,708	1,050	23,327		1,422,031
Other liabilities	251,909	544,897	818,726	25,775	3,723	2,687	14,179	-9,520	1,652,376
Stockholders equity	12,408,516	5,995,438	2,585,959	248,700	113,792	135,408	391,895	-9,471,192	12,408,516
PROFIT AND LOSS ACCOUNT									
NET OPERATIONAL REVENUE	378,539	2,476,132	4,544,307	55,775	29,293	22,616	148,203	-154,331	7,500,534
Operational costs and expenses	-90,604	-1,384,803	-3,785,228	-40,851	-7,262	-7,186	-45,954	147,741	-5,214,147
Electricity bought for resale		-528,892	-1,821,928		-1,058	-625	-12,962	90,755	-2,274,710
Charges for the use of the national grid		-125,159	-171,988			-865	-2,455	46,375	-254,092
Personnel	-26,563	-175,061	-493,153	-5,997	-578	-673	-3,707		-705,732
Employee profit shares	-5,495	-27,482	-37,333	-676	-122	-51	-424		-71,583
Post-retirement liabilities	-5,523	-18,971	-59,420						-83,914
Materials	-67	-56,111	-23,024	-78	-94	-123	-185		-79,682
Outsourced services	-4,281	-64,602	-361,112	-9,829	-1,298	-1,592	-11,740	15,451	-439,003
Royalties for use of water resources		-59,863			-1,073	-843	-1,074		-62,853
Depreciation and amortization	-201	-144,538	-213,116	-15,304	-2,773	-2,180	-6,250	-2,763	-387,125

Edgar Filing: ENERGY CO OF MINAS GERAIS - Form 6-K

Operational provisions (reversals)	30,957	8,929	73,423	17	-7	7	-28		113,298
Infrastructure construction cost		-43,579	-421,826						-465,405
Other expenses, net	-17,517	-131,616	-108,905	-8,950	-273	-227	-7,185	-2,077	-276,750
Equity gain (loss) in subsidiaries	1,335,912	116,450		-8,753				-1,193,027	250,582
Net income not performed	-80,959								-80,959
Financial revenues	76,445	46,381	145,764	2,156	943	558	10,592		282,839
Financial expenses	-24,414	-256,951	-310,566	-2,119	-222	-37	-3,652		-597,961
Pretax profit	1,594,919	997,209	594,277	6,208	22,752	15,951	109,189	-1,199,617	2,140,888
Income tax and Social Contribution tax	86,319	338,616	158,187	3,732	8,263	908	-11,045		584,980
Deferred income tax and Social Contribution tax	26,015	-30,796	43,910	1,257	-541	20	33,458		73,323
NET INCOME FOR THE PERIOD	1,482,585	689,389	392,180	1,219	15,030	15,023	86,776	-1,199,617	1,482,585

Table of Contents**FINANCIAL STATEMENTS SEPARATED BY COMPANY JUNE 30, 2013 (Subsidiaries and jointly subsidiaries)**

ITEM	HOLDING	CEMIG - GT	CEMIG-D	LIGHT	TAESA	GASMIG	CEMIG TELECOM	SÁ CARVALHO	ROSAL	OTHERS	ELIMINATIO ANSFER
ASSETS	14,326,384	12,087,492	12,411,430	4,267,465	4,686,662	1,051,018	423,804	189,287	157,203	3,828,394	-14,9
Cash and cash equivalents	541,690	663,429	748,591	664,452	247,641	34,693	48,417	14,715	12,534	270,182	
Securities	1,060,014	685,207	383,649		74,752	33,972	15,186	17,348	10,468	160,634	
Accounts receivable		647,848	1,627,580	455,958	81,433	143,930		6,451	4,693	59,178	-2
Taxes	427,383	131,880	1,390,538	414,797	343,747	68,909	32,151	513	74	16,224	
Other assets	776,745	281,882	1,526,615	378,860	65,601	153,814	57,543	4,027	387	222,928	-69
Investments / Fixed / Intangible / Financial Assets of Concession	11,520,552	9,677,246	6,734,457	2,353,398	3,873,488	615,700	270,507	146,233	129,047	3,099,248	-14,2
LIABILITIES	14,326,384	12,087,492	12,411,430	4,267,465	4,686,662	1,051,018	423,804	189,287	157,203	3,828,394	-14,9
Suppliers and supplies	14,573	166,504	871,777	251,760	16,567	44,260	12,592	316	439	71,510	-4
Loans, financings and debentures		4,099,276	5,246,942	1,982,183	2,190,613	217,720	138,367			1,585,810	
Interest on Equity, and dividends	1,418,731	256,475	119,947	29,814	36,033	21,774		31,748	17,619	129,119	-6
Post-retirement liabilities	211,722	608,365	1,857,138	449,246			756				
Taxes	20,933	416,537	910,941	213,325	631,406	54,985	12,756	39,708	1,050	37,754	
Other liabilities	251,909	544,897	818,726	343,507	71,001	189,843	10,633	3,723	2,687	195,867	
Stockholders equity	12,408,516	5,995,438	2,585,959	997,630	1,741,042	522,436	248,700	113,792	135,408	1,808,334	-14,2
PROFIT AND LOSS ACCOUNT NET OPERATIONAL REVENUE	161	2,476,132	4,544,307	1,255,603	386,117	354,057	71,426	29,293	22,616	272,780	-20
Operational costs and expenses	287,773	-1,384,803	-3,785,229	-1,111,975	-81,733	-294,387	-61,153	-7,262	-7,186	-153,972	15
Electricity bought for resale		-467,097	-1,821,928	-753,458				-1,058	-625	-36,106	12
Charges for the use of the national grid		-125,159	-171,988						-865	-14,378	4
Gas bought for resale						-266,820					
Personnel	-26,563	-175,061	-493,153	-50,787	-19,405	-7,115	-21,263	-578	-673	-10,756	
Employee profit shares	-5495	-27,482	-37,333		-2314		-760	-122	-51	-856	
Post-retirement liabilities	-5523	-18,971	-59,420								
Materials	-67	-56,111	-23,024	-2,277	-4694	-331	-120	-94	-123	-464	
Outsourced services	-4281	-64,602	-361,112	-71307	-23967	-1611	-11477	-1298	-1592	-24,475	
		-59,863						-1,073	-843	-2,334	

