

PERFORMANCE OVERVIEW

MGI - Minas Gerais Participações S.A. 3rd Issuance of Debentures Backed by Re-performing ICMS Taxes

Renegotiated ICMS Taxes

Contacts	Joao Daher, Analyst, +55.11.3043.7331, Joao.Daher@moodys.com Sofia Sampaio Soares, Financial Data Analyst, +44.20.7772.8748, Sofia.Soares@moodys.com
Client Service Desk	New York: +1.212.553.1653, clientservices@moodys.com
Monitoring	Monitoramento@moodys.com

Key Transaction Data

Program Closing Date:	10/09/2012
Issuer:	MGI - Minas Gerais Participacoes S.A.
Type of Trust:	N/A
Asset Type:	Renegotiated ICMS Taxes
Seller:	Minas Gerais, State of
Originator:	Minas Gerais, State of
Primary Servicer:	Itau Unibanco S.A.
Master Servicer:	Itau Unibanco S.A.
Trustee:	Oliveira Tr. Distra. de Titulos e Valores
Pool Currency:	BrazReal
Pool Reporting Frequency:	Monthly
Last Reporting Date:	31/12/2016

Capital Structure

Last note information: 31/12/2016

Class Name	Currency	Original Bal (M)	% of Total	Current Bal (M)	% of Total	Initial Rating	Current Rating	SF Indic.	Last Rating Action	Last Rating Action Date	Watch List
Debêntures Seniores	BRL	316.0	14.8%	28.6	2.9%	Aa2.br / Ba1	Baa3.br / B1	(sf)	DNG	01.07.2016 / 01.07.2016	No
Debêntures Subordinadas	BRL	1,819.0	85.2%	969.9	97.1%	NR	NR	--	NA	--	--
Totals		2,135.0	100.0%	1,006.6	100.0%						

Trigger Data

Asset Coverage Ratio (ACR)

If the ratio of performing ICMS taxes over the outstanding senior debentures < 200%, an evaluation event will be triggered.

Period	Breach	Trigger Value	Operator	Test Level	Start Date	End Date
31/08/2016	No	311.38	<	200.00	30/08/2012	30/08/2017
30/09/2016	No	319.31	<	200.00	30/08/2012	30/08/2017
31/10/2016	No	310.64	<	200.00	30/08/2012	30/08/2017
30/11/2016	No	330.45	<	200.00	30/08/2012	30/08/2017
31/12/2016	No	323.12	<	200.00	30/08/2012	30/08/2017

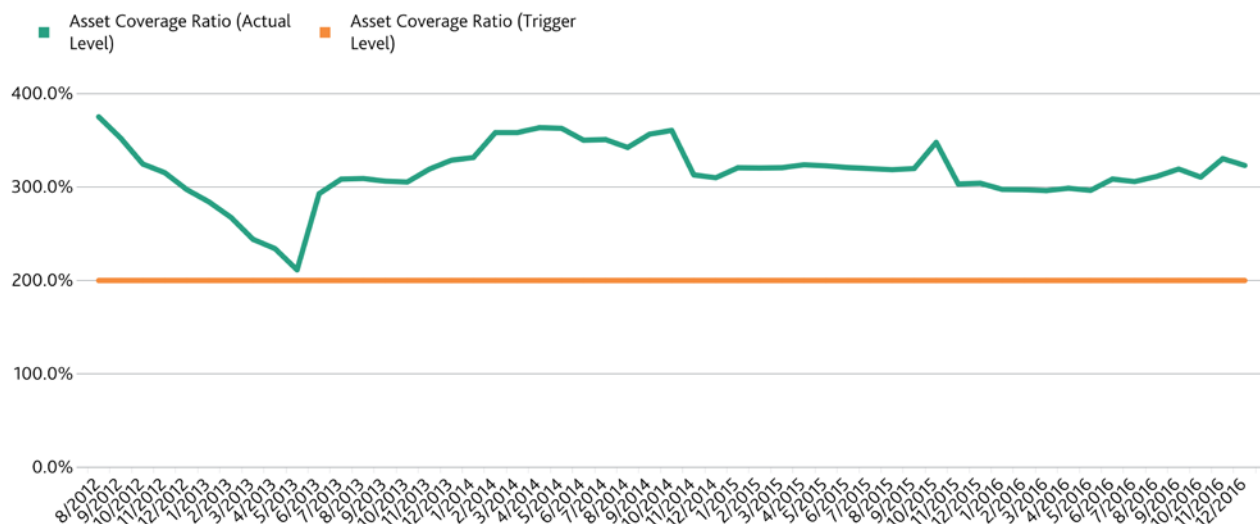
Debt Service Coverage Ratio (DSCR)

If (amount of monthly collections / amount of monthly principal interest payments on the senior debentures) < 1.80 for 2 consecutive months or 3 alternate months in a 12-month period, an evaluation event will be triggered.

