

ENERGY CO OF MINAS GERAIS

Form 6-K

May 19, 2009

[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 May 2009

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 Form 40-F

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):

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):

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 No

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>Earnings Release 1st Quarter 2009, Companhia Energética de Minas Gerais – CEMIG</u>
<u>2.</u>	<u>Quarterly Financial Information for the quarter ended March 31, 2009, Companhia Energética de Minas Gerais – CEMIG</u>
<u>3.</u>	<u>Quarterly Financial Information for the quarter ended March 31, 2009, Cemig Distribuição S.A.</u>
<u>4.</u>	<u>Quarterly Financial Information for the quarter ended March 31, 2009, Cemig Geração e Transmissão S.A.</u>
<u>5.</u>	<u>Minutes of the Ordinary and Extraordinary General Meetings of Stockholders, Companhia Energética de Minas Gerais – CEMIG, April 29, 2009</u>
<u>6.</u>	<u>Market Announcement regarding Voluntary Dismissal Program, Companhia Energética de Minas Gerais – CEMIG, May 8, 2009</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 ENERGETICA DE MINAS GERAIS CEMIG

By: /s/ Luiz Fernando Rolla
Name: Luiz Fernando Rolla
Title: Chief Financial Officer, Investor Relations
Officer and Control of Holdings Officer

Date: May 19, 2009

Table of Contents

1. Earnings Release 1st Quarter 2009, Companhia Energética de Minas Gerais CEMIG

Table of Contents

Brazil's Best Electricity

EARNINGS RELEASE

1Q09

Companhia Energética de Minas Gerais

Cemig H

(Holding Company)

5

Table of Contents

Cemig's CEO, Djalma Bastos de Moraes, says:

Our exceptional result in the first three months of 2009 reflects the success of our Long-term Strategic Plan and the strategy specified in it, which by focusing on the long-term gives Cemig an unparalleled position at this moment in the Brazilian economy, rewarding its stockholders with solid and consistent results.

We have successfully concluded two major acquisitions, which as well as adding value to the Company's business, position Cemig as the leader in the Brazilian electricity sector.

In spite of the recent deterioration in world economic conditions we have maintained our economic and financial planning, including capital expenditure, amortizations of debt and payment of dividends.

This comfortable situation is the result of a group of strategies which range from the maintenance of a balanced portfolio of business to our financial discipline, including our electricity sales strategy, which succeeded in mitigating the lower revenue of our distribution Company arising from the revision of its tariff levels. We continued to do our homework, growing in all sectors in a balanced fashion, with a focus on operational excellence and reduction of expenses, mitigating risks and taking advantage of all the synergies that a Company with integrated businesses and of Cemig's scale offers.

Finally, the results presented here show that we are on the right path, and that the decisions taken in recent years are constantly adding value to our business, making Cemig an increasingly strong, solid Company with efficient corporate management.

Table of Contents

Cemig's CFO, Luiz Fernando Rolla, comments as follows:

In the first quarter of 2009 our Company continues to report consistent, robust cash flow, as a result of our effort, in our operations, incessantly and continually to add value to our businesses.

Our adjusted Ebitda was R\$ 974 million, with Ebitda margin of 38%, boosted by our policy of maintaining high levels of operational efficiency, and a level of excellence evidenced by our net Income, which when adjusted for non-recurring effects was R\$ 463 million in this first quarter of 2009.

This new level of cash flow is in line with the figures estimated in our financial projections and in the Long-term Strategic Plan, reflecting the correctness of our strategy of growth via acquisitions and new projects, within the process of consolidation of the sector.

Cemig Distribution's Tariff Review, and its non-recurring effects, are recorded in this quarter, but their impact on our result is mitigated by our portfolio of businesses since the Cemig Group is made up of 49 companies and 10 consortia, with synergy between their operations, and is increasingly profitable, with a position of lower risk and greater stability of long-term results.

Our solid cash position of R\$ 2.7 billion enables the execution of our Strategic Plan, our dividend policy and our management of debt, along with execution of planned capital expenditure, including investments associated with acquisition opportunities.

The excellent results which we now present show that we continue to add value, continuously and sustainably, to all our stockholders and stakeholders. The highlights of this quarter are on the next page.

Table of Contents

• **CEMIG HIGHLIGHTS of 1Q09**

(Thousands of Reais except where otherwise indicated)

- Adjusted Ebitda: *R\$ 974 million*
- Adjusted net Income: *R\$ 463 million*
- Net sales revenue: *R\$ 2.6 billion*
- Cash position: *R\$ 2.7 billion*
- Volume sold in 1Q09: *14,552 GWh*
- Our stock prices: changes in the last twelve months:

	Close of 1Q09	Close of 1Q08	Change %
CMIG 4	R\$ 26.10	R\$ 22.21	+17.51
CMIG 3	R\$ 19.36	R\$ 18.99	+1.94
CIG	US\$ 14.17	US\$ 16.16	-12.31
CIG.C	US\$ 11.00	US\$ 15.71	-29.98
XCMIG	11.15	11.27	-1.06

Table of Contents

• **Economic summary**

		1Q09	1Q08	Change (%)
Energy sold*	GWh	14,552	14,018	4%
Gross revenue	R\$ mn	3,727	4,203	-11%
Adjusted net revenue	R\$ mn	2,580	2,693	-4%
Adjusted Ebitda	R\$ mn	974	1,023	-5%
Adjusted net Income	R\$ mn	463	452	2%

* Includes figures for Light S.A.

• **Non-recurring effects in 1Q09**

Tariff Review final figures

In March 2009, Aneel homologated the final result of the Tariff review of Cemig Distribuição, with effects backdated to April 2008.

The final figures result in an average reduction of 19.62% in the tariffs of Cemig Distribuição, compared to an average reduction, applied provisionally in April 2008, of 18.09%.

As a result of the homologation of the final Tariff Review, Aneel recalculated the amounts which, in its judgment, should have been those actually recognized in the Company's tariff adjustment as from April 2008.

The effects in the results are related principally to reduction in the value of the Reference Company, used as the basis for reimbursement of the Company's manageable costs, and also of the review by Aneel of the criterion for calculation of the reimbursement, in the tariff, of the financial regulatory assets. This resulted in discounting of the amounts which, in the

Table of Contents

Regulator's view, were included in excess in recording of the Company's Tariff Adjustment in 2008

This table shows the summary of the non-recurring effects, and the adjusted results:

Net Income and Ebitda Adjusted - CEMIG Consolidated**Summary of the non-recurring effects**

Valores R\$ milhões	1T09	1T08	Δ%
Lucro Líquido	336	490	-31%
(a) Revisão tarifária - receita líquida	141	(41)	
(b) Revisão tarifária - despesa operacional	(14)	3	
Lucro Líquido ajustado	463	452	2,5%
LAJIDA	781	1.081	-28%
(a) Revisão tarifária - receita líquida	214	(62)	
(b) Revisão tarifária - despesa operacional	(21)	4	
LAJIDA ajustado	974	1.023	-5%

From this point onward in the analysis below, unless otherwise indicated all references to Net revenue, Ebitda and Net Income refer to the reported figure, not the adjusted figure.

Table of Contents

- Our consolidated electricity market

Our consolidated sales in 1Q09 totaled 14,552 GWh, 4% more than in 1Q08.

This market can be separated into three segments: sales to final consumers, sales to other concession holders, and sales on the wholesale Electricity Trading Chamber (CCEE).

Sales to final consumers

Our market in sales to final consumers was 1.6% smaller in 1Q09 than in 1Q08, mainly because consumption by the industrial category of consumers was 8.3% lower while strong growth continued in the residential and commercial consumer categories.

The lower figure directly reflects lower economic activity throughout Brazil and specifically in the State of Minas Gerais, which because it has a strong industrial base, principally in commodities and steel, showed a considerable reduction in its rate of economic growth.

Table of Contents

This table shows the breakdown of our sales to final consumers and YoY changes from 1Q08 to 1Q09:

	MWh		
Electricity volume sold	1Q09	1Q08	Δ%
Residential	2,446,236	2,236,580	9.4%
Industrial	5,593,627	6,101,503	-8.3%
Commercial	1,566,568	1,477,530	6.0%
Rural	455,518	456,423	-0.2%
Other	896,961	868,874	3.3%
Electricity sold to final consumers (MWh)	10,958,930	11,140,910	-1.6%
Own consumption	12,815	13,106	-2.2%
Supply to other concession holders	2,748,037	2,712,266	1.3%
Transactions in electricity on the CCEE	832,304	152,163	447%
TOTAL	14,552,086	14,018,445	3.8%

This chart shows electricity sales by category of consumer:

Sales to final consumers (%)

Table of Contents

Supply to other concession holders

Due to the lower demand from industrial consumers, at the end of 2008 Cemig began to give priority to sales in the regulated market where sales to other electricity distributors are made.

This is reflected by the 1.3% increase in wholesale supply to other concession holders, with a total value of 2,748 GWh in 1Q09. This selling strategy, allied to good selling prices, enabled the Cemig Group to mitigate part of the adverse effects produced by the reduction in demand from industry.

Sales on the CCEE (Electricity Trading Chamber)

In view of the reduction in the demand for electricity from its free consumers, sending reallocated the electricity in the short-term market, through sales on the CCEE, that increased to, due to the higher assured energy in the quarter according the criteria of the interconnected operation of the Hydro Power Plants.

In the first quarter of 2009 these sales totaled 832,304 MWh, 447% more than in 1Q08.

Table of Contents

- **Electricity market: Distribution**

Cemig D

The electricity market of Cemig Distribution (**Cemig D**) showed a substantial increase, of 4.68%, in 1Q09, due to a strong increase in consumption by the residential and commercial consumer categories.

Towards the end of 2008 consumption by industry began to fall significantly, and it was nearly 21% lower in 1Q09 than in 4Q08 though only 3.43% lower in 1Q09 than in 1Q08.

The table shows Cemig D's sales by consumer category:

Electricity sales	Cemig D	MWh		
		1Q09	1Q08	Δ%
Residential		1,905	1,730	10.12
Industrial		1,183	1,225	-3.43
Commercial		1,160	1,085	6.91
Rural		452	453	-0.22
Other		707	673	5.05
TOTAL		5,408	5,166	4.68

Table of Contents

Cemig D Breakdown of sales by consumer type (%)

RME LIGHT

The table below shows the sales of Light SESA, a distribution Company operating in Rio de Janeiro State and controlled by Rio Minas Energia (RME), in which Cemig holds a 25% interest.

Light's sales (of which Cemig consolidates 25%, representing its holding in RME), at 1,251 GWh, were 4% higher in 1Q09 than 1Q08. The fall in consumption by industry was offset by growth in the residential and commercial categories.

The main reason for the higher volume sold was climatic – higher average temperature, increasing the demand by the residential sector, in spite of interruption of billing of Energia Plus, which is a package offered to large clients with their own generation capacity during peak consumption hours.

Table of Contents

Electricity sales	Light	MWh		
		1Q09	1Q08	Δ%
Residential		541	507	7%
Industrial		108	113	-4%
Commercial		396	383	3%
Other		206	202	2%
TOTAL		1,251	1,205	4%

For more details on Light's sales see:

http://www.mzweb.com.br/light/web/arquivos/Light_Press_Release_1T09_eng.pdf

- **The electricity market: Generation**

Cemig GT

Cemig sold 7,923 GWh in 1Q09, 4.1% more than in 1Q08 (7,610 GWh).

The increase in the sales volume figure reflects reallocation of sales from the free market to the regulated market and on the CCEE. This strategy enabled the Company to mitigate the effects of the decrease in the rate of growth of the economy of Brazil, and of the State of Minas Gerais.

With this successful strategy Cemig GT achieved net revenue 7% higher in 1Q09 than in 1Q08. It is important to note that the Company seeks at all times to minimize the risk related to the sale of energy, seeking contracts for the long term and with low flexibility (high Take or Pay) this creates greater predictability and less dependence by the Company on the performance of the market in the short-term.

This table gives the breakdown of Cemig GT's sales by volume:

Table of Contents

	MWh			
Sales of Cemig GT	1Q09	1Q08		Δ%
Free consumers	4,137	4,493		-7.92
Wholesale supply	3,013	2,980		+1,11
TOTAL	7,923	7,610		+3,7

Independent power producers

Cemig is a partner in eight Independent Power Producers, whose sales in 1Q09 were 13% lower year-on-year, reflecting the reduction in sales to the commercial consumer category. This reduction was partly attenuated by the start up of the Cachoeirão plant, which added 8 GWh in independent generation sales.

Independent Generation sales	GWh			
	1Q09	1Q08		Δ%
Horizontes	16	22		-27
Ipatinga	44	84		-48
Sá Carvalho	110	118		-7
Barreiro	23	25		-8
Cemig PCH S.A	29	32		-9
Rosal	55	55		0
Capim Branco	122	131		-7
Cachoeirão	8			
Sales on the CCEE	26	6		+333
TOTAL	433	473		-8%

Table of Contents

- Consolidated operational revenue**

R\$ million	1Q09	1Q08	Δ%
Sales to final consumers	3,041	3,257	-7
TUSD	274	309	-11
Effect of the Definitive Tariff Adjustment	(265)		
Subtotal	3,050	3,566	-14
Wholesale sales, and transactions on CEEE	360	319	13
Revenue for use of the transmission grid	179	172	4
Retail supply of gas	72	92	-22
Others	66	54	22
Subtotal	3,727	4,203	-11
Deductions	(1,361)	(1,448)	-6
Net sales revenue	2,366	2,755	-14

Gross revenue from supply of electricity**Final consumers**

Gross revenue from supply of electricity in 1Q09 was R\$ 3,136,503, 12.27% less than the revenue of R\$ 3,575,243 in 1Q08.

This increase was basically due to the following factors:

- Tariff readjustment of Cemig Distribution (Cemig D), with an average reduction of 12.24% in consumer tariffs, starting from April 8, 2008.
- Volume of energy invoiced to final consumers 1.6% lower (this excludes Cemig's own internal consumption).
- Regulatory liabilities arising from the Company's Tariff Review, backdated to 2009, representing reduction of R\$ 213,803 in gross revenue.

Table of Contents

- Contractual increases in average tariff charged by Cemig GT due to contractual increases (mainly indexed to IGP-M inflation index).

Supply to other concession holders

Revenues from energy sold to other concession holders, bilateral contracts, and sales in the wholesale energy market (CCEE) totaled R\$ 359,504 in 1Q09, 12.82% more than in 1Q08 (R\$ 318,649). This is basically due to sales, in these markets, of part of the electricity previously sold to industrial consumers reflecting the reduction in these consumers' demand as a result of the impact of the recession on industry.

Revenue from use of the network

Revenue from use of the network was 6.13%, or R\$ 29,500, lower year-on-year in 1Q09, at R\$ 452,092, compared to R\$ 481,592 in 1Q08. This revenue comes mainly from charges to free consumers on electricity sold by other agents of the electricity sector, and was lower due to lower volume of transport of electricity to these free consumers, reflecting the effect of the recession on Brazilian manufacturing output.

A breakdown of the balance is in Explanatory Note 25 to the Consolidated Quarterly Information.

