1Q12 Earnings Release

Rio de Janeiro | May, 2012



MPX

EBX GROUP

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1 HIGHLIGHTS

HIGHLIGHTS

- MPX and E.ON signed the definitive agreements for the creation one of the largest private energy solutions provider in Brazil, with the goal of reaching 20 GW
  - ✓ E.ON will acquire a 10% stake at MPX through a R$1.0 billion capital increase
  - ✓ Potential financing by E.ON of MPX's equity proportion at the JV to accelerate the implementation of its pipeline of projects
- Colombian coal assets will be spun-off and become an independent company, listed on the BM&FBOVESPA Novo Mercado - CCX
- Pre-Feasibility study confirms robust economics of compliance coal mining project in Colombia (CCX)
  - ✓ Certified Coal Reserves amount to 671.8 million tons
  - ✓ 92% of total reserves are PCI coal

CREATING VALUE THROUGH JOINT-VENTURE WITH E.ON

Estimated Timetable for the Transaction

✓ **April 17, 2012**

- Signing of Definitive Agreement

✓ **May 9, 2012**

- Approval of CCX Spin-off at Debenture Holders General Meeting

May 16, 2012

- Deadline to request conversion for debenture holders who wish to receive both MPX and CCX shares

May 24, 2012

- Extraordinary General Shareholders' Meetings of MPX and CCX
- Beginning of Subscription Period for MPX capital increase

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1Q12 HIGHLIGHTS

OPERATIONAL HIGHLIGHTS

- Growth in net operating revenue from MPX Trading unit driven by increase in volume of energy sold
- TPPs Pecém I and Itaqui in final commissioning phase and will start generating revenues
  - Next steps:
    - (i) First steam turbine and speed tests
    - (ii) First synchronization – Plant starts to deliver power to the grid at spot price
    - (iii) Electrical testing & beginning of commercial operation
- TPP Parnaíba
  - Site preparation at an advanced stage
  - 3 turbines and 3 electric generators on site and delivery of 2 additional turbines expected soon

OPERATING EXPENSES

Operating expenses (In thousands of Reais)	Parent 1Q12	Parent 1Q11	Parent % Var	Consolidated 1Q12	Consolidated 1Q11	Consolidated % Var
Expenses						
Personnel	(17.573)	(21.234)	-17,2%	(27.440)	(27.239)	0,7%
Outsourced services	(12.902)	(7.509)	71,8%	(26.301)	(14.201)	85,2%
Leases and Rentals	(1.979)	(2.089)	-5,3%	(4.263)	(3.531)	20,7%
Other expenses	(733)	(1.294)	-209,7%	(5.024)	(4.266)	166,6%
Total	**(33.187)**	**(32.126)**	**3,3%**	**(63.028)**	**(49.236)**	**28,0%**
Depreciation and amortization	(393)	(218)	79,7%	(1.304)	(604)	115,8%
Total	**(33.579)**	**(32.344)**	**3,8%**	**(64.332)**	**(49.840)**	**29,1%**

- **Decrease in Personnel Expenses at the Holding Company, due to:**
  - Reduced payroll expenses resulting from the transfer of employees to the Company's projects
  - Lower expenses related to outstanding stock options plans
- **Increase in Consolidated Expenses with Outsourced services, resulting from:**
  - Completion of the San Juan mine pre-feasibility study in Colombia
  - Intensification of construction works at the Parnaíba power plants

