

XXIVth

Cemig Annual Meeting
With Investors

CEMIG – Operational Efficiency

CEMIG
NOSSA ENERGIA, SUA FORÇA

DISCLAIMER

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

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

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

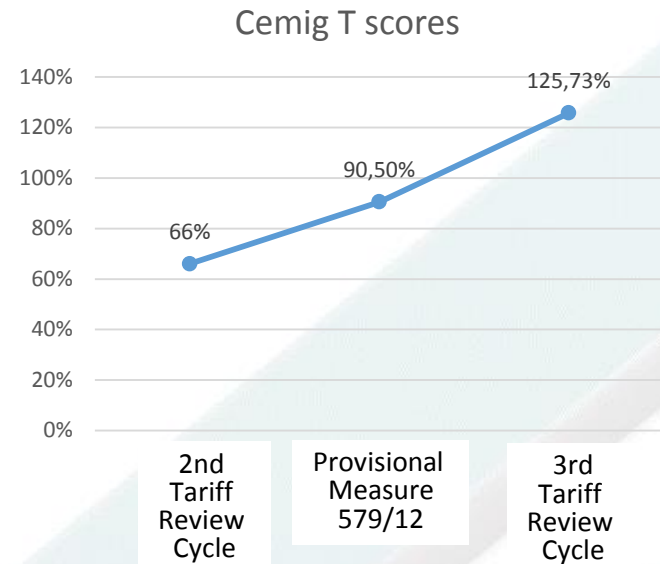
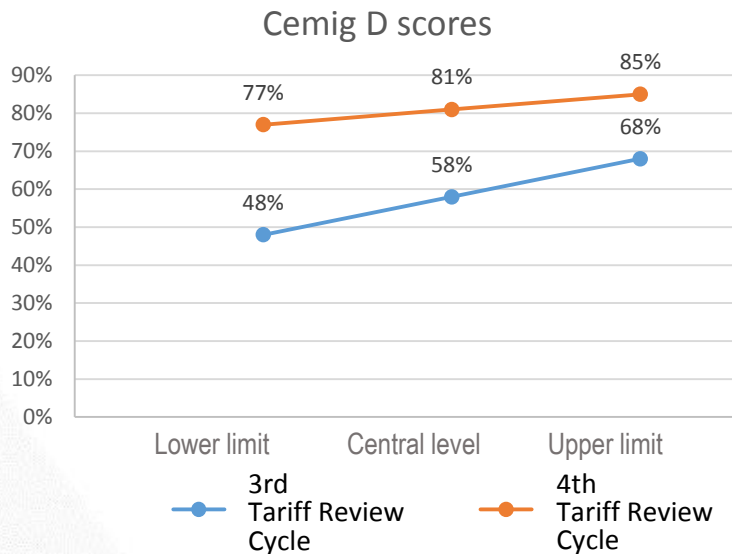
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To evaluate the risks and uncertainties as they relate to Cemig, and to obtain additional information about factors that could lead to different results from those estimated by Cemig, please consult the section on Risk Factors included in our Formulário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

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

Cemig's history of operational efficiency

The benchmarking tool used for calculation of operational costs to be recognized in the tariff for distribution and transmission is DEA – Data Envelopment Analysis.



In 2018 Cemig D (Distribution) reported its best ever result in terms of Opex – coming close to full regulatory compliance.

