



Material Fact – 05/20

Favorable final court decision regarding the PIS and COFINS calculation base

Companhia Paranaense de Energia - COPEL, a company that generates, transmits, distributes and sells power, with shares listed on the B3 (CPLE3, CPLE5, CPLE6), NYSE (ELPVY, ELP) and LATIBEX (XCOP) hereby discloses to its shareholders and the market in general, pursuant to CVM Instruction no. 358/2002, that it was informed today by its subsidiary, Copel Distribuição S.A. ("Copel DIS"), that the company's Executive Board resolved, on a meeting held on this date, it was decided that Copel DIS, due to a recent favorable decision recognizing its right to exclude the ICMS from the PIS and COFINS calculation base, the process of qualifying the respective tax credit will begin, before the Federal Revenue of Brazil, estimated, on a preliminary basis, in up to approximately R\$5.8 billion.

This matter, already mentioned in note 13.2 of the last quarterly information of March 31, 2020, has retroactive effect to 2004, referring to 5 (five) years prior to the filing of the judicial measure.

In addition to the retroactive impact mentioned above, Copel DIS estimates an average reduction of 3.8% in the value of its consumers' energy bills, as a result of the exclusion of ICMS from the PIS and COFINS calculation base due to this court decision.

Copel DIS is evaluating the consequences of this decision, involving accounting, tax, legal and regulatory aspects, including the form of compensation / recovery. Such effects will be recorded in the next quarterly information ended on June 30, 2020 of COPEL, whose disclosure is scheduled for August 2020.

Curitiba, July 02, 2020.

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