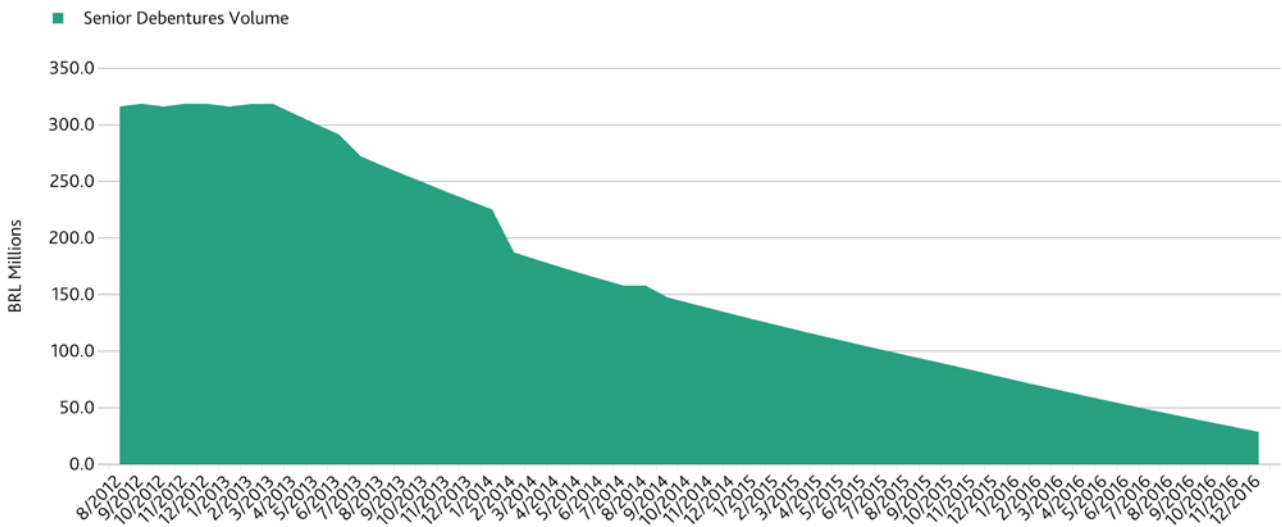
Period	Breach	Trigger Value	Operator	Test Level	Start Date	End Date
31/08/2016	No	2.21	<	1.80	30/08/2012	30/08/2017
30/09/2016	No	2.08	<	1.80	30/08/2012	30/08/2017
31/10/2016	No	2.21	<	1.80	30/08/2012	30/08/2017
30/11/2016	No	2.17	<	1.80	30/08/2012	30/08/2017
31/12/2016	No	2.28	<	1.80	30/08/2012	30/08/2017