Table of Contents

- **Ebitda**

Adjusted Ebitda in the first 3 months of 2009 was R\$ 974 million, 4.79% less than in 1Q08 (R\$ 1,023 million).

Cemig s recorded Ebitda in 1Q09 was R\$ 780,684, 27.81% lower than in 1Q08, which posted Ebitda of R\$ 1,081,448.

As part of the tariff review of Cemig D, Aneel included in the tariff to be applied as from April 8, 2009 certain financial items relating to previous business years which resulted in the recognition of regulatory assets and liabilities which will be received and/or discounted in the tariff to be applied in the period April 8, 2009 to April 7, 2010.

The financial items mentioned relate principally to reduction of the costs of the Reference Company used by Aneel in calculating reimbursement to the Company of its controllable costs, with effect backdated to April 2008. Recognition of this non-recurring item results in a *negative* contribution of R\$ 192,816 to Ebitda.

In the previous period the company also made non-recurring adjustments relating to the tariff review, but they had positive effect in the income statement.

Table of Contents

This table shows these non-recurring adjustments:

	1Q09	1Q08	Change, % %
Net Income	336,242	490,280	(31.42)
+ Provision for current and deferred income tax and Social Contribution	187,999	276,097	(31.91)
+ Employees and managers shares in results	27,424	22,058	24.33
+ Financial revenues (expenses)	37,757	79,112	(52.27)
+ Depreciation and amortization	171,042	201,481	(15.11)
+ Minority interests	20,220	12,420	62.80
EBITDA	780,684	1,081,448	(27.81)
Non-recurring items:			
- Tariff review Net revenue	213,803	(62,464)	
+ Tariff review Operational expense	(20,987)	4,330	
= ADJUSTED EBITDA	973,500	1,023,314	(4.87)

(Method of calculation not reviewed by our external auditors.)

- Net Income**

Adjusted net Income in 1Q08 was R\$ 463 million, 2.5% higher than in 1Q08 (R\$ 452 million).

Cemig reported a recorded 1Q09 net Income of R\$ 336,242, which is 31.42% lower than its 1Q08 net Income of R\$ 490,280.

This lower Income reflects, mainly, extraordinary adjustments in the first quarter of 2009 as a result of the definitive value decided by Aneel for the Company's Tariff Review, which had a negative impact of R\$ 127 million on the result. An extraordinary positive adjustment, of R\$ 38 million, was made to the income statement of 1Q08, also related to the tariff review.

Table of Contents

- **Deductions from operational revenues**

Deductions from operational revenues in 1Q08 totaled R\$ 1,360,541, 6.07% less than in 1Q08 (R\$ 1,448,478).

Main year-on-year variations in the deductions from revenue:

Fuel Consumption Account CCC

The deduction from revenue for the CCC was R\$ 122.62 million in 1Q09, compared to R\$ 77.23 million in 1Q08, i. e. 58.78% higher. This refers to the operational costs of thermal plants in the Brazilian grid and isolated systems, split pro-rata between electricity concession holders by an Aneel Resolution. This is a non-controllable cost. The amount posted for electricity distribution services corresponds to the amount actually passed through to the tariff. For the amount posted in relation to electricity transmission services the Company merely passes through the charge, since the CCC is charged to Free Consumers on the invoice for the use of the basic grid, and passed on to Eletrobrás.

Energy Development Account CDE

The deduction from revenue for the CDE was R\$ 93,462 in 1Q09, 4.03% lower than in 1Q08 (R\$ 97,387). The payments are specified by an Aneel Resolution. This is a non-controllable cost. The amount posted for electricity distribution services corresponds to the amount actually passed through to the tariff. For the amount posted in relation to electricity transmission services the Company merely passes through the charge since the CCC is charged to free consumer on the invoice for the use of the grid and passed on to Eletrobrás.

Table of Contents

The other deductions from revenue are for taxes calculated as a percentage of billing, and their variations thus substantially arise from the changes in revenue. It should be noted that the taxes applicable to the extraordinary adjustments mentioned above, and deducted from revenue in 2009, have not been calculated.

- **Non-controllable costs**

Differences between the non-controllable costs assumed in calculating tariff adjustments, and disbursements actually made, are recorded in an account known as the CVA (cost variation account), and their total is offset in subsequent tariff adjustments. CVA amounts are registered in Current and Non-current assets. Complying with the Aneel Chart of Accounts, some items are allocated as Deductions from operational revenue. Further information is given in Explanatory note No. 8 to the Quarterly Information.

As from March 2008 the Company began to receive, in the tariff, the amounts posted in assets under Portion A . The portion of the non-controllable costs which were actually received in the tariff is transferred to Operational expenses.

- **Operational costs and expenses**

(excluding Financial revenue/expenses)

Operational costs and expenses (excluding net financial revenue (expenses)) totaled R\$ 1,756,680 in 1Q09, 6.30% less than in 1Q08 (R\$ 1,874,692). This result basically reflects lower costs of purchase of electricity, post-employment benefits and depreciation. Further information is given in Explanatory Note 28 to the Consolidated Quarterly Information.

The main year-on-year variations in expenses are:

Table of Contents

Personnel expenses

Personnel expenses totaled R\$ 298.02 million in 1Q09, 4.80% higher than in 1Q08 (R\$ 284.36 million). The total reflects these factors:

- Salary adjustment of 7.26% given to the employees of the holding Company, of Cemig D and Cemig GT in November 2008.
- Provision for the Voluntary Dismissal Program (PPD), in the amount of R\$ 6.11 million, in 1Q08, compared to a reversal of provision, of R\$ 2.22 million, in 1Q09.
- Higher transfer of costs from personnel expenses to works in progress (R\$ 25.86 million in 1Q09, vs. R\$ 19.19 million in 1Q08) due to the higher capital expenditure program in 2009.

Further information on the composition of personnel expenses is given in Explanatory Note 28 to the Quarterly Information.

Electricity bought for resale

Expenses on electricity purchased for resale totaled R\$ 671.84 million in 1Q09, 7.38% less than in 1Q07 (R\$ 725,366). This is a non-controllable cost; the amount deducted from revenue is passed through to tariffs.

Charges for use of the transmission grid

The expense on charges for use of the transmission network in 1Q09 was R\$ 204.19 million in 1Q09, 18.49% more than in 1Q08 (R\$ 172.32 million).

These charges are payable by distribution and generation agents for use of the facilities and components of the national grid, and are set by Aneel resolution. This is a non-controllable cost, with the deduction from revenue recorded corresponding to the value effectively passed through to the tariff.

Table of Contents

Depreciation and amortization

Expense on depreciation and amortization was 15.11% lower, at R\$ 171,042, in 1Q09, than in 1Q08 (R\$ 201,481). This result is substantially due to the depreciation applied to the Special Obligations as from April 2008, the start of the second Tariff Review Cycle.

Post-employment obligations

Expenses on post-employment obligations were 44.89% lower, at R\$ 33.987 million, in 1Q09, than in 1Q08 (R\$ 61.668 million). These expenses basically represent interest on the actuarial liabilities of the Company, net of the expected return on pension plan assets, as estimated by an external actuary. The reduction in this expense reflects the reduction in the updated value of the obligations recorded, as a result of the increase in the interest rate used to discount these obligations to present value.

Operational provisions

Operational provisions in 1Q09 totaled R\$ 53,487, 44.49% less than in 1Q08 (R\$ 96,353). The difference reflects a lower provision for doubtful receivables and litigation contingencies in 2009. See more information in Expansion in its 22 and 28 of the Consolidated Quarterly Information.

Table of Contents

Gas purchased for resale

The cost of gas purchased for resale was R\$ 39.314 million in 1Q09, 26.41% lower than in 1Q08 (R\$ 53.420 million). This reflects lower purchases of gas in 2009, in turn reflecting the effect of the recession on industry.

Outsourced services

Expenses on outsourced services in 1Q09 were R\$ 160.66 million, 10.99% higher than in 1Q08 (R\$ 144.75 million). The difference mainly reflects higher expenditure on maintenance and conservation of electricity facilities and increases in service provision contracts.

• **Financial revenues (expenses)**

The Company posted net financial *expenses* of R\$ 37.76 million for 1Q09, which compares with net financial *expenses* of R\$ 79.11 million in 1Q08. The main factors affecting net financial revenues (expenses) were:

- Revenue from cash investments was 23.24% higher in 1Q09, due to a higher volume of cash invested. In 1Q09 this revenue was R\$ 66.38 million, compared to R\$ 53.86 million in 1Q08.
- Revenue from penalty payments on electricity invoices in arrears in 1Q09, at R\$ 27.51 million, was R\$ 23.20 million less than in 1Q08 (R\$ 50.708 million). This difference is mainly due to higher revenue in Cemig D in 1Q08, on settlement of accounts of large industrial consumers for previous years, in which the value of the principal was considerably less than the amount added in payments for arrears.
- Revenue from monetary updating on the General Agreement for the Electricity Sector 65.83% lower, at R\$ 15,446 in 1Q09, compared to R\$ 45,206 in 1Q08 reflecting the lower value of the regulatory

Table of Contents

assets in 2009, due to the values of the principal regulatory assets previously constituted having been amortized.

- Revenue from monetary updating and interest on the Deferred Tariff Adjustment 93.14% lower, at R\$ 1.78 million, in 1Q09, than in 1Q08 (R\$ 25.90 million), due to the reduction of the asset by receipt of amounts receivable, in electricity invoices. For more information please see Explanatory Note 11 to the Consolidated Quarterly Information (ITR).
- Lower Monetary adjustment on loans and financings, at R\$ 3.82 million in 1Q09 compared with R\$ 24.02 million in 1Q08 reflecting higher variation in inflation indices in 1Q09 than in 1Q08.
- Reversal of a provision of R\$ 8.72 million for losses on free energy, which compares with a provision of R\$ 15.99 million made in 1Q08 this results from an adjustment in the estimate for receipt of amounts from distributors.

For a breakdown of financial revenues and expenses, see Explanatory Note 29 to the Consolidated Quarterly Information.

Income tax and Social Contribution tax

Cemig's expenses on income tax and the Social Contribution tax in 1Q09 totaled R\$ 187,999, on Income of R\$ 571,885, before tax effects, a percentage of 32.87%. In 1Q08, the Company posted expenses on income tax and Social Contribution of R\$ 276,097 million, 34.48% of the pre-tax Income of R\$ 800,855. These effective rates are compared with the nominal rates in Note 10 to the Consolidated Quarterly Information.

Table of Contents

- **Disclaimer**

Some statements and assumptions in this document are projections based on the viewpoint and assumptions of management, and involve risks and uncertainties both known and unknown. Future outcomes may differ materially from those expressed or implicit in such statements.

- **CONTACT:**

Investor Relations
Tel. +55-31-3506-5024

ri@cemig.com.br

Fax +55-31-3506-5025

Table of Contents

CEMIG GT Tables I to III

Chart I

Operating Revenues (consolidated) - CEMIG GT

Values in million of Reais

	1st Q. 2009	1st Q. 2008	2008
Sales to end consumers	412	429	1,934
Supply	357	292	1,220
Revenues from Trans. Network + Transactions in the CCEE	151	150	617
Others	6	7	30
Subtotal	926	878	3,801
Deductions	(194)	(195)	(853)
Net Revenues	732	683	2,948

Chart II

Operating Expenses (consolidated) - CEMIG GT

Values in millions of reais

	1st Q. 2009	1st Q. 2008	2008
Personnel/Administrators/Councillors	69	64	260
Depreciation and Amortization	56	56	224
Charges for Use of Basic Transmission Network	72	64	272
Contracted Services	24	17	114
Forluz Post-Retirement Employee Benefits	7	12	48
Materials	3	3	17
Royalties	35	31	127
Operating Provisions			1
Other Expenses	14	25	102
Purchased Energy	27	(9)	83
Raw material for production		22	83
Total	307	285	1,331

Chart III

Statement of Results (Consolidated) - CEMIG GT

Values in millions of *reais*

	1st Q. 2009	1st Q. 2008	2008
Net Revenue	732	683	2,948
Operating Expenses	(307)	(285)	(1,248)
EBIT	425	398	1,700
EBITDA	481	454	1,924
Financial Result	(50)	(80)	(245)
Provision for Income Taxes, Social Cont & Deferred Income Tax	(137)	(107)	(383)
Employee Participation	(6)	(5)	(86)
Net Income	232	206	986

Table of Contents

CEMIG D - Tables I to IV

Chart I

CEMIG D Market

Quarter	Captive Consumers	(GWh) TUSD ENERGY(1)	T.E.D(2)	GW TUSD PICK(3)
1Q06	4,856	4,053	8,909	17.4
2Q06	4,986	4,207	9,193	17.8
3Q06	5,069	4,286	9,355	18.1
4Q06	5,059	4,194	9,253	18.2
1Q07	4,912	4,128	9,040	18.5
2Q07	5,267	4,438	9,705	19.1
3Q07	5,165	4,516	9,681	19.8
4Q07	5,350	4,457	9,807	20.0
1Q08	5,175	4,082	9,257	20.5
2Q08	5,494	4,364	9,858	20.5
3Q08	5,766	4,597	10,363	21.2
4Q08	5,823	4,368	10,191	21.4
1Q09	5,408	3,269	8,677	20.6

-
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).

