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Contacts in Brazil

Ricardo Portugal Alves
011-5541-222-2871
portugal@mail.copel.br
Solange Maueler
011-5541-322-3535
solange@mail.copel.br

Contacts in New York

Isabel Vieira
Alex Cancio
212-701-1823/1973

COPEL ANNOUNCES FIRST QUARTER 2000 EARNINGS RESULTS

Curitiba, Brazil, May 16, 2000 - Companhia Paranaense de Energia - COPEL (NYSE: ELP), a Brazilian utility company that generates, transmits, and distributes electric power to the State of Paraná, today announced its operating results for the quarter ended March 31, 2000. All figures included in this report are in reais (R\$) and were prepared in accordance with Brazilian generally accepted accounting principles (corporate law).

COPEL's net income was R\$ 100.8 million for the quarter ended March 31, 2000. Net revenues reached R\$ 452.2 million, compared to R\$ 368.7 million reported during the same period last year. This 22.7% increase reflects year-over-year the 7.6% growth in the sales to final customers. Including the free customers outside the State of Paraná, the market growth reached 14.0%. Also, the 1999 tariff readjustment (12.65% granted on June to the retail and 11.35% granted on September to the initial contracts), were in part responsible for this good result.

By the end of March 31, 2000 total operating expenses reached R\$ 313.8 million. This amount is similar to the amount accounted for the same period last year: R\$ 315.0 million.

COPEL's final customers as of March 31, 2000 totaled 2,774,974, a 3.4% increase when compared to the same period of the previous year.

For the quarter ended March 31, 2000, personnel and pension plan expenses decreased 29.3% to R\$ 70.0 million, compared to R\$ 99.1 million reported in 1999. COPEL's headcount was 6,514 on March 31, 2000, compared to 7,171 reported on March 31, 1999.

As of March 31, 2000, COPEL's total assets were R\$ 7.8 billion. Debt amounted to R\$ 1.4 billion, with a net debt-to-equity ratio of 0.30.

CEO STATEMENT

COPEL is glad to announce the 2000 first quarter results to the public and to its shareholders.

As an electricity services provider in the State of Paraná, the Company strives to meet the expectations of its customer base, positioning itself as a multiple-service utility.

Copel's first quarter results, therefore, are in-line with the Company's expectations, reflecting its excellent financial performance, its efforts to improve productivity as well as the solid technical, administrative and financial base of the organization.

Copel's capital expenditures amounted to R\$ 61.5 million, of which R\$ 12.2 were allocated to power generation, R\$ 18.3 to transmission, R\$ 19.8 to distribution and R\$ 11.1 to other operations. The 2.1% return on equity (ROE) obtained just in the first three months of the year and the 79.6% higher EBITDA ratio (R\$ 201.4 million in 1Q2000) show the efficiency of the Company's management team.

We hereby would like to extend our recognition and appreciation to our Team for its successful participation in the process that has made Copel such a remarkable Company in Paraná.

Highlights

- **Privatization:** Under Decree no. 1,751, dated January 25th, 2000, the State Finance Department was authorized to call for bids in order to hire specialized companies to evaluate and sell the COPEL shares currently held by the State of Paraná.
- **Market expansion** - In the first quarter, the total power consumption throughout COPEL's concession area amounted to 4,069 GWh, having increased by 7.6% as compared to the same period in 1999. Taking into account the power supply to unregulated customers outside the State of Paraná, such growth amounts to 14.0%.
- **Natural gas in Paraná:** On March 28th, 2000, Paraná became the first state in Southern Brazil to be supplied with piped natural gas. This fuel, which comes from Bolivia and is distributed by Compagás (a COPEL subsidiary company), has already been supplying industries in the city of Araucária within the Curitiba metropolitan area.
- **Net income:** COPEL's net income for the first quarter amounted to R\$ 100.8 million, which represents earnings of R\$ 0.3684 per lot of one thousand shares.
- **Light for the Countryside Program:** on April 13th, 2000, COPEL launched the Light for the Countryside Program, aiming to implement in the next three years 40 thousand new rural connections to its distribution grid. Relying on capital expenditures of R\$ 116 million, COPEL expects to reach 100% of the State's countryside.
- **COPEL Comfort:** On April 27th, 2000, the Company launched the COPEL Comfort Program, which represents a new corporate approach to the market, representing COPEL's goal of going beyond the traditional role of a power supplier to gain recognition as a company that makes available to its

customers comfort, safety, and diverse, up-to-date services. On the same day, COPEL inaugurated the program's first showroom, where the public can now find technical information about the use and consumption levels of household appliances.

