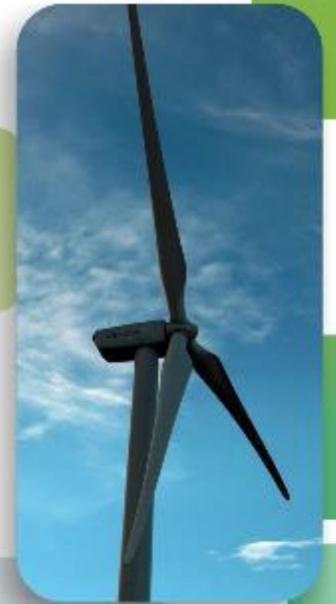


RENOVA
ENERGIA

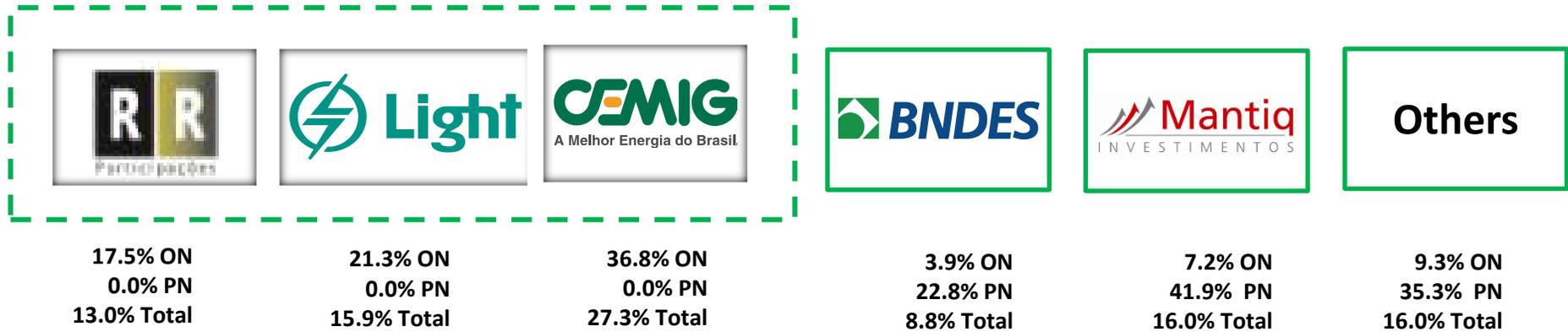


Institutional Presentation

About Renova

Shareholders' Structure with solid Corporate Governance

Controlling Shareholders



Decisions unanimously

Board & Committees Composition

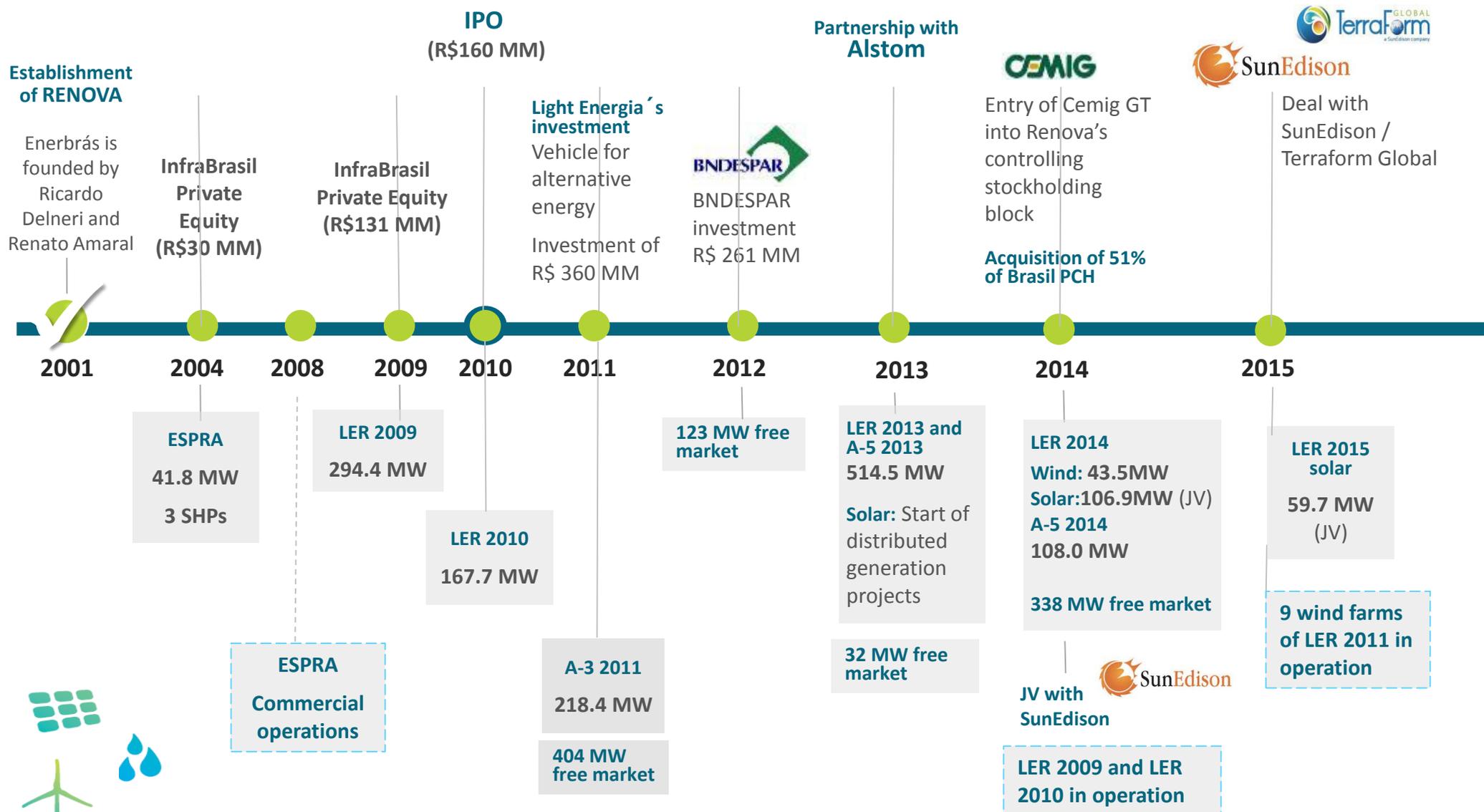
	RR	Light	Cemig
BOARD ⁽³⁾	2	2	2
<u>Committees</u>			
Management	2	2	2
Audit e Compliance	2	2	2
Finance	2	2	2
Talent & Compensation	2	2	2
Pipeline Development	2	2	2
Engineering & Operations	2	2	2

Unmatched Shareholders' Base

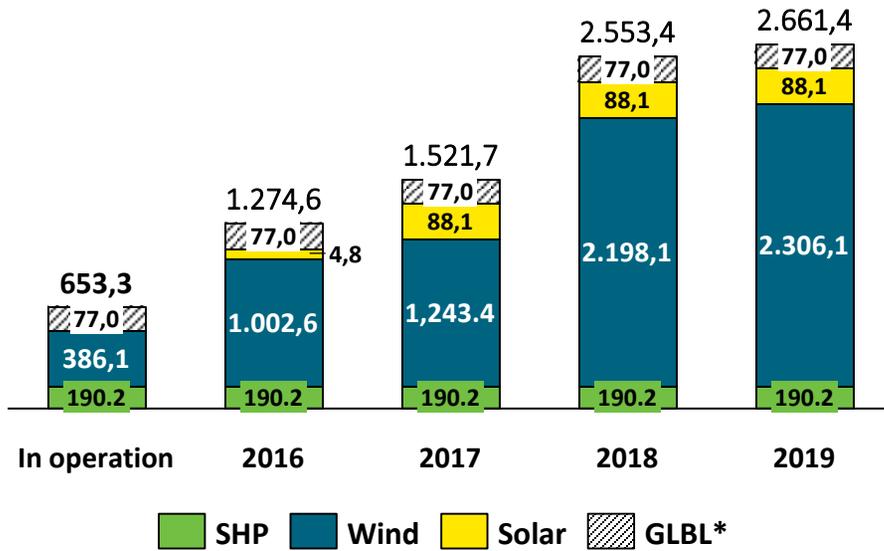


* The Board of Directors have a total of 9 members, of which 2 are independent.