Edgar Filing: ENERGY CO OF MINAS GERAIS - Form 6-K

Royalties for use of water resources											
Depreciation and amortization	-201	-144,538	-213,116	-62,408	-1,325	-11,029	-17,953	-2,773	-2,180	-26,733	
Operational provisions (reversals)	-30,957	-8,929	-73,423	-36,398	487		-17	7	-7	-944	
Infrastructure construction cost		-43,579	-421,826	-108,136	-24,923					-530	
Other expenses, net	360,860	-193,411	-108,906	-27,204	-5,592	-7,481	-9,563	-273	-227	-36,396	
Equity gain (loss) in subsidiaries	133,591	116,450		-615	15,973					-1,446	-1,446
Net income not performed	-8,058										
Financial revenues	76,445	46,381	145,764	49,988	49,962	12,716	3,159	943	558	14,151	
Financial expenses	-24,414	-256,952	-310,565	-125,865	-132,438	-10,327	-7,224	-222	-37	-36,574	
Pretax profit	159,491	997,208	594,277	67,136	237,881	62,059	6,208	22,752	15,951	94,939	-1,500
Income tax and Social											
Contribution tax	-133,281	-348,378	-158,187	-24,690	-49,888	-21,225	-3,732	-8,263	-908	-27,125	
Deferred income tax and Social											
Contribution tax	20,947	40,560	-43,910	2016	50,335		-1,257	541	-20	-1,149	
NET INCOME FOR THE PERIOD	148,258	689,390	392,180	44,462	238,328	40,834	1,219	15,030	15,023	66,665	-1,500

Table of Contents

Information by Operational Segment

INFORMAÇÕES POR SEGMENTO EM 30 DE JUNHO DE 2013

DESCRIÇÃO	GERAÇÃO	TRANSMISSÃO	DISTRIBUIÇÃO	LECOMUNICAÇÃO	GÁS	OUTRAS	ELIMINAÇÕES	TOTAL
ASSETS	9,414,330	3,555,932	12,411,430	330,427		14,427,100	-10,061,277	30,077,942
INVESTMENTS	1,963,861	2,202,419		4,397	547,48	10,467,150	-9,479,485	5,705,822
NET OPERATIONAL REVENUE	2,516,681	106,987	4,544,307	55,775		47,165	-154,331	7,116,584
COST OF ELECTRICITY SERVICE								
COST OF ELECTRICITY AND GAS								
Electricity bought for resale	-543,527		-1,821,928			-10	90,755	-2,274,710
Charges for the use of the national grid	-128,338	-141	-171,988				46,375	-254,092
Total operational costs, Electricity and Gas	-671,865	-141	-1,993,916			-10	137,13	-2,528,802
OPERATIONAL COSTS AND EXPENSES								
Personnel and managers	-118,307	-58,005	-493,153	-5,997		-30,27		-705,732
Employees and managers profit shares	-18,641	-9,014	-37,333	-676		-5,919		-71,583
Post-retirement obligations	-12,749	-6,222	-59,42			-5,523		-83,914
Materials	-2,782	-1,918	-23,024	-78		-163		-27,965
Raw Material	-51,717							-51,717
Outsourced services	-63,37	-13,935	-361,112	-9,829		-6,208	15,451	-439,003
Depreciation and amortization	-155,727		-213,116	-15,304		-215	-2,763	-387,125
Royalties for use of water resources	-62,853							-62,853
Operational provisions	-5,972	-2,929	-73,423	-17		-30,957		-113,298
Construction cost		-43,579	-421,826					-465,405
Other	-29,521	-9,149	-108,905	-8,95		-18,496	-2,077	-177,098
Total cost of operation	-521,639	-144,751	-1,791,312	-40,851		-97,751	10,611	-2,585,693
TOTAL COST	-1,193,504	-144,892	-3,785,228	-40,851		-97,761	147,741	-5,114,495

Operational profit before Equity gains (losses) and Financial revenue (expenses)	1,323,177	-37,905	759,079	14,924		-50,596	-6,59	2,002,089
Equity gain (loss) in subsidiaries	-1,024	117,474		-8,753	39,403	1,296,509	-1,193,027	250,582
Gain on sale of Investments		284,298						284,298
Net income not performed						-80,959		-80,959
Financial revenue	43,815	12,113	145,764	2,156		78,991		282,839
Financial expenses	-142,557	-118,158	-310,566	-2,119		-24,561		-597,961
PRETAX PROFIT	1,223,411	257,822	594,277	6,208	39,403	1,219,384	-1,199,617	2,140,888
Income tax and Social Contribution tax	-456,139	91,426	-124,683	-3,732		-91,852		-584,98
Deferred income tax and Social Contribution tax	39,602	-8,315	-77,414	-1,257		-25,939		-73,323
NET INCOME FOR THE PERIOD	806,874	340,933	392,18	1,219	39,403	1,101,593	-1,199,617	1,482,585

Table of Contents**Transmission: Permitted Annual Revenue RAP****Values of RAP (Permitted Annual Revenue)****Specified by Aneel Homologating Resolution NQ 1313***

Company	RAP	Cemig % inte	In Cemig Consolid	Cemig GT
ETEO	138,821,046	100.00%	58,832,359	
ETAU	34,233,842	52.58%	7,628,465	
NOVATRANS	410,285,116	100.00%	173,878,832	
TSN	385,688,466	100.00%	163,454,772	
GTESA	7,020,998	100.00%	2,975,499	
PATESA	16,862,257	100.00%	7,146,225	
Munirah	28,801,740	100.00%	12,206,178	
Brasnorte	19,815,772	38.67%	3,247,477	
Abengoa				
NTE	120,846,985	100.00%	51,214,952	
STE	64,484,461	100.00%	27,328,514	
ATEI	117,617,545	100.00%	49,846,316	
ATEII	179,036,270	100.00%	75,875,571	
ATEIII	88,907,345	100.00%	37,678,933	
TBE				
EATE	339,625,778	49.98%	71,937,916	
STC	32,009,160	39.99%	5,424,836	
Lumitrans	21,013,276	39.99%	3,561,280	
ENTE	177,715,565	49.99%	37,650,397	
ERTE	39,891,971	49.99%	8,451,418	
ETEP	77,375,558	49.98%	16,389,322	
ECTE	75,000,117	19.09%	6,067,766	
EBTE	36,697,741	74.49%	11,585,059	
ESDE ***	5,396,285	49.97%	1,142,787	
ESTE ***	15,784,209	19.09%	1,276,996	
Cemig GT	167,520,066	100.00%	167,520,066	167,520,066
Cemig Itajuba	32,373,715	100.00%	32,373,715	32,373,715
Centroeste	13,735,420	51.00%	7,005,064	
Transirapé	17,809,759	24.50%	4,363,391	
Transleste	32,211,700	25.00%	8,052,925	
Transudeste	19,965,117	24.00%	4,791,628	
Light	7,058,788	32.47%	2,291,988	
Transchile**		49.00%		
RAP: CEMIG TOTALS			1,061,200,649	199,893,782

* Permitted Annual Revenue in effect from July 1, 2012 to June 30, 2013.