Chart II

Operating Revenues (consolidated) - CEMIG D

Values in million of Reais

	1st Q. 2009	1st Q. 2008	2008
Sales to end consumers	1,803	2,338	8,547
TUSD	262	315	1,397
Subtotal	2,065	2,653	9,944

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

Others	32	23	80
Subtotal	2,097	2,676	10,024
Deductions	(911)	(1,028)	(3,877)
Net Revenues	1,186	1,648	6,147

Chart III

Operating Expenses (consolidated) - CEMIG D
Values in millions of reais

	1st Q. 2009	1st Q. 2008	2008
Purchased Energy	506	578	2,417
Personnel/Administrators/Councillors	201	195	748
Depreciation and Amortization	81	110	354
Charges for Use of Basic Transmission Network	120	120	459
Contracted Services	105	100	426
Forluz - Post-Retirement Employee Benefits	23	36	149
Materials	21	22	80
Operating Provisions	16	37	88
Other Expenses	28	32	173
Total	1,101	1,230	4,894

Table of Contents

Chart IV

Statement of Results (Consolidated) - CEMIG D

Values in millions of reais

	1st Q. 2009	1st Q. 2008	2008
Net Revenue	1,186	1,648	6,147
Operating Expenses	(1,101)	(1,230)	(4,894)
EBIT	85	418	1,253
EBITDA	166	528	1,606
Financial Result	(8)	11	(7)
Provision for Income Taxes, Social Cont & Deferred Income Tax	(18)	(142)	(274)
Employee Participation	(19)	(16)	(263)
Net Income	40	271	709

Table of Contents**Cemig consolidated - Tables I to XII****Chart I****Energy Sales (Consolidated)**

	Ner. of consumers 1st Quarter		MWh 1st Quarter		R\$ thousand 1st Quarter	
	2009	2008	2009	2008	2009	2008
Residential	9,108,642	8,815,400	2,446,236	2,236,580	1,072,401	1,149,276
Industrial	86,506	86,349	5,593,627	6,101,503	869,588	891,848
Commercial	852,082	832,761	1,566,568	1,477,530	636,899	667,921
Rural	535,560	569,093	455,518	456,423	96,987	137,545
Others	77,338	73,496	896,981	868,874	261,082	269,672
Electricity sold to final consumers	10,660,128	10,377,099	10,958,930	11,140,910	2,936,957	3,116,262
Own Consumption	1,168	1,151	12,815	13,106		
Low-Income Consumers Subsidy					144,203	41,142
Unbilled Supply, Net					(39,536)	99,190
Supply	82	82	2,748,037	2,712,266	270,055	294,355
Transactions on the CCEE			832,304	152,163	89,449	24,294
Final result of CEMIG D second tariff review					(264,625)	
TOTAL	10,661,378	10,378,332	14,552,086	14,018,445	3,136,503	3,575,243

Chart II**Sales per Company****Cemig Distribution**

1st Quarter 2009 Sales	GWh
Industrial	1,905
Residencial	1,183
Rural	1,160
Commercial	452
Others	707
Sub total	5,408
Wholesale supply	
Total	5,408

Independent Generation

1st Quarter 2009 Sales	GWh
Horizontes	16
Ipatinga	44
Sá Carvalho	110
Barreiro	23
CEMIG PCH S.A	29
Rosal	55
Capim Branco	8
Total	433

Cemig Consolidated by Company

1st Quarter 2009 Sales	GWh	Participação
Cemig Distribution	5,408	37%
Cemig GT	7,923	54%
Wholesale Cemig Group	1,564	11%
Wholesale Light Group	433	3%
Independent Generation	(665)	-5%
RME	(82)	-1%
Total	14,581	100%

Cemig GT

1st Quarter 2009 Sales	GWh
Free Consumers	4,137
Wholesale supply	3,013
Regulated Market (CCEAR)	2,354
Regulated Market (CCEAR) - Cemig Group	303
Sales to Trading Companies	356
CCEE (Spot)	773
Total	7,923

RME (25%)

1st Quarter 2009 Sales	GWh
Industrial	108
Residential	541
Commercial	396
Rural	3
Others	203
Wholesale supply	281
CCEE (Spot)	32
Total	1,564

Table of Contents**Chart III**

Operating Revenues (consolidated)
Values in million of Reais

	1st Q. 2009	1st Q. 2008	2008
Sales to end consumers	3,041	3,257	12,526
TUSD	274	309	1,432
	(265)		
Subtotal	3,050	3,566	13,958
Supply + Transactions in the CCEE	360	319	1,159
Revenues from Trans. Network	179	172	719
Gas Supply	72	92	385
Others	66	54	267
Subtotal	3,727	4,203	16,488
Deductions	(1,361)	(1,448)	(5,598)
Net Revenues	2,366	2,755	10,890

Chart IV

Operating Expenses (consolidated)
Values in R\$ million

	1st Q. 2009	1st Q. 2008	2008
Purchased Energy	672	725	2,960
Personnel/Administrators/Councillors	298	284	1,105
Depreciation and Amortization	171	201	715
Charges for Use of Basic Transmission Network	204	173	724
Contracted Services	161	145	676
Forluz Post-Retirement Employee Benefits	34	62	264
Materials	26	48	105
Royalties	36	34	131
Gas Purchased for Resale	39	54	229
Operating Provisions	54	96	206
Raw material for production			70
Other Expenses	62	1,875	321
Total	1,757	986	7,506

Table of Contents

Chart V

Financial Result BreakdownValues in millions of *reais*

	1st Q. 2009	1st Q. 2008	2008
Financial Revenues	209	248	1,094
Income from Investments	66	54	293
Fines on Energy Accounts	28	51	169
CRC Contract/State (interest + monetary variation)	40	39	154
Monetary variation of Extraordinary Tariff Recomposition and RTD	28	78	231
Exchange Rate Variations	21	3	13
PASEP/COFINS	(1)	(4)	(45)
Financial Compensation RME			83
Adjustment to Present Value	1		18
Derivatives	1	7	31
Others	25	20	147
Financial Expenses	(247)	(327)	(1,188)
Charges on Loans and Financing	(200)	(195)	(852)
Monetary variation of Extraordinary Tariff Recomposition	(3)	(17)	(37)
Exchange Rate Variations	2	(10)	(135)
Monetary Variarion Liabilities - Loans and Financing	(4)	(24)	(92)
CPMF		(5)	(4)
Provision for Losses from Tariff Recomposition	9	(16)	(25)
Reversal of provision for PIS and Cofins taxes	(2)		108
Losses from Derivatives	(21)	(12)	
Other	(28)	(48)	(151)
Financial Result	(38)	(79)	(94)

Chart VI

Statement of Results (Consolidated)Values in millions of *reais*

	1st Q. 2009	1st Q. 2008	2008
Net Revenue	2,366	2,755	10,890
Operating Expenses	(1,757)	(1,875)	(7,506)
EBIT	609	880	3,384
EBITDA	780	1,081	4,099
Financial Result	(38)	(79)	(94)
Provision for Income Taxes, Social Cont & Deferred Income Tax	(188)	(276)	(914)
Employee Participation	(27)	(22)	(370)
Minority Shareholders	(20)	(13)	(119)

Net Income	336	490	1,887
-------------------	------------	------------	--------------

Table of Contents**Chart VII**

Statement of Results (Consolidated) - per Company
Values in millions of reais

	Cemig H		Cemig D		Cemig GT	
	1st Q. 2009	1st Q. 2008	1st Q. 2009	1st Q. 2008	1st Q. 2009	1st Q. 2008
Net Revenue	2,366	2,755	1,186	1,648	732	683
Operating Expenses	(1,757)	(1,875)	(1,101)	(1,230)	(307)	(285)
EBIT	609	880	85	418	425	398
EBITDA	780	1,081	166	528	481	454
Financial Result	(38)	(79)	(8)	11	(50)	(80)
Provision for Income Taxes, Social						
Cont & Deferred Income Tax	(188)	(276)	(18)	(142)	(137)	(107)
Employee Participation	(27)	(22)	(19)	(16)		
Minority Shareholders	(20)	(13)			232	206
Net Income	336	490	40	271	232	206

Chart VIII

Related party transactions
Values in millions of reais

	State of Minas Gerais Government	
	1st Q. 2009	2008
ASSETS		
Current Assets		
Customers and distributors	2	2
Tax Recoverable -		
State VAT recoverable	172	165
Noncurrent assets		
Accounts receivable from Minas Gerais State Government	1,701	1,801
Tax Recoverable -		
VAT recoverable		
Customers and distributors	10	17
LIABILITIES AND SHAREHOLDERS EQUITY		
Current Liabilities		
Taxes, fees and charges		
VAT - ICMS payable	287	281
Interest on capital and Dividends		
Debentures	34	33
Credit Receivables Fund (FDIC)	951	990
Financing	10	20

Table of Contents**Chart IX****Share Ownership****Number of shares as of march 31, 2009**

Shareholders	Common	%	Preferred	%	Total	%
State of Minas Gerais	110,540,576	51			110,540,576	22
Southern Electric Brasil Part. Ltda.	71,506,613	33			71,506,613	14
Other:						
Local	22,339,967	10	81,593,702	29	103,933,669	21
Foreigners	12,536,238	6	197,784,417	71	210,320,655	42
Total	216,923,394	100	279,378,119	100	496,301,513	100

* Southern Electric Brasil Participações Ltda

Chart X**BALANCE SHEETS (CONSOLIDATED)
ASSETS**

Values in millions of reais

	1st Q. 2009	2008
CURRENT ASSETS	7,995	7,677
Cash and Cash Equivalents	2,706	2,284
Consumers and Distributors	2,155	2,042
Consumers Rate Adjustment	303	329
Dealership - Energy Transportation	414	463
Dealers - Transactions on the MAE	16	15
Tax Recoverable	980	844
Materials and Supplies	37	36
Prepaid Expenses - CVA	579	779
Tax Credits	297	189
Regulatory Assets		46
Deferred Tariff Adjustment	15	133
Other	493	517
NONCURRENT ASSETS	4,298	3,956
Account Receivable from Minas Gerais State Government	1,771	1,801
Consumers Rate Adjustment	165	219

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

Prepaid Expenses - CVA	666	297
Tax Credits	702	748
Dealers - Transactions on the MAE	11	4
Recoverable Taxes	285	272
Escrow Account re: Lawsuits	439	382
Consumers and Distributors	85	90
Other Receivables; Regulatory Assets; Deferred Tariff Adjustment	174	143
	12,834	12,708
Investments	1,144	1,150
Property, Plant and Equipment	11,083	10,954
Intangible	607	604
TOTAL ASSETS	25,127	24,341

Table of Contents**Chart XI**

BALANCE SHEETS (CONSOLIDATED)
LIABILITIES AND SHAREHOLDERS EQUITY
 Values in millions of reais

	1st Q. 2009	2008
CURRENT LIABILITIES	5,692	5,808
Suppliers	824	892
Taxes payable	810	627
Loan, Financing and Debentures	1,348	1,280
Payroll, related charges and employee participation	253	411
Interest on capital and dividends	960	960
Employee post-retirement benefits	101	83
Regulatory charges	425	488
Other Obligations - Provision for losses on financial instruments	559	578
Regulatory Liabilities - CVA	412	489
NON CURRENT LIABILITIES	9,384	8,839
Loan, Financing and Debentures	6,230	6,064
Employee post-retirement benefits	1,363	1,397
Taxes and social charges	445	372
Reserve for contingencies	691	662
Other	195	187
Prepaid expenses - CVA	460	157
PARTICIPATION IN ASSOCIATE COMPANIES	363	342
SHAREHOLDERS EQUITY	9,688	9,352
Registered Capital	2,482	2,482
Capital reserves	3,983	3,983
Income reserves	2,860	2,860
Acumulated Income	336	
Funds for capital increase	27	27
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	25,127	24,341

Chart XII

Cash Flow Statement (consolidated)
 Values in million of Reais

	1st Q. 2009	1st Q. 2008
Cash at start of period	2,284	2,066
Cash from operations	638	633
Net income	336	490
Depreciation and amortization	171	201
Suppliers	67	188
Deferred Tariff Adjustment	119	100

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

Other adjustments	(55)	(346)
Financing activity	76	(94)
Financing obtained	192	21
Payment of loans and financing	(116)	(115)
Investment activity	(292)	(146)
Investments outside the concession area	22	(12)
Investments in the concession area	(337)	(107)
Special obligations - consumer contributions	23	(27)
Cash at the end of period	2,706	2,459

Table of Contents

2. Quarterly Financial Information for the quarter ended March 31, 2009, Companhia Energética de Minas Gerais CEMIG

Table of Contents

CONTENTS

<u>BALANCE SHEETS</u>	40
<u>INCOME STATEMENTS</u>	42
<u>STATEMENTS OF CASH FLOWS</u>	43
<u>EXPLANATORY NOTES TO THE QUARTERLY INFORMATION (ITR)</u>	44
<u>1) OPERATIONAL CONTEXT</u>	44
<u>2) PRESENTATION OF THE QUARTERLY INFORMATION</u>	47
<u>3) CASH AND CASH EQUIVALENTS</u>	49
<u>4) CONSUMERS AND RESELLERS</u>	49
<u>5) REGULATORY ASSETS AND LIABILITIES</u>	50
<u>6) THE EXTRAORDINARY TARIFF RECOMPOSITION, AND PORTION A</u>	50
<u>7) TRADERS TRANSACTIONS IN FREE ENERGY</u>	52
<u>8) ANTICIPATED EXPENSES AND REGULATORY LIABILITIES CVA</u>	53
<u>9) TAXES SUBJECT TO OFFSETTING</u>	53
<u>10) TAX CREDITS</u>	54
<u>11) DEFERRED TARIFF ADJUSTMENT</u>	56
<u>12) CREDIT RECEIVABLES DUE FROM THE MINAS GERAIS STATE GOVERNMENT</u>	56
<u>13) REGULATORY ASSET PIS/PASEP AND COFINS</u>	58
<u>14) INVESTMENTS</u>	59
<u>15) FIXED ASSETS</u>	64
<u>16) INTANGIBLE</u>	65
<u>17) SUPPLIERS</u>	65
<u>18) TAXES, CHARGES AND CONTRIBUTIONS</u>	66
<u>19) LOANS, FINANCINGS AND DEBENTURES</u>	67
<u>20) REGULATORY CHARGES</u>	69
<u>21) POST-EMPLOYMENT OBLIGATIONS</u>	69
<u>22) CONTINGENCIES FOR LEGAL PROCEEDINGS</u>	72
<u>23) STOCKHOLDER S EQUITY AND REMUNERATION TO STOCKHOLDERS</u>	78
<u>24) GROSS SUPPLY OF ELECTRICITY</u>	78
<u>25) REVENUE FOR USE OF THE NETWORK FREE CONSUMERS</u>	79
<u>26) OTHER OPERATIONAL REVENUES</u>	79
<u>27) DEDUCTIONS FROM OPERATIONAL REVENUE</u>	79
<u>28) OPERATIONAL COSTS AND EXPENSES</u>	80
<u>29) NET FINANCIAL REVENUE (EXPENSES)</u>	82
<u>30) RELATED PARTY TRANSACTIONS</u>	83
<u>31) FINANCIAL INSTRUMENTS</u>	84
<u>32) FINAL RESULT OF THE SECOND TARIFF REVIEW OF CEMIG D AND LIGHT SESA</u>	88
<u>33) SUBSEQUENT EVENTS</u>	89
<u>34) INCOME STATEMENTS SEPARATED BY COMPANY</u>	90
<u>CONSOLIDATED ECONOMIC FINANCIAL PERFORMANCE</u>	91

Table of Contents**BALANCE SHEETS****AT MARCH 31, 2009 AND DECEMBER 31, 2008****ASSETS****R\$ 000**

	Consolidated		Holding company	
	03/31/2009	12/31/2008	03/31/2009	12/31/2008
CURRENT				
Cash and cash equivalents (Note 3)	2,705,591	2,283,937	214,415	256,906
Consumers and traders (Note 4)	2,155,330	2,042,157		
Extraordinary Tariff Recomposition, and Portion A (Note 6)	302,636	329,350		
Concession holders transport of energy	414,102	463,165		
Taxes subject to offsetting (Note 9)	980,422	843,849	5,191	11,573
Anticipated expenses CVA (Note 8)	579,414	778,545		
Traders Transactions in Free Energy (Note 7)	16,115	15,076		
Tax credits (Note 10)	297,298	188,792	41,899	18,381
Dividends receivable			1,436,468	1,436,822
Regulatory asset PIS, Pasep, Cofins (Note 13)		46,240		
Deferred Tariff Adjustment (Note 11)	14,644	133,423		
Inventories	36,817	35,830	17	17
Other credits	492,655	517,158	19,804	21,582
TOTAL, CURRENT	7,995,024	7,677,522	1,717,794	1,745,281
NONCURRENT				
Noncurrent assets				
Accounts receivable from Minas Gerais State govt. (Note 12)	1,770,926	1,800,873		
Regulatory asset PIS, Pasep, Cofins (Note 13)	46,240			
Credit Receivables Fund (Note 12)			820,008	810,593
Extraordinary Tariff Recomposition, and Portion A (Note 6)	165,296	218,688		
ANTICIPATED EXPENSES CVA (Note 8)	666,496	296,762		
Tax credits (Note 10)	701,843	748,014	128,706	145,976
Traders Transactions in Free Energy (Note 7)	10,640	4,107		
Taxes subject to offsetting (Note 9)	284,935	272,052	189,477	174,109
Deposits linked to legal actions	438,834	382,176	88,946	87,831
Consumers and traders (Note 4)	84,781	90,529		
Other credits	128,412	142,795	72,593	64,866
	4,298,403	3,955,996	1,299,730	1,283,375
Investments (Note 14)	1,147,818	1,149,986	8,210,890	7,861,251
Property, plant and equipment (Note 15)	11,082,829	10,953,527	2,007	2,034
Intangible (Note 16)	602,813	604,437	2,247	2,543
TOTAL, NONCURRENT	17,085,863	16,663,946	9,514,874	9,149,203
TOTAL ASSETS	25,126,887	24,341,468	11,232,668	10,894,484

The Explanatory Notes are an integral part of the financial statements.