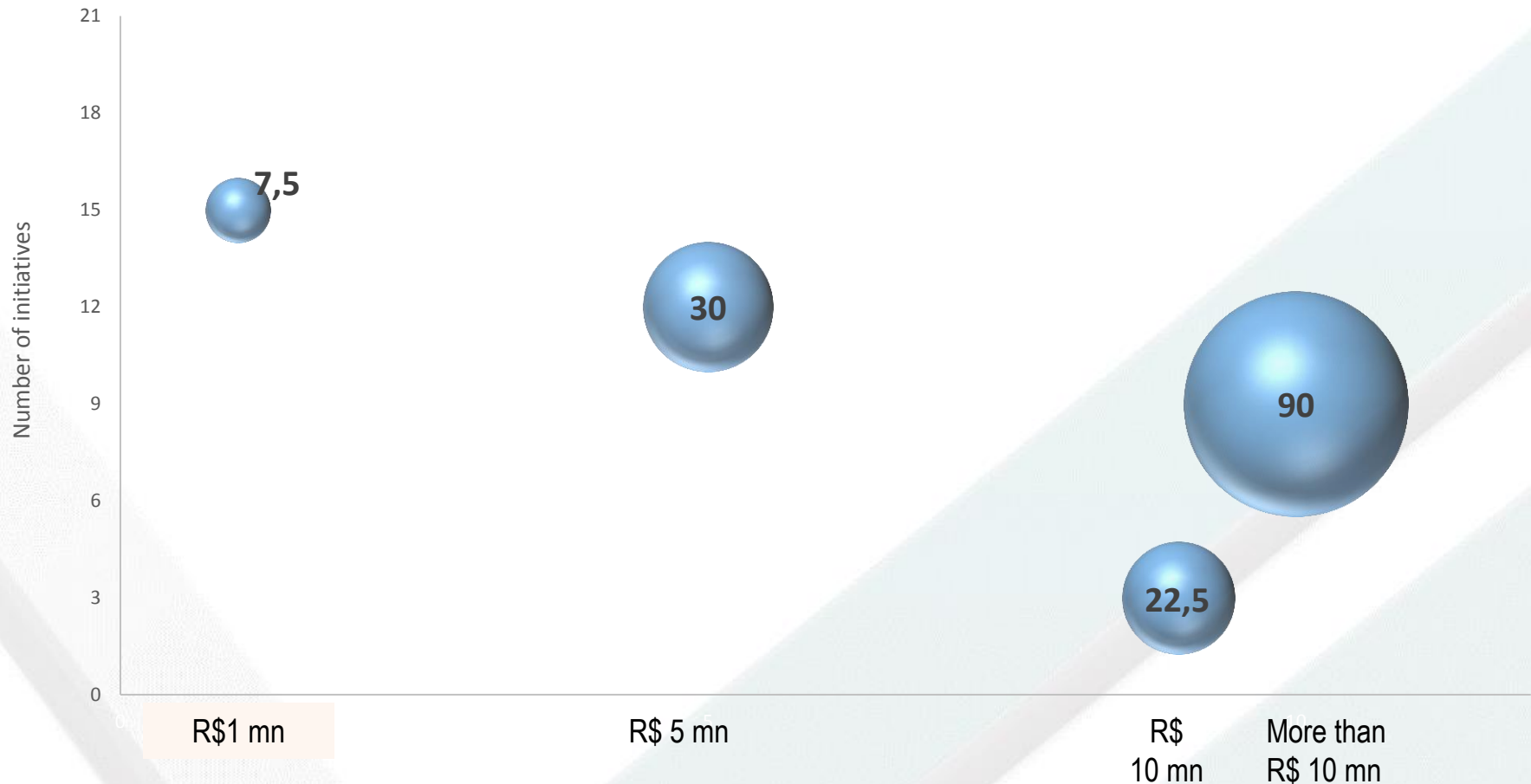
The 2019 outlook is even more optimistic: Opex is expected to be fully compliant.

The figure for Transmission ('Cemig T') is already compliant with the regulatory requirement. We expect it to remain compliant, and report larger gains in the coming years.

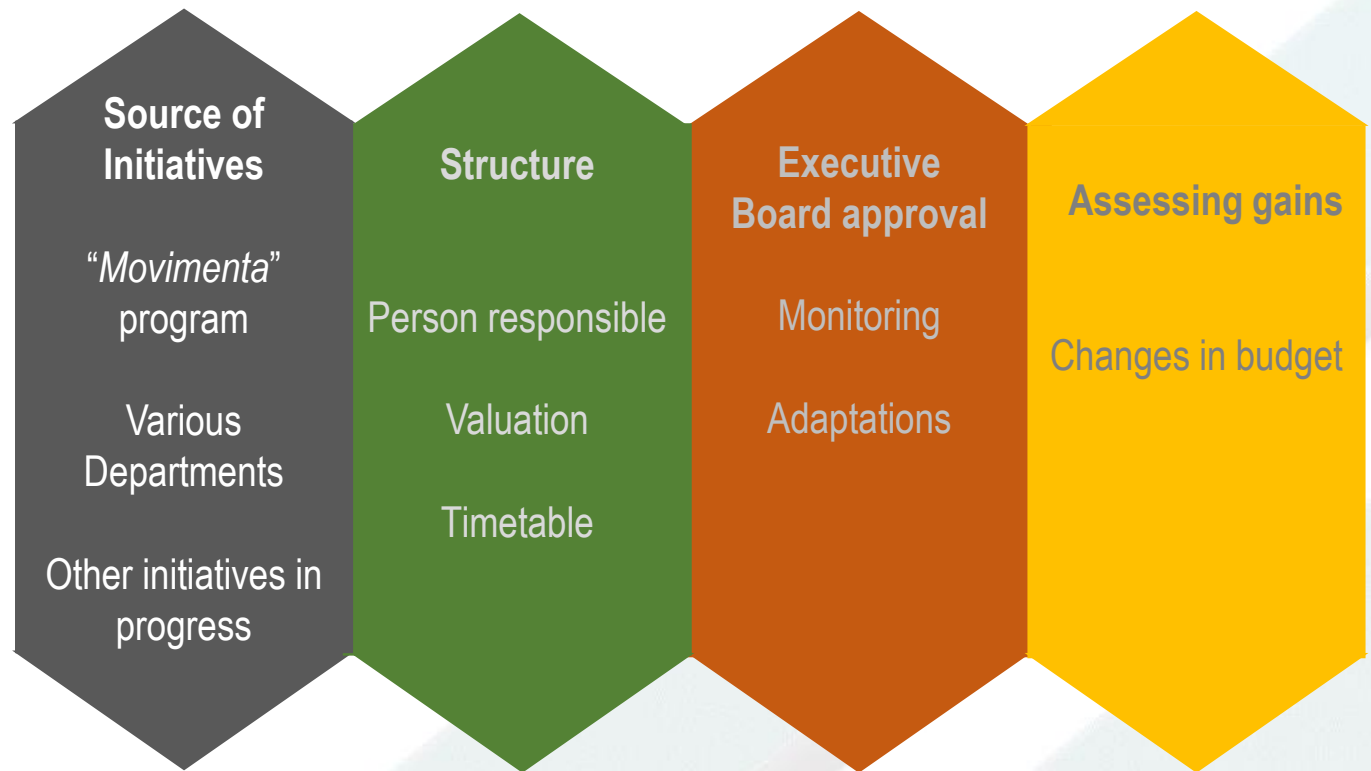
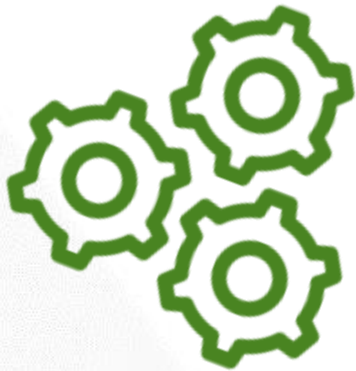
Operational Efficiency Committee (OEC)



