



# 2Q17 Results

Antonio Sergio de Souza Guetter, CEO  
Adriano Rudek de Moura, CFO

08.11.2017

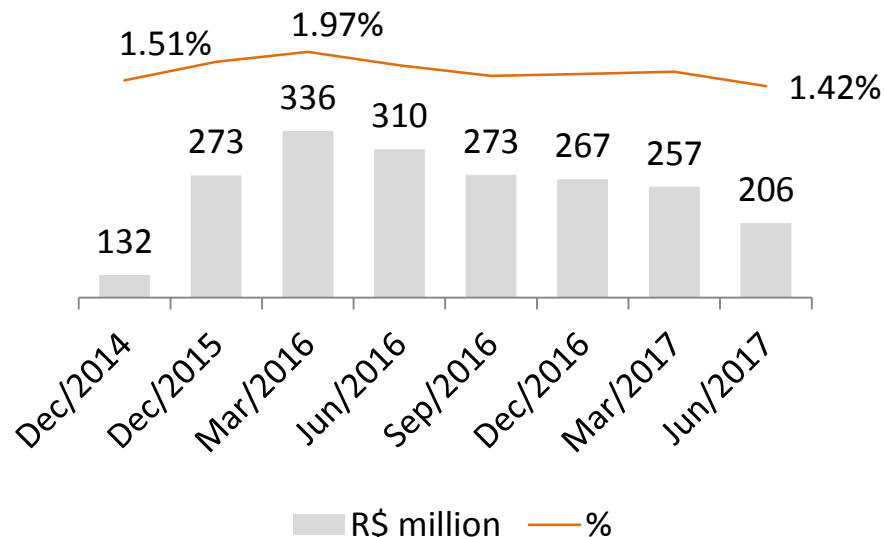
*Any statements made during this conference call involving Copel's business outlook or financial and operating forecasts and targets constitute the beliefs and assumptions of the Company's Management, and the information currently available. Forward-looking statements are not guarantees of performance and involve risks, uncertainties and assumptions, given that they refer to future events, and thus are dependent on circumstances that may or may not occur. The general economic conditions, industry conditions and other operating factors could come to affect the future performance of Copel and lead to results that are materially different from those expressed in said forward-looking statements.*

## Electricity Market – Copel Distribuição

	Brazil	South	Copel Grid Market
1H17	+0.4%	+2.2%	+2.0%
2Q17	-1.1%	-1.2%	+0.5%

Source: EPE – Monthly Market Review

## Default Rates - Copel Distribuição



## Copel Distribuição

### MCSD of July

Reduction of 332 average MW

### Annual Tariff Increase

+ 5.85%

### RAB

R\$ 4,950.4 million

### Abradee Award

The best distributor in customer opinion

## Annual Permitted Revenue - APR

R\$ million

Assets in operation	2016/2017	2017/2018
100% Copel GeT	256.7	537.2
SPCs <sup>1</sup>	239.5	215.3
<b>Total</b>	<b>496.2</b>	<b>752.5</b>

<sup>1</sup> Adjusted for Copel's stake.

Source: Homologatory Resolution no. 2,258/2017.

## Impairment - Bento Miguel Wind Farm Complex

- ✓ Impairment of R\$31.0 million in 2Q17
- ✓ Impairment of R\$61.0 million in 1H17
- ✓ Capex Increase
- ✓ Discount Rate Update

## Annual Generation Revenue (AGR) – HPP GPS

- ✓ R\$114.1 million (2017/2018)
- ✓ 70% of assured power - quota system
- ✓ 30% of assured power - available for sale

