



4Q18 Results

Copel records EBITDA of R\$757 million in the fourth quarter

4Q18 Results
Conference Call
 03.29.2019 – 10:00 a.m
 (Brazilian time)
Telephone
 (+1 646) 843-6054
 Code: COPEL

- ☰ EBITDA increased 45.0% in 4Q18 and 9.4% in 2018 (R\$ 3,1 billion)
- ☰ Operating cash generation of R\$369 million in 4Q18 (R\$3.0 billion in 2018)
- ☰ Net Income of R\$ 390.8 million in 4Q18 and R\$ 1.4 billion in 2018
- ☰ Growth of 1.8% in Copel Distribuição's grid market in 4Q18
- ☰ Start of commercial operation of the Colíder HPP and Baixo Iguaçu HPP
- ☰ New directors

	4Q18 (1)	3Q18 (2)	4Q17 (3)	Var.% (1/3)	2018 (4)	2017 (5)	Var. % (4/5)
Net Operating Revenues (R\$ million)	3,671.1	4,309.1	3,910.7	(6.1)	14,934.8	14,024.6	6.5
Operating Costs and Expenses (R\$ million)	3,120.1	3,772.1	3,618.1	(13.8)	12,676.6	11,984.9	5.8
Operating Income (R\$ million)	424.4	472.3	109.0	289.2	1,956.0	1,392.9	40.4
Net Income (R\$ million)	390.8	361.0	133.3	193.2	1,444.0	1,118.3	29.1
Earnings per share (R\$) ¹	1.36	1.30	0.27	402.8	5.14	3.78	36.1
EBITDA (R\$ million)	756.6	785.6	521.7	45.0	3,143.2	2,873.0	9.4
Return on Shareholders' Equity (annualized) ²	10.5%	9.5%	3.6%	190.2	9.3%	7.5%	24.7
Grid Market (GWh)	7,549	7,358	7,415	1.8	29,952	29,400	1.9
Capex (R\$ million) ³	669.2	628.2	742.2	(9.8)	2,569.7	2,508.9	2.4
EBITDA Margin	20.6%	18.2%	13.3%	54.5	21.0%	20.5%	2.7
Operating Margin	11.6%	11.0%	2.8%	314.6	13.1%	9.9%	31.9
Net Margin	10.6%	8.4%	3.4%	212.4	9.7%	8.0%	21.3

¹ Consider the Net Income attributed to the shareholders of the parent company.

² Consider the initial shareholders' equity for the year.

³ Includes contributions and advances for future investments and capital increases.

Values subject to rounding adjustments.

Average Rates (R\$/MWh)	Dec-18	Sep-18	Jun-18	Mar-18	Dec-17
Power Purchase Average Rate - Copel Dis ¹	166.61	210.71	196.90	165.32	161.18
Retail Average Rate - Copel Dis ²	514.94	460.99	421.66	402.65	403.17
Sales to Distributors Average Rate - Copel GeT ³	171.76	217.97	214.19	212.22	211.76

Indicators	Dec-18	Sep-18	Jun-18	Mar-18	Dec-17
Equity (R\$ Thousand)	16,336,214	16,533,006	16,180,850	15,833,907	15,510,503
Net debt (R\$ Thousand)	9,183,178	8,777,166	8,159,514	8,401,759	8,495,080
Book Value per Share (R\$)	59.70	60.42	59.13	57.86	56.68
Net debt/ Shareholders' Net Equity ⁴	70.8%	60.2%	62.9%	65.6%	63.4%
Current Liquidity	1.0	0.8	0.8	1.0	0.9

¹ Considers PIS/COFINS.

² Does not consider tariff flags. ICMS net.

³ Considers PIS/COFINS. ICMS net.

⁴ Considers gross debt without endorsements and guarantees.