Operational Efficiency Committee – estimated gains

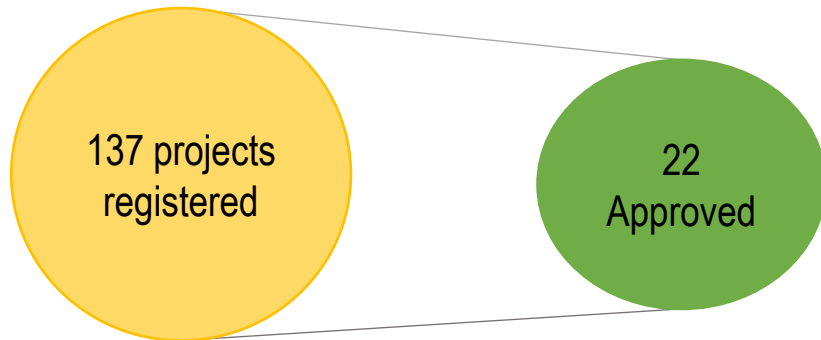


Dynamics of the Committee

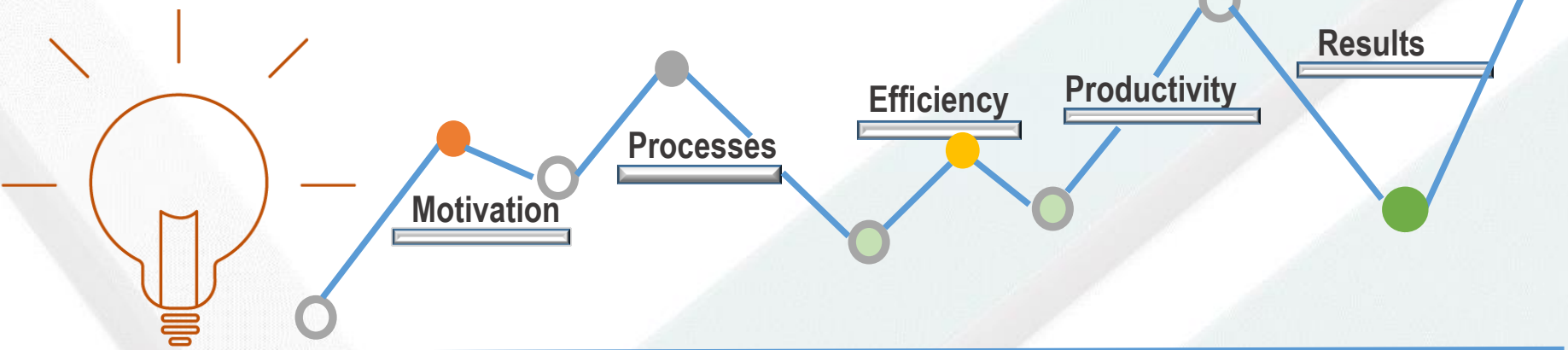


“Movimenta” program

1st cycle (2018)



2nd cycle (current)



Examples of initiatives

Pole sharing – public lighting

Reconciliation Center

Use of pruning waste in agro-systems

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Encontro Anual da Cemig
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