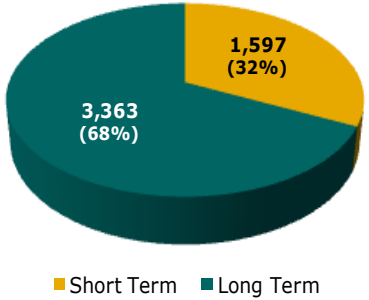
CONSOLIDATED DEBT & CASH POSITION

Consolidated Cash and Cash Equivalents: R$ 1,325.1 million

Total Consolidated Gross Debt: R$ 4,961.0 million

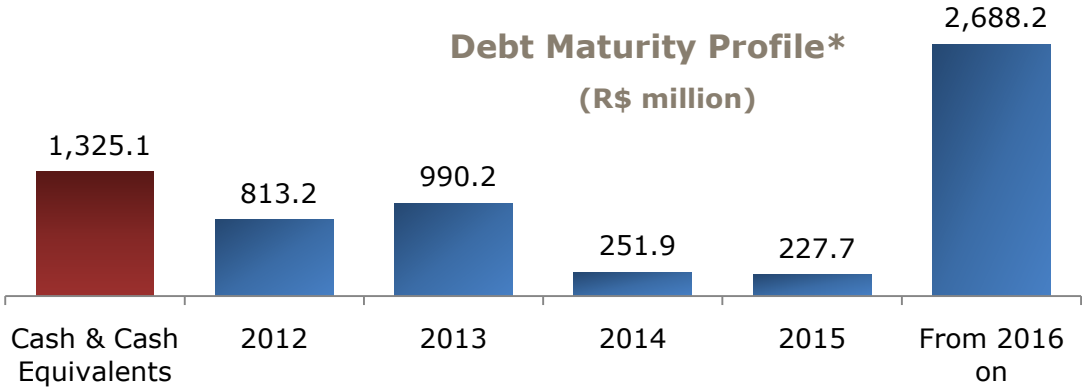
- **Short term**: R$ 1,597.6 million
  - R$ 825 million bridge loan to Parnaíba - Fase I and R$ 225 million to Paraníba – Fase II => to be paid-off with draw down from long-term financing expected for 2H2012
  - R$ 328.5 million allocated at MPX Colombia => to be spun-off as part of the E.ON transaction
- **Long term: R$ 3,363.4 million**
  - Average amortization: 14 years
- **Average cost of debt: 9.35%**
- **Average tenure: 5.8 years**

Debt (R$ million)



Debt Maturity Profile*

(R$ million)



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CCX: A NEW FORCE IN THE COAL INDUSTRY

EXPLORATORY CAMPAIGN

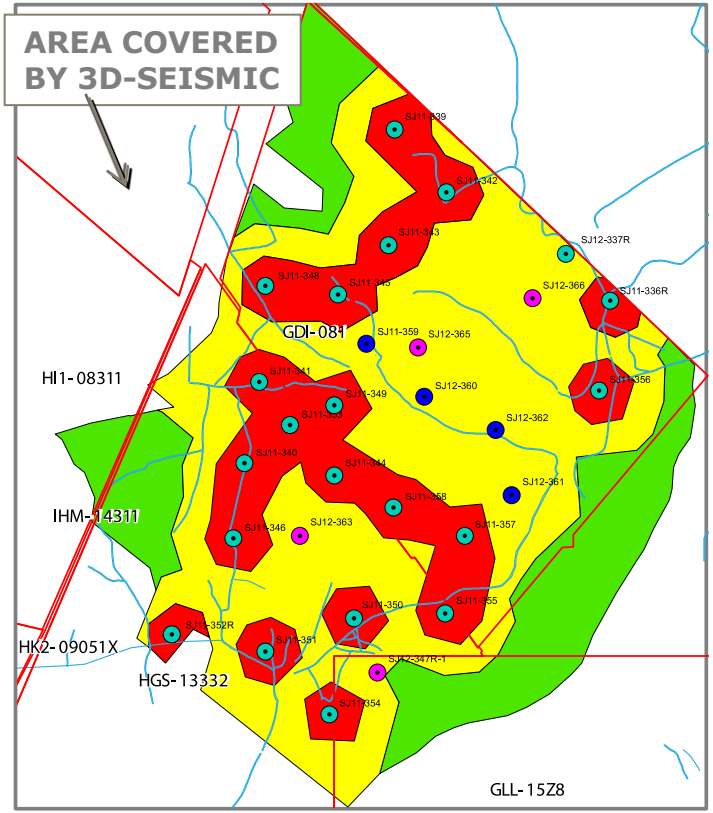
An extensive drilling campaign evaluated underground potential resources and confirmed high coal quality



- 2009-2011: over 30,000 meters drilled to assess coal resources/reserves
- High resolution 3D seismic, the largest ever applied to a coal deposit: a successful partnership with OGX
- All drill holes presented positive results
- Large and continuous coal package suitable for longwall mining (Cerrejón Formation)

SAN JUAN UNDERGROUND MINE

Large, High-Quality, World-Class Deposit

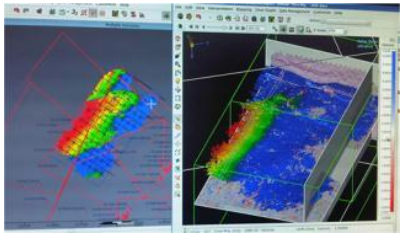


- **Resources**: total **5,642 Mt** certified (AMEC)
- **Reserves**: total **672 Mt** certified (Golder), recoverable from longwall panels + development
- 6,289kcal/kg;6.8%ash;0.5%S;16.2%TM: includes **92% PCI quality thermal coal**
- Expansion opportunities: Cerrejón Formation extends to south of San Juan, into CCX areas