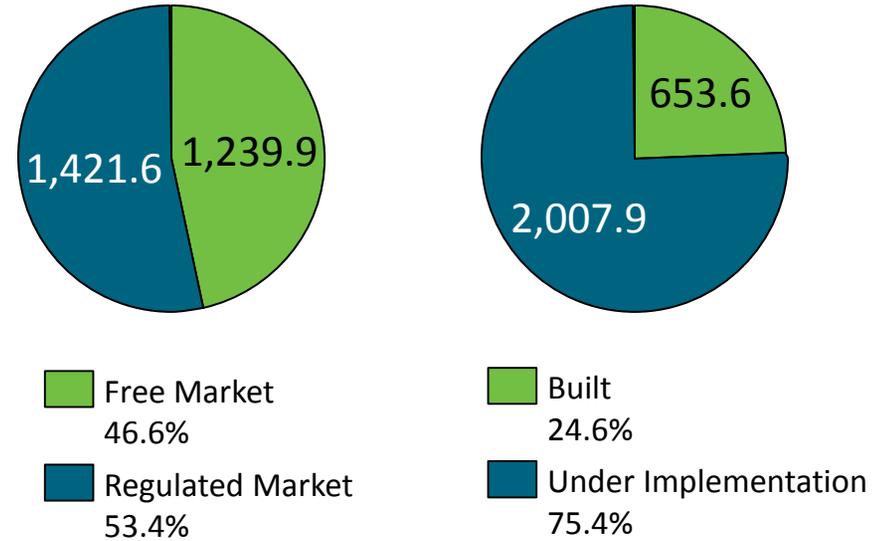
Successful track record of project sourcing, structuring, implementation and operation of renewable energy projects



Installed Capacity (MW)

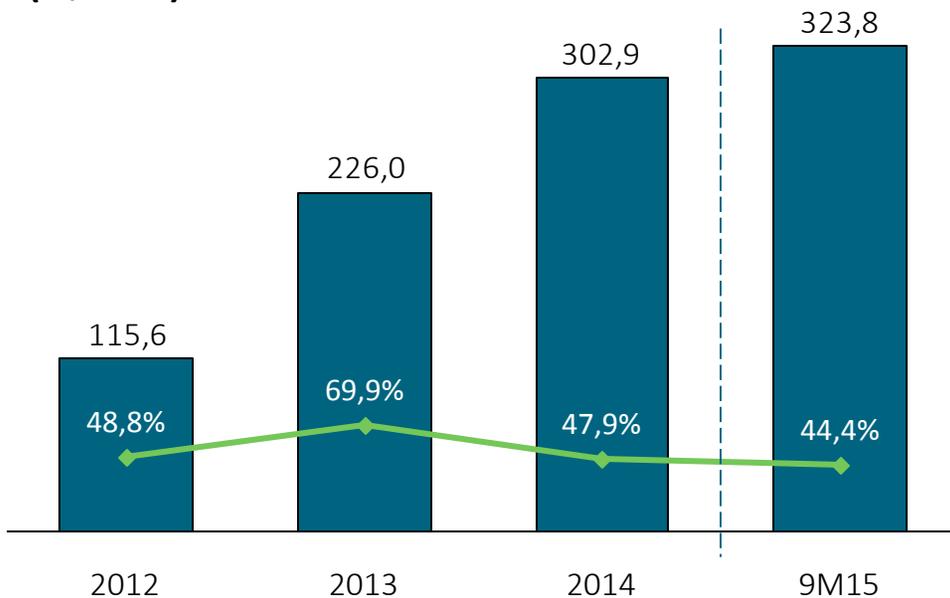


Installed Capacity (MW) – Operational Status and Market

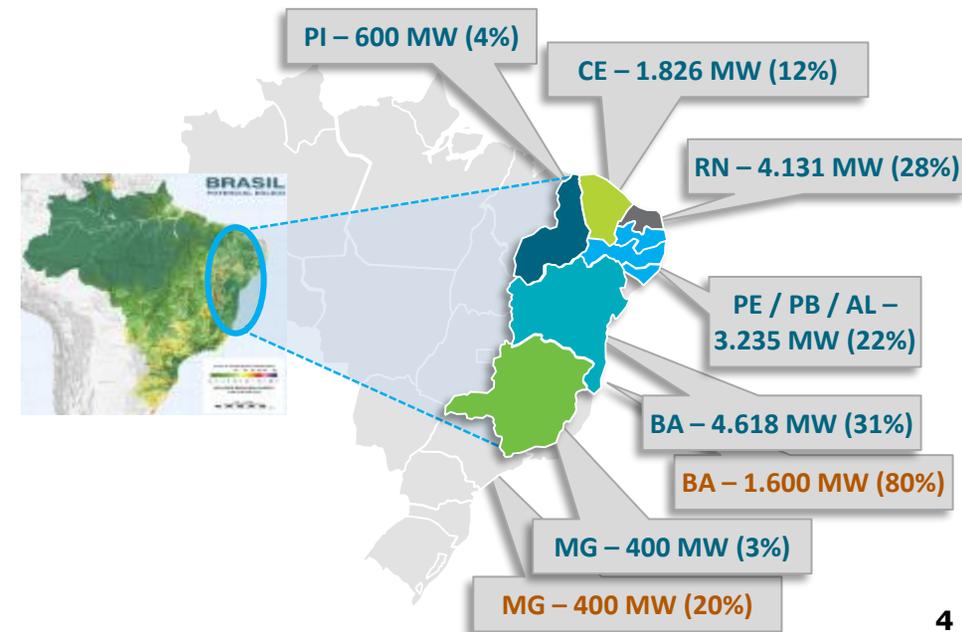


Net Revenues and EBITDA Margin

(R\$ MM)



Additional pipeline of 16,8 GW (wind and solar)