Table of Contents**BALANCE SHEETS****AT MARCH 31, 2009 AND DECEMBER 31, 2008****LIABILITIES****R\$ 000**

	Consolidated		Holding company	
	03/31/2009	12/31/2008	03/31/2009	12/31/2008
CURRENT				
Suppliers (Note 17)	824,407	891,821	3,212	7,134
Regulatory charges (Note 20)	425,344	488,835		
Profit shares	39,472	116,955	1,490	4,502
Taxes, charges and contributions (Note 18)	810,128	627,333	20,731	31,990
Interest on Equity and dividends payable	960,129	960,129	960,129	960,129
Loans and financings (Note 19)	912,515	881,880	9,417	6,740
Debentures (Note 19)	434,864	398,268		
Salaries and mandatory charges on payroll	214,508	293,894	11,980	16,117
Regulatory liabilities CVA (Note 8)	146,776	488,284		
Regulatory liabilities Tariff Review	264,626			
Post-employment obligations (Note 21)	100,514	83,097	4,016	3,907
Provision for losses on financial instruments (Note 31)	120,048	98,628		
Debt to related parties (Note 30)			10,406	10,003
Other obligations	438,896	478,947	18,903	20,623
TOTAL, CURRENT	5,692,227	5,808,071	1,040,284	1,061,145
NONCURRENT				
Regulatory Liabilities CVA (Note 8)	459,537	156,883		
Loans and financings (Note 19)	4,991,326	4,824,307	73,587	73,587
Debentures (Note 19)	1,238,430	1,240,283		
Taxes, charges and contributions (Note 18)	444,684	371,385		
Contingency provisions (Note 22)	690,570	661,935	378,886	355,153
Post-employment obligations (Note 21)	1,364,171	1,396,704	52,005	52,935
Other obligations	195,192	187,450	30	30
TOTAL, NONCURRENT	9,383,910	8,838,947	504,508	481,705
INTEREST OF NON-CONTROLLING STOCKHOLDERS	362,874	342,816		
STOCKHOLDERS EQUITY (Note 23)				
Registered capital	2,481,508	2,481,508	2,481,508	2,481,508
Capital reserves	3,983,021	3,983,021	3,983,021	3,983,021
Capital reserves	2,859,920	2,859,920	2,859,920	2,859,920
Accumulated Conversion Adjustment	61	61	61	61
Retained earnings	336,242		336,242	
Funds allocated to increase of capital	27,124	27,124	27,124	27,124
TOTAL STOCKHOLDERS EQUITY	9,687,876	9,351,634	9,687,876	9,351,634

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

TOTAL LIABILITIES	25,126,887	24,341,468	11,232,668	10,894,484
-------------------	------------	------------	------------	------------

The Explanatory Notes are an integral part of the financial statements.

Table of Contents**INCOME STATEMENTS****FOR THE QUARTERS ENDED MARCH 31, 2009 AND 2008****(In R\$ 000, except profit per share)**

	Consolidated		Holding company	
	03/31/2009	03/31/2008	03/31/2009	03/31/2008
OPERATIONAL REVENUE				
Gross supply of electricity (Note 24)	3,136,503	3,575,243		
Revenue for use of the network Free Consumers (Note 25)	452,092	481,592		
Other operational revenues (Note 26)	138,268	146,302	84	97
	3,726,863	4,203,137	84	97
DEDUCTIONS FROM OPERATIONAL REVENUE (Note 27)				
	(1,360,541)	(1,448,478)		
NET OPERATIONAL REVENUE	2,366,322	2,754,659	84	97
OPERATIONAL COSTS				
COST OF ELECTRICITY AND GAS (Note 28)				
Energy purchased for resale	(671,842)	(725,366)		
Charges for the use of the basic transmission grid	(204,191)	(172,324)		
Gas purchased for resale	(39,314)	(53,420)		
	(915,347)	(951,110)		
COST OF OPERATION (Note 28)				
Personnel and managers	(259,691)	(245,204)		
Private Pension Plan entity	(28,778)	(53,499)		
Materials	(26,117)	(25,214)		
Raw materials and inputs for production		(21,785)		
Outsourced services	(134,732)	(117,655)		
Depreciation and amortization	(165,959)	(178,427)		
Operational provisions	(1,735)	(8,116)		
Financial compensation for use of water resources	(36,218)	(33,786)		
Other	(22,605)	(22,020)		
	(675,835)	(705,706)		
TOTAL COST	(1,591,182)	(1,656,816)		
GROSS PROFIT	775,140	1,097,843	84	97
OPERATIONAL COST (Note 28)				
Selling expenses	(41,661)	(54,672)		
General and administrative expenses	(106,276)	(126,159)	(37,467)	(48,730)
Other operational expenses	(17,561)	(37,045)	(2,972)	(1,514)
	(165,498)	(217,876)	(40,439)	(50,244)
Operational profit before equity gains and financial revenues (exp.)				
	609,642	879,967	(40,355)	(50,147)
Equity gain (loss) from subsidiaries			359,737	539,864
Net financial revenue (expenses) (Note 29)	(37,757)	(79,112)	11,839	(4,596)

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

Profit before taxes and stockholdings	571,885	800,855	331,221	485,121
Income tax and Social Contribution tax (Note 10)	(270,497)	(331,130)	(1,541)	(8,549)
Income tax and Social Contribution deferred (Note 10)	82,498	55,033	7,464	14,479
Employees and managers shares in results	(27,424)	(22,058)	(902)	(771)
Minority interests	(20,220)	(12,420)		
NET PROFIT FOR THE PERIOD	336,242	490,280	336,242	490,280
NET PROFIT PER SHARE R\$			0.68	1.01

The Explanatory Notes are an integral part of the financial statements.

Table of Contents

STATEMENTS OF CASH FLOWS

FOR THE QUARTERS ENDED MARCH 31, 2009 AND 2008

R\$ 000

	Consolidated		Holding company	
	03/31/2009	03/31/2008	03/31/2009	03/31/2008
FROM OPERATIONS				
Net profit for the year	336,242	490,280	336,242	490,280
Expenses (revenues) not affecting Cash and equivalents				
Depreciation and amortization	171,042	201,481	46	74
Net write-offs of fixed assets	5,119	4,925		8
Equity gain from subsidiaries			(359,737)	(539,864)
Interest and monetary variations Noncurrent	(32,213)	17,034	(9,415)	(15,602)
Deferred federal taxes	(82,536)	(55,033)	(7,464)	(14,479)
Provisions for operational losses	65,772	118,844	31,197	64,802
Provision for losses on financial instruments	20,723	5,001		
Provisions for losses in recovery of Extraordinary Tariff				
Recomposition amounts		15,987		4,357
Post-employment obligations	33,987	61,668	1,417	2,796
Minority interests	20,220	12,420		
Other	(8,700)	3,897		
	529,656	876,504	(7,714)	(7,628)
(Increase) reduction of assets				
Consumers and traders	(144,062)	(93,981)		
Extraordinary Tariff Recomposition short term	62,460	95,251		
Amortization of accounts receivable from Minas Gerais State Govt.	69,953	63,151		
Traders transactions on CCEE	2,107	13,521		
Deferred tax credits	85,325	(25,245)	(6,248)	(15,570)
Taxes subject to offsetting	(149,456)	(104,858)	(8,986)	5,603
Transport of energy	49,063	(49,331)		
Other current assets	23,516	(32,032)	1,778	186
Deferred tariff adjustment	118,779	100,416		
Anticipated expenses CVA	(147,632)	(101,941)		
Other noncurrent assets	917	(10,892)	(7,727)	1,270
Payments into Court	(47,082)	5,189	(1,115)	
Dividends received from subsidiaries			(2,642)	70,805
	(76,112)	(140,752)	(24,940)	62,294
Increase (reduction) of liabilities				
Suppliers	(67,414)	(187,969)	(3,922)	(2,668)
Taxes and Social Contribution	197,792	191,108	(11,259)	4,470
Salaries and mandatory charges on payroll	(79,386)	(25,130)	(4,137)	1,283
Regulatory charges	(63,761)	15,386		
Loans and financings	133,657	128,501	2,677	2,391
Post-employment obligations	(27,947)	(62,162)	(2,238)	(2,834)
Anticipated expenses CVA	(38,831)	(7,447)		
Losses on financial instruments	697	3,516		
Other	128,979	(158,480)	(4,329)	(87,764)
	183,786	(102,677)	(23,208)	(85,122)
CASH GENERATED BY OPERATIONS	637,330	633,075		(30,456)
FINANCING ACTIVITIES				

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

Financings obtained	192,367	21,213		
Receipt of units in the FIDC				899
Payments of loans and financings	(116,352)	(114,957)		
	76,015	(93,744)		899
TOTAL INFLOW OF FUNDS	713,345	539,331	(55,862)	(29,557)
CAPITAL EXPENDITURE				
On investments	22,350	(12,385)	13,094	70,684
In fixed assets	(336,903)	(106,941)	277	(158)
Special Obligations consumer contributions	22,862	(27,449)		
	(291,691)	(146,775)	13,371	70,526
NET CHANGE IN CASH POSITION	421,654	392,556	(42,491)	40,969
STATEMENT OF CHANGES IN CASH POSITION				
Beginning of period	2,283,937	2,066,219	256,906	21,953
End of period	2,705,591	2,458,775	214,415	62,922
	421,654	392,556	(42,491)	40,969

The Explanatory Notes are an integral part of the financial statements.

Table of Contents

EXPLANATORY NOTES TO THE QUARTERLY INFORMATION (ITR)

FOR THE YEAR ENDED DECEMBER 31, 2008

AND QUARTERS ENDED MARCH 31, 2009 AND 2008

In R\$ 000, except where otherwise stated

1) OPERATIONAL CONTEXT

Companhia Energética de Minas Gerais (**Cemig** or **the Holding company**), a listed corporation registered in the Brazilian Registry of Corporate Taxpayers (CPNJ) under number 17.155.730/0001-64, operates exclusively as a holding company with stockholdings in companies controlled individually and jointly, the principal objectives of which are the construction and operation of systems for production, transformation, transmission, distribution and sale of electricity, and also activities in the various fields of energy, for commercial operation of those activities.

On March 31, 2009 Cemig had stockholdings in the following **companies in operation** (information on markets served, and installed capacity, has not been reviewed by our external auditors):

- **Cemig Geração e Transmissão S. A.** (**Cemig GT** or **Cemig Generation and Transmission**) (subsidiary, 100% stake): Registered with the CVM (Brazilian Securities Commission). Generation and transmission of electricity, through 46 power plants, 43 being hydroelectric, one a wind power plant and two thermal plants, and their transmission lines, most of them part of the Brazilian national generation and transmission grid system. Cemig GT has stockholdings in the following subsidiaries:
- **Hidrelétrica Cachoeirão S. A.** (jointly controlled, 49.00% stake): Production and sale of electricity as an independent power producer, through the Cachoeirão hydroelectric power plant located at Pocrane, in the State of Minas Gerais with installed capacity of 27 MW (information not reviewed by the external auditors). The plant began operating in 2009.

Subsidiaries at pre-operational stage:

Guanhães Energia S. A. (jointly controlled 49.00% stake): Production and sale of electricity through building and commercial operation of the following Small Hydro Plants: *Dores de Guanhães*; *Senhora do Porto*; and *Jacaré*, located in the municipality of Dores de Guanhães; and *Fortuna II*, located in the municipality of Virgíópolis, both in Minas Gerais State. The plants are at construction phase, with operational startup scheduled for 2009, and have totaled installed capacity of 44 MW.

Central Baguari Energia S. A (subsidiary 100% stake): Production and sale of electricity as an independent producer in future projects.

Madeira Energia S. A. (jointly controlled 10.00% stake): Implementation, construction, operation and commercial operation of the *Santo Antônio Hydroelectric Plant* in the Madeira River Basin, in the State of Rondônia, with generation capacity of 3,150 MW (information not audited) and commercial startup scheduled for 2012.

Hidrelétrica Pipoca S. A. (jointly controlled, 49.00% stake): Independent production of electricity, through construction and commercial operation of the *Pipoca Small Hydro Plant*, with 20,000 kW of installed capacity, located on the Manhuaçu River, in the Municipalities of Caratinga and Ipanema, in the State of Minas Gerais. Operational startup is scheduled for April 2010.

Table of Contents

Baguari Energia S. A. (jointly controlled, 69.39% stake): Construction, operation, maintenance and commercial operation of the *Baguari Hydroelectric Plant*, through its participation in the **UHE Baguari Consortium** (Baguari Energia 49.00%, **Neoenergia** 51.00%), with 140 MW of installed capacity, located on the Doce River in Governador Valadares, Minas Gerais State. Operational startup is planned for October 2009 (1st unit), December 2009 (2 nd unit), and February 2010 (3rd unit).

Empresa Brasileira de Transmissão de Energia S. A. (**EBTE**) (jointly-controlled 49.00% stake): Holder of public service concession for electricity transmission, through transmission lines in the State of Mato Grosso. Operational startup is scheduled for June 2010.

- **Cemig Distribuição S. A. (Cemig D or Cemig Distribution)** (subsidiary 100% stake): registered with the CVM (Brazilian Securities Commission). Distribution of electricity through distribution networks and lines in approximately 97.00% of the Brazilian State of Minas Gerais.

- **Rio Minas Energia Participações (RME)** (jointly-controlled 25.00% stake): RME holds 52.13% of the registered capital of **Light S. A. (Light)**, a holding company owning 100% of the distribution concession holder **Light Serviços de Eletricidade S. A. (Light SESA)**, with 3.9 million consumers in 31 municipalities of the State of Rio de Janeiro, and of the generating company **Light Energia S. A.**, with generating capacity of 855 MW.

- **Sá Carvalho S. A.** (subsidiary 100% stake): Production and sale of electricity, as a holder of a concession for public electricity service, through the *Sá Carvalho Hydroelectric Power Plant*.

- **Usina Térmica Ipatinga S. A.** (subsidiary 100% stake): Production and sale, under the independent production regime, of thermally produced electricity, through the *Ipatinga Thermal Plant*, located on the premises of **Usiminas** (Usinas Siderúrgicas de Minas Gerais S. A.).