San Juan utilization wells

- Wells used models
- Wells used interpretation
- Additional wells

- Measured
- Indicated
- Inferred Polygons
- Concession Area

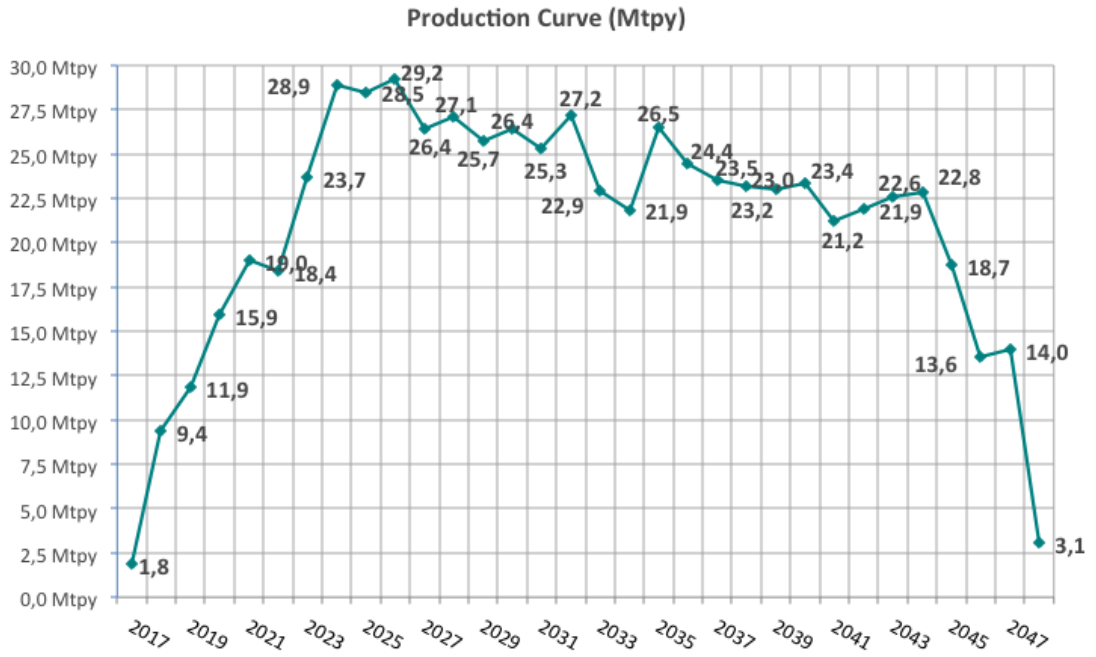


SAN JUAN UG: PRODUCTION RAMP-UP & COAL QUALITY

92% of Certified Reserves are PCI-quality Coal

Production:

- Commissioning in 2H2016
- Start up in 2017
- Peak production starts in 2024
- Total production (2017-48): 672 Mt
- Avg production (2024-44): 25 Mtpa