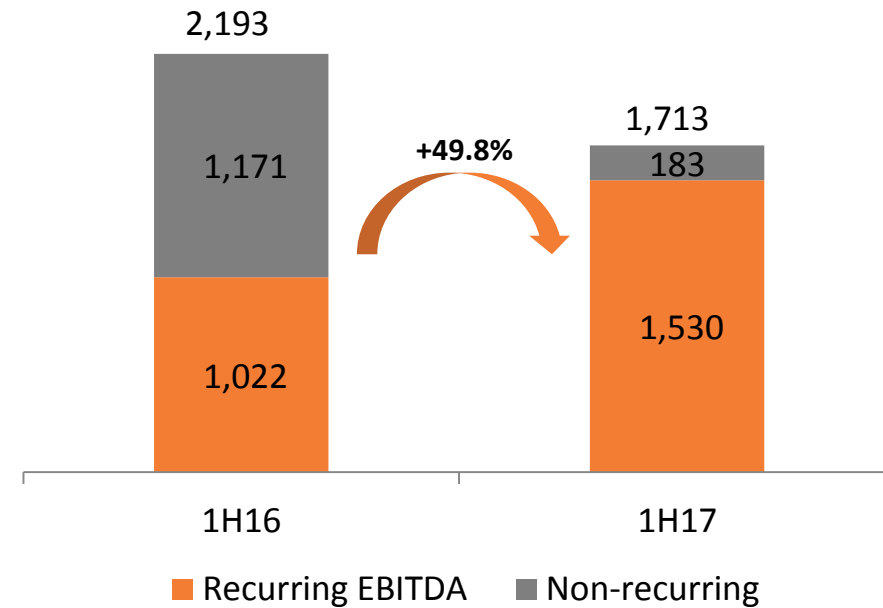
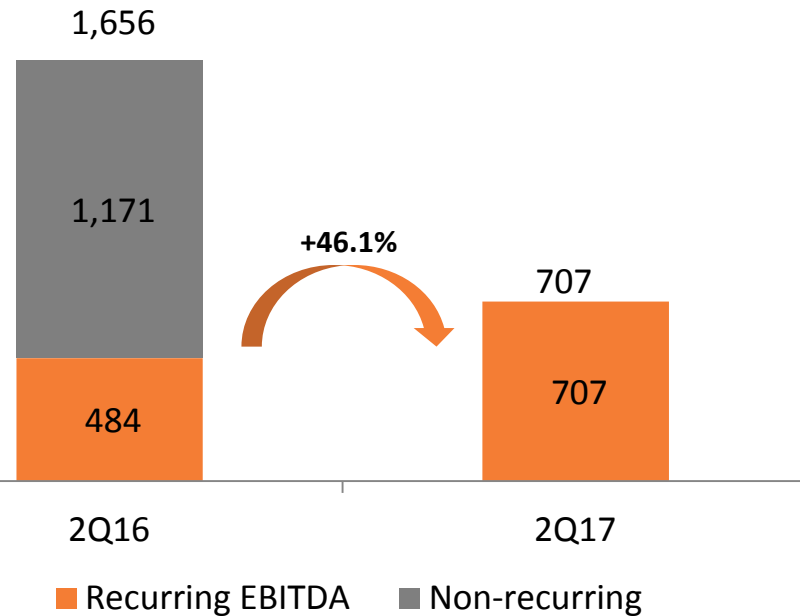
## Assets under Construction

- ✓ **HPP Colíder**
  - ✓ 93% completed
  - ✓ Operational start up in April, 2018
- ✓ **Cutia Wind Farm**
  - ✓ 39 wind turbines assembled

## Start-up

- ✓ **SMG I Wind Farm Complex (49% Copel)**
  - ✓ 57.1 average MW
- ✓ **TL Assis – Londrina (100% Copel)**
  - ✓ R\$18.9 million of APR

## Recurrent EBITDA growth of 46% (2Q17x2Q16)



- ✓ Result of the 4th Cycle of Tariff Review;
  - ✓ Highest WACC Regulatory - from 7.5% to 8.09%
  - ✓ Increase in BRR - from R\$2.5 billion to R\$5.0 billion;
- ✓ Increase in PLD by 370% in PLD;;

- ✓ 2% reduction in manageable costs;
- ✓ 0.5% growth in the wire market;
- ✓ 55% reduction in PECLD;
- ✓ Registration of R\$31 million in impairment;

2016 Non-recurring: Considers the initial recognition of the RBSE indemnity (R \$ 978 million) and reversal of R\$ 173 referring to litigation related to COFINS.  
 2017 Non-recurring: Considers the adjustment in the recognition of the RBSE indemnity (R \$ 224 million) after approval by Aneel.