Sector Overview

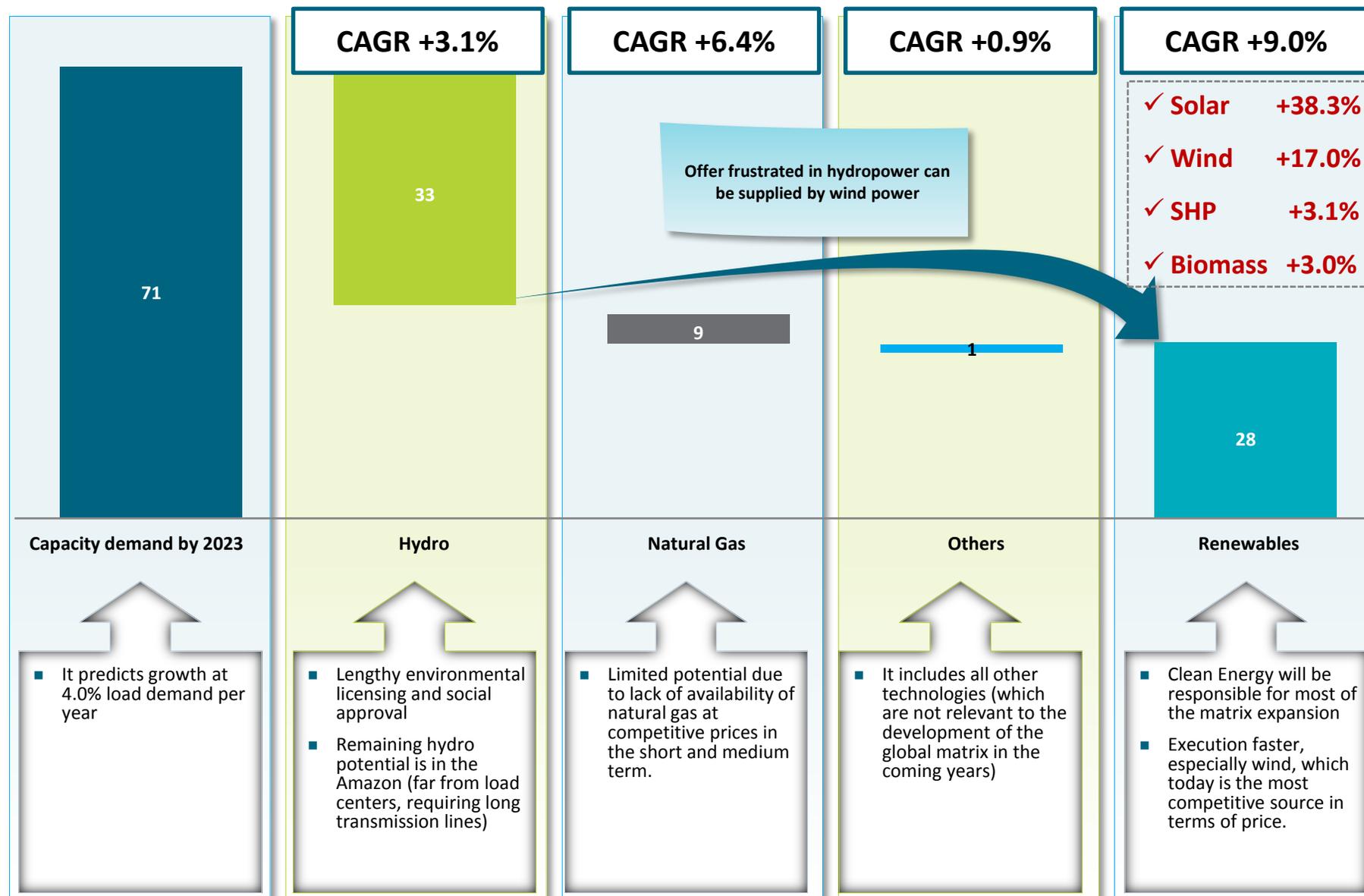
RENOVA
ENERGIA

Sector Overview

Strong Demand to be Covered by Renewables

New Energy demand in Brazil (GW)

Assumptions → PIB do Brasil CAGR +3,8%.



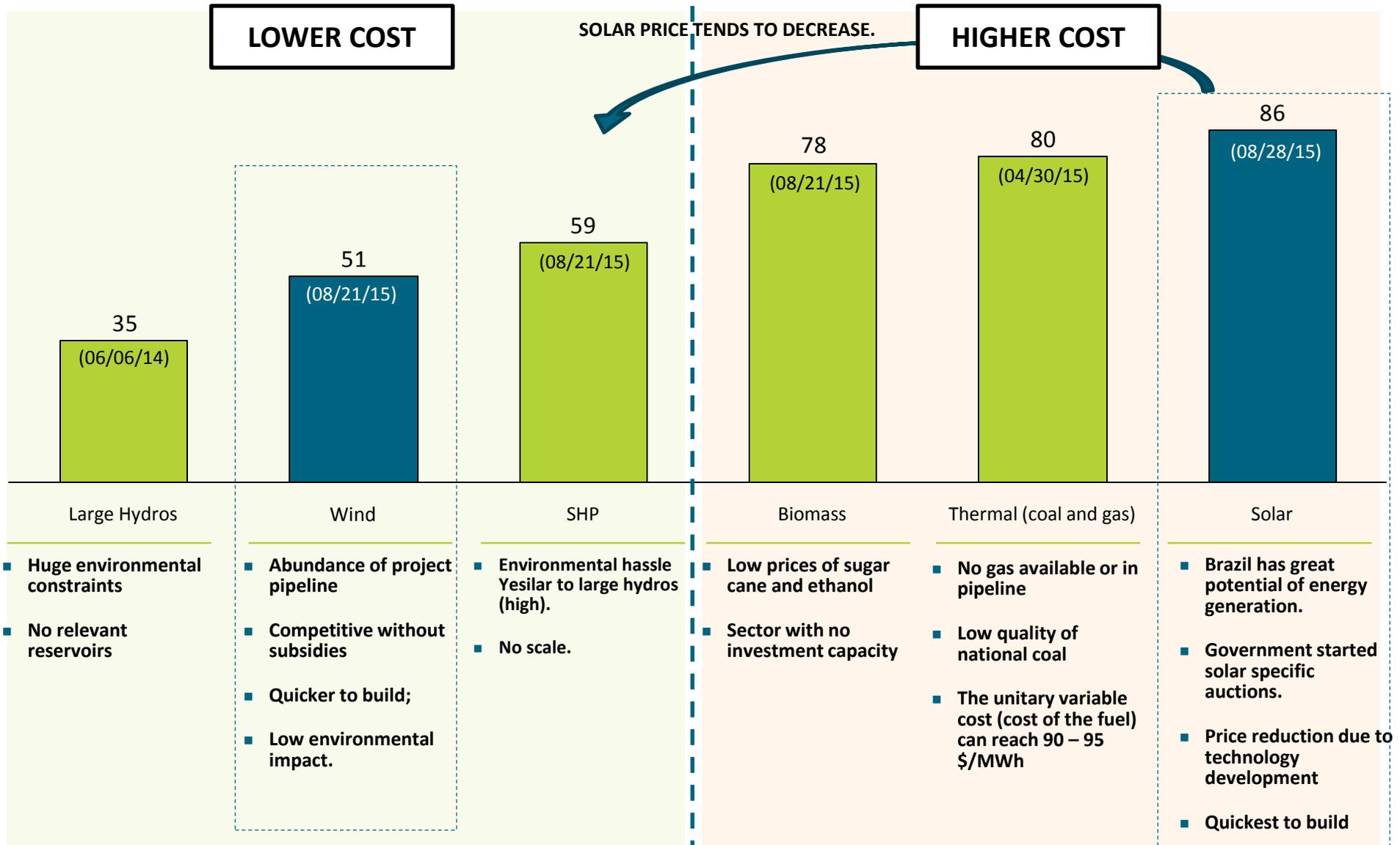
Sector Overview

Competitiveness of energy sources in Brazil's market

Among renewable sources the highlights are wind and solar and both are focus of Renova's scope.