CPLE3 | R\$29.80
 CPLE6 | R\$30.55

ELP | US\$ 7.83
 XCOP | € 7.15

Market value | R\$8.2 bi
 * Quotes 12.31.2018



LIST OF CONTENTS

1. Main Events in the Period	3
2. Financial Performance	10
2.1 Operating Revenues	10
2.2 Operating Costs and Expenses	11
2.3 Equity in the Earnings of Subsidiaries	14
2.4 EBITDA	14
2.5 Financial Result	15
2.6 Consolidated Net Income	16
2.7 Consolidated Income Statement	17
3. Main Account and Changes Balance Sheet	18
3.1 Main Accounts	18
3.2 Balance Sheet – Assets	21
3.3 Debt	22
3.4 Balance Sheet – Liabilities	25
4. Performance of the Main Companies	26
4.1 Copel Geração e Transmissão	26
4.2 Copel Distribuição	27
4.3 Copel Telecomunicações	29
4.4 Accounting Information	31
5. Investment Program	32
6. Power Market and Tariffs	33
6.1 Captive Market – Copel Distribuição	33
6.2 Grid Market (TUSD)	33
6.3 Electricity Sales	34
6.4 Total Energy Sold	34
6.5 Energy Flow	36
6.6 Tariffs	39
7. Capital Market	41
7.1 Capital Stock	41
7.2 Stock Performance	42
7.3 Dividends and Interest on Own Capital	43
8. Operating Performance	44
8.1 Power Generation	44
8.2 Transmission	51
8.3 Distribution	53
8.4 Telecommunications	55
8.5 Equity Interests	56
8.6 New Projects	56
9. Other Information	59
9.1 Human Resources	59
9.2 Main Operational Indicators	60
9.3 Conference Call 4Q18 Results	61
Exhibit I – Consolidated Cash Flow Statement	62
Exhibit II – Financial Statements – Wholly Owned Subsidiaries	63
Exhibit III – Financial Statements by Company	66
Balance Sheet by Company	66

1. Main Events in the Period

Copel recorded EBITDA of R\$756.6 million in 4Q18, 45.0% higher than the R\$521.7 million recorded in 4Q17. The result was mainly impacted by (i) the improvement in hydrological conditions in the last quarter of 2018 vs. 2017, the average GSF was 81.9% (vs. 69.3% in 4Q17) and the average PLD was R\$158.24/MWh (vs. R\$398.09/MWh in 4Q17); (ii) the decreased provisions and reversals (R\$35.2 million provisioned in 4Q18 vs. R\$268.4 million in 4Q17), mainly due to the reversal of civil and administrative lawsuits totaling R\$80.7 million and to the 29.2% decrease in the provision for labor lawsuits; and (iii) a 6.1% increase in the volume of energy sold to final consumers, which increased the revenues from “electricity sales to final customers”. EBITDA in 4Q18, adjusted for items considered non-recurring, reached R\$692.7 million, an increase of 0.6% compared to 4Q17 (R\$688.2 million). More details in [item 2](#).

Termination Incentive Programs (PDI)

The Company's termination term ended on December 31, 2018 for employees who accepted the Termination Incentive Program (PDI), in effect from October 2013 until March 31, 2018. All employees working for at least 20 years at Copel and who were at least 55 years old were eligible to the Program. The financial compensation concerning the severance fines on the termination of the employment agreement and the early discharge on possible differences in labor sums together corresponded to 20 monthly wages.

In the last 2 years, 811 employees accepted the PDI, 563 in 2018 alone, with 373 from Copel Distribuição, 154 from Copel GeT, 30 from Copel Telecom, 3 from Copel Comercialização and 3 from Copel Holding. The total indemnities for PDI totaled R\$102.6 million in 2018 and the Company expects to reduce its annual cost by R\$152.6 million.

Operational Startup – HPP Colíder

On March 9, 2019, the first generating unit of the Colíder Hydroelectric Power Plant (UG1, with 100 MW of installed capacity) started operating. Located on Rio Teles Pires, on the border of the cities of Nova Canaã do Norte and Itaúba, in the northern region of the state of Mato Grosso, the HPP has three machines with a total installed capacity of 300 MW and a assured power of 178.1 MWh, enough to provide electricity to around 1 million inhabitants. More details in [item 8.1](#).