Transmission revenue of Chile-based **Transchile is set in US\$, and adjusted annually by Chilean government Decree 163

*** Pre-Operational

Table of Contents

Plants

Plant	Type	Company	Cemig s Interest	Installed Capacit (MW)	Assured Energy (average MW)	Installed Capacit (MW)*	Assured Energy (average MW)*	Year Concession or Authorization Expires
Aimorés	Hydroelectric	Cemig GT	49%	330.00	172.00	161.70	84.28	20/12/2035
Camargos	Hydroelectric	Cemig GT	100%	46.00	21.00	46.00	21.00	08/07/2015
Emborcação	Hydroelectric	Cemig GT	100%	1,192.00	497.00	1,192.00	497.00	23/07/2025
Funil	Hydroelectric	Cemig GT	49%	180.00	89.00	88.20	43.61	20/12/2035
Igarapava	Hydroelectric	Cemig GT	15%	210.00	136.00	30.45	19.72	30/12/2028
Itutinga	Hydroelectric	Cemig GT	100%	52.00	28.00	52.00	28.00	08/07/2015
Irapé	Hydroelectric	Cemig GT	100%	360.00	206.30	360.00	206.30	28/02/2035
Jaguara	Hydroelectric	Cemig GT	100%	424.00	336.00	424.00	336.00	28/08/2013
Miranda	Hydroelectric	Cemig GT	100%	408.00	202.00	408.00	202.00	23/12/2016
Nova Ponte	Hydroelectric	Cemig GT	100%	510.00	276.00	510.00	276.00	23/07/2025
Porto Estrela	Hydroelectric	Cemig GT	33%	112.00	55.80	37.33	18.60	10/07/2032
Queimado	Hydroelectric	Cemig GT	83%	105.00	58.00	86.63	47.85	02/01/2033
Salto Grande	Hydroelectric	Cemig GT	100%	102.00	75.00	102.00	75.00	08/07/2015
São Simão	Hydroelectric	Cemig GT	100%	1,710.00	1,281.00	1,710.00	1,281.00	11/01/2015
Três Marias	Hydroelectric	Cemig GT	100%	396.00	239.00	396.00	239.00	08/07/2015
Volta Grande	Hydroelectric	Cemig GT	100%	380.00	229.00	380.00	229.00	23/02/2017
Anil	PCH	Cemig GT	100%	2.08	1.16	2.08	1.16	08/07/2015
Bom Jesus do Galho	PCH	Cemig GT	100%	0.36	0.13	0.36	0.13	
Cajuru	PCH	Cemig GT	100%	7.20	3.48	7.20	3.48	08/07/2015
Gafanhoto	PCH	Cemig GT	100%	14.00	6.68	14.00	6.68	08/07/2015
Jacutinga	PCH	Cemig GT	100%	0.72	0.47	0.72	0.47	
Joasal	PCH	Cemig GT	100%	8.40	5.20	8.40	5.20	08/07/2015
Lages	PCH	Cemig GT	100%	0.68	0.54	0.68	0.54	24/06/2010
Luiz Dias	PCH	Cemig GT	100%	1.62	0.94	1.62	0.94	19/08/2025
Marmelos	PCH	Cemig GT	100%	4.00	2.88	4.00	2.88	08/07/2015
Martins	PCH	Cemig GT	100%	7.70	2.52	7.70	2.52	08/07/2015
Paciência	PCH	Cemig GT	100%	4.08	2.36	4.08	2.36	08/07/2015
Pandeiros	PCH	Cemig GT	100%	4.20	1.87	4.20	1.87	22/09/2021
Paraúna	PCH	Cemig GT	100%	4.28	1.90	4.28	1.90	
Peti	PCH	Cemig GT	100%	9.40	6.18	9.40	6.18	08/07/2015
Pissarrão	PCH	Cemig GT	100%	0.80	0.55	0.80	0.55	19/11/2004
Piau	PCH	Cemig GT	100%	18.01	13.53	18.01	13.53	08/07/2015
Poço Fundo	PCH	Cemig GT	100%	9.16	5.79	9.16	5.79	19/08/2025
Poquim	PCH	Cemig GT	100%	1.41	0.58	1.41	0.58	08/07/2015
Rio de Pedra	PCH	Cemig GT	100%	9.28	2.15	9.28	2.15	19/09/2024
Salto Morais	PCH	Cemig GT	100%	2.39	0.74	2.39	0.74	01/07/2020
Santa Marta	PCH	Cemig GT	100%	1.00	0.58	1.00	0.58	08/07/2015
São Bernardo	PCH	Cemig GT	100%	6.82	3.42	6.82	3.42	19/08/2025
Sumidouro	PCH	Cemig GT	100%	2.12	0.93	2.12	0.93	08/07/2015
Tronqueiras	PCH	Cemig GT	100%	8.50	4.14	8.50	4.14	08/07/2015
Xicão	PCH	Cemig GT	100%	1.81	0.61	1.81	0.61	19/08/2025
Igarapé	Thermal plant	Cemig GT	100%	131.00	71.30	131.00	71.30	13/08/2024
Baguari	Hydroelectric	Cemig GT affiliate	34%	140.00	80.20	47.60	27.27	15/08/2041
Santo Antônio	Hydroelectric	Cemig GT affiliate	10%	487.13	498.40	48.71	49.84	12/06/2046
Praias de Parajuru	Wind Farm	Cemig GT affiliate	49%	28.80	8.39	14.11	4.11	24/09/2032
Praia de Morgado	Wind Farm	Cemig GT affiliate	49%	28.80	13.20	14.11	6.47	26/12/2031
Volta do Rio	Wind Farm	Cemig GT affiliate	49%	42.00	18.41	20.58	9.02	26/12/2031
Cachoeirão	PCH	Cemig GT	49%	27.00	16.37	13.23	8.02	25/07/2030

Edgar Filing: ENERGY CO OF MINAS GERAIS - Form 6-K

		Cemig GT affiliate						
Paracambi	PCH	Cemig GT affiliate	49%	25.00	19.53	12.25	9.57	
Pipoca	PCH	Cemig GT affiliate	49%	20.00	11.90	9.80	5.83	10/09/2031
Santa Luzia	PCH	Cemig GT affiliate	100%	0.70	0.23	0.70	0.23	25/02/2026
Capim Branco I	Hydroelectric	Cemig Holding	21%	240.00	155.00	50.53	32.63	29/08/2036
Capim Branco II	Hydroelectric	Cemig Holding	21%	210.00	131.00	44.21	27.58	29/08/2036
Rosal	Hydroelectric	Cemig Holding	100%	55.00	30.00	55.00	30.00	08/05/2032
Sá Carvalho	Hydroelectric	Cemig Holding	100%	78.00	58.00	78.00	58.00	01/12/2024
Ipatinga	Hydroelectric	Cemig Holding	100%	40.00	40.00	40.00	40.00	13/12/2014
Barreiro	Hydroelectric	Cemig Holding	100%	12.90	11.37	12.90	11.37	30/04/2023
Machado Mineiro	PCH	Cemig Holding	100%	1.72	1.14	1.72	1.14	08/07/2025
Pai Joaquim	PCH	Cemig Holding	100%	23.00	2.41	23.00	2.41	01/04/2032
Salto do Paraopeba	PCH	Cemig Holding	100%	2.46		2.46		04/10/2030
Salto do Passo Velho	PCH	Cemig Holding	100%	1.80	1.48	1.80	1.48	04/10/2030
Salto Voltão	PCH	Cemig Holding	100%	8.20	6.63	8.20	6.63	04/10/2030