- **Companhia de Gás de Minas Gerais Gasmig (Gasmig)** (jointly controlled 55.19% stake): Acquisition, transport and distribution of combustible gas or sub-products and derivatives, through concession for distribution of gas in the State of Minas Gerais.

- **Empresa de Infovias S. A. (Infovias)** (subsidiary 100% stake): Provision and commercial exploration of a specialized service in the area of telecommunications, by means of an integrated system consisting of fiber optic cables, coaxial cables, electronic and associated equipment (multi-service network).

- **Efficientia S. A.** (subsidiary 100% stake): Provides electricity efficiency and optimization services and energy solutions through studies and execution of projects, as well as providing services of operation and maintenance in energy supply facilities.
- **Horizontes Energia S. A.** (subsidiary 100% stake): Production and sale of electricity, in the independent product mode, through the *Machado Mineiro* and *Salto do Paraopeba Hydroelectric Plants*, in the State of Minas Gerais, and the *Salto do Voltão* e *Salto do Passo Velho Hydroelectric Plants*, in the State of Santa Catarina.
- **Central Termelétrica de Cogeração** (subsidiary 100% stake): Production and sale of thermally generated electricity as an independent power producer in future projects.
- **Rosal Energia S. A.** (subsidiary 100% stake): Production and sale of electricity, as a public electricity service concession holder, through the *Rosal Hydroelectric Plant* located on the border between the States of Rio de Janeiro and Espírito Santo.

Table of Contents

- **Central Hidrelétrica Pai Joaquim S. A.** (subsidiary 100% stake): Production and sale of electricity as an independent producer in future projects.
- **Cemig PCH S. A.** (subsidiary 100% stake): Production and sale of electricity as an independent power producer, through the *Pai Joaquim Hydroelectric Plant*.
- **Cemig Capim Branco Energia S. A.** (subsidiary 100% stake): Production and sale of electricity as an independent producer, through the *Capim Branco I and II Hydroelectric Plants*, built through a consortium with private-sector partners.
- **UTE Barreiro S. A.** (subsidiary 100% stake): Production and sale of thermally generated electricity, as an independent producer, through the construction and operation of the *UTE Barreiro Thermal Generation Plant*, located on the premises of **Vallourec & Mannesmann Tubes**, in the State of Minas Gerais.
- **Companhia Transleste de Transmissão** (jointly controlled 25.00% stake): Operation of a 345 kV transmission line connecting the substation located in Montes Claros to the substation of the *Irapé Hydroelectric Plant*.
- **Cemig Trading S. A.** (subsidiary 100% stake): Sale and intermediation of business transactions related to energy.
- **Companhia Transudeste de Transmissão** (jointly controlled 24.00% stake): Construction, implementation, operation and maintenance of the electricity transmission facilities of the national grid the 345 kV *Itutinga Juiz de Fora transmission line*.
- **Companhia Transirapé de Transmissão** (jointly controlled 24.50% stake): Construction, implementation, operation and maintenance of the electricity transmission facilities of the national grid the 230 kV *Irapé Araçuaí transmission line*.
- **Empresa Paraense de Transmissão de Energia S. A. (EPTE)** (jointly controlled 19.26% stake): Holder of a public service electricity transmission concession for the 500 kV transmission line in the State of Pará.

- Empresa Norte de Transmissão de Energia Empresa Norte de Transmissão de Energia S. A. (**ENTE**) (jointly controlled 18.35% stake): Holder of a public service electricity transmission concession for two 500 kV transmission lines in the State of Pará and in the State of Maranhão.
- Empresa Regional de Transmissão de Energia Empresa Regional de Transmissão de Energia S. A. (**ERTE**) (jointly controlled 18.35% holding): Holder of a public service electricity transmission concession, for the 230 kV transmission line in the State of Pará.
- Empresa Amazonense de Transmissão de Energia S. A. (**EATE**) (jointly controlled 17.17% stake): Holder of the public service electricity transmission concession, for the 500 kV transmission lines between the sectionalizing substations of Tucuruí, Marabá, Imperatriz, Presidente Dutra and Açailândia.
- Empresa Catarinense de Transmissão de Energia S. A. (**ECTE**) (jointly controlled, with 7.50% stake): holder of the public service electricity transmission service concession, through 525 kV transmission lines in the State of Santa Catarina.
- **Axxiom Soluções Tecnológicas S. A. (Axxiom)** (jointly controlled 49.00% stake): Formed in August 2007 to provide systems implementation and management services to electricity sector companies.

Table of Contents

Pre-operational companies: Cemig also has stockholdings in the companies listed below, which on March 31, 2009 were at **pre-operational** stage:

- **Companhia de Transmissão Centroeste de Minas** (jointly controlled 51.00% stake): Construction, implementation, operation and maintenance of electricity transmission facilities of the basic network of the national grid the 345 kV *Furnas Pimenta transmission line*.
- **Transchile Charrúa Transmisión S. A.** (**Transchile**) (jointly controlled 49.00% stake): Implementation, operation and maintenance of the *Charrúa Nueva Temuco 220 kV transmission line* and two sections of transmission line at the Charrúa and Nueva Temuco substations, in the central region of Chile. The head office of Transchile is in Santiago, Chile.

Where **Cemig** exercises joint control it does so through stockholders' agreements with the other stockholders of the investee company.

2) PRESENTATION OF THE QUARTERLY INFORMATION

The quarterly financial statements were prepared according to accounting principles adopted in Brazil, namely: the Brazilian Corporate Law; the Statements, Orientations and Interpretations issued by the Accounting Statements Committee; rules of the Brazilian Securities Commission (CVM *Comissão de Valores Mobiliários*); and rules of the specific legislation applicable to holders of electricity concessions, issued by the National Electricity Agency, Aneel.

The quarterly information has been prepared according to accounting principles, methods and criteria that are uniform in relation to those adopted in the previous business year. In accordance with that, the quarterly information must be read with the financial information of the previous year.

Additionally, to maximize information provided to the market, the company is presenting, in Explanatory Note 33, income statements separated by company. All the information presented was obtained from the accounting records of the Company and its subsidiaries.

Law 11.638/07 alters and repeals provisions, and creates new provisions, in the Brazilian Corporate Law, in the chapter relating to disclosure and preparation of financial statements. Among other aspects, this changes the criterion for recognition and valuation of certain assets and liabilities. The aim of these changes is to increase the transparency of financial statements of Brazilian companies and eliminate some regulatory barriers that were an obstacle to the process of convergence of these financial statements with International Financial Reporting Standards (IFRS):

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

Law 11.638/07 and Provisional Measure 449/08 alters the Law 6.404/76 the aspects related to the Financial Statements.

In the Financial Statement of 2008, the Company has adopted for the first time the changes in the Brazilian Corporate Law made by Law 11.638 approved on December 28, 2007, with the respective changes made by the Provisional Measure 449 on December 3, 2008.

Table of Contents

The effects in the quarterly statement because of the changes in the Corporate Law were basically, (i) the present value and (ii) financial instruments, and the impact in the net profit of the quarterly ended on March 31, 2008 were in the amount of R\$6,632 and R\$13,775, respectively, and those were not adjusted in the quarterly information for comparative because the amounts were imaterial.

Criterion for consolidation of the Quarterly Information

The financial statements of the subsidiaries and jointly controlled companies mentioned in Explanatory Note 1 were consolidated. The data of the controlled subsidiaries as a whole was consolidated based on the method of proportional consolidation, applicable to each component of the financial statements of the investees. All the subsidiaries, including those that are jointly controlled, follow accounting practices that are consistent with those of the holding company.

In the consolidation, the holding company's interests in the Stockholders' equity of investee companies, and the significant balances of assets, liabilities, revenues and expenses arising from transactions between the companies, have been eliminated.

The portion relating to the minority holdings in Stockholders' equity of the subsidiaries is shown separately in Liabilities.

The financial statements of **Transchile**, for the purpose of consolidation, are converted from Chilean accounting principles to Brazilian accounting principles, with Chilean pesos being converted to Reais based on the final exchange rate of the quarter, since the functional currency of Cemig is the Real.

The dates of the financial statements of the investee companies used for calculation of equity income and consolidation coincide with those of the holding company.

Table of Contents**3) CASH AND CASH EQUIVALENTS**

	Consolidated		Holding company	
	03/31/2009	12/31/2008	03/31/2009	12/31/2008
Bank accounts	91,316	330,772	4,283	17,361
Cash investments				
Bank deposit certificates	2,514,592	1,871,418	209,892	239,317
Treasury Financial Notes (LFTs)	42,448	46,463	127	118
National Treasury Notes (LTNs)	232	585	1	1
Other	57,023	34,699	112	109
	2,614,275	1,953,165	210,132	239,545
	2,705,591	2,283,937	214,415	256,906

Cash investments are transactions carried out with Brazilian financial institutions, contracted on normal market terms and conditions. They are highly liquid, promptly convertible into a known amount of cash, and are subject to an insignificant risk of change in value.

The financial investments are, substantially, bank certificates of deposit and fixed income funds, remunerated, substantially, by indexation to the rate paid on CDIs (interbank certificates of deposit), at returns varying from 101.00% to 103.00% of the CDI rate.

4) CONSUMERS AND RESELLERS**Current assets**

	Consolidated		Holding company	
	03/31/2009	12/31/2008	03/31/2009	12/31/2008
Retail supply invoiced	1,832,537	1,765,874	51,114	52,366
Retail supply not invoiced	649,313	676,463		
Wholesale supply to other concession holders	62,215	18,312		
(-) Provision for doubtful receivables	(388,735)	(418,492)	(51,114)	(52,366)
	2,155,330	2,042,157		

Receivables in the amount of R\$ 10,416 are recorded in Noncurrent assets at March 31, 2009 (R\$ 17,380 at December 31, 2008), in relation to the renegotiation of receivables owed by Copasa (Minas Gerais Water Company) and other consumers, to be paid by September 2012.

Credits receivable from an industrial consumer in the amount of R\$ 92,880 on March 31, 2009 refer to credits from an industrial consumer of Cemig D and Cemig GT, and not paid due to an injunction that allowed this payment not to be made until final judgment of a legal action challenging the tariff increase effected by Ministerial Order 045/86 during the Cruzado Economic Plan, are recorded in the accounts. The

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

Company expects these amounts to be received in full.

In compliance with rules laid down by Aneel, the criteria for constitution of provisions are as follows: (i) for consumers with significant debts payable, an individual analysis is made of the balance, taking into account the history of default, negotiations in progress and the existence of real guarantees; (ii) for other consumers, the debts receivable and unpaid for more than 90 days from residential consumers, more than 180 days from commercial consumers and more than 360 days for the other consumer categories, are provisioned in full.

The provision for doubtful credits made is considered to be sufficient to cover any losses in the realization of these assets.

Table of Contents**5) REGULATORY ASSETS AND LIABILITIES**

The General Agreement for the Electricity Sector, signed in 2001, and the new regulations governing the electricity sector, result in the constitution of several regulatory assets and liabilities, and also in deferral of federal taxes applicable to these assets and liabilities (which are settled as and when the assets and liabilities are received and/or paid), as shown here:

	Consolidated	
	03/31/2009	12/31/2008
Assets		
Portion A Note 6	467,932	548,038
Traders transactions in free energy during the rationing program Note 7	26,755	19,183
Deferred tariff adjustment Note 11	14,644	133,423
PIS, Cofins, Pasesp taxes Note 13	46,240	46,240
Pre-paid expenses CVA Note 8	1,245,909	1,075,307
Review of Tariff for use of the Distribution System (TUSD)	3,089	3,089
Discounts on the TUSD		25,095
Recovery of discounts on the TUSD	13,712	19,295
TUSD discounts Source with incentive		27,203
TUSD discounts Self-Producers and Independent Producers		19,514
Low-income subsidy	129,454	92,191
<i>Light for Everyone (Luz para Todos) Program.</i>	981	13,626
Other regulatory assets	18,199	3,082
	1,966,915	2,025,286
Liabilities		
Purchase of electricity during the rationing period Note 17	(17,476)	(23,749)
Revision of transmission revenue	(3,691)	(7,662)
Amounts to be restituted in the tariff CVA Note 8	(606,313)	(645,167)
Review of Tariff for use of the Distribution System (TUSD)	(14,444)	(17,519)
CCEAR contract exposure between Sub-markets	(22,285)	
Adjust in the reference company (pro rata)	(104,459)	
Financial adjustment for the 2008 Tariff Review	(160,167)	
Other regulatory liabilities	(8,494)	(6,630)
	(937,329)	(700,727)
Taxes, charges and contributions deferred obligations - Note 18	(37,399)	(89,281)
	(974,728)	(790,008)
Total	992,187	1,235,278

6) THE EXTRAORDINARY TARIFF RECOMPOSITION, AND PORTION A

The Brazilian federal government, through the Electricity Emergency Chamber (GCE), signed an accord with the electricity distributors and generators in 2001, named The General Agreement for the Electricity Sector, which defines criteria to ensure economic-financial equilibrium of the concession contracts and re-composition of the revenues and extraordinary losses relating to the period of the Brazilian Rationing Program, through a system known as the *Extraordinary Tariff Recomposition* (RTE), granted to compensate the variation of Portion A non-manageable costs taking place in the period January 1 to October 25, 2001

a) The Extraordinary Tariff Recomposition (RTE)

The RTE came into effect on December 27, 2001, through the following tariff adjustments:

- Adjustment of 2.90% for consumers in the residential classes (excluding low-rental consumers), and the rural, public-illumination and industrial high-voltage consumer classes for whom the cost of electricity represents 18.00% or more of the average cost of production and who or which meet certain requirements related to load factor and electricity demand, specified in the Resolution.
- Increase of 7.90% for other consumers.

Table of Contents

The RTE is being used to compensate the following items:

- Losses of invoiced sales revenue in the period from June 1, 2001 to February 28, 2002, corresponding to the difference between estimated revenue if the rationing program had not been put in place and the actual revenue while the program was in place, according to a formula published by Aneel. Calculation of this value did not take into account any losses from default by consumers.
- Passthrough to be made to the generators who bought energy for more than R\$ 49.26/MWh (free energy) from June 1, 2001 to February 28, 2002 in the Wholesale Electricity Market (MAE) (which was succeeded in 2004 by the Electricity Sale Chamber CCEE).

The period of validity of the RTE of Cemig D and of Light Serviços de Eletricidade S. A. (Light SESA), of 74 months, expired in February 2008.

b) Portion A

The items of Portion A are defined as being the sum of the differences, positive or negative, in the period January 1 to October 25, 2001, between the amounts of the non-manageable costs presented as the basis of the calculation for determination of the last annual tariff adjustment and the disbursements which effectively took place in the period.

The recovery of Portion A began in March 2008, shortly after the end of the period of validity of the RTE, using the same recovery mechanisms, that is to say, the adjustment applied to tariffs for compensation of the amounts of the RTE will continue in effect for compensation of the items of Portion A .

The Portion A credits are updated by the variation in the Selic rate up to the month in which they are actually offset.