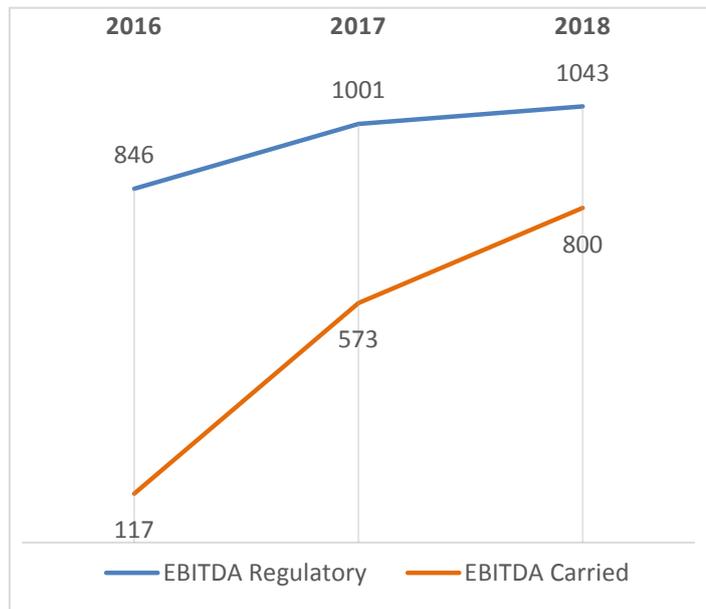
Operational Startup – HPP Baixo Iguaçu

On February 8, 2019, the first generating unit (machine 2 of 116.7 MW of installed capacity) of Baixo Iguaçu Hydroelectric Power Plant started operating. The HPP is located in the southwest region of the state of Paraná, at Rio Iguaçu, between the cities of Capanema and Capitão Leônidas Marques. Copel Geração e Transmissão S.A. has a 30% interest in the project, through the Joint Venture Baixo Iguaçu - CEBI. More details in [item 8.1](#).

Performance of Copel Distribuição in 2018

In 2018 Copel Distribuição's EBITDA reached R\$799.5 million, an amount 39.5% higher than the R\$573.1 million registered in 2017. This result reflects, in particular, the growth of the distributor's market, the average readjustment of 15.99% applied to the tariffs as of June 24, 2018 and control of the costs with PMSO (personnel and administrators, pension plans and assistance, material, third party services, provisions and reversals and others), which grew below of the regulatory (2.6% vs 6.4%, respectively).

Compared to the regulatory EBITDA (R\$1.0 billion), the performance reported in 2018 was 23.4% lower, despite the significant improvement, as shown in the chart below. More details in item 4.2.



Dividends and Interest on Equity

On December 12, 2018, Copel's Board of Directors decided to advance the interest on Capital - IOC, in the amount of R\$280.0 million, thus replacing the 2018 dividends, to shareholders with a position on December 27, 2018, in accordance with Law No. 9249/95. The distributed proceeds, as well as the payment date, will be ratified at the Annual Shareholder's Meeting, which will analyze the Management Report, Balance Sheet and other Financial Statements for the year 2018.

In addition to the IOC portion, a distribution of R\$98.5 million in the form of dividends will be proposed at the Annual Shareholder's Meeting (ASM), totaling R\$378.5 million, representing R\$1.32 per common share, R\$2.89 per PNA share and R\$1.45 per PNB share.

2019 Investment Program

In 2019, Copel intends to invest R\$2.0 billion in investments, a 22.4% reduction in relation to 2018. The distribution segment, with planned investments in the amount of R\$836.0 million for the execution of



works to improve, modernize, expand and reinforce the electric power distribution system in of the state of Paraná. Generation and transmission projects will receive R\$854.0 million, which will be allocated, basically, to the completion of works in progress. More details in [item 5](#).