## Breakdown

R\$ million

Copel GeT	2Q17	2Q16	Var.%	Copel Hol & Others	2Q17	2Q16	Var.%
EBITDA	419.2	1,404.6	(70.2)	EBITDA	116.3	274.1	(57.6)
(-) RBSE	-	977.8	-	(-) Reversals	-	193.4	-
<b>EBITDA Adjusted</b>	<b>419.2</b>	<b>426.8</b>	<b>(1.8)</b>	<b>EBITDA Adjusted</b>	<b>116.3</b>	<b>80.7</b>	<b>44.2</b>

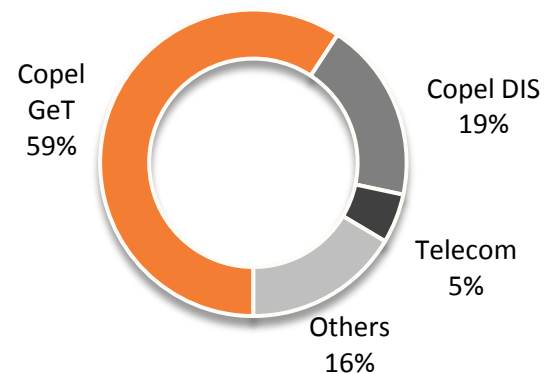
Copel DIS	2Q17	2Q16	Var.%
EBITDA	134.9	(56.0)	-

Copel Telecom	2Q17	2Q16	Var.%
EBITDA	36.9	32.8	12.3

### EBITDA Margin per Subsidiaries (%)

	2T17	
	GeT	Telecom
Distribuição	53.6	39.6

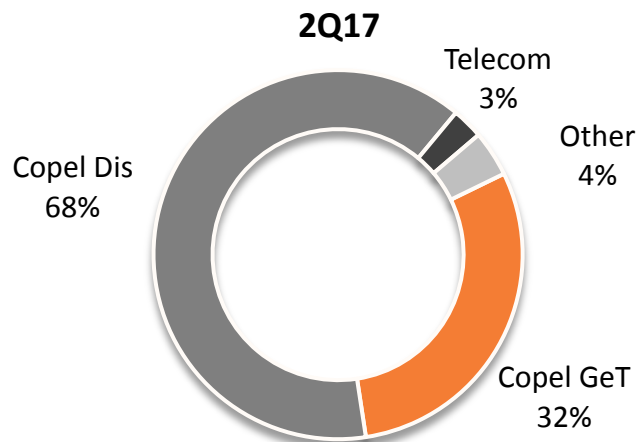
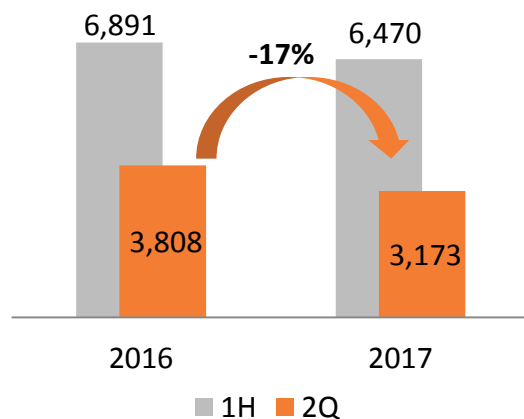
### Breakdown – EBITDA 2T17