As and when amounts of Portion A are received through the tariff, Cemig transfers those amounts from Assets to the Income statement, as follows: The amounts transferred by Cemig D in 2009 are as follows:

Amounts transferred to expenses	03/31/2009
Energy bought for resale	45,408
CCC	20,107
RGR Global Reversion Reserve	2,009

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

Tariff for transport of electricity from Itaipu	775
Tariff for use of national grid transmission facilities	5,193
Financial compensation for use of water resources	1,784
Connection Realization of Portion A	110
Electricity service inspection charge	188
	75,574

Table of Contents**c) Composition of the balances of Portion A**

The amounts to be received in relation to the RTE and Portion A, recorded in Assets, are:

	03/31/2009	Consolidated	12/31/2008
Cemig Distribuição S. A.			
Compensation for items of Portion A	796,762		782,525
Amounts raised	(343,039)		(267,465)
Total of Portion A	453,723		515,060
RME Light Energia			
Portion A	14,209		32,978
	14,209		32,978
Total of Portion A	467,932		548,038
Current assets	302,636		329,350
Noncurrent assets	165,296		218,688

7) TRADERS TRANSACTIONS IN FREE ENERGY

The entitlements of the subsidiary **Cemig Geração e Transmissão (Cemig GT)** in relation to the transactions in free energy in the Electricity Trading Chamber (CCEE, formerly MAE) during the Rationing Program are as follows:

	03/31/2009	Consolidated	12/31/2008
ASSETS			
Amounts to be received from distributors	44,152		45,302
Provision for losses in realization	(17,397)		(26,119)
	26,755		19,183
Current	16,115		15,076
Noncurrent	10,640		4,107

The amounts to be received refer to the difference between the prices paid by Cemig GT in the transactions in energy on the CCEE/MAE, during the period when the Rationing Program was in force, and R\$ 49.26/MWh, and are to be reimbursed through the amounts raised by means of the RTE, as defined in the General Accord for the Electricity Sector.

Under Aneel Resolution 36 of January 29, 2003, since March 2003 the electricity distributors raise and passthrough the amounts obtained monthly by means of the RTE to the generators and distributors who have amounts to be received, which include Cemig GT.

The entitlements of the subsidiary Cemig GT are updated by the variation in the Selic rate plus 1.00% interest per year.

The conclusion of some court proceedings in progress, brought by market agents, in relation to the interpretation of the rules in force at the time of the realization of the transactions in the ambit of the CCEE/MAE, may result in changes in the amounts recorded.

Provision for losses in realization

The provision constituted at present, in the amount of R\$ 17,397, represents the losses expected as a result of the period of receipt of the RTE from the distributors who are still passing funds through to the company not being sufficient, in the company's estimation, for passthrough of the total of the amounts owed.

Table of Contents**8) ANTICIPATED EXPENSES AND REGULATORY LIABILITIES CVA**

The balance on the Account to Compensate for Variation of Portion A items (the CVA account) refers to the positive and negative variations between the estimate of Cemig's non-manageable costs, used for deciding the tariff adjustment, and the payments actually made. The variations ascertained are compensated in the subsequent tariff adjustments.

The balance on the CVA is shown below:

	03/31/2009	Consolidated 12/31/2008
Cemig Distribuição S. A. (Cemig D)	573,042	379,728
RME Light	66,555	50,412
	639,597	430,140
Current assets	579,414	778,545
Noncurrent assets	666,496	296,762
Current assets	(146,776)	(488,284)
Noncurrent liabilities	(459,537)	(156,883)
Net amounts	639,597	430,140

9) TAXES SUBJECT TO OFFSETTING

	Consolidated		Holding company	
	03/31/2009	12/31/2008	03/31/2009	12/31/2008
Current				
ICMS tax recoverable	203,280	196,261	3,806	3,806
Income tax	520,380	399,104		
Social Contribution tax	175,704	126,188		
Pasep tax	8,130	14,471		1,132
Cofins tax	57,254	93,130		5,250
Other	15,674	14,695	1,385	1,385
	980,422	843,849	5,191	11,573
Noncurrent				
ICMS tax recoverable	95,884	97,372	426	426
Income tax	178,121	163,276	178,121	163,276
Social Contribution tax	10,930	10,407	10,930	10,407
Pasep and Cofins taxes		997		
	284,935	272,052	189,477	174,109
	1,265,357	1,115,901	194,668	185,682

The Pasep and Cofins credits arise from payments made in excess by the company as a result of adoption of the non-cumulative regime for revenues from the transmission companies whose supply contracts were made before October 31, 2003, and which, under regulations

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

subsequently made by the Brazilian Federal Revenue authority, were allowed to be revised and to qualify under the cumulative regime. As a consequence of this revision, the restitution of tax amounts paid in excess in previous business periods was permitted.

The balances of income tax and Social Contribution refer to tax credits in corporate income tax returns of previous years, and payments made in 2009, which will be offset against federal taxes payable for the year 2009, recorded in Taxes, charges and contribution .

The credits of ICMS recoverable, posted in Noncurrent assets, arise from acquisitions of fixed assets and are offset in 48 months.

Table of Contents**10) TAX CREDITS****Deferred income tax and Social Contribution tax**

Cemig and its subsidiaries have deferred income tax credits posted in Current assets and Noncurrent assets, constituted at the rate of 25.00%, and deferred Social Contribution tax credits, at the rate of 9.00%, as follows:

	Consolidated		Holding company	
	03/31/2009	12/31/2008	03/31/2009	12/31/2008
Tax credits on temporary differences:				
Tax loss/negative base	262,014	234,346	41,534	41,676
Contingency provisions	206,969	197,415	107,884	100,296
Provisions for losses on realization of amounts receivable under the Extraordinary Tariff				
Recomposition and free energy	11,857	46,540		
Provision for the Tariff Adjustment Index	87,143			
Post-employment obligations	93,852	95,686	3,280	3,439
Provision for doubtful receivables	152,748	163,509	17,379	17,805
Provision for Pasep and Cofins				
Tariff Recomposition	1,577	5,349		
Provision for non-recovery of tax credits	(29,616)	(29,616)		
Financial Instruments	65,045	57,136		
FX variation	110,740	109,385		
Other	36,812	57,056	528	1,141
	999,141	936,806	170,605	164,357
Current assets	297,298	188,792	41,899	18,381
Noncurrent assets	701,843	748,014	128,706	145,976

At its meeting on February 12, 2009, the Board of Directors approved the technical study prepared by the Office of the Chief Officer for Finance, Investor Relations and Control of Holdings on the forecasts for future profitability adjusted to present value, which show capacity for realization of the deferred tax asset in a maximum period of 10 years, as defined in CVM Instruction 371. This study included Cemig and its subsidiaries Cemig GT and Cemig D, and was submitted for examination by the Audit Board of Cemig on February 05, 2009,

In accordance with the individual estimates of Cemig and its subsidiaries, future taxable profits enable the deferred tax asset existing on March 31, 2009 to be realized according to the following estimate:

	Consolidated	Holding company
2009	250.982	31.541
2010	269.003	41.432
2011	134.998	29.038

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

2012		115.630	29.038
2013		124.026	32.133
2014 to 2016		62.947	6.766
2017 and 2018		71.171	657
() Provision for non-recovery of tax credits	RME/Light	(29.616)	
		999.141	170.605

As well as the provision for non-recovery of tax credits of Light, on March 31, 2009 the holding company had tax credits not recognized in its financial statements, in the amount of R\$409,375 (R\$ 445,386 on December 31, 2008).

The credits not recognized refer basically to the effective loss arising from the assignment of the credits of accounts receivable from the state government to the Credit Receivables Fund in the first quarter of 2006 (as per Explanatory Note 14). As a result of this assignment the provision for losses on recovery of the amounts constituted in previous years became deductible for the purposes of income tax and Social Contribution. The portion not recognized in relation to this issue is R\$ 437,509.

Table of Contents

Considering that the Brazilian tax legislation allows companies to benefit from payment of Interest on Equity and to deduct such payments from their taxable profit, Cemig adopted the tax option of paying Interest on Equity to its stockholders. In accordance with its tax planning, after the offsetting in the coming years of the offsetable taxes recorded, Cemig will pay Interest on Equity in an amount that will reduce its taxable profit to an amount close to or equal to zero. As a consequence, this alternative will eliminate the payment of income tax and the Social Contribution tax by the Holding Company, and the tax loss carryforwards not recognized will not be recovered.

b) Reconciliation of the expense on income tax and Social Contribution:

The reconciliation of the nominal expense on income tax (rate 25%) and Social Contribution (rate 9%) with the actual expense shown in the Income Statement is as follows:

	Consolidated		Holding company	
	1Q09	1Q08	1Q09	1Q08
Profit before income tax and Social Contribution tax	571,885	800,855	331,221	485,121
Income tax and Social Contribution nominal expense	(194,339)	(272,291)	(112,615)	(164,941)
Tax effects applicable to:				
Equity gain (loss) from subsidiaries			122,311	183,554
Reversal relating to Social Contribution tax on complementary monetary adjustment		(8,549)		(8,549)
Employees profit shares	9,386	7,500	307	262
Non-deductible contributions and donations	(735)	(1,065)	(82)	(51)
Tax incentives	2,778		7	
Tax credits not recognized	709	(3,329)	29	(3,329)
Amortization of goodwill	(1,387)	(1,387)	(1,387)	(1,387)
Adjustment to income tax and Social Contribution previous business year	(12,369)			
Other	8,058	3,024	(2,647)	371
Income tax and Social Contribution effective expense	(187,999)	(276,097)	5,923	5,930

c) The transition tax regime

Provisional Measure 449/2008, of December 3, 2008, instituted the Transition Taxation Regime (RTT), which aims to neutralize the impacts of the new accounting methods and criteria introduced by Law 11.638/07, in calculation of the taxable amounts for federal taxes.

Application of the RTT is optional for the years 2008 and 2009, and applies to corporate entities subject to Corporate Income Tax (IRPJ), in accordance with the two tax reporting methods: *real profit* or *presumed profit*. The taxpayer must state a choice in relation adoption of the RTT in the Corporate Income Tax Return (DIPJ) for 2009, this regime being optional for 2008 and 2009. Starting in 2010, adoption of the RTT becomes obligatory, until the law that regulates the tax effects of the new accounting methods and criteria comes into effect.

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

For the companies that adopt the RTT, the changes introduced by Law 11638/07, as amended by MP 449/08, which change the criteria for recognition of revenues, costs and expenses computed in calculation of the net profit for the period, do not apply to calculation of the *real profit* of legal entities, the accounting methods and criteria in effect on December 31, 2007 being used for tax purposes.

Based on an initial assessment, the Company has reflected in its accounting statements the effects of the adoption of the RTT, and additional studies will be carried out before the delivery of the DIPJ for 2009.

Table of Contents

11) DEFERRED TARIFF ADJUSTMENT

Aneel, through Homologating Resolution 71, published with effect backdated to April 4, 2004, defined the results of the Periodic Tariff Review of Cemig D.

The average adjustment applied to Cemig's tariffs on April 8, 2003, on a provisional basis, was 31.53%. However Resolution 71 laid down that the final tariff repositioning for Cemig was an increase of 44.41%, and that the percentage difference of 12.88% was to be compensated in tariffs. The last portion for receipt of the difference between the tariff adjustments was included in the tariff adjustment that took place on April 8, 2008.

The difference between the tariff level to which Cemig Distribuição has the right and the tariff actually charged to consumers is recognized as a Regulatory Asset.

The amounts relating to the Deferred Tariff Adjustment are updated in monetary terms by the IGPM inflation index plus interest of 11.26% per year.

	1Q09	Consolidated 12/31/2008
Deferred Tariff Adjustment since April 8, 2003	949.612	949.612
Interest (defined by Aneel 11.26% p. a.)	475.502	447.881
Monetary updating IGP-M Inflation Index	226.844	201.967
() Amounts raised through tariffs	(1.637.314)	(1.466.037)
	14.644	133.423

12) CREDIT RECEIVABLES DUE FROM THE MINAS GERAIS STATE GOVERNMENT

The outstanding credit balance receivable on the CRC (Results Compensation) Account was passed to the State of Minas Gerais in 1995, under an agreement to assign that account (the CRC Contract), in accordance with Law 8724/93, for monthly amortization over 17 years starting on June 1, 1998, with annual interest of 6% plus inflation correction by the Ufir index.

On January 24, 2001 the First Amendment was signed, replacing the inflation indexation unit in the contract, which was the Ufir, with the IGP-DI, backdated to November 2000, due to the abolition of the Ufir in October 2000.

In October 2002 the Second and Third Amendments to the CRC Contract were signed, establishing new conditions for the amortization of the credits receivable from the Minas Gerais State Government. The main clauses were: (i) a monetary updating by the IGP-DI inflation index;

(ii) amortization of the two amendments by May 2015; (iii) interest rates of 6.00% and 12.00% for the first and second amendments, respectively; and (iv) guarantee of 100% retention of the dividends owed to the State Government for settlement of the third amendment.

a) The Fourth Amendment to the CRC contract

As a result of default in the receipt of the credits referred to in the Second and Third Amendments, the Fourth Amendment was signed with the aim of making possible the full receipt of the CRC through retention of dividends as and when the government of the state becomes entitled to them. This agreement was approved by the Extraordinary General Meeting of Stockholders completed on January 12, 2006.

The Fourth Amendment to the CRC contract had backdated effect on the outstanding balance existing on December 31, 2004, and consolidated the amounts receivable under the Second and Third Amendments, corresponding to R\$ 4,151,030 on March 31, 2009.

Table of Contents

This amendment commits the government of the state to amortize the debit in 61 consecutive half-yearly installments, becoming due by June 30 and December 31 of each year, over the period from June 2005 to June 2035 inclusive. The amounts of the portions for amortization of the principal, updated by the IGP-DI index, increase over the period, from R\$ 28,828 for the first, to R\$ 92,117 for the sixty-first (in currency of March 31, 2009).

The debt will primarily be amortized by means of retention of 65.00% of the minimum obligatory dividends payable to the state government. If the amount is not sufficient to amortize the portion becoming due the retention may be of up to 65% of all and any amount of extraordinary dividends or Interest on Equity. These dividends retained are used to amortize the contract in the following order: (i) settlement of past due installments; (ii) settlement of an installment for the current half- year; (iii) anticipated settlement of up to 2 installments; and, (iv) amortization of the debtor balance.

On March 31, 2009, the installments due on June 30 and December 31, 2009, had already been amortized in advance.

The signature of the Fourth Amendment to the contract provides that, to ensure complete receipt of the credits, the provisions of the Bylaws must be obeyed they define certain targets to be met annually in conformity with the Strategic Plan, which must be complied with, the principal provisions being the following:

Target	Index required
Debt/Ebitda	Less than 2 (1)
Debt/(Debt plus Stockholders equity)	Less than or equal to 40.00% (2)
Capital expenditure and acquisition of assets	Less than or equal to 40.00% of Ebitda

EBITDA = Earnings before interest, taxes on profit, depreciation and amortization.

- (1) Less than 2.5 in certain situations specified in the Bylaws.
- (2) Less than equal to 50% in certain situations specified in the Bylaws.

b) Transfer of the CRC credits to a Receivables Investment Fund (FIDC)

On January 27, 2006 Cemig transferred the CRC credits into a Receivables Investment Fund (FIDC). The amount of the FIDC was established by the administrator based on long-term financial projections for Cemig, estimating the dividends that will be retained for amortization of the outstanding debtor balance on the CRC contract. Based on these projections the FIDC was valued at a total of R\$ 1,659,125, of which R\$ 900,000 in senior units and R\$ 759,125 in subordinated units.