Copel remains in the portfolio of ISE – B3

Copel remains part of the exclusive portfolio of the Corporate Sustainability Index (ISE) of B3 - Brazilian Stock Exchange - which runs from January 7, 2019 to January 3, 2020. ISE is a reference for investors who evaluate the business activities from the perspective of sustainable development, considering aspects such as fairness, transparency and accountability, product's nature, and business performance in the economic, financial, social and environmental aspects, as well as those related to climate change. The new portfolio comprises 34 shares, from 29 companies. In addition, it represents 13 sectors and amounts to R\$1.6 trillion in market value. This amount is equivalent to 41.76% of the total value of companies with shares traded on B3.

New CEO of Copel Holding

Mr. Daniel Pimentel Slaviero is the new CEO of Copel. He has a bachelor's degree in Business Management from Universidade Positivo (UP) and has specialization degrees in business management from Harvard Business School and Kellogg School of Management. He was an executive officer of SBT TV network between 2017 and 2018 and chairman, for four consecutive terms, of the Brazilian Association of Radio and Television (ABERT) between 2006 and 2016. At the International Broadcasting Association (AIR), which represents 17,000 radio and television broadcasters in the Americas, Asia and Europe, he worked as VP for South America between 2005 and 2011 and as member of the entity's board from 2013 to 2018.

Copel Distribuição - New CEO

Mr. Maximiliano Andres Orfali is the new Copel Distribuição's CEO. He is a career employee of Copel, with a degree in Electrical Engineering from Universidade Federal de Santa Catarina (UFSC), specialist in Electrical Energy Systems (UFSC) and Technical Management of Concessionaires (UFPR), as well as an MBA in Business Management and Advanced Management of Business Finance. With 24 years of work experience, mainly at Copel Distribuição, he held several management positions and worked as CEO of this subsidiary between 2017 and 2018.

Copel Comercialização - New CEO

Mr. Franklin Kelly Miguel is the new Copel Comercialização's CEO. He has a degree in Electrical Engineering from Universidade Federal de Santa Catarina (UFSC) and a degree in Law from Faculdades Dom Bosco. He has a graduate degree in Marketing, Operation and Planning of the Electric Power Industry from Universidade Federal do Paraná (UFPR), an Executive MBA in Energy (FGV), a Master's Degree in Electrical



Engineering (UFSC) and a PhD in Electrical Engineering from Universidade de São Paulo (USP). Mr. Franklin is a professor at FGV since 2011 in the area of regulation, marketing and tariffs in the electric energy segment. Copel's career employee since 1998, he worked as CEO of Copel Comercialização between 2016 and 2017, and also worked in the Company as an engineer, department manager, superintendent and presidential advisor.

Copel Telecomunicações – New CEO

Mr. Wendell Alexandre Paes de Andrade de Oliveira is the new Copel Telecomunicações' CEO. He has Bachelor's degree in Electric Engineering from Centro Federal de Educação Tecnológica do Paraná - CEFET-PR (1997); and an Executive MBA in Marketing - ESPM from EADA Business School, in Barcelona (2007-2008). He is currently Chief Executive Officer at Copel Telecomunicações S.A. Previously he acted as the Member of the Board of Directors of Romagnole S.A. (2016-2018); Member of the Board of Directors of LNG Holding S.A. (2014); Managing Partner of WTBR Consultoria (2014); President and CEO at Rexel do Brasil (2014); President and CEO of the GE Power Conversion for Latin America at GE Power Conversion (2012-2014); Member of the Board of Associação da Indústria da Cogeração de Energia - COGEN (2011-2014); Vice President of the Project Sector and Heavy Equipment Committee at ABIMAQ - CSPEP (2011-2013); Executive Director of Business for Latin America at GE Energy (2011-2012); Business Unit Director - Drive Technologies at Siemens (2009-2011); General Manager of Business Area - Drive Technologies at Siemens (2006-2009); General Sales Manager at Siemens (2004-2006); and Regional Sales Manager at Siemens (2002-2004).