* The installed capacity and the assured energy are already on cemig's share

Table of Contents**Appendices****Tables: Cemig D (R\$ 000)**

Quarter	CEMIG D Market (GWh)			
	Captive Consumers	TUSD ENERGY1	T.E.D2	GW TUSD PICK3
1Q11	5,613	4,385	9,998	23
2Q11	5,710	4,914	10,624	24
3Q11	5,841	5,047	10,888	25
4Q11	5,938	4,927	10,865	25
1Q12	6,034	4,797	10,831	25
2Q12	5,969	5,127	11,096	26
3Q12	6,166	5,274	11,441	24
4Q12	6,093	5,149	11,242	26
1°Q13	6,170	4,586	10,756	28
2°Q13	6,374	4,867	11,241	28

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	2Q13	2Q12	Change%	2Q13	2Q12	Change%
Sales to end consumers	2,435	2,680	(9)	4,823	5,261	(8)
TUSD	230	467	(51)	592	925	(36)
Energy Transactions in the CCEE	67			184		
Construction revenue	235	341	(31)	422	542	(22)
Subtotal	2,967	3,488	(15)	6,021	6,728	(11)
Others	185	71	159	328	153	114
Subtotal	3,152	3,560	(11)	6,349	6,881	(8)
Deductions	(866)	(1,203)	(28)	(1,805)	(2,410)	(25)
Net Revenues	2,286	2,357	(3)	4,544	4,472	2

Operating Expenses	2Q13	2Q12	Change%	2Q13	2Q12	Change%
Purchased Energy	1,039	991	5	1,822	1,781	2
Personnel/Administrators/Councillors	182	180	1	493	385	28
Depreciation and Amortization	106	90	17	213	176	21
Charges for Use of Basic Transmission Network	85	193	(56)	172	392	(56)
Contracted Services	203	162	25	361	325	11
Forluz Post-Retirement Employee Benefits	30	23	27	59	47	27
Materials	12	12	6	23	22	5
Operating Provisions	52	(4)		73	54	35

Edgar Filing: ENERGY CO OF MINAS GERAIS - Form 6-K

Cost from Operation	235	341	(31)	422	542	(22)
Other Expenses	56	44	29	109	94	16
Employee Participation		42		37	79	(53)
Total	2,001	2,075	(4)	3,785	3,898	(3)

Statement of Results	2Q13	2Q12	Change%	2Q13	2Q12	Change%
Net Revenue	2,286	2,357	(3)	4,544	4,472	2
Operating Expenses	2,001	2,075	(4)	3,785	3,898	(3)
EBIT	285	282	1	759	574	32
EBITDA	390	371	5	972	750	30
Financial Result	(81)	(86)	(7)	(165)	(144)	14
Income Tax	(67)	(66)		(202)	(147)	37
Net Income	138	129	7	392	282	39

Table of Contents**Tables: Cemig GT (R\$ 000)**

Operating Revenues	2Q13	2Q12	Change%	2Q13	2Q12	Change%
Sales to end consumers	624	697	(11)	1,214	1,340	(9)
Supply	625	487	28	1,537	979	57
Revenues from Trans. Network + Transactions in the CCEE	117	199	(41)	232	401	(42)
Construction revenue	26	19	37	44	43	2
Others	6	4	53	11	11	(7)
Subtotal	1,398	1,406	(1)	3,036	2,775	9
Deductions	(308)	(308)		(560)	(614)	
Net Revenues	1,090	1,098	(1)	2,476	2,161	15

Operating Expenses	2Q13	2Q12	Change%	2Q13	2Q12	Change%
Personnel/Administrators/Councillors	66	69	(4)	175	143	22
Employee Participation	14	15	(4)	27	28	
Forluz Post-Retirement Employee Benefits	9	7	27	19	15	27
Materials	2	4	(44)	4	6	(32)
Raw Materials and Supplies Energy Production	9			52		
Contracted Services	40	34	18	65	60	7
Depreciation and Amortization	71	84	(16)	145	168	(14)
Royalties	27	44		60	91	
Operating Reserves	4	4	(18)	9	8	10
Charges for Use of Basic Transmission Network	62	67	(7)	125	133	(6)
Purchased Energy	299	126	137	529	238	122
Construction Cost	26	19	37	44	43	2
Losses on disposal of EBTE	94			94		
Other Expenses	20	22	(11)	38	38	
Total	744	496	50	1,385	971	43

Statement of Results	2Q13	2Q12	Change%	2Q13	2Q12	Change%
Net Revenue	1,090	1,098	(1)	2,476	2,161	15
Operating Expenses	744	496	50	1,385	971	43
EBIT	346	602	(43)	1,091	1,190	(8)
Equity equivalence results	38	31	21	116	75	56
EBITDA	455	718	(37)	1,352	1,432	(6)
Financial Result	(97)	(102)	(5)	(211)	(219)	(4)
Provision for Income Taxes, Social Cont & Deferred Income Tax	(94)	(166)	(43)	(308)	(325)	(5)
Net Income	192	365	(47)	689	721	(4)

Table of Contents**Tables: Cemig, Consolidated (R\$ million)**

Energy Sales (Consolidated)	2Q13	2Q12	Change%	2Q13	2Q12	Change%
Residential	2,383	2,198	8	4,696	4,384	7
Industrial	5,684	6,344	(10)	11,184	12,360	(10)
Commercial	1,503	1,415	6	3,032	2,850	6
Rural	702	702	0	1,335	1,265	6
Others	843	809	4	1,666	1,603	4
Subtotal	11,116	11,467	(3)	21,912	22,461	(2)
Own Consumption	9	8	4	17	17	1
Supply to other Dealers	3,776	3,093	22	7,660	6,399	20
TOTAL	14,901	14,569	2	29,589	28,878	2