The senior units were subscribed and acquired by financial institutions and will be amortized in 20 half-yearly installments, from June 2006, updated by the variation of the CDI + 1.7% of interest per year, guaranteed by Cemig.

The subordinated units were subscribed by Cemig and correspond to the difference between the total value of the FIDC and the value of the senior units.

Table of Contents

The updating of the subordinated units corresponds to the difference between the valuation of the FIDC using a rate of 10.00% per year, and the increase in value of the senior units by the variation of the CDI plus interest of 1.70% per year.

The movement on the FIDC in the first quarter of 2009 is as follows:

	Consolidated and Holding company
Balance at December 31, 2008	1,800,873
Monetary updating on the senior units	30,592
Monetary updating on the subordinated units	9,414
Investments in the subordinated units	
Amortization of the senior units	(69,953)
Amortization of the subordinated units	
Balance at 31 March 2009	1,770,926
Composition of the FIDC on March 31, 2009	
- Senior units held by third parties	950,918
- Subordinated units held by Cemig	817,468
- Dividends retained by the Fund	2,539
	820,008
TOTAL	1,770,926

The dividends and Interest on Equity proposed by the Executive Board to the Board of Directors, to be distributed to stockholders for the business year 2008, are posted in Current Liabilities. Of the dividends to be distributed, R\$ 210,149 is payable to the Minas Gerais State Government, of which R\$ 138,451 will be retained for repayment of part of the due receivables on the CRC.

c) Consolidation criterion of the FIDC

Due to the guarantee offered by Cemig of settlement of the senior units in the event that the dividends due to the state government are not sufficient for amortization of the installments, the Consolidated financial statements present the balance of the FIDC registered in full in Cemig and the senior units are presented as a debt under loans and financings in current and noncurrent liabilities. Similarly, in the consolidation, the monetary updating of the FIDC was recognized in full as a financial expense, and in counterpart the amount of the monetary updating of the senior units was registered as a cost of debt.

13) REGULATORY ASSET PIS/PASEP AND COFINS

Federal Laws 10637 and 10833 changed the bases of application, and increased the rate, of the PIS/Pasep and Cofins taxes. As a result of these alterations there was an increase in PIS/Pasep expenses from December 2002 to March 2005 and in expenses on the Cofins tax from

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

February 2004 to June 2005.

In view of the fact that this increase in the expense should be repaid to the company through tariffs, the credits were registered, in accordance with a criterion defined by Aneel, as a regulatory asset and there was a counterpart reduction in the expense on PIS/Pasep and Cofins taxes.

The company expects reimbursement of these assets in the forthcoming tariff adjustments with funds received from ANEEL.

Table of Contents**14) INVESTMENTS**

	Consolidated		Holding company	
	03/31/2009	12/31/2008	03/31/2009	12/31/2008
In subsidiaries and jointly controlled companies				
Cemig Geração e Transmissão			3,713,552	3,481,139
Cemig Distribuição			2,516,345	2,476,011
Rio Minas Energia Participações			311,151	290,006
Infovias			270,218	264,978
Gasmig			328,382	319,103
Rosal Energia			95,662	91,287
Sá Carvalho			101,901	95,380
Horizontes Energia			68,507	66,734
Usina Térmica Ipatinga			68,831	66,319
Cemig PCH			55,633	52,262
Cemig Capim Branco Energia			62,878	54,931
Companhia Transleste de Transmissão			14,629	14,342
UTE Barreiro			997	1,943
Companhia Transudeste de Transmissão			8,501	8,283
Usina Hidrelétrica Pai Joaquim			477	484
Companhia Transirapé de Transmissão			6,298	6,033
Transchile			34,141	34,141
Efficientia			7,822	6,266
Central Termelétrica de Cogeração			155,697	153,578
Companhia de Transmissão Centroeste de Minas			6,799	6,779
Cemig Trading			2,766	192
Empresa Paraense de Transmissão de Energia-ETEP			17,939	16,143
Empresa Norte de Transmissão de Energia-ENTE			32,893	29,493
Empresa Regional de Transmissão de Energia-ERTE			6,408	5,839
Empresa Amazonense de Transmissão de Energia-EATE			62,599	56,046
Empresa Catarinense de Transmissão de Energia-ECTE			5,142	4,736
Axxiom Soluções Tecnológicas			2,428	2,710
			7,958,596	7,605,158
In consortia	1,120,791	1,113,297		
Goodwill on acquisition of the stake in Rosal Energia			31,772	33,154
Goodwill on acquisition of the stake in ETEP			24,893	25,174
Goodwill on acquisition of the stake in ENTE			37,029	37,420
Goodwill on acquisition of the stake in ERTE			8,479	8,569
Goodwill on acquisition of the stake in EATE			139,853	141,430
Goodwill on acquisition of the stake in ECTE			6,762	6,840
In other investments	27.027	36.689	3,506	3,506
	1.147.818	1,149,986	252,294	256,093
	1.147.818	1,149,986	8,210,890	7,861,251

Table of Contentsa) **The main information on the investees is as follows:**

Subsidiaries	Number of shares	Cemig stake (%)	At March 31, 2009	Stockholders equity	1st quarter 2009	
			Registered capital		Dividends	Profit (loss)
Cemig Geração e Transmissão	2,896,785,358	100.00	2,896,785	3,713,552		232,413
Cemig Distribuição	2,261,997,787	100.00	2,261,998	2,516,345		40,334
Rio Minas Energia	709,309,572	25.00	709,309	1,244,604		92,142
Infovias	381,023,385	100.00	225,082	270,218		6,385
Rosal Energia	86,944,467	100.00	86,944	95,662		4,407
Sá Carvalho	860,000,000	100.00	86,833	101,901		6,488
GASMIG	409,255,000	55.19	474,497	595,003		18,399
Horizontes Energia	64,257,563	100.00	64,258	68,507		1,769
Usina Térmica Ipatinga	64,174,281	100.00	64,174	68,831		2,554
Cemig PCH	50,952,000	100.00	50,952	55,633		3,371
Cemig Capim Branco Energia	45,528,000	100.00	45,528	62,878		7,947
Companhia Transleste de Transmissão	49,569,000	25.00	49,569	58,516		2,636
UTE Barreiro	11,918,000	100.00	11,918	997		275
Companhia Transudeste de Transmissão	30,000,000	24.00	30,000	35,416		1,420
Central Hidrelétrica Pai Joaquim	486,000	100.00	486	477		(9)
Companhia Transirapé de Transmissão	22,340,490	24.50	22,340	25,710		1,098
Transchile	27,840,000	49.00	61,563	69,675		
Efficientia	6,051,994	100.00	6,052	7,822		1,509
Central Termelétrica de Cogeração	150,000,000	100.00	150,001	155,697		5,573
Companhia de Transmissão Centroeste de Minas	51,000	51.00	51	13,331		
Cemig Trading	160,297	100.00	160	2,766		2,574
Empresa Paraense de Transmissão de Energia ETEP	45,000,010	19.26	69,569	93,117		6,430
Empresa Norte de Transmissão de Energia - ENTE	100,840,000	18.35	120,128	179,258	547	11,728
Empresa Regional de Transmissão de Energia - ERTE	23,400,000	18.35	23,400	34,919		3,100
Empresa Amazonense de Transmissão de Energia - EATE	180,000,010	17.17	273,469	364,609		27,516
Empresa Catarinense de Transmissão de Energia - ECTE	42,095,000	7.50	42,095	68,560		5,792
Axxiom Soluções Tecnológicas	4,200,000	49.00	4,200	4,955		(486)

Table of Contents

Subsidiaries	Number of shares	Cemig stake (%)	At December 31, 2008		1st quarter 2008	
			Registered capital	Stockholders equity	Dividends	Profit (loss)
Cemig Geração e Transmissão	2,896,785,358	100.00	2,896,785	3,481,139		205.728
Cemig Distribuição	2,261,997,787	100.00	2,261,998	2,476,011		270.659
Rio Minas Energia	709,309,572	25.00	709,310	1,160,019		58.795
Infovias	381,023,385	100.00	225,082	264,978	259	4.619
Rosal Energia	86,944,467	100.00	86,944	91,287		3.333
Sá Carvalho	860,000,000	100.00	86,833	95,380		6.549
Gasmig	409,255,000	55.19	263,852	578,190	5.977	20.240
Horizontes Energia	64,257,563	100.00	64,258	66,734		2.272
Usina Térmica Ipatinga	64,174,281	100.00	64,174	66,319		1.930
Cemig PCH	50,952,000	100.00	50,952	52,262		1.806
Cemig Capim Branco Energia	45,528,000	100.00	45,528	54,931		8.380
Companhia Transleste de Transmissão	49,569,000	25.00	49,569	57,370		1.919
UTE Barreiro	11,918,000	100.00	11,918	1,943		(519)
Companhia Transudeste de Transmissão	30,000,000	24.00	30,000	34,509		807
Central Hidrelétrica Pai Joaquim	486,000	100.00	486	484		25
Companhia Transirapé de Transmissão	22,340,490	24.50	22,340	24,630		501
Transchile	27,840,000	49.00	62,407	69,676		
Efficientia	6,051,994	100.00	6,052	6,266		1.259
Central Termelétrica de Cogeração	150,000,000	100.00	150,001	153,578		11
Companhia de Transmissão Centroeste de Minas	51,000	51.00	51	13,293		
Cemig Trading	160,297	100.00	160	192		(18)
Empresa Paraense de Transmissão de Energia ETEP	45,000,010	19.25	69,063	83,860	4.542	5.244
Empresa Norte de Transmissão de Energia ENTE	100,840,000	18.35	120,128	160,727	29.047	9.846
Empresa Regional de Transmissão de Energia - ERTE	23,400,000	18.35	23,400	31,819	6.949	2.466
Empresa Amazonense de Transmissão de Energia - EATE	180,000,010	17.17	273,469	326,431	18.794	21.651
Empresa Catarinense de Transmissão de Energia - ECTE	42,095,000	7.50	42,095	63,149	13.020	5.050
Axxiom Soluções Tecnológicas	4,200,000	49.00	4,200	5,531		

Table of Contents

The movement on investment in subsidiaries is as follows:

	31.12.2008	Equity gain	Capital injections	Dividends proposed	Other	31.03.2009
Cemig Geração e Transmissão	3,481,139	232,413				3,713,552
Cemig Distribuição	2,476,011	40,334				2,516,345
Rio Minas Energia	290,006	23,038			(1,893)	311,151
Infovias	264,978	6,385			(1,145)	270,218
Rosal Energia	91,287	4,407		622	(654)	95,662
Sá Carvalho	95,380	6,488		33		101,901
Gasmig	319,103	10,155			(876)	328,382
Horizontes Energia	66,734	1,769		292	(288)	68,507
Usina Térmica Ipatinga	66,319	2,554		798	(840)	68,831
Cemig PCH	52,262	3,371				55,633
Cemig Capim Branco Energia	54,931	7,947				62,878
Companhia Transleste de Transmissão	14,342	647		(431)	71	14,629
UTE Barreiro	1,943	275			(1,221)	997
Companhia Transudeste de Transmissão	8,283	339		(116)	(5)	8,501
Central Hidrelétrica Pai Joaquim	484	(9)		(4)	6	477
Companhia Transirapé de Transmissão	6,033	269			(4)	6,298
Transchile	34,141					34,141
Efficientia	6,266	1,509		1,513	(1,466)	7,822
Central Termelétrica de Cogeração	153,578	5,573		(2,241)	(1,213)	155,697
Companhia de Transmissão Centroeste de Minas	6,779		20			6,799
Cemig Trading	192	2,574		2,562	(2,562)	2,766
Empresa Paraense de Transmissão de Energia - ETEP	16,143	1,241	105		450	17,939
Empresa Norte de Transmissão de Energia - ENTE	29,493	3,050			350	32,893
Empresa Regional de Transmissão de Energia - ERTE	5,839	568			1	6,408
Empresa Amazonense de Transmissão de Energia - EATE	56,046	4,644	547		1,362	62,599
Empresa Catarinense de Transmissão de Energia - ECTE	4,736	434		(32)	4	5,142
Axxiom Soluções Tecnológicas	2,710	(238)			(44)	2,428
	7,605,158	359,737	672	2,996	(9,967)	7,958,596

b) Goodwill in the acquisition of interest of Light

A discount was ascertained on the acquisition, corresponding to the difference between the amount paid by **RME** and the book value of the stake in the stockholders' equity of **Light**, in the amount of R\$ 364,961 (**Cemig**'s portion is 25.00%). This discount arises from the estimate of the results of future years as a function of the commercial operation of the electricity distribution and generation concessions and thus is being amortized from October 2006 to May 2026, the date of the termination of the distribution concession on a linear basis. The remaining value of the discount (R\$ 80,524) is presented in the consolidation as a noncurrent asset, in the account line *Other obligations*.

c) **Goodwill in the Acquisition of interest in electricity transmission companies**

Premium/goodwill on acquisition of electricity companies: The goodwill on the acquisition of the companies Empresa Amazonense de Transmissão de Energia S.A. **EATE**, Empresa Paraense de Transmissão de Energia S.A. **ETEP**, Empresa Norte de Transmissão de Energia S.A. **ENTE**, Empresa Regional de Transmissão de Energia S.A. **ERTE** and Empresa Catarinense de Transmissão de Energia S.A. **ECTE**., corresponding to the difficult between the amount paid and the book value of the stake in the stockholders' equity of the jointly controlled subsidiaries, arises from expectation of future earnings on the basis of the commercial operation of the transmission concessions. The amortization of the goodwill will take place over the remaining period of validity of the concessions (from August 2006 to 2030/2032). In the quarterly consolidated accounting statements the value of the goodwill was incorporated into Intangible assets, on the basis of the value attributed to the use of the concession.

Table of Contents**d) In consortia**

Cemig participates in consortia for electricity generation concessions, for which companies with an independent legal existence were not constituted to administer the object of the concession, the controls being maintained in the books of account of Cemig, of the specific portion equivalent to the investments made, as follows:

	Stake in the energy generated %	Average annual depreciation rate %	Consolidated 03/31/2009	Consolidated 12/31/2008
In service				
Porto Estrela Plant	33.33	2.48	38,625	38,625
Igarapava Plant	14.50	2.58	55,554	55,554
Funil Plant	49.00	2.40	181,402	181,402
Queimado Plant	82.50	2.45	193,599	193,599
Aimorés Plant	49.00	2.50	543,684	543,684
Amador Aguiar I and II Plants	21.05	2.51	55,179	54,843
Accumulated depreciation			(121,423)	(114,506)
Total in operation			946,620	953,201
In progress				
Queimado Plant	82.50		13,125	13,125
Funil Plant	49.00		819	755
Aimorés Plant	49.00		5,853	5,853
Baguari Plant	34.00		154,374	140,363
Total under construction			174,171	160,096
Total, consortia			1,120,791	1,113,297

The depreciation of the assets contained in the property, plant and equipment of the consortia is calculated by the linear method, based on rates established by Aneel.

f) New acquisitionsAcquisition of stake in electricity transmission companies

On September 24, 2008, Brookfield exercised its option to sell its shares representing the following percentages of the voting capital of the following companies to Companhia Energética de Minas Gerais - CEMIG and Alupar Investimento S.A. in the proportion of 95% and 5% respectively: 24.99% in Empresa Amazonense de Transmissão de Energia S.A. EATE; 24.99% in Empresa Paraense de Transmissão de Energia S.A. ETEP; 18.35% in Empresa Norte de Transmissão de Energia S.A. ENTE; 18.35% in Empresa Regional de Transmissão de Energia S.A. ERTE; and 7.49% in Empresa Catarinense de Transmissão de Energia S.A. ECTE.