Copel Geração – New CEO

Mr. Moacir Carlos Bertol is the new Copel Geração's CEO. He has Bachelor's degree in Electric Engineering from the Catholic University of Rio Grande do Sul - PUC-RS (1978). Current position: Chief Executive Officer at Copel Geração e Transmissão S.A. and Executive Secretary of the Board of Directors of Copel Geração e Transmissão S.A., elected at the 132nd Board of Directors Extraordinary Meeting, held on February 18, 2019, for the 2018-2019 term of office; Member of the Board of Directors of Belo Monte Hydroelectric Power Plant (2012-current). Professional background: Deputy Secretary of Planning and Energy Development of the Ministry of Mines and Energy (2011-2018); Former Eletrobrás-Eletrosul officer, having worked as an engineer, a coordinator and a division manager in the areas of operation and maintenance of electric energy generation and transmission companies (1979 - 2017); within the Copel - Eletrosul Consortium was the chief responsible for the implementation of transmission systems of exclusive use, electromechanical equipment supplies and of a digital safety system controller for Mauá hydropower plant (2007-2011).



New Business Development Officer

Mr. Cassio Santana da Silva is the new Director of Business Development at Copel. He graduated in Business Administration from the Federal University of Paraná - UFPR and holds an Executive MBA in Marketing from the Getúlio Vargas Foundation in Rio de Janeiro. Mr. Cassio was Manager of the Northeast Business Division at Telefônica Brasil SA from 2014 to 2019, Marketing and Commercial Marketing Manager at Kimberly Clark from 2011 to 2013, Manager of Marketing and Commercial Marketing of the Northeast region of the Danone Group in the years of 2009 to 2011. He also held positions as National Manager of Commercial Marketing at Grupo Danone, Commercial Marketing Manager at Phillip Morris, Regional Sales Manager at AmBev in the Dominican Republic and Commercial Marketing Manager at AmBev.

Legal and Institutional Relations Officer – New Chief

Mr. Eduardo Vieira de Souza Barbosa's the new Chief Legal and Institutional Officer. He has Bachelor's degree in Law from Universidade Tuiuti do Paraná – UTP; Specialization degree in Constitutional Law from Academia Brasileira de Direito Constitucional – ABDConst. He was Professor of Corporative Law at Pontifícia Universidade Católica do Paraná - PUC/PR (2018); Vice president of the Câmara de Arbitragem, Mediação e Conciliação Societária do Brasil - Cambra (2017-2018); Chief Legal Officer of the Conselho de Jovens Empresários - CJE (2011-2016) and Member of the Political Council (2013-2016) of the Paraná Commercial Association. He was also a Strategic Consultant and Advisor to the Legal Directorate (2015) of the Paraná Sanitation Company - Sanepar, elected Member of the College of Members, Board Member, Member of the Auctions Procedure Committee (2015-2018) and Chief Prosecutor (2011- 2015) of the Parana Commercial Board - Jucepar. He was a Professor at the Center for Studies in Public Administration - Ceap, Member of the Board of Directors of the Institute of Electoral Law - Iprade, Member of the Electoral Law Commission of OAB / PR, Founding partner of Vieira Barbosa & Carneiro - Lawyers and Legal Consultant and Judge.

Highlight in Governance at B3

On December 21, 2018, Copel was included by B3 in the Program of Highlight in Governance of State-Owned Companies and was the first state to be so. The program was launched in 2017 to encourage the adoption of good governance practices by state-owned companies, such as transparency in information provided, safety of internal controls, clear rules for the management's structure and compliance with the strict state and anticorruption law, among others.

Adopting the State Program of Highlight in Governance is voluntary and, to obtain the certification, state-owned companies must, when joining the program, implement mandatory or optional corporate governance measures, as set forth in the program.



The Company complied with all required mandatory measures and obtained 58 of the total 60 points of the optional measures. Copel will have three years to implement the missing governance measures, namely, electing members and disclosing the minutes of the Appointment and Evaluation Committee.

Copel launches Brazil's most modern operations and services center

On November 29, 2018, Copel inaugurated Smart Copel, a new integrated center for operations and consumer services. With nearly 3,000 square meters of built area, the unit brings together the entire operation of the Company, currently in five regions of the State, and uses the most advanced technology to meet the future of the electric system, such as smart grids and storage systems and distributed generation. The new center is another measure in the search for operational improvement.