Energy Sales	2Q13	2Q12	Δ %	2Q13	2Q12	Δ %
Residential	1.132	1.216	(7)	2.281	2.398	(5)
Industrial	979	1.093	(10)	1.913	2.124	(10)
Commercial	584	629	(7)	1.181	1.249	(5)
Rural	171	192	(11)	344	354	(3)
Others	239	265	(10)	478	514	(7)
Electricity sold to final consumers	3.106	3.395	(9)	6.197	6.640	(7)
Unbilled Supply, Net	(24)	6		(116)		
Supply	452	393	15	920	780	18
TOTAL	3.533	3.795	(7)	7.001	7.420	(6)

Sales per Company**Cemig Distribution**

2Q13 Sales	GWh
Industrial	1,018
Residencial	2,383
Rural	702
Commercial	1,418
Others	843
Total	6,366

Cemig GT

2Q13 Sales	GWh
Free Consumers	4,513
Wholesale supply	3,863
Wholesale supply others	3,026
Wholesale supply Cemig Group	149
Wholesale supply bilateral contracts	688
Total	8,376

Independent Generation

Edgar Filing: ENERGY CO OF MINAS GERAIS - Form 6-K

2Q13 Sales	GWh
Horizontes	21
Ipatinga	61
Sá Carvalho	128
Barreiro	15
Cemig PCH	33
Rosal	66
Capim Branco	167

Subsidiaries

2Q13 Sales	GWh
Free Consumers	238
Wholesale sales	192
Free contracts (Trader/Generator)	0
Bilateral contracts (Distributor)	62
Bilateral contracts (Cemig D)	130
TOTAL	430

Operating Revenues	2Q13	2Q12	Change%	2Q13	2Q12	Change%
Sales to end consumers	3,106	3,228	(4)	6,197	6,640	(7)
TUSD	220	458	(52)	572	904	(37)
Supply + Transactions in the CCEE	689	673	2	1,644	1,004	64
Revenues from Trans. Network	116	160	(28)	205	330	(38)
Construction revenue	261	360	(28)	465	585	(20)
Others	247	117	111	446	261	71
Subtotal	4,639	4,997	(7)	9,530	9,724	(2)
Deductions	(1,200)	(1,534)	(22)	(2,413)	(3,069)	(21)
Net Revenues	3,439	3,463	(1)	7,117	6,655	(7)

Edgar Filing: ENERGY CO OF MINAS GERAIS - Form 6-K

Table of Contents

Operating Expenses	2Q13	2Q12	Change%	2Q13	2Q12	Change%
Personnel/Administrators/Councillors	263	266	(1)	706	563	25
Employee Participation	16	61	(75)	72	116	(38)
Forluz Post-Retirement Employee Benefits	42	33	25	84	67	25
Materials	24	16	45	80	29	171
Contracted Services	249	199	25	439	402	9
Purchased Energy	1,302	1,078	21	2,275	1,937	17
Depreciation and Amortization	184	174	6	387	371	4
Royalties	29	46	(37)	63	95	(34)
Operating Provisions	71	(24)		113	46	
Charges for Use of Basic Transmission Network	128	218	(41)	254	435	(42)
Cost from Operation	261	360	(28)	465	585	(20)
Other Expenses	90	82	10	177	163	9
TOTAL	2,658	2,511	6	5,114	4,810	6

Financial Result Breakdown	2Q13	2Q12	Change%	2Q13	2Q12	Change%
Financial revenues	144	143	1	283	297	(5)
Revenue from cash investments	71	52	35	105	99	7
Arrears penalty payments on electricity bills	50	38	30	88	71	24
Gains on financial instruments	1	13	(91)	1	19	(95)
Updating to present value	2	3	(20)	1	3	(68)
Exchange rate	4	7	(47)	7	19	(65)
Monetary updating of CRC		35		44	78	
Other	17	(5)	(410)	38	8	393
Financial expenses	(296)	(325)	(9)	(598)	(638)	(6)
Costs of loans and financings	(159)	(198)	(20)	(335)	(415)	(19)
Exchange rate	(10)	(20)	(51)	(11)	(26)	(58)
Monetary updating loans and financings	(58)	(44)	32	(124)	(75)	65
Monetary updating paid concessions	(4)	(11)	(63)	(8)	(13)	(38)
Charges and monetary updating on Post-employment obligations	(23)	(22)	5	(54)	(47)	13
Other	(41)	(29)	43	(66)	(61)	8
Financial revenue (expenses)	(152)	(182)	(17)	(315)	(341)	(8)

Statement of Results	2Q12	2Q12	Change%	2Q12	2Q12	Change%
Net Revenue	3,439	3,463	(1)	7,117	6,655	7
Operating Expenses	2,658	2,511	6	5,114	4,810	6
EBIT	781	952	(18)	2,002	1,846	8
Results of Equity Income	84	88	(4)	251	238	5
Unrealized profits on gain on sale of investments	(81)			(81)		
Gain on sale of Investments	284			284		
EBITDA	1,252	1,214	3	2,843	2,455	16
Financial Result	(152)	(182)	(17)	(315)	(341)	(8)
Provision for Income Taxes, Social Cont & Deferred Income Tax	(299)	(254)	18	(658)	(507)	30
Net Income	617	604	2	1,483	1,236	20

Cash Flow Statement	1H13	1H12	Change%
Cash at beginning of period	1,919	2,103	(9)
Cash generated by operations	1,940	1,222	59
Net income	1,483	1,236	20

Edgar Filing: ENERGY CO OF MINAS GERAIS - Form 6-K

Depreciation and amortization	387	371	4
Aquisition of jointly-controlled subsidiary, net of cash acquired	(284)		
Passthrough from CDE	(251)	(238)	5
Equity gain (loss) in subsidiaries	605	(147)	
Other adjustments	(3,478)	(941)	270
Loans, financings and debentures	2,443	2,591	(6)
Payments of loans and financings	(3,232)	(2,884)	12
Interest on Equity, and dividends	(2,688)	(648)	315
Payments of loans and financings	1,249	(1,286)	
Redemption of the CRC account	2,466		
Investments	1,352	(118)	
Fixed and Intangible assets	(2,568)	(1,169)	120
Cash at end of period	1,630	1,098	48