2014 Action's Average Price

USD / MWh Exchange Real-Dolar = R\$ 3,50



- Huge environmental constraints
- No relevant reservoirs

- Abundance of project pipeline
- Competitive without subsidies
- Quicker to build;
- Low environmental impact.

- Environmental hassle Yesilar to large hydros (high).
- No scale.

- Low prices of sugar cane and ethanol
- Sector with no investment capacity

- No gas available or in pipeline
- Low quality of national coal
- The unitary variable cost (cost of the fuel) can reach 90 – 95 \$/MWh

- Brazil has great potential of energy generation.
- Government started solar specific auctions.
- Price reduction due to technology development
- Quickest to build

Maximize Capacity



Goal

The model with subsidy seeks to maximize energy generation (MW or MWh) to develop the market



Minimize Cost



Goal

The current Brazilian model aims to minimize costs (R\$/MWh) in a model oriented to competition



European Wind Farms



- Oriented layouts to maximize capacity
- Turbines placed in good and average winds
- Lower average load factor

Brazilian Wind Farms

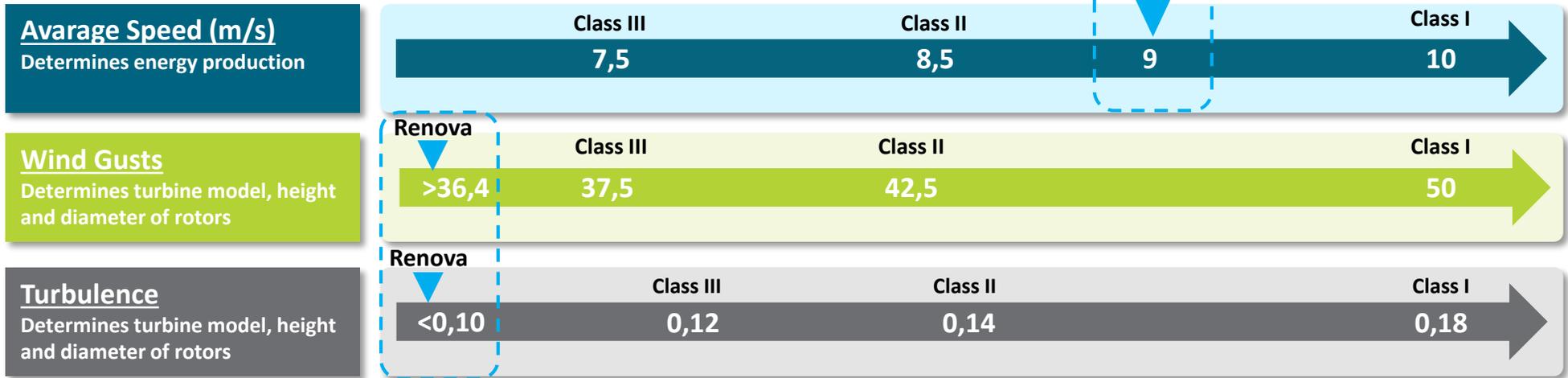


- Turbines placed only in excellent winds
- Turbines in line side-by-side on hilltops
- Minimum Wake/treadmill effects
- Higher average load factors / Lower cost of energy

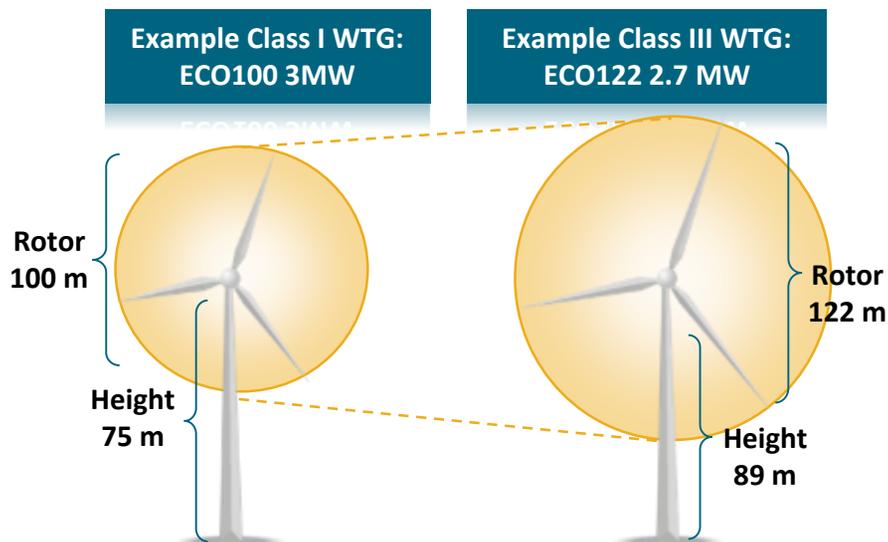
Large rotor for fast winds, because lack of turbulence and Wind gusts

WTG's Classes According to IEC 614000-1 (2005)

(GW)



Low Turbulence and Gusts: Larger Rotor



$$\text{Energy} = \text{Air density} * (\text{Rotor Diameter})^2 * (\text{Wind Speed})^3$$

Energy is directly related to speed and rotor diameter

Capacity factor by class of turbines

Wind Speed	Class I	Class III
9,4 m/s	44%	59%

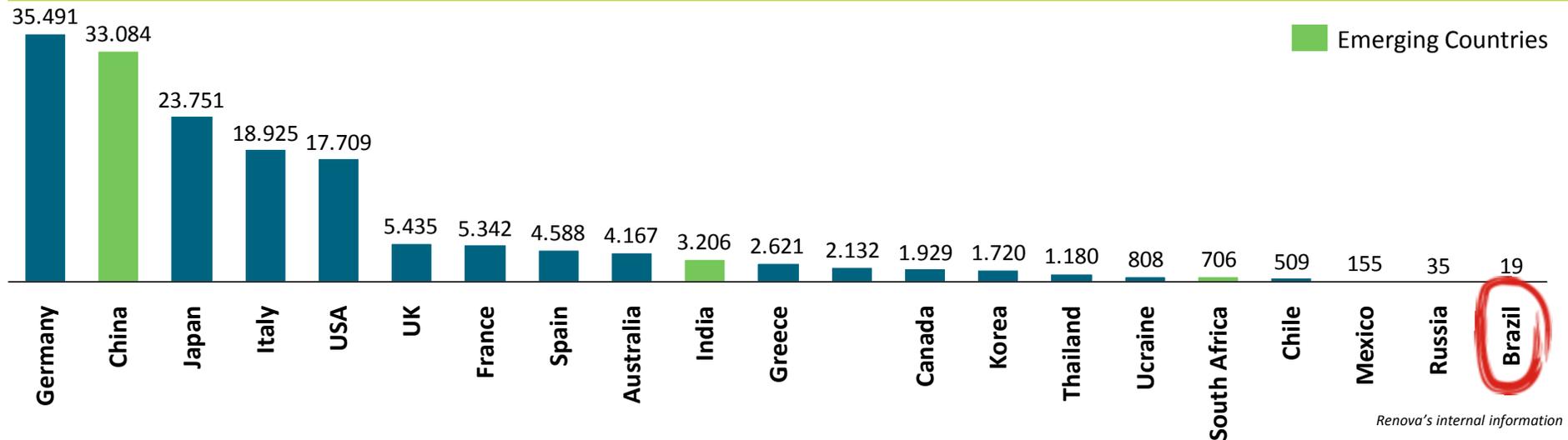
Solar Market Overview

High potential to grow in Brazil



Despite having an abundant resource, Brazil has just begun developing its solar potential