Conclusion of the transaction and actual acquisition is subject to approval by the Brazilian Development Bank (BNDES) and by other financing bodies.

The amount to be paid by Cemig for its 95% portion of the share positions bought from Brookfield will be R\$ 330.6 million, value of August 16, 2008, adjusted up to the date of final closing, expected in the first semester in 2009.

Table of ContentsConstitution of the UHE Itaocara, PCH Paracambi and PCH Lajes Consortia

On July 3, 2008 the Board of Directors authorized Cemig GT to take stakes of 49% in three hydroelectric projects: the Itaocara, Paracambi and Lajes Small Hydro Plants (PCHs) in partnership with Light, to enter into the following contracts between Cemig Geração e Transmissão S.A. and subsidiaries of Light for the constitution of: The UHE Itaocara Consortium, in partnership with Itaocara Energia Ltda.; the PCH Paracambi Consortium, in partnership with Lightger Ltda.; and the PCH Lajes Consortium, in partnership with Light Energia S.A. the objects of all three being: analysis of the technical and economic feasibility, preparation of the plans, construction, operation, maintenance and commercial operation of the respective projects. All individuals above instruments are pending approval or authorizations required by regulatory bodies concerned, including ANEEL.

15) FIXED ASSETS

	Historic cost	Consolidated		12/31/2008
		03/31/2009 Accumulated depreciation	Net value	
In service	21,168,103	(9,414,948)	11,753,155	11,693,314
Distribution	11,349,553	(5,131,494)	6,218,059	6,219,533
Generation	7,277,689	(3,093,611)	4,184,078	4,111,327
Transmission	1,690,575	(721,852)	968,723	972,041
Management	402,925	(270,581)	132,344	137,713
Telecoms	349,954	(168,051)	181,903	183,549
Gas	97,407	(29,359)	68,048	69,151
In progress	1,872,036		1,872,036	1,809,521
Distribution	1,129,198		1,129,198	1,100,645
Generation	287,072		287,072	313,967
Transmission	166,625		166,625	138,446
Management	131,243		131,243	131,095
Telecoms	30,050		30,050	27,747
Gas	127,848		127,848	97,621
Total fixed assets	23,040,139	(9,414,948)	13,625,191	13,502,835
Special Obligations linked to concessions	(2,657,579)	115,217	(2,542,362)	(2,549,308)
Net fixed assets	20,382,560	(9,299,731)	11,082,829	10,953,527

Special Obligations refer basically to the contributions by consumers for execution of the undertakings necessary to comply with requests for retail supply of electricity.

Under Aneel Resolution 234 of October 2006, and Aneel Official Circular 1314/2007, of June 27, 2007, the balance of the Special Obligations linked to assets began to be amortized starting with the second cycle of tariff review of Cemig Distribution and of Light, in 2008, at a percentage corresponding to the average rate of depreciation of the assets.

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

Some land sites and buildings of the subsidiaries which were given in guarantee in lawsuits involving tax, labor-law, civil and other disputes are recorded in Fixed assets Administration. These were posted at the amount of R\$ 7,804 on March 31, 2009 (R\$ 8.369, on December 31, 2008), net of depreciation.

Table of Contents**16) INTANGIBLE**

	Consolidated			12/31/2008
	Historic cost	03/31/2009 Accumulated amortization	Net value	Net value
In service	615,760	(235,419)	380,341	383,310
Distribution	61,882	(39,900)	21,982	36,353
Generation	88,459	(52,406)	36,053	70,694
Transmission	265,418	(6,001)	259,417	227,916
Management	197,782	(136,701)	61,081	46,599
Telecoms	712	(411)	301	339
Gas	1,507		1,507	1,410
In progress	222,472		222,472	221,127
Distribution	52,177		52,177	51,306
Generation	33,014		33,014	30,570
Transmission	2,467		2,467	1,554
Management	134,814		134,814	137,697
Intangible, net	838,232	(235,419)	602,813	604,437

17) SUPPLIERS

	Consolidated		Holding company	
	03/31/2009	12/31/2008	03/31/2009	12/31/2008
Current				
Wholesale supply and transport of electricity -				
Elektrobrás energy from Itaipu	211,683	197,130		
Furnas	52,014	68,366		
CCEE	54,533	108,038		
Other	273,587	212,364		
	591,837	585,898		
Materials and services	232,570	305,923	3,212	7,134
	824,407	891,821	3,212	7,134
Noncurrent				
Wholesale electricity supply -				
Purchase of free energy during the period of rationing	77	77		
	77	77		

Of the amounts owed to CCEE, a substantial part will be paid by September 2009, with inflation adjustment of the Selic plus 1.00% in interest per year. The conclusion of some court proceedings in progress, brought by market agents, in relation to the interpretation of the rules in force at the time of the realization of the transactions for purchase of free energy during the period of rationing, may result in changes in the amounts recorded. See further information in Explanatory Note 22.

Table of Contents**18) TAXES, CHARGES AND CONTRIBUTIONS**

	Consolidated		Holding company	
	03/31/2009	12/31/2008	03/31/2009	12/31/2008
Current				
Income tax	255,404	91,111		
Social Contribution	91,432	22,924		
ICMS tax	295,562	284,939	18,091	18,092
Cofins tax	76,008	78,050		9,377
Pasep	13,281	14,079		2,036
Social security system	16,415	18,159	1,382	1,434
Other	22,120	24,483	1,258	1,051
	720,222	533,745	20,731	31,990
Deferred obligations				
Income tax	25,890	57,308		
Social Contribution	9,330	20,498		
Cofins tax	3,850	12,969		
Pasep	836	2,813		
	39,906	93,588		
	810,128	627,333	20,731	31,990
Noncurrent				
Deferred obligations				
Income tax	217,525	202,114		
Social Contribution	51,546	46,541		
Cofins tax	139,061	83,965		
Pasep	29,759	31,527		
Others	6,793	7,238		
	444,684	371,385		

The net deferred obligations refer to the regulatory assets and liabilities linked to the General Agreement for the Electricity Sector and other regulatory matters, and are owed as and when these assets and liabilities are realized.

The noncurrent Pasep and Cofins obligations refer to the legal action challenging the constitutionality of the inclusion of the ICMS in the taxable amount for these taxes, with application for compensation of the amounts paid in the last 10 years. The Company has obtained an interim relief from the judiciary enabling it not to make the payment and authorizing payment into Court starting in 2008.

The noncurrent deferred obligations for income tax and the Social Contribution tax refer to recognition of financial instruments (FX variation and hedging transactions) by the cash method – these are due as and when realized, by payment or redemption.

Table of Contents**19) LOANS, FINANCINGS AND DEBENTURES**

FINANCING SOURCES	Principal maturity	Annual cost (%)	Currency	Current	Consolidated		12/31/2008 Total
					03/31/2009 Noncurrent	Total	
FOREIGN CURRENCY							
ABN Amro Bank N. (3)	2013	6.00	US\$	1,910	115,760	117,670	117,025
ABN Amro Real S.A. (4)	2009	6.35	US\$	17,709		17,709	17,391
Banco do Brasil Various bonds (1)	2024	Various	US\$	16,853	78,492	95,345	93,868
Banco do Brasil S.A. (5)	2009	3.90	JPY	91,516		91,516	100,160
Banco Paribas	2012	5.89	EURO	3,485	6,857	10,342	12,919
Banco Paribas	2010	Libor+ 1.875	US\$	28,078	13,443	41,521	41,235
KFW	2016	4.50	EURO	2,213	14,213	16,426	17,087
Unibanco (6)	2009	6.50	US\$	11,116		11,116	11,044
Unibanco (7)	2009	5.50	US\$	4,817		4,817	4,796
Unibanco (8)	2009	5.00	US\$	20,201		20,201	20,141
Brazilian Treasury (10)	2024	Libor+ Spread	US\$	6,340	29,299	35,639	39,909
Santander (13)	2009	7.00	US\$	6,196		6,196	6,118
Banco do Brasil (13)	2009	8.66	US\$	3,221		3,221	3,217
Banco InterAmericano del Desarrollo (13)	2026	4.20	US\$	670	42,933	43,603	43,018
Other	2025	Various	Various	11,949	6,424	18,373	18,946
Debt in foreign currency				226,274	307,421	533,695	546,874
BRAZILIAN CURRENCY							
Banco Credit Suisse First Boston S.A.	2010	106.00% of CDI	R\$	200	75,000	75,200	75,241
Banco do Brasil	2009	111.00% of CDI	R\$	124,938		124,938	121,038
Banco do Brasil	2013	CDI+ 1.70	R\$	8,839	109,277	118,116	114,321
Banco do Brasil	2013	107.60% of CDI	R\$	15,892	126,000	141,892	137,596
Banco do Brasil	2014	104.10% of CDI	R\$	66,832	1,200,000	1,266,832	1,229,705
Banco Itaú BBA	2014	CDI+ 1.70	R\$	26,002	304,338	330,340	320,181
Banco Votorantim S.A.	2010	113.50% of CDI	R\$	1,879	54,372	56,251	54,456
Banco Votorantim S.A.	2013	CDI+ 1.70	R\$	2,317	101,315	103,632	103,000
BNDES	2026	TJLP+2.34	R\$	95	107,089	107,184	
Bradesco	2014	CDI+ 1.70	R\$	34,991	379,073	414,064	401,021
Debentures (12)	2009	CDI+ 1.20	R\$	368,897		368,897	357,472
Debentures (12)	2011	104.00% of CDI	R\$	12,492	238,816	251,308	243,950
Debentures Minas Gerais State Govt.	2031	IGP M	R\$		33,921	33,921	32,936
Debentures (12)	2014	IGP M+ 10.50	R\$	26,557	303,073	329,630	324,641
Debentures (12)	2017	IPCA+ 7.96	R\$	9,566	432,393	441,959	427,784
Eletrobrás	2013	FINEL+ 7.50	R\$	12,343	45,258	57,601	60,799
Eletrobrás	2023	UFIR, RGR+ 6.0 8.0	R\$	42,453	314,593	357,046	369,632
Santander	2013	CDI+ 1.70	R\$	1,840	79,673	81,513	81,119
Unibanco	2009	CDI+ 2.98	R\$	110,997		110,997	107,081
Unibanco	2013	CDI+ 1.70	R\$	24,105	309,285	333,390	322,636
Banco do Nordeste do Brasil	2010	TR+ 7.30	R\$	74,368	15,009	89,377	104,950
Unibanco (2)	2013	CDI+ 1.70	R\$	9,418	73,587	83,005	80,328
Itaú and Bradesco (9)	2015	CDI+ 1.70	R\$	68,109	882,809	950,918	990,280
Banco de Desenvolv. de Minas Gerais	2025	10.00	R\$	695	9,517	10,212	10,372
Banco do Brasil S.A. (14)	2020	TJLP+ 2.55	R\$	1,745	27,677	29,422	28,794
Unibanco S.A. (14)	2021	TJLP+ 2.55	R\$	254	3,930	4,184	4,062
BNDES Finem (10)	2014	TLJP+ 4.30	R\$	21,099	92,886	113,985	108,266
Debentures I and IV (10)	2010/2015	TJLP+ 4.00	R\$	3,915	26	3,941	6,047
Debentures V (10)	2014	CDI+ 1.50	R\$	13,437	230,201	243,638	245,722

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

CCB Bradesco (10)	2017	CDI+ 0.85	R\$	6,706	112,500	119,206	116,004
ABN Amro (10)	2010	CDI+ 0.95	R\$	232	20,000	20,232	20,980
Bc. Regional Desenv. do							
Extremo Sul (16)	2022	TJLP+ 4.55	R\$	257	3,101	3,358	3,253
Unibanco (16)	2021	TJLP+ 4.55	R\$	87	1,051	1,138	1,323
Banco Itaú (16)	2022	TJLP+ 4.55	R\$	261	3,154	3,415	3,454
Unibanco S.A. (16)	2022	IGPM+ 9.85	R\$	226	1,980	2,206	2,239
BNDES (17)	2033	TJLP+ 2.4	R\$		79,685	79,685	
BNDES A/B/C/D Principal							
Subcredits	2014/2016	Various	R\$	22,242	128,339	150,581	155,484
Other	2007/2017	Various	R\$	6,819	23,407	30,226	31,697
Debt in Brazilian currency				1,121,105	5,922,335	7,043,440	6,797,864
Total, consolidated				1,347,379	6,229,756	7,577,135	7,344,738

(1) Interest rates vary: 2.00 to 8.00% per year.

Six-month Libor plus spread of 0.81 to 0.88% per year.

(2) Loans of the holding company.

(3) to (8) Swaps for exchange of rates were contracted.

The following are the rates for the loans and financings taking the swaps into account:

(3) CDI + 1.50% p.a.; (4) CDI + 2.12% p.a.; (5) 111.00% of CDI; (6) CDI + 2.98% p.a.; (7) and (8) CDI + 3.01% p.a.

(9) Refers to the senior units of the Credit Rights funds. See Explanatory Note 14.

(10) Loans, financings and debentures of RME (Light S.A.).

(11) Consolidated loans and financings of the transmission companies acquired in August 2006.

(12) Nominal, book-entry unsecured debentures not convertible into shares, without guarantee.

(13) Financing of Transchile.

(14) Financing of Cachoeirão.

(15) Contracts adjusted to present value, as per changes to the Corporate Law made by Law 11638/07.

(16) Consolidated loans and financings of Lumitrans, subsidiary of EATE.

(17) Loan taken on by the holding company jointly with Madeira Energia.

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

Table of Contents

The consolidated composition of loans, by currency and indexor, with the respective amortization is as follows:

	2009	2010	2011	2012	2013	2014	2015	2016	2017 and after	Total
Currency										
US dollar	128,057	60,703	46,837	42,869	38,899	6,345	2,801	2,801	81,202	410,514
Euro	3,984	5,458	5,458	3,745	2,030	2,030	2,031	2,032		26,768
Yen	91,516									91,516
UMBNDDES (**)	657	582	422	422	422	422	422	422	1,126	4,897
	224,214	66,743	52,717	47,036	41,351	8,797	5,254	5,255	82,328	533,695
Indexors										
IPCA (Expanded Consumer Price Index)	9,566						144,131	144,131	144,131	441,959
Ufir (Fiscal Reference Unit)	33,280	45,862	47,126	43,646	38,082	37,141	35,952	30,622	47,520	359,231
Interbank CD rate CDI	893,925	634,374	726,372	941,464						