Table of Contents

BALANCE SHEETS (CONSOLIDATED) - ASSETS	2Q13	2Q12
CURRENT	7,490	8,804
Cash and cash equivalents	1,630	1,919
Securities	2,656	657
Consumers and traders	1,742	1,858
Concession holders Transport of electricity	251	347
Financial assets of the concession	2	288
Tax offsetable	173	217
Income tax and Social Contribution tax recoverable	176	229
Traders Transactions in Free Energy	43	21
Dividends receivable	95	113
Linked funds	102	132
Inventories	40	41
Provision for gains on financial instruments		20
Accounts receivable from Minas Gerais state government		2,422
Transfer of Resource Energy Development Account - CDE	103	
Other credits	477	538
NON-CURRENT	22,587	23,766
Securities	174	99
Deferred income tax and Social Contribution tax	1,201	1,304
Tax offsetable	383	392
Income tax and Social Contribution tax recoverable	51	28
Escrow deposits in legal actions	1,190	1,301
Consumers and traders	255	221
Concession holders Transport of electricity		10
Other credits	76	98
Financial assets of the concession	5,701	5,475
Investments	5,706	6,855
PP&E	5,950	6,109
Intangible assets	1,901	1,874
TOTAL ASSETS	30,078	32,570

Table of Contents

BALANCE SHEETS		
LIABILITIES AND SHAREHOLDERS EQUITY	2Q13	2012
CURRENT	6,231	12,798
Suppliers	1,030	1,306
Regulatory charges	214	317
Profit shares	84	84
Taxes	413	515
Income tax and Social Contribution tax	24	32
Interest on Equity, and dividends, payable	1,419	3,479
Loans and financings	1,431	4,902
Debentures	991	1,565
Payroll and related charges	212	227
Post-retirement liabilities	55	51
Concessions payable	20	16
Other obligations	337	305
NON-CURRENT	11,438	8,222
Suppliers	6	4
Regulatory charges	198	169
Loans and financings	2,284	1,609
Debentures	4,757	2,341
Taxes	709	686
Income tax and Social Contribution tax	276	307
Provisions	302	275
Concessions payable	182	171
Post-retirement liabilities	2,623	2,575
Other obligations	101	84
STOCKHOLDERS EQUITY	12,409	11,550
Share capital	4,813	4,265
Capital reserves	3,406	3,954
Profit reserves	2,228	2,856
Adjustments to Stockholders equity	418	475
Retained earnings	1,544	
TOTAL LIABILITIES	30,078	32,570

Table of Contents

8. Summary of the Minutes of the 573rd Meeting of the Board of Directors held on August 8, 2013

Table of Contents

COMPANHIA ENERGÉTICA DE MINAS GERAIS CEMIG

LISTED COMPANY CNPJ 17.155.730/0001-64 NIRE 31300040127

BOARD OF DIRECTORS

SUMMARY OF MINUTES OF THE 573RD MEETING

Date, time and place: August 8, 2013 at 8.30 a.m., at the company's head office
Av. Barbacena 1200, 21st Floor, Belo Horizonte, Minas Gerais, Brazil

Meeting Committee: Chair: Dorothea Fonseca Furquim Werneck;
Secretary: Alexandre de Queiroz Rodrigues.

Summary of proceedings:

I **Conflict of interest:** The Chair asked the Board Members present whether any of them had conflict of interest in relation to the matters on the agenda of this meeting, and all stated there was no such conflict of interest, except the Board Members:

Eduardo Borges de Andrade, Paulo Roberto Reckziegel Guedes,
Bruno Magalhães Menicucci, José Augusto Gomes Campos and Tarcísio Augusto Carneiro,

who declared themselves conflicted in relation to the agenda, leaving the meeting room during discussion and decision, and returning after the votes had been taken.

II **The Board authorized,** in the terms of BNDES Board Decision BNDES DIR 1307/2012, of December 4, 2012, and of BNDES AIE/DEENE Letter 269/2013 of July 31, 2013, signature of the legal instruments referred to in CRCA (Board Spending Decision) 014/2013, in the versions consolidated by the BNDES on July 31, 2013.

III **The following were present:**

Edgar Filing: ENERGY CO OF MINAS GERAIS - Form 6-K

Board members: Dorothea Fonseca Furquim Werneck, Djalma Bastos de Moraes, Arcângelo Eustáquio Torres Queiroz, Eduardo Borges de Andrade, Guy Maria Villela Paschoal, João Camilo Penna, Joaquim Francisco de Castro Neto, Paulo Roberto Reckziegel Guedes, Tadeu Barreto Guimarães, Wando Pereira Borges, Alexandre de Queiroz Rodrigues.

Bruno Magalhães Menicucci, José Augusto Gomes Campos, Luiz Augusto de Barros, Adriano Magalhães Chaves, Christiano Miguel Moysés, Franklin Moreira Gonçalves, Lauro Sérgio Vasconcelos David, Marco Antonio Rodrigues da Cunha, Paulo Sérgio Machado Ribeiro, Tarcísio Augusto Carneiro;

Secretary:

Alexandre de Queiroz Rodrigues

Av. Barbacena 1200 Santo Agostinho 30190-131 Belo Horizonte, MG Brazil Tel.: +55 31 3506-5024 Fax +55 31 3506-5025

This text is a translation, provided for information only. The original text in Portuguese is the legally valid version.

Table of Contents

9. Summary of Principal Decisions of the 575th Meeting of the Board of Directors held on August 20, 2013

Table of Contents

COMPANHIA ENERGÉTICA DE MINAS GERAIS CEMIG

LISTED COMPANY CNPJ 17.155.730/0001-64 NIRE 31300040127

BOARD OF DIRECTORS

Meeting of August 20, 2013

SUMMARY OF PRINCIPAL DECISIONS

The Board of Directors of **Cemig** (Companhia Energética de Minas Gerais), at its 575th meeting, held on August 20, 2013, decided the following:

1. Contracting of group life insurance.
2. Signature of a term of assignment, and amendments, in relation to the Consortium for Exploration Block SF-T-120.
3. Signature of a term of assignment, and amendments, in relation to the Consortium for Exploration Block SF-T-127.
4. Signature of a term of assignment to an investment agreement, with Gaspetro and GBD.
5. Constitution of a consortium by Cemig GT, and participation in an Aneel Auction.

Edgar Filing: ENERGY CO OF MINAS GERAIS - Form 6-K

6. Orientation of vote by the representatives of the Company in a meeting of the Board of Directors of Light S.A.

Av. Barbacena 1200 Santo Agostinho 30190-131 Belo Horizonte, MG Brazil Tel.: +55 31 3506-5024 Fax +55 31 3506-5025

This text is a translation, provided for information only. The original text in Portuguese is the legally valid version.

Table of Contents

10. Convocation and Proposal for Extraordinary General Shareholders Meeting dated August 8, 2013

Table of Contents

COMPANHIA ENERGÉTICA DE MINAS GERAIS CEMIG

LISTED COMPANY CNPJ 17.155.730/0001-64 NIRE 31300040127

EXTRAORDINARY GENERAL MEETING OF STOCKHOLDERS

CONVOCATION

Stockholders are hereby called to an Extraordinary General Meeting of Stockholders to be held on **September 10, 2013** at 11 a.m. at the company's head office, Av. Barbacena 1200, 21st floor, Belo Horizonte, Minas Gerais, Brazil, to decide on orientation of vote by the Company's representative at the Extraordinary General Meeting of Stockholders of **Cemig Geração e Transmissão S.A (Cemig GT)** on the following matters.