# Operating Revenues

R\$ million

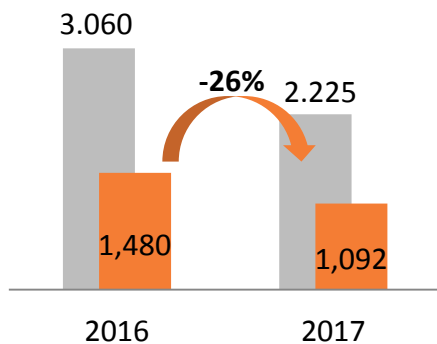
## Operating Revenues



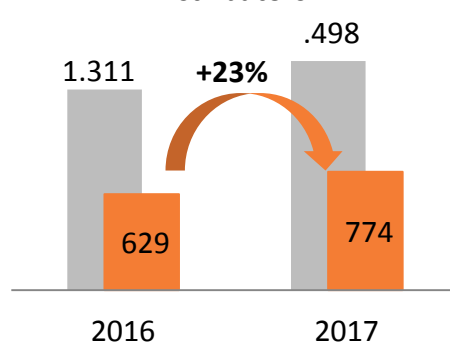
## Result of Sectorial financial assets and liabilities

2Q17	2Q16	1S17	1S16
67.8	(727.3)	(80.2)	(1,254.5)

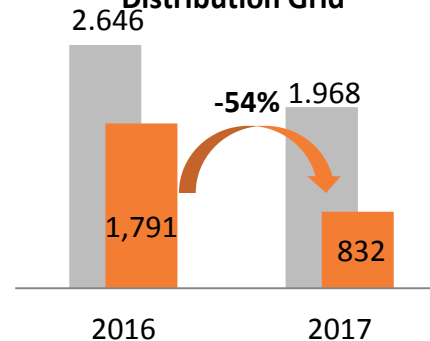
## Electricity Sales to Final Customers



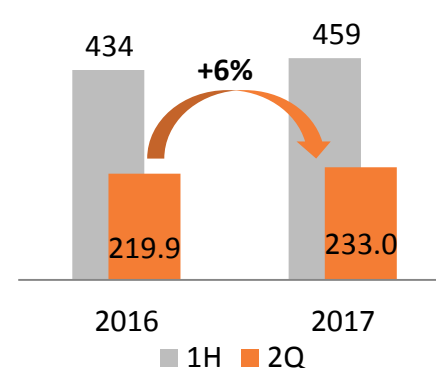
## Electricity Sales to Distributors



## Use of Transmission and Distribution Grid



## Other Operating<sup>1</sup>



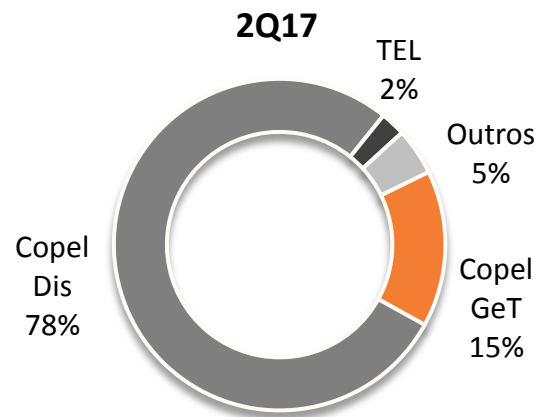
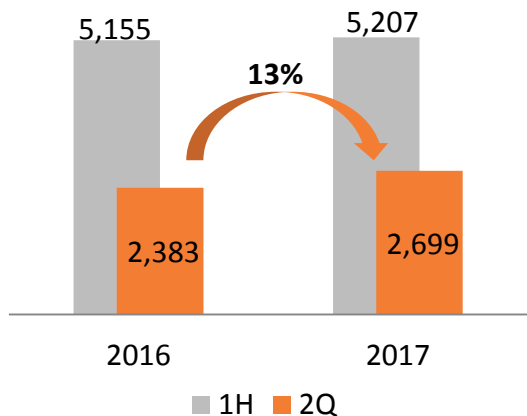
\* Amounts subject to rounding.

<sup>1</sup> Composed of telecommunications, gas distribution and other revenue.