Copel has the best accounting balance of the electric energy segment

Copel had its consolidated balance sheet for 2017, published by Copel Holding in 2018, recognized as the best in the Brazilian electric energy segment. The awards took place during the 34th Meeting of Accountants of the Electric Energy Segment - Enconsel. The award results from analysis, score and classification prepared independently by Federal University of Rio de Janeiro [Universidade Federal do Rio de Janeiro]. At the occasion, the financial statements of Copel Geração e Transmissão were also awarded.

Copel Distribuição Elected Brazil's Best Distributor in the Opinion of Consumers

For the second consecutive year, Copel Distribuição was elected the best distributor of the country and of the South region in the customer's opinion, according to Aneel's Consumer Satisfaction Index (IASC), on February 25, 2019. Aneel's index is measured through an opinion poll with consumers all over Brazil and unveils the consumer's satisfaction with the services provided based on several criteria, such as the quality perceived by the client, the benefit-cost ratio of services, overall satisfaction and trust in the supplier.

Copel among the three best distributors in Latin America

Copel won the award of the third best energy distributor in Latin America and the Caribbean. The announcement was made on November 15, 2018, in Buenos Aires, during the meeting of executives of the industry in the continent, promoted by the Regional Commission of Energy Integration (CIER), which annually grants the awards. CIER Award has been held since 2003 and uses the same methodology as the Brazilian Association of Energy Distributors (Abradee), which recognized Copel in 2017 as the best distributor in Brazil in the evaluation of the client, and in 2018 as the concessionaire with the best quality of management. In the last eight years, Copel was considered the best in Latin America in five opportunities.

Copel is the best distributor among Large-Size Clients



Copel achieved, for the third consecutive time, the first place among distributors in the survey of Satisfaction of Large-Size Clients promoted by the Brazilian Association of Electric Energy Distributors (ABRADEE). The result was announced at the Best Practices Seminar, on January 23, 2019.

Copel wins highlight as Best Management in the Country

Copel Distribuição was among the four companies highlighted by the organizations nominated by the National Quality Foundation (FNQ) as The Best in Management. For the second consecutive year, Copel was the only company in the electric energy segment to receive this title. Copel Telecom was also among success stories, receiving one of the recognition positions. The award, held on February 26, 2019, in São Paulo, grants the title of Best Management to Brazilian companies that stand out for their excellence in management practices, considered world-class level, i.e., they are among the companies with leadership precepts that work as a mirror to the world.

Copel is the largest company in Paraná

On November 20, 2018, Copel received in Porto Alegre the award of Largest Company of Paraná, in the “500 Maiores do Sul” survey held by Revista Amanhã. The companies listed among the largest were selected based on public information in their financial statements. Amanhã’s ranking is based on an exclusive indicator created by PricewaterhouseCoopers and by the magazine, called “Weighted Value of Greatness” (“Valor Ponderado de Grandeza”), which also considers corporate profits, in addition to the shareholders' equity and net revenue.

2. Financial Performance

The analyzes below refer to the fourth quarter of 2018 and to the accumulated of year compared to the same period of 2017.

2.1 Operating Revenues

In 4Q18, net operating revenue totaled R\$3,671.1 million, down 6.1% from R\$3,910.7 million in 4Q17. This decrease is mainly due to (i) the negative R\$55.0 million in result of “sectorial assets and liabilities result” in 4Q18, over a positive R\$381.1 million in 4Q17, resulting from lower costs with electricity purchased for resale, mainly due to the lower hydrological deficit (18.1% in 4Q18 vs. 30.7% in 4Q17) and the lower average spot price (PLD) in the period (R\$158.24/MWh in 4Q18 vs. R\$398.09/MWh in 4Q17); and (ii) the 17.3% decrease in “electricity sales to distributors” given that TPP Araucária dispatched 195.2 GWh in 4Q17, while in 4Q18 there was no dispatch.