- a) **Ratification of appointment** of the expert accountants who, in accordance with and for the purposes of Article 8 of Law 6404/1976, have prepared the Investment Valuation Opinion which valued Transmissora Aliança de Energia Elétrica S.A. as recorded in the accounts of Cemig GT;
- b) **Approval** of the said Valuation Opinion.
- c) **Reduction of the share capital of Cemig GT**

from R\$ 3,296,785,358.90 (three billion two hundred ninety six million seven hundred eighty five thousand three hundred fifty eight Reais and ninety centavos)

to R\$ 963,371,711.80 (nine hundred sixty three million three hundred seventy one thousand seven hundred eleven Reais and eighty centavos),

with consequent alteration of the head paragraph of Article 5 of the by-laws of Cemig GT.

Edgar Filing: ENERGY CO OF MINAS GERAIS - Form 6-K

Any stockholder who wishes to be represented by proxy at the said General Meeting of Stockholders should obey the terms of Article 126 of Law 6406 of 1976, as amended, and of the sole paragraph of Clause 9 of the Company's by-laws, by exhibiting at the time, or depositing, preferably by September 6, 2013, proofs of ownership of the shares, issued by a depository financial institution, and a power of attorney with specific powers, at Cemig's Corporate Executive Office (*Superintendência da Secretaria Geral*) at Av. Barbacena, 1200, 19th Floor, B1 Wing, Belo Horizonte, Minas Gerais.

Belo Horizonte, August 8, 2013.

Dorothea Fonseca Furquim Werneck

Chair of the Board of Directors

Av. Barbacena 1200 Santo Agostinho 30190-131 Belo Horizonte, MG Brazil Tel.: +55 31 3506-5024 Fax +55 31 3506-5025

This text is a translation, provided for information only. The original text in Portuguese is the legally valid version.

Table of Contents

PROPOSAL

BY THE

BOARD OF DIRECTORS

TO THE

EXTRAORDINARY GENERAL MEETING OF STOCKHOLDERS

TO BE HELD ON SEPTEMBER 10, 2013.

Dear Stockholders:

The Board of Directors of Companhia Energética de Minas Gerais (Cemig),

WHEREAS:

a) the Company signed, as guarantor of all the obligations, the Share Purchase Agreement with Terna S.p.A., governing the acquisition by **Cemig GT** of 173,527,113 shares in Terna Participações S.A. Terna, equivalent to 85.27% of the voting capital and 65.86% of the total share capital of that Company;

b) the Brazilian Electricity Regulator (*Agência Nacional de Energia Elétrica*, or **Aneel**), by its Authorizing Resolution 2107/2009, ruled that the stockholding of Cemig GT in Terna Participações S.A. should be transferred to Companhia Energética de Minas Gerais **Cemig** by December 31, 2012, the application for prior consent for which transfer was filed with Aneel on June 27, 2012;

c) Cemig GT signed, with Fundo de Investimento em Participações Coliseu (FIP Coliseu),

1 - a Stockholders Agreement, the objective of which was to regulate the exercise of voting rights, the manner of administration and the investment and capitalization policy of Terna and its subsidiaries and affiliated companies, and the rules for placing charge upon and transfer of the shares, and the right of preference in subscription of shares; and

2 - the Commitment Undertaking which, among other commitments, establishes the terms and conditions for the exercise by FIP Coliseu of the option to sell all or part of the shares in Terna to Cemig GT on October 30, 2014;

d) on November 3, 2009 the transaction for acquisition of Terna was completed, and the name of Terna was changed to Transmissora Aliança de Energia Elétrica S.A. **Taesa**;

e) on June 27, 2012, Cemig filed with Aneel a request for prior consent to the transfer of the stockholding interest in Taesa owned by Cemig GT to **Cemig**, through reduction of the share capital of Cemig GT;

f) Aneel issued Authorizing Resolution 4108/2013, of May 14, 2013, published on May 29, 2013, consenting to the transfer to Cemig of the holdings in Taesa owned by Cemig GT, with reduction of the share capital of Cemig GT, within 120 (one hundred and twenty) calendar days from publication of that resolution;

g) Cemig GT owns the following equity interest in the share capital of Taesa:

293,072,229 (two hundred ninety three million seventy two thousand two hundred twenty nine), common shares, representing 43.36% (forty three point three six per cent) of the common shares;

and

155,050,644 (one hundred fifty five million fifty thousand six hundred forty four) preferred shares, representing 45.34% (forty five point three four) of the preferred shares;

h) the Corporate Governance Committee of the State of Minas Gerais, through the Planning, Management and Finance Coordination Chamber, authorized reduction of the share capital of Cemig GT, and alteration of its bylaws, under its attributions and competencies specified in Decree 45644/2011, through Official Letters OF.CCGPGF n° 348/12 of November 7, 2012, and OF.CCGPGF

Av. Barbacena 1200 Santo Agostinho 30190-131 Belo Horizonte, MG Brazil Tel.: +55 31 3506-5024 Fax +55 31 3506-5025

This text is a translation, provided for information only. The original text in Portuguese is the legally valid version.

Table of Contents

n° 264/13 of June 18, 2013, specifying that the Company must inform and provide justification to the Corporate Governance Committee as soon as the reduction is carried out and the exact value known, and recognizing that the drafting of the head paragraph of Article 5 of the bylaws of Cemig GT shall be decided when the amount of capital is finally calculated;

i) the accounting experts Flávio de Almeida Araújo CRC/MG 86.861, Mário Lúcio Braga CRC/MG 47.822 and Leonardo George de Magalhães CRC/MG 53.140 have prepared a Valuation Opinion of the Investment Taesa, by the equity method, described in Article 248 of Law 6404/1976, which requires that the value of the investment shall be calculated by application to the book value of an affiliated or subsidiary investee company of the percentage of the equity interest held in it;

j) the reduction of capital will be R\$ 2,333,413,647.10 (two billion three hundred thirty three million four hundred thirteen thousand six hundred forty seven Reais and ten centavos), representing the value of the investment recorded in the books of account of Cemig GT on April 30, 2013, recognized by the equity method, to be adjusted according to the results of Taesa up to the actual date of transfer;

k) the reduction in the Share Capital will have no negative effect on the activities of Cemig GT, since it is equivalent only to the transfer of shares of Taesa to the Company;