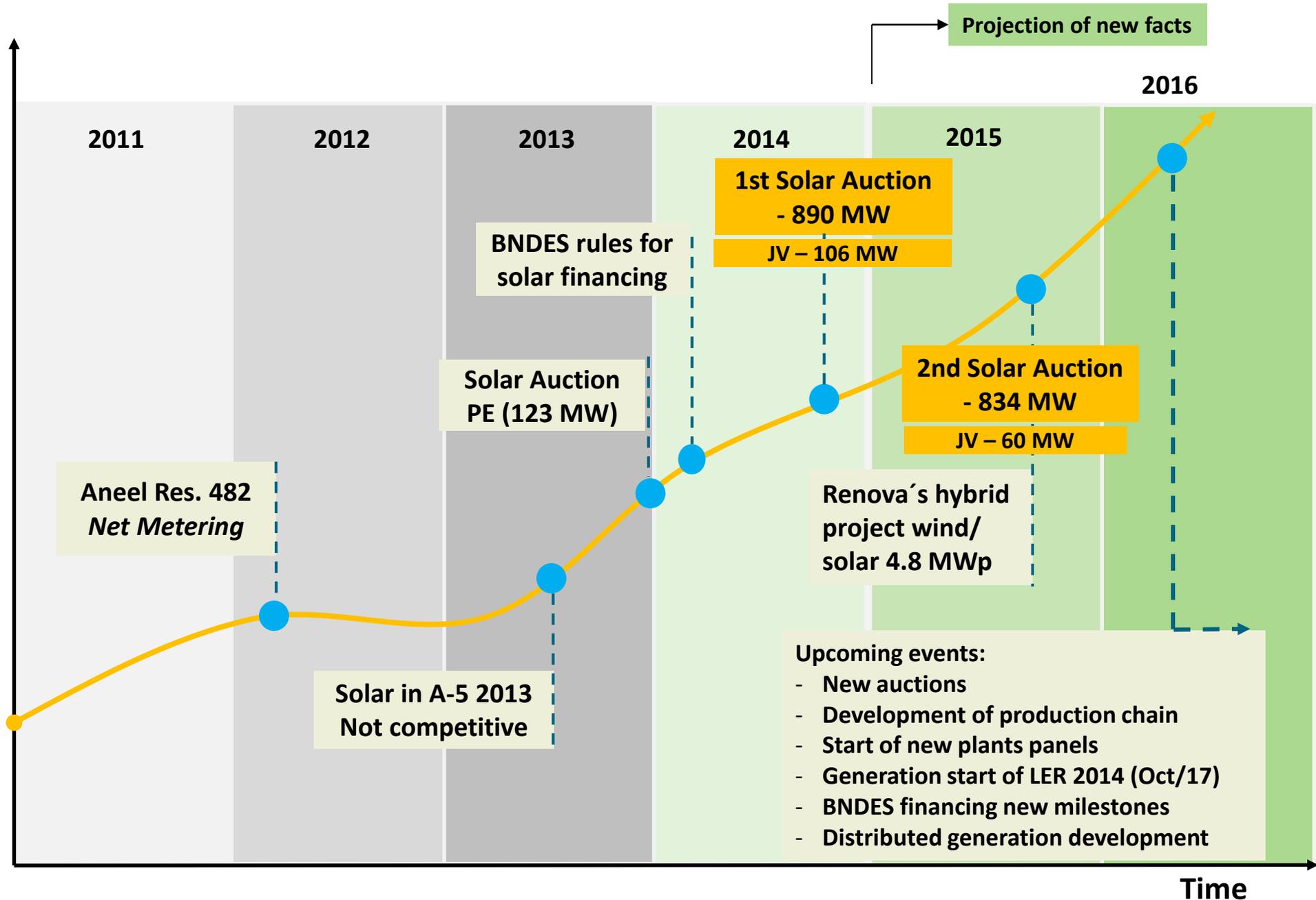
Installed Capacity (MW)



- ✓ Great solar potential across the country → Load factor of ~27% with trackers.
- ✓ EPE 10 year plan of 2014 included solar for the first time → Plus 3,5 GWp forecast for the next 3 years.
- ✓ First dedicated solar auction in 2014: 1 GW of installed capacity → Solar project auctioned in 2014 at same price as thermal, thus not expensive anymore.
- ✓ Solar components factories are already being installed in Brazil. → First auction was the trigger for supply chain development → SunEdison, Ingeteam, among others.
- ✓ Forecast for solar auctions to occur periodically → More than 10 GW registered at LER 2014, with good capacity factor.

Recent evolution of solar energy in Brazil

Relevant events



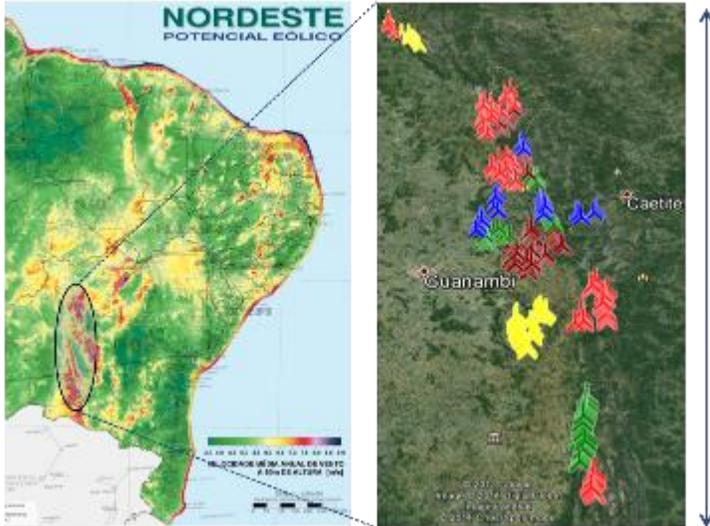


Competitive Advantages

RENOVA
ENERGIA

Competitive advantages: Renova is a full cycle developer by choice what allows the Company to built a huge wind and solar portfolio