These effects were partially offset by the 17.4% increase in “electricity sales to distributors”, due to the 6.1% increase in the volume of energy sold to final consumers - notably the consumption of the industrial free market of Copel GeT and Copel Com, up 26.0% over 4Q17 - and Copel Distribuição’s tariff adjustment, effective as of June 24, 2018, which adjusted the electric energy tariff (TE) by 15.61%.

The following are also noteworthy:

- (i) 69.4% increase in “distribution of piped gas” revenue, mainly due to the 44.6% increase in natural gas consumption and the tariff adjustment applied in 2018;
- (ii) 43.2% increase in “other operating revenues”, especially due to the 51.3% increase in revenue from equipment and structures leases and rents, mainly due to the receipt of a legal dispute favoring Copel Dis;
- (iii) 17.1% increase in “telecommunications revenues” due to the expansion of the service to new clients; and
- (iv) the “use of the main distribution and transmission grid”, with a 1.4% improvement, mainly due to the 1.8% growth in the grid market, Copel Dis’ tariff adjustment (16.42% increase in TUSD from June 24, 2018), partially offset by the decrease in TUST’s revenue in the quarter as a result of an adjustment by Aneel in the RBSE calculations referring to contract no. 060/2001 and the reduction of 50% of APR in contract no. 075/2001 as provided for in the agreement.

Income Statement	R\$ '000						
	4Q18 (1)	3Q18 (2)	4Q17 (3)	Var.% (1/3)	2018 (4)	2017 (5)	Var.% (4/5)
Electricity sales to final customers	1,478,473	1,451,002	1,258,915	17.4	5,548,584	4,681,533	18.5
Electricity sales to distributors	727,210	839,217	879,843	(17.3)	2,765,916	3,176,354	(12.9)
Use of the main distribution and transmission grid	867,253	953,294	855,319	1.4	3,469,060	3,617,941	(4.1)
Construction revenue	332,656	302,801	276,191	20.4	1,097,313	868,001	26.4
Fair value of assets from the indemnity for the concession	15,506	9,134	48,655	(68.1)	47,499	57,080	(16.8)
Revenues from telecommunications	95,868	94,204	81,897	17.1	366,179	308,952	18.5
Distribution of piped gas	160,505	164,763	94,745	69.4	557,186	454,815	22.5
Result of sectorial financial assets and liabilities	(54,983)	429,306	381,121	-	893,688	718,826	24
Other operating revenues	48,655	65,405	33,978	43.2	189,355	141,071	34.2
Net Operating Revenue	3,671,143	4,309,126	3,910,664	(6.1)	14,934,780	14,024,573	6.5

Year-to-date, the net operating revenues increased by 6.5%, mainly reflecting the 172.0% increase in electricity sold to free customers of Copel Comercialização and the energy tariff (TE) adjustments of Copel Distribuição - 10.28% and 15.61% in June 2017 and June 2018, respectively, positively impacting the revenues from 'electricity sales of customers', up 18.5%. The following increases were also noteworthy: +22.5% in revenues from 'distribution of piped gas' and +18.5% in 'telecommunications revenues', due to the 2.9% improvement in the gas market and the expanded base of Copel Telecom's customers, respectively.

This growth was partially offset by the decrease of (i) 12.9% in the 'electricity sales of distributors' revenue due to the lower average PLD (R\$287.62 in 2018 vs. R\$318.15 in 2017) and by UTE Araucária not having dispatched energy in 2018, while in 2017, the plant traded 195.2 GWh; and (ii) 4.1% in the 'use of the main distribution and transmission grid', mainly reflecting the recognition, in 1Q17, of R\$183.0 million arising from the remeasurement of transmission assets referring to RBSE in the concession agreement 060/2001.

2.2 Operating Costs and Expenses

In 4Q18, operating costs and expenses fell 13.8%, totaling R\$3,120.1 million, mainly due to the 22.8% decrease in "electricity purchased for resale", mainly due to i) the improved hydrological scenario, with GSF major (81.9% in 4Q18 vs. 69.3% in 4Q17) and the lower average PLD (R\$158.24/MWh in 4Q18 vs. R\$398.09/MWh in 4Q17), and (ii) the lower volume of electricity purchased in bilateral agreements; partially offset by the higher US dollar prices in 4Q18 (R\$3.81 vs. R\$3.25 in 4Q17), incurring on the energy supplied by Itaipu.