Performance Charts

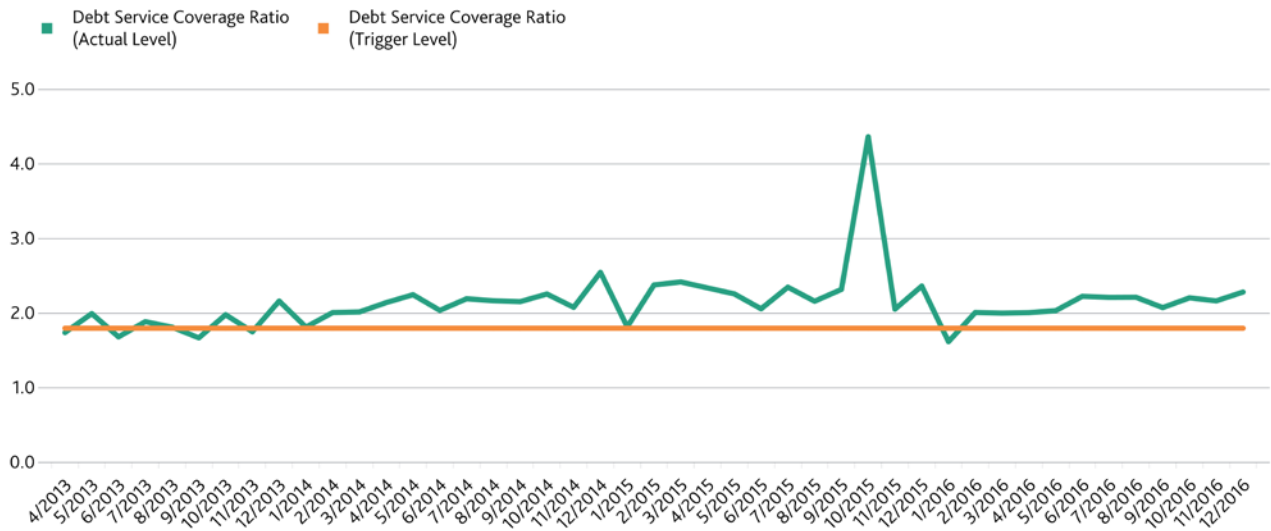
Asset Coverage Ratio (ACR)



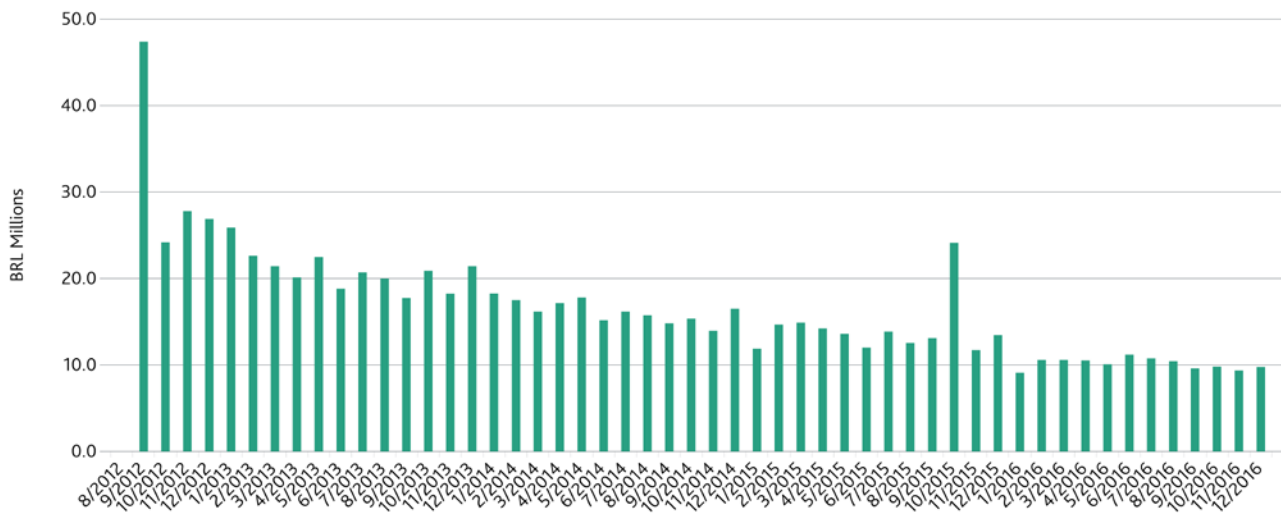
Monthly Senior Debentures Volume Evolution (BRL Million)



Debt Service Coverage Ratio (DSCR)



Monthly Cash Flows (BRL Million)



For additional Information, please go to the [deal page on moodys.com](http://deal.page.on.moodys.com).

Glossary

- » WR : Withdrawn rating
- » Last Rating Action : Change in the rating
- » NR : Not Rated
- » DNG : Downgrade
- » UPG : Upgrade
- » AFF : Affirmation
- » CFM: Confirmation
- » Bond Factor : Current Balance/Original Balance
- » OC: $(\text{Good Assets} - \text{Corresponding Class of Shares}) / \text{Corresponding Class of Shares}$. i.e. OC Mezzanine = $(\text{Good Assets} - \text{Balance of Senior Shares} - \text{Balance of Mezzanine Shares}) / (\text{Balance of Senior Shares} + \text{Balance of Mezzanine Shares})$

© 2017 Moody's Corporation, Moody's Investors Service, Inc., Moody's Analytics, Inc. and/or their licensors and affiliates (collectively, "MOODY'S"). All rights reserved.

CREDIT RATINGS ISSUED BY MOODY'S INVESTORS SERVICE, INC. AND ITS RATINGS AFFILIATES ("MIS") ARE MOODY'S CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND MOODY'S PUBLICATIONS MAY INCLUDE MOODY'S CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES. MOODY'S DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL, FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS AND MOODY'S OPINIONS INCLUDED IN MOODY'S PUBLICATIONS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. MOODY'S PUBLICATIONS MAY ALSO INCLUDE QUANTITATIVE MODEL-BASED ESTIMATES OF CREDIT RISK AND RELATED OPINIONS OR COMMENTARY PUBLISHED BY MOODY'S ANALYTICS, INC. CREDIT RATINGS AND MOODY'S PUBLICATIONS DO NOT CONSTITUTE OR PROVIDE INVESTMENT OR FINANCIAL ADVICE, AND CREDIT RATINGS AND MOODY'S PUBLICATIONS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. NEITHER CREDIT RATINGS NOR MOODY'S PUBLICATIONS COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS AND PUBLISHES MOODY'S PUBLICATIONS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.

MOODY'S CREDIT RATINGS AND MOODY'S PUBLICATIONS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR RETAIL INVESTORS TO USE MOODY'S CREDIT RATINGS OR MOODY'S PUBLICATIONS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.

ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT.

All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. MOODY'S adopts all necessary measures so that the information it uses in assigning a credit rating is of sufficient quality and from sources MOODY'S considers to be reliable including, when appropriate, independent third-party sources. However, MOODY'S is not an auditor and cannot in every instance independently verify or validate information received in the rating process or in preparing the Moody's publications.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating assigned by MOODY'S.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any contingency within or beyond the control of, MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.

NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY SUCH RATING OR OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.

Moody's Investors Service, Inc., a wholly-owned credit rating agency subsidiary of Moody's Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by Moody's Investors Service, Inc. have, prior to assignment of any rating, agreed to pay to Moody's Investors Service, Inc. for appraisal and rating services rendered by it fees ranging from \$1,500 to approximately \$2,500,000. MCO and MIS also maintain policies and procedures to address the independence of MIS's ratings and rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold ratings from MIS and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at www.moody.com under the heading "Investor Relations — Corporate Governance — Director and Shareholder Affiliation Policy."

Additional terms for Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services License of MOODY'S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657 AFSL 336969 and/or Moody's Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY'S that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001. MOODY'S credit rating is an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail investors. It would be reckless and inappropriate for retail investors to use MOODY'S credit ratings or publications when making an investment decision. If in doubt you should contact your financial or other professional adviser.

Additional terms for Japan only: Moody's Japan K.K. ("MJKK") is a wholly-owned credit rating agency subsidiary of Moody's Group Japan G.K., which is wholly-owned by Moody's Overseas Holdings Inc., a wholly-owned subsidiary of MCO. Moody's SF Japan K.K. ("MSFJ") is a wholly-owned credit rating agency subsidiary of MJKK. MSFJ is not a Nationally Recognized Statistical Rating Organization ("NRSRO"). Therefore, credit ratings assigned by MSFJ are Non-NRSRO Credit Ratings. Non-NRSRO Credit Ratings are assigned by an entity that is not a NRSRO and, consequently, the rated obligation will not qualify for certain types of treatment under U.S. laws. MJKK and MSFJ are credit rating agencies registered with the Japan Financial Services Agency and their registration numbers are FSA Commissioner (Ratings) No. 2 and 3 respectively.

MJKK or MSFJ (as applicable) hereby disclose that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by MJKK or MSFJ (as applicable) have, prior to assignment of any rating, agreed to pay to MJKK or MSFJ (as applicable) for appraisal and rating services rendered by it fees ranging from JPY200,000 to approximately JPY350,000,000.

MJKK and MSFJ also maintain policies and procedures to address Japanese regulatory requirements.