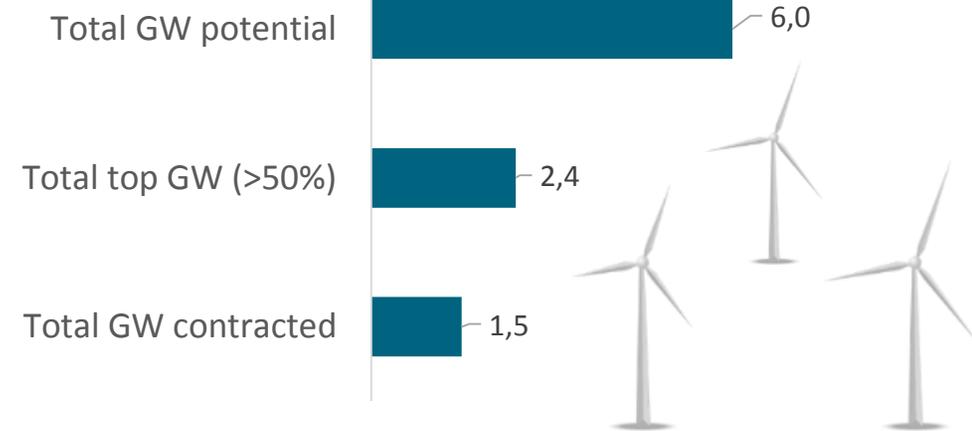
The Gold Mine



Unique site

Scale
+
Quality

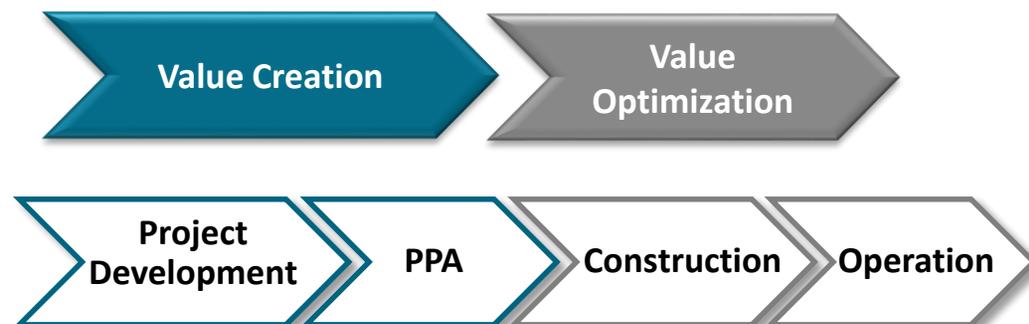
Gold Mine GW Potential



Total Assets Under Development: 17.4 GW

Fonte	Capacidade	% do Total
Wind	14,810	85%
SHP	580	3%
Solar	2,000	12%
Total	17,390	100%

Full Cycle Developer Maximizes Value Creation

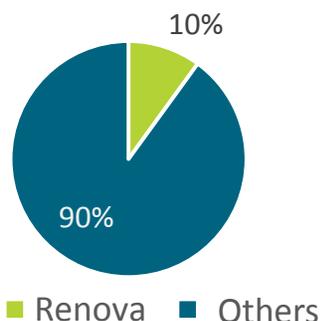


Commercialization – Market Share

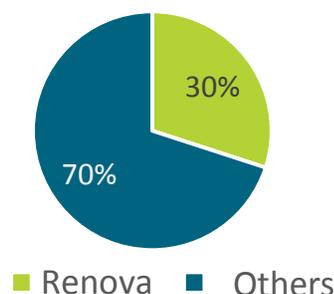
Renova is the leader company in contracted installed capacity in renewable sector in Brazil

And has consistently commercialized energy in both regulated and free Market, even in a huge and fragmented Market

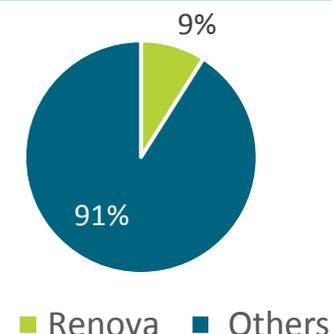
Wind – regulated market



Wind – free market



Solar – regulated market



Execution

Owners Engeneering

ESPRA	Alto Sertão I	Alto Sertão II	Alto Sertão III
3 SHPs	14 Wind farms	15 Wind farms	45 Wind farms
42 MW of installed capacity	294 MW of installed capacity	386 MW of installed capacity	728 MW of installed capacity
COD - 2008	COD – 2012 ¹ /2014	COD – 2014/2015	COD – 2015-2017



¹ Ready to operate

Strategic alliances´ track record in wind

Differentiated Long Term Alliance With Key Suppliers

Renova sempre perseguiu e conquistou as melhores parcerias com fornecedores para alcançar crescimento e escala



ALSTOM



- ✓ Wind turbine supplier for the LER 2009, LER 2010 and LEN A-3 2011 projects
- ✓ 414 Wind turbine already constructed
- ✓ Special class of turbines
- ✓ Distribution center in loco
- ✓ Own crane (saves up to 2 weeks)
- ✓ Optimization of O&M costs

- ✓ Wind turbine supplier for other projects under construction / pipeline
- ✓ Frame Agreement: 550 turbines contracted - ~ 1.56 GW
- ✓ Best price guarantee
- ✓ Price fixed in R\$
- ✓ Distribution center in loco
- ✓ Optimization of O&M costs
- ✓ Factories close to Renova´s projects
- ✓ Priority access to new technologies
- ✓ Co-development of technologies
- ✓ Specification of each turbine for every location

- ✓ Joint Venture for investments in solar energy
- ✓ Target of ~1GW
- ✓ Price fixed in R\$
- ✓ Financial structuring with FINAME (BNDES)
- ✓ SunEdison é líder mundial
- ✓ Experience in the implementation and operation
- ✓ Supplier of equipment for the first auction and JV has no obligation to contract equipment with SunEdison



Carlos Henrique Waack

CEO



Cristiano Corrêa de Barros

CFO, IRO and Business Development



Ney Maron de Freitas

Chief Environment and Sustainability Officer



Ricardo de Lima Assaf

Chief Counsel; Chief Officer for Regulation and Institutional Relations



Fernando Chein

Chief Engineering and Construction Officer





Current situation

RENOVA
ENERGIA

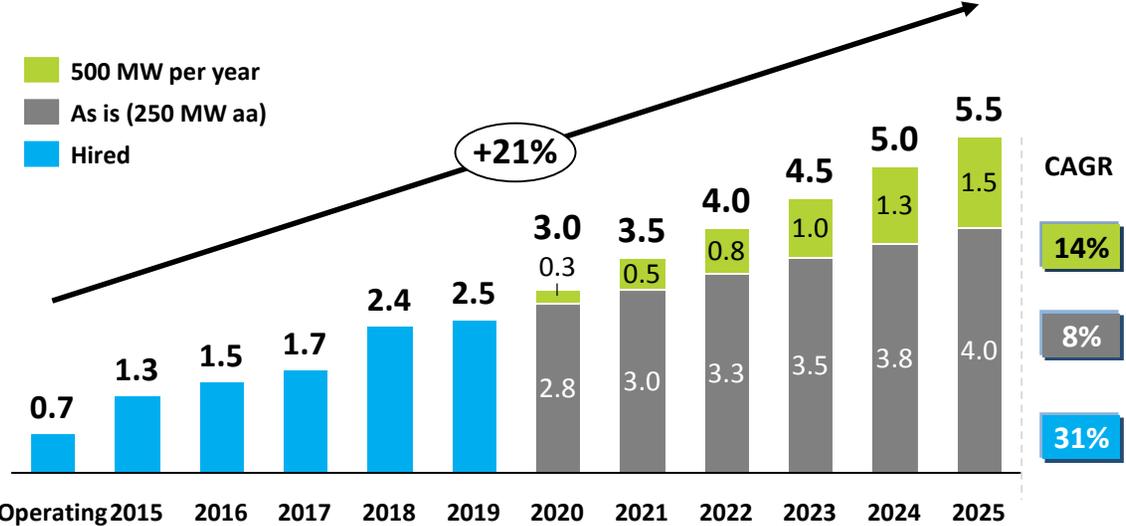
With the favorable market situation, Renova prepared for an aggressive growth plan