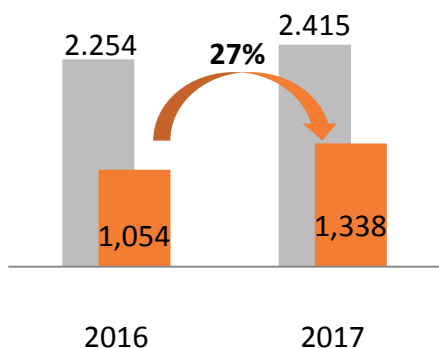
# Operating Costs and Expenses

R\$ million

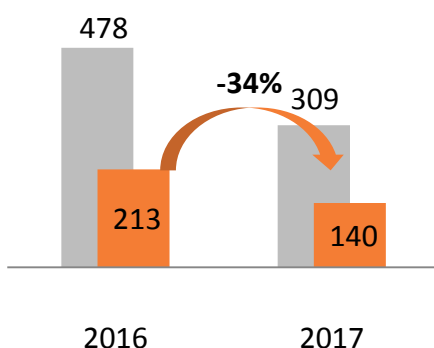
## Operating Costs and Expenses



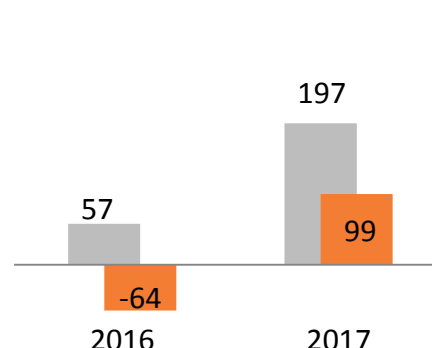
## Electricity



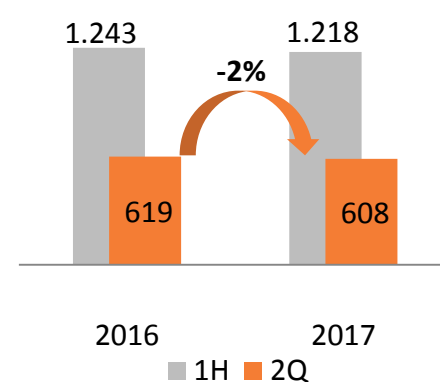
## Charges For The Use of Main Transmission Grid