l) with the reduction in Share Capital, the limits of indebtedness specified in the restrictive financial covenants present in some of the financing contracts signed by Cemig GT may be exceeded but there will be no material risk of occurrence of early maturity of the debt or application of any penalty, since the covenants are based on calculations at the end of each half year, and on December 31, 2013, when the first calculation following the reduction of the capital occurs, the only remaining financing contract will be that with Banco ItaúBBA, maturing on January 2, 2014, and this bank has already consented to the said reduction of capital;

m) after the said transfer, the stockholding structure relating to the Company's investment in Taesa shall be as follows:

n) by reason of the transfer, Cemig will assume all the rights and obligations of Cemig GT in the Stockholders Agreement and in the Commitment Undertaking of Taesa, including the commitment, stated in the Commitment Undertaking, to exercise of the option for FIP Coliseu to sell shares in Taesa;

o) Article 173 of Law 6404 of 1976 establishes that the General Meeting of Stockholders may decide on reduction of the share capital if it deems the share capital to be excessive;

p) under Article 174 Law 6404/1976, prior consent of a general meeting of the holders of debentures of Cemig GT must be obtained for reduction of the share capital of Cemig GT, and the reduction of the share capital shall become effective only 60 (sixty) days after the publication of the minutes of the

Av. Barbacena 1200 Santo Agostinho 30190-131 Belo Horizonte, MG Brazil Tel.: +55 31 3506-5024 Fax +55 31 3506-5025

This text is a translation, provided for information only. The original text in Portuguese is the legally valid version.

Table of Contents

General Meeting that decides on the subject, the purpose of this period being to enable present creditors of Cemig GT to make any statements of position in relation to the reduction of the capital;

q) Cemig GT is a wholly-owned subsidiary of the Company, and will hold an Extraordinary General Meeting to decide on the reduction of its share capital, by transfer to Cemig of ownership of the shares in Taesa currently held by Cemig GT;

r) Clause 21, § 4 Sub-clause g, of the by-laws of Cemig states:

Clause 21 The following decisions shall require a decision by the Executive Board:

...

g) approval, upon proposal by the Chief Executive Officer, prepared jointly with the Chief Business Development Officer and the Chief Finance and Investor Relations Officer, of the statements of vote in the General Meetings of the wholly-owned and other subsidiaries, affiliated companies and in the consortia in which the Company participates, except in the case of the wholly-owned subsidiaries Cemig Distribuição S.A. and Cemig Geração e Transmissão S.A., for which the competency to decide on these matters shall be that of the General Meeting of Stockholders, and decisions must obey the provisions of these Bylaws, the decisions of the Board of Directors, the Long-term Strategic Plan and the Multi-year Strategic Implementation Plan;

now proposes to you as follows:

Orientation of the representative of the Company in the Extraordinary General Meeting of Stockholders of Cemig Geração e Transmissão S.A. (Cemig GT) to vote in favor of:

a) Ratification of the appointment of the 3 (three) expert accountants, namely Flávio de Almeida Araújo CRC/MG 86.861, Mário Lúcio Braga CRC/MG 47.822 and Leonardo George de Magalhães CRC/MG 53.140, who, in accordance with and for the purposes of Article 8 of Law 6404/1976, prepared the Investment Valuation Opinion on the investment in Taesa, recorded in the books of account of Cemig GT.

b) Approval of the Valuation Opinion prepared in accordance with Article 8 of Law 6404 of 1976, valuing the investment in Transmissora Aliança de Energia Elétrica S.A. Taesa recorded in the books of account of Cemig GT, recognized by the equity method, such valuation to be adjusted in accordance with the results of Taesa up to the actual date of the transfer.

Edgar Filing: ENERGY CO OF MINAS GERAIS - Form 6-K

c) Reduction of the share capital of Cemig GT

from R\$ 3,296,785,358.90 (three billion two hundred ninety six million seven hundred eighty five thousand three hundred fifty eight Reais and ninety centavos)

to R\$ 963,371,711.80 (nine hundred sixty three million three hundred seventy one thousand seven hundred eleven Reais and eighty centavos),

with consequent alteration of the head paragraph of Article 5 of the by-laws of Cemig GT, to read as follows:

Clause 5 The Company's registered capital is R\$ 963,371,711.80 (nine hundred sixty three million three hundred seventy one thousand seven hundred eleven Reais and eighty centavos), represented by 2.896.785.358 (two billion eight hundred ninety six million seven hundred eighty five thousand three hundred fifty eight) nominal common shares without par value.

Av. Barbacena 1200 Santo Agostinho 30190-131 Belo Horizonte, MG Brazil Tel.: +55 31 3506-5024 Fax +55 31 3506-5025

This text is a translation, provided for information only. The original text in Portuguese is the legally valid version.

Table of Contents

The reduction shall take place by transfer to Cemig, sole stockholder of Cemig GT, of the following equity interest in Transmissora Aliança de Energia Elétrica S.A. Taesa:

293,072,229 (two hundred ninety three million seventy two thousand two hundred twenty nine), common shares, representing 43.36% (forty three point three six per cent) of the common shares; and

155,050,644 (one hundred fifty five million fifty thousand six hundred forty four) preferred shares, representing 45.34% (forty five point three four) of the total number of preferred shares;

(referred to jointly as the Shares in Taesa), valued by the equity method at R\$ 2,333,413,647.10 (two billion three hundred thirty three million four hundred thirteen thousand six hundred forty seven Reais and ten centavos), based on the value of the investment recorded in the books of account of Cemig GT on April 30, 2013, (the Transfer),

and is conditional upon prior approval by the holders of debentures of Cemig GT, in accordance with Article 174, Paragraph 3, of Law 6404/1976; and

the final value of the reduction of capital will be adjusted to reflect the results of Taesa up to the actual date of the transfer, thus affecting the amount of the Share Capital that will appear in the head paragraph of Clause 5 of the bylaws of Cemig GT.

As can be seen, the objective of this proposal is to meet legitimate interests of the stockholders and of the Company, and as a result it is the hope of the Board of Directors that you, the stockholders, will approve it.

Belo Horizonte, August 8, 2013.

Dorothea Fonseca Furquim Werneck

Paulo Roberto Reckziegel Guedes

Djalma Bastos de Moraes

Tadeu Barreto Guimarães

Arcângelo Eustáquio Torres Queiroz

Wando Pereira Borges

Eduardo Borges de Andrade

Bruno Magalhães Menicucci

Guy Maria Villela Paschoal

Luiz Augusto de Barros

João Camilo Penna

José Augusto Gomes Campos

Joaquim Francisco de Castro Neto

Edgar Filing: ENERGY CO OF MINAS GERAIS - Form 6-K

Av. Barbacena 1200 Santo Agostinho 30190-131 Belo Horizonte, MG Brazil Tel.: +55 31 3506-5024 Fax +55 31 3506-5025

This text is a translation, provided for information only. The original text in Portuguese is the legally valid version.