Electricity Purchased for Resale	R\$ '000						
	4Q18 (1)	3Q18 (2)	4Q17 (3)	Var.% (1/3)	2018 (4)	2017 (5)	Var.% (4/5)
CCEAR (Auction)	584,181	807,522	680,750	(14.2)	2,599,345	2,693,976	(3.5)
Itaipu Binacional	323,218	352,447	278,214	16.2	1,272,177	1,117,957	13.8
CCEE	266,815	939,119	537,740	(50.4)	1,850,021	1,766,091	4.8
Micro and mini generators and customer repurchase	5,637	3,838	1,478	281.4	12,373	3,892	217.9
Proinfa	57,005	57,522	54,389	4.8	228,295	217,646	4.9
Bilateral	276,944	312,715	348,770	(20.6)	928,741	766,803	21.1
(-) PIS/Pasep and Cofins	(129,732)	(163,934)	(109,065)	18.9	(529,774)	(400,915)	32.1
TOTAL	1,384,068	2,309,229	1,792,276	(22.8)	6,361,178	6,165,450	3.2

This decrease in costs was also significantly impacted by the lower “provisions and reversals” (R\$35.2 million provisioned in 4Q18 vs. R\$268.4 million in 4Q17), specially due to the reversal of R\$92.7 million, related to an indemnification lawsuit against third parties on alleged damages by the implementation of hydroelectric project, and the 29.2% decrease in the provision for labor lawsuits litigation, partially offset by a R\$34.6 million impairment loss, of which R\$58.3 million was provisioned at the Colíder HPP, due to the postponement of the start-up of this plant, and the R\$32.8 million reversal in the Bento Miguel Wind Complex, resulting from an increase in generation estimate. The following table sets forth the amounts related to impairment.

Asset	R\$ million	
	Provisions (Reversals) for impairment	
	4Q18	2018
Colíder	58,275	48,244
Cutia	1,015	(56,635)
Bento Miguel	(32,758)	(13,610)
Other Power Plants	9,375	7,839
Accounts receivable related to the indemnification of the concession	(1,266)	(4,758)
Total	34,641	(18,920)

PMSO costs, excluding estimated losses, provisions and reversals, increased 3.8%, mainly due to a provision referring to the deactivation of equipment infrastructure in Copel Telecom clients over the year, impacting the line of “other costs and operating expenses”, partially offset by the 9.9% decrease in “personnel and management”, due to the R\$20.2 million reversal related to employees who declined the Indemnification for Voluntary Dismissal (PDI).

Manageable Costs	R\$million						
	4Q18 (1)	3Q18 (2)	4Q17 (3)	Var. % (1/3)	2018 (4)	2017 (5)	Var. % (4/5)
Personnel and management	381,534	288,043	423,350	(9.9)	1,357,785	1,343,344	1.1
Private pension and healthcare plans	63,894	59,396	62,085	2.9	243,750	237,597	2.6
Material	21,396	23,576	24,290	(11.9)	81,757	83,124	(1.6)
Third-party services	150,517	141,213	136,023	10.7	572,227	521,515	9.7
Other costs and expenses operating	120,914	94,866	65,399	84.9	342,713	413,950	(17.2)
TOTAL	738,255	607,094	711,147	3.8	2,598,232	2,599,530	(0.0)

Disregarding the effect of the provision for indemnification related to PDI (reversal of R\$20.2 million in 4Q18 and provision of R\$22.5 million in 4Q17), personnel costs remained practically stable with an increase of 0.2%, remaining below the accumulated inflation of 3.7% in the last 12 months.

Personnel and Management	R\$million						
	4Q18 (1)	3Q18 (2)	4Q17 (3)	Var. % (1/3)	2