ADDITIONAL OPERATING INFORMATION

1. MAIN OPERATIONAL AND FINANCIAL FEATURES

Generation

Number of power plants: 18 (17 hydroplants and 1 thermoplant)
Total installed capacity: 4,545 MW

Transmission

Transmission lines: 6.5 thousand km
Number of substations: 115
Transforming capacity: 16,485 MVA

Distribution

Distribution lines: 149.2 thousand km
Number of substations: 231
Transforming capacity: 1,249 MVA
Number of consumers: 2,774,974
DEC (outage duration by consumer/year): 12:04 hours
FEC (outage frequency by consumer/year): 12.53 outages

Administration

Number of employees: 6,514
Consumer-employee ratio: 426 (in the distribution branch is 695)

Financial

Book Value: R\$ 17.28/ per lot of one thousand shares
EBITDA: R\$ 201.4 million
ROE: 2.1% in this quarter
Liquidity: 1.17

2. CONSUMPTION BY CLASS

Class	Em GWh		%
	January to March		
	2000	1999	
Residential	1,126	1,080	4.2
Industrial	1,592	1,431	11.3
Commercial	660	609	8.4
Rural	291	272	7.0
Other	400	392	2.0
Sub Total	4,069	3,784	7.6
Free Customers (outside the State of Paraná)	244	-	-
Total	4,313	3,784	14.0

3. TARIFFS (R\$/MWh)

TARIEAS/TARIEES	Mar/00	Mar/99	Var.
Fornecimento/Retail	98,56	88,19	11,76
Concessionárias/Wholesale	40,04	34,96	14,53
Contratos Iniciais/Initial Contracts	33,23	32,67	1,71
Itaipu (compra/purchase)*	54,94	63,60	(13,62)

(*) Furnas transmission tariff included

3.1 RETAIL TARIFFS (R\$/MWh)

TARIFAS/TARIFFS	Mar/00	Mar/99	Var.
Residencial/Residential	145,87	128,93	13,14
Industrial/Industrial	65,27	58,60	11,38
Comercial/Commercial	119,04	106,58	11,69
Rural/Rural	83,85	74,18	13,04
Outros/Other	86,07	76,29	12,82
TOTAL Fornecimento/Retail	98,56	88,19	11,76

4. ENERGY FLOW (GWh)

COPEL's Total Available Power	5,840
Own Generation	4,292 (73.5%)
Purchased Energy	1,548 (26.5%)

State Demand	4,171
Retail	4,069 (97.6%)
Wholesale	102 (2.4%)

Interconnected System	609
Initial Supply Contracts	380
Free Customers	244
Losses	435

Companhia Paranaense de Energia - COPEL
Earning Results
First Quarter 2000

5. STOCKHOLDERS (Millions of shares)

	ON	%	PNA	%	PNB	%	TOTAL	%
State of Paraná	85,028	58.6	-	-	-	-	85,028	31.1
ELETROBRAS	1,531	1.1	-	-	-	-	1,531	0.6
BNDESPAR	38,299	26.4	0	0.0	26,633	20.8	64,932	23.7
Free Float	19,275	13.3	138	30.9	101,531	79.2	120,945	44.2
In Brazil	17,730	12.2	138	30.9	60,473	47.2	78,342	28.6
ADSs	1,545	1.1	-	-	41,058	32.0	42,603	15.6
Other	898	0.6	309	69.1	12	0.0	1,220	0.4
Total	145,031	100.0	448	100.0	128,176	100.0	273,655	100.0

6. DEBT PROFILE

DEBT PROFILE - As of March 31, 2000			
(R\$ thousands)	SHORT-TERM	LONG -TERM	TOTAL
FOREIGN CURRENCY			
Bilbao Viscaya	4.992	-	4.992
Turnkey	43.210	20.140	63.350
Eurobonds	10.790	262.095	272.885
IDB	17.955	156.513	174.468
National Treasury	7.871	109.234	117.105
Euro Commercial Paper	99.977	-	99.977
ELETROBRÁS	4.544	11.831	16.375
Banco do Brasil S.A	5.868	35.338	41.206
Dresdner Bank	39.657	13.978	53.635
Total	234.864	609.129	843.993
DOMESTIC CURRENCY			
ELETROBRÁS	29.524	429.617	459.141
BNDES	4.560	21.088	25.648
FINAME	18.605	3.244	21.849
FINEP	4.667	11.512	16.179
Turnkey	10.820	14.161	24.981
Other	864	4.764	5.628
Total	69.040	484.386	553.426
Total	303.904	1.093.515	1.397.419

**Companhia Paranaense de Energia - COPEL
Earning Results
First Quarter 2000**

(Tables to Follow)

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