Renewable expected growth 1.5 to 2.5 GW/year (2015-2020)

Traditional competitors with cash difficulties

Equity need for growth addressed via recycling capital

Growth scenarios in capacity – Renova (GW)



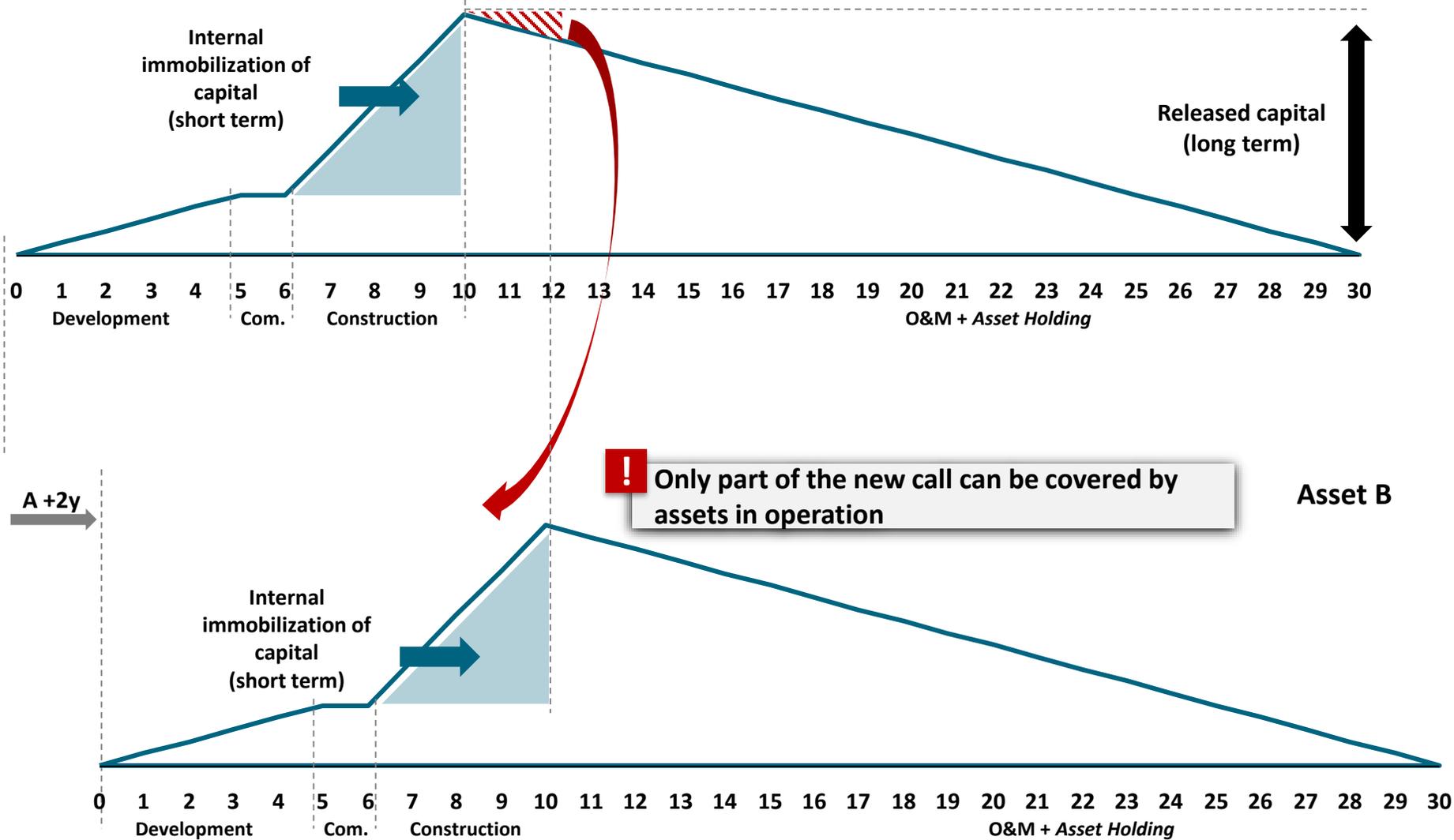
Source	Estimated market growth [GW] (2015-2020)	Market-share Renova (actual)	Renova dedired growth (MW/aa)	Market-share required (2020)
Wind (RM)	3.8 to 5.3	10%	240 to 310	25% to 15%
Wind (FM)	1.3 to 1.8	30%	110	35% to 30%
UFV	2.5 to 4.8	11%	160 to 180	25% to 15%
Total growth of Renova			500 MW/per year	

Renova plan for new business model and accelerated growth phase:

- Staff recruitment
- Structuring business processes
- Implementation /customization systems

The capital recycling strategy was the solution to the capital-intensive business and rapid growth

Need for traditional equity



To enable accelerated growth based on assets that are still maturing taking advantage of short-term opportunity is required new equity injections

Deal with Renova and SunEdison: two phases including contribution of assets and stake in Controlling Block

Deal with Terraform Global / SunEdison



1ª Phase

2ª Phase

Assets	Payment	Drop Down	Value
Salvador	Shares	2015	1.026.000
Bahia	Cash	2015	451.000
ESPRA	Cash	2015	136.000
Total 1ª phase			1.613.000

1

Assets	Payment	Drop Down	Enterprise Value
LIGHT1	To be defined	2017	1.192.000
LIGHT2	To be defined	2017	1.286.000
A-5 2012	To be defined	2017	86.000
LER 2010	To be defined	2018	1.170.000
A-3 2011	To be defined	2018	974.000
LER 2014 EOL	To be defined	2018	278.000
LER 2014 UFV	To be defined	2018	261.000
LER 2013	To be defined	2019	772.000
Zeus (100%)	To be defined	2019	4.613.000
A-5 2013	To be defined	2020	2.092.000
A-5 2014	To be defined	2020	679.000
Total 2ª phase			13.403.000

CANCELLED



However, the capital market situation has deteriorated, preventing recycling strategy

Delay in the BNDES loan release for Renova

Depreciation of the yields shares and consequent cancellation of Phase 2 of the deal with Terraform

Worsening of the market situation

Liquidity shortage of private banks

SunEdison restructuring and consequent review of plans

First actions have started to be taken in order to preserve and strengthen the cash flow

Supported by key
stakeholders

CEMIG

- ✓ Advance purchase and sale of energy at \$ 60 million, with the possibility of using the values in the issue of new common shares;
- ✓ Authorizes resources operation with Renova - R \$ 240 million, maintaining a private company and using it as a growth vehicle in the renewable sector;
- ✓ Starts effective participation in the company's management, establishing a long-term vision, reviewing processes, systems and optimizing the Holding
- ✓ Inicia participação efetiva na gestão da companhia, estabelecendo uma visão de operadora de longo prazo, revendo processos, sistemas e otimizando a Holding;
- ✓ Negotiation for canceling energy sales contracts in the free market, which enables Renova to postpone projects and eliminate liquidity pressure in the short and medium term.

BNDES

- ✓ Release of the remaining bridge loan to Alto Sertão III (AS III) in the amount of US\$160 million by changing the bank guarantees for corporate guarantee and establishment of project guarantees;
- ✓ Review ASIII project leveraging, enabling an additional amount of resources.