## Provision and Reversal



## Manageable Costs<sup>1</sup>

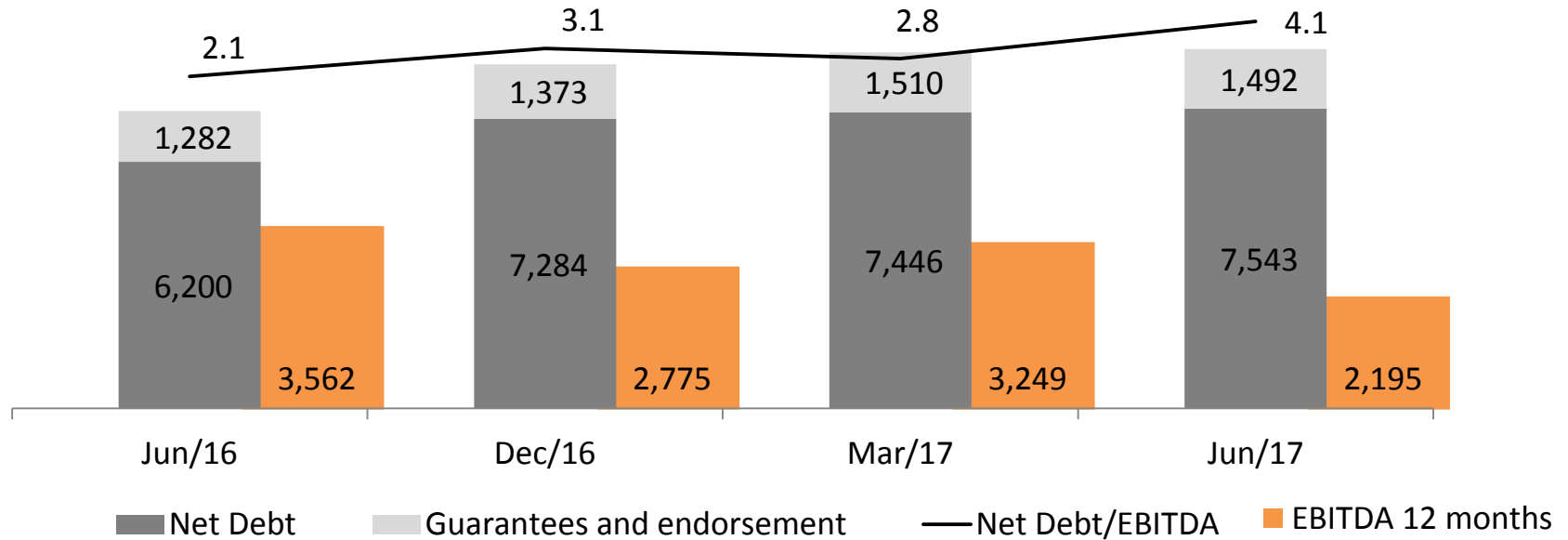


\* Amounts subject to rounding

<sup>1</sup> Considers the cost of staff, managers, pension plan and health care, material, third party services and other.



## Evolution of Net Debt/EBITDA (R\$ million)



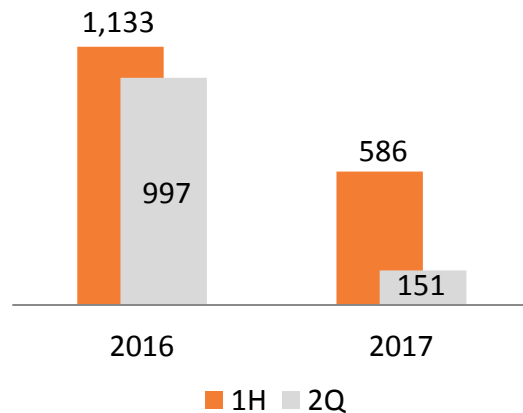
- ✓ EBITDA 12 months does not consider equity accounting results;
- ✓ Growth of 1% in net debt (Jun.17 vs Mar.17);
- ✓ Reduction of R\$ 1.0 billion in EBITDA 12 months (Jun.17 vs Mar.17);

R\$ million

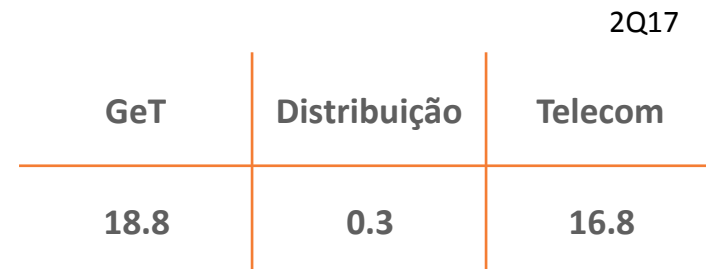
## Net Income Breakdown

Subsidiary	2Q17	2Q16	Var.%	1S17	1S16	Var.%
Copel GeT	146.9	838.6	(82.5)	489.8	1,003.8	(51.2)
Copel Dis	7.9	(64.2)	-	79.2	(103.4)	
Copel Telecom	15.6	14.8	5.9	27.2	25.9	4.7
Other/Elimination	(19.5)	207.4	-	(28.0)	206.3	
<b>Consolidated</b>	<b>151.0</b>	<b>996.6</b>	<b>(84.9)</b>	<b>568.3</b>	<b>1,132.7</b>	<b>(49.8)</b>
<b>Net Margin</b>	<b>5%</b>	<b>26%</b>	<b>(81.8)</b>	<b>9%</b>	<b>16%</b>	<b>(46.6)</b>

### Net Income Performance



### Net Margin by Subsidiary (%)





## ***Investor Relations***

[ri@copel.com](mailto:ri@copel.com)

+55 41 3222-2027  
[www.copel.com/ir](http://www.copel.com/ir)