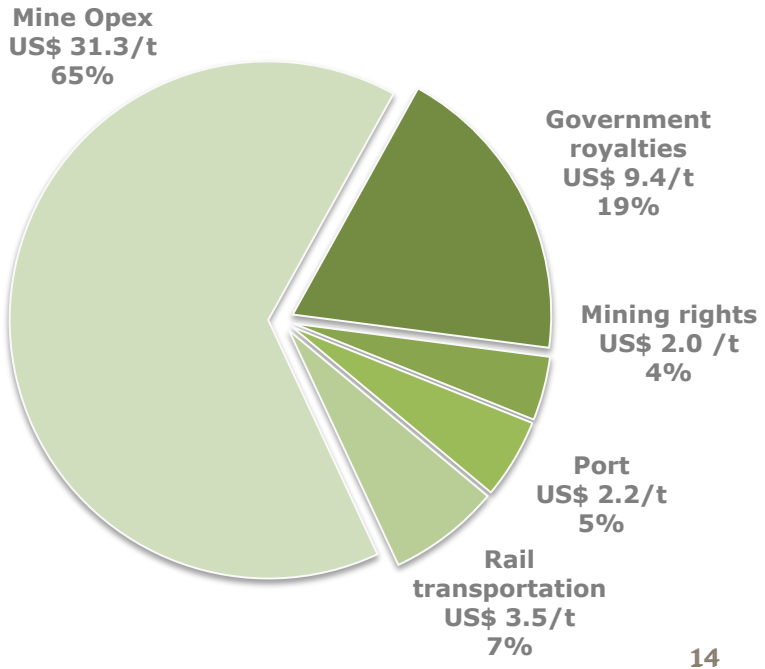


SAN JUAN UNDERGROUND OPERATING COSTS

Positioned in the Lowest Quarter of the Global Cost Curve for Thermal Coal Mines

- **Average cost – without royalties = US$ 38.9/ton:**
  - Mining (including SG&A) = US$ 31.3/ton
  - Rail transportation = US$ 3.4/ton
  - Port = US$ 2.2/ton
  - Mining rights = US$ 2.0/ton
- **Government royalties:**
  - 10% on [FOB price – port costs – rail costs]
  - Average of US$ 9.4/ton
- **Average OPEX all-in: US$ 48.3/ton**