Banco do Brasil

- ✓ Allows interest incorporation on the debentures matured in Dec/2015 to the balance;
- ✓ Analyzes the guarantees replacement of the Debentures;
- ✓ Analyzes the transfer of long-term loan from BNDES to AS III;
- ✓ Analyzes be one of the coordinators of the issuance of AS III incentive debentures

Capital Increase

Up to R\$ 731,247,640.38, with Cemig GT subscribing up to R\$240 millions



Case (i) – Capital increase subscribed only by Cemig GT (R\$200,0 millions)

RENOVA ENERGIA	ON shares		PN shares		Total	
Controlling block	209,239,659	78.4%	-	0.0%	209,239,659	60.0%
RR Participações	41,461,797	15.5%	-	0.0%	41,461,797	11.9%
Light Energia	50,561,797	18.9%	-	0.0%	50,561,797	14.5%
Cemig GT	117,216,065	43.9%	-	0.0%	117,216,065	33.6%
Other stockholders	57,664,402	21.6%	81,898,898	100.0%	139,563,300	40.0%
RR Participações*	9,745,682	3.7%	313,600	0.4%	10,059,282	2.9%
RR Casa de Invest e Part	7,557,075	2.8%	900,000	1.1%	8,457,075	2.4%
BNDESPAR	9,311,425	3.5%	18,622,850	22.7%	27,934,275	8.0%
InfraBrasil	11,651,467	4.4%	23,302,933	28.5%	34,954,400	10.0%
FIP Caixa Ambiental	5,470,293	2.0%	10,940,586	13.4%	16,410,879	4.7%
Others	13,928,460	5.2%	27,818,929	34.0%	41,747,389	12.0%
Total	266,904,061	100.0%	81,898,898	100.0%	348,802,959	100.0%

Case (ii) – Capital increase subscribed by Cemig GT (or SPC) and by all the other stockholders

RENOVA ENERGIA	ON shares		PN shares		Total	
Controlling block	240,935,918	75.7%	-	0.0%	240,935,918	56.2%
RR Participações	55,742,742	17.5%	-	0.0%	55,742,742	13.0%
Light Energia	67,977,112	21.3%	-	0.0%	67,977,112	15.9%
Cemig GT	117,216,064	36.8%	-	0.0%	117,216,064	27.4%
Other stockholders	77,526,110	24.3%	110,107,844	100.0%	187,633,954	43.8%
RR Participações*	13,102,448	4.1%	421,615	0.4%	13,524,063	3.2%
RR Casa de Invest e Part	10,160,005	3.2%	1,209,992	1.1%	11,369,997	2.7%
BNDESPAR	12,518,617	3.9%	25,037,234	22.7%	37,555,851	8.8%
InfraBrasil	15,664,654	4.9%	31,329,307	28.5%	46,993,961	11.0%
FIP Caixa Ambiental	7,354,460	2.3%	14,708,920	13.4%	22,063,380	5.1%
Others	18,725,926	5.9%	37,400,776	34.0%	56,126,702	13.1%
Total	318,462,028	100.0%	110,107,844	100.0%	428,569,872	100.0%

1

Corporate Governance

- Well-balanced Board of Directors: decisions are always unanimously
- Top Management aligned and fully committed to the Company's strategy;

2

Operational efficiency

- Operate the Alto Sertão II wind farms – **386MW**
- Closing the sale of ESPRA (3 SHPs – 42MW)
- Long Term vision as operator

3

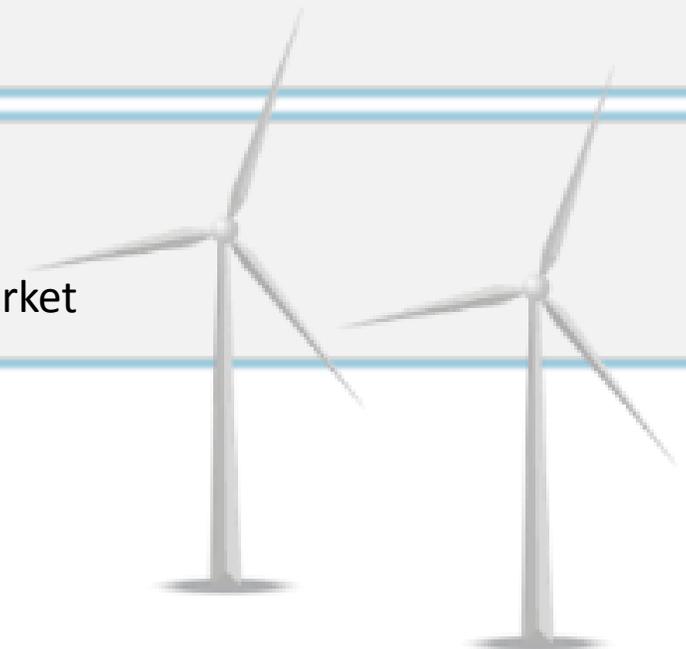
Commitments to execution

- Termination of construction of Alto Sertão III wind farm Phase A - **411MW**

4

Mitigation of Risk

- Equalize cash needs
- Strategy with BNDES, shareholders and capital market



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Thatiana Zago

IR Analyst

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Renova's track record

High quality and diversified portfolio



Parks	Source	Complex	Installed Capacity (MW)	Energy Sold (avg MW)	Number of wind farms	Start of the contract
TerraForm Global ¹	Wind/Solar		77,0			
LER 2010	Wind	Alto Sertão II	167,7	78,0	6	Oct-14
LEN A-3 2011	Wind	Alto Sertão II	218,4	103,6	9	Mar/Sep-15
LEN A-5 2012	Wind	Alto Sertão III - Fase A	18,9	10,2	1	Jan-17
LER 2013	Wind	Alto Sertão III - Fase A	159,0	73,7	9	Sep-2015
LEN A-5 2013	Wind	Umburanas	355,5	178,0	17	May-18
LEN A-5 2014	Wind	Umburanas	108,0	49,4	5	Jan-19
LER 2014	Wind	Alto Sertão	43,5	20,9	3	Oct-17
LER 2014 ³	Solar	Alto Sertão	53,5	10,9	4	Oct-17
LER 2015 ³	Solar	Alto Sertão	29,9	7,5	2	Aug-17
ESPRA	SHP	-	41,8	18,7	3	2008
Brasil PCH	SHP	-	148,4	95,8	13	2008/2009
REGULATED MARKET	-	-	1.421,6	646,8	72	-
Light I	Wind	Alto Sertão III - Fase A	200,7	100,2	12	Sep-15/Jan-16
Light II	Wind	Alto Sertão III - Fase B	202,8	100,2	12	Sep-16
Mercado Livre I	Wind	Alto Sertão III - Fase B	21,6	11,0	2	Jan-16
Mercado Livre II	Wind	Alto Sertão III - Fase B	101,4	50,0	8	Jan-17
Mercado Livre III	Wind	Alto Sertão III - Fase A	32,4	15,0	2	Sep-2015
PPA Cemig	Wind	Jacobina	676,2	354,0	TBD	Sep-18
Híbrido	Solar	Alto Sertão	4,8	1,0	1	2016
FREE MARKET	-	-	1.239,9	631,4	37	-
TOTAL	-	-	2.661,5	1.278,2	109	-

1 – Considers 11.37% of Renova's stake in TerraForm Global based on its operational installed capacity on September 30, 2015