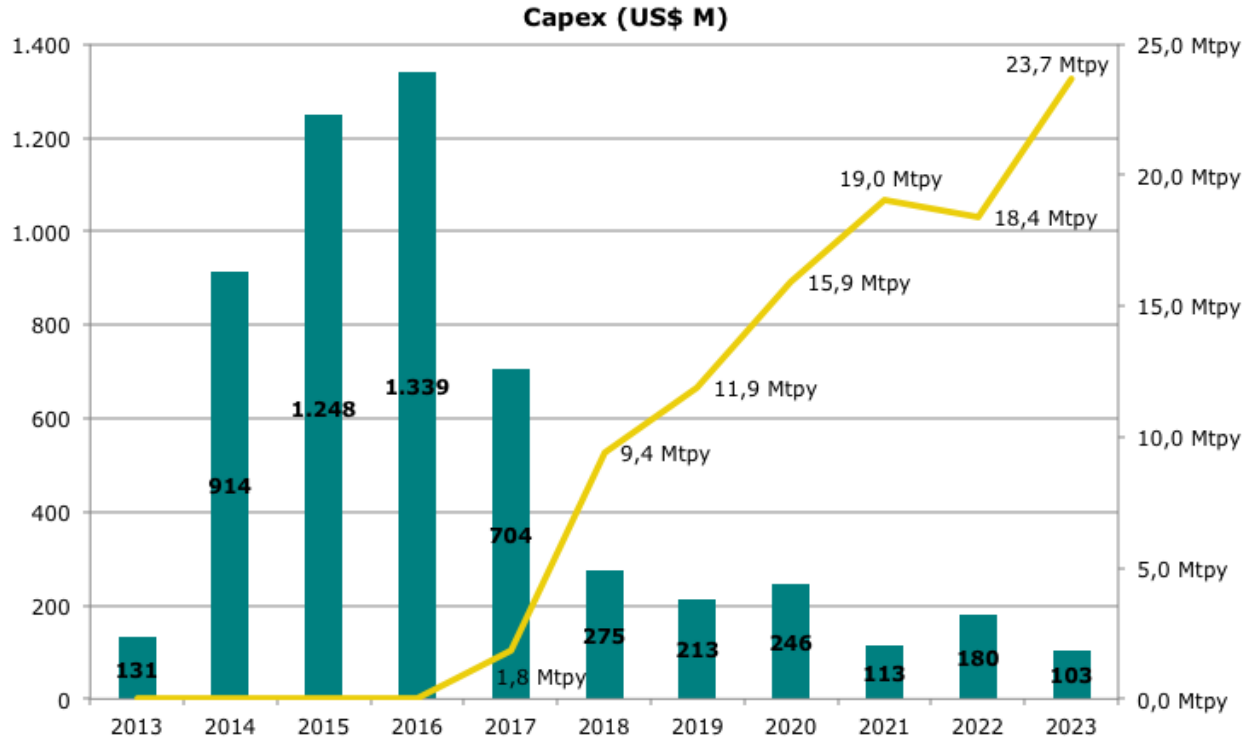
Average Opex all-in = US$ 48.3/t



SAN JUAN UNDERGROUND MINE AND LOGISTICS CAPEX 2013 - 2023

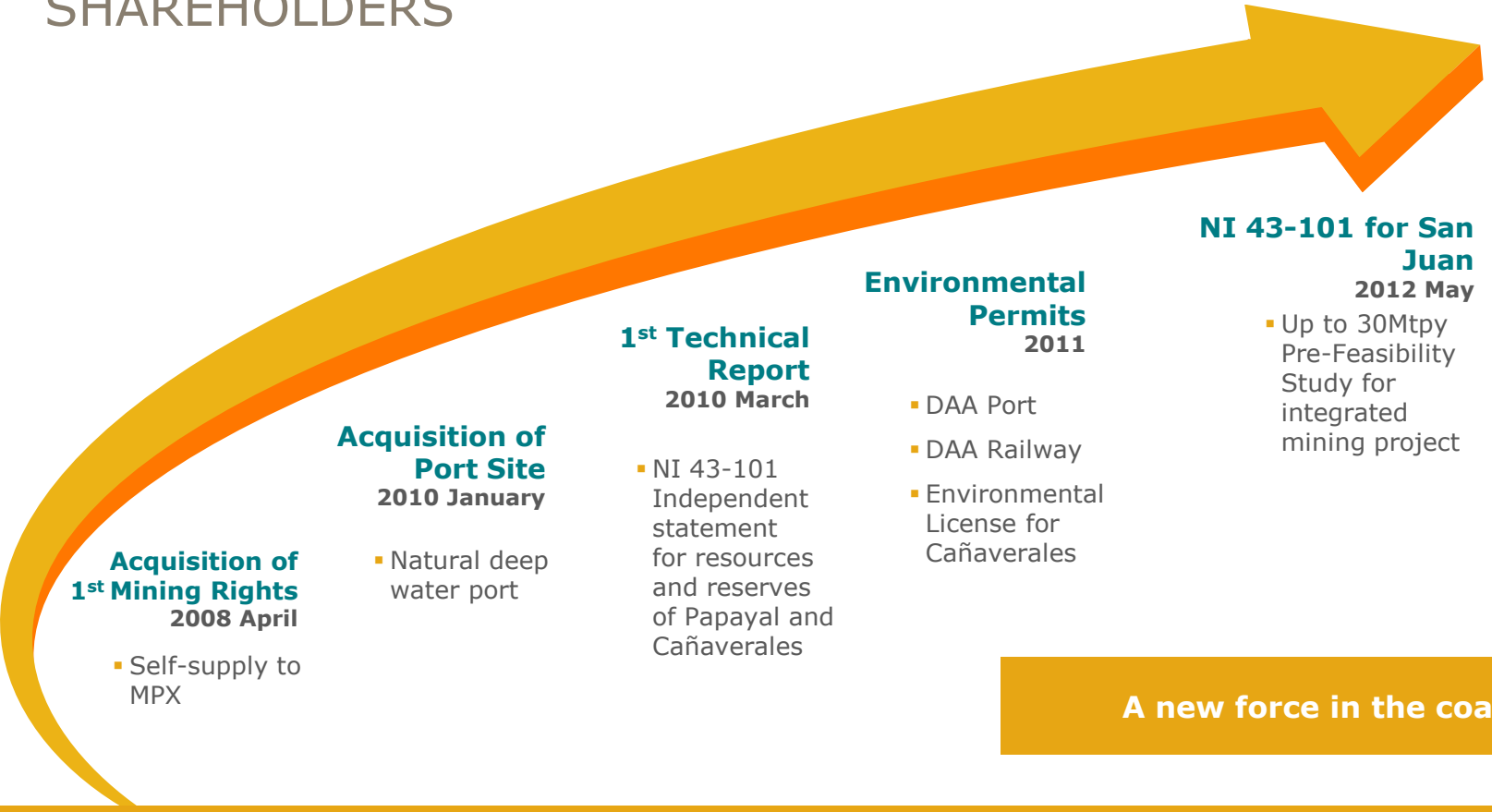
In US$ billion

Mine	3.5
Railroad	1.1
Port	0.9
Total	**5.5**



Accumulated	131	1.045	2.293	3.632	4.336	4.611	4.824	5.070	5.183	5.363	5.466

CCX: INCREMENTAL VALUE CREATION FOR MPX SHAREHOLDERS



Acquisition of 1st Mining Rights
2008 April

- Self-supply to MPX

Acquisition of Port Site
2010 January

- Natural deep water port

1st Technical Report
2010 March

- NI 43-101 Independent statement for resources and reserves of Papayal and Cañaverales

Environmental Permits
2011

- DAA Port
- DAA Railway
- Environmental License for Cañaverales

NI 43-101 for San Juan
2012 May

- Up to 30Mtpy Pre-Feasibility Study for integrated mining project

SPIN OFF CCX
2012 May

- CCXC3 listed at Novo Mercado BM&FBOVESPA

A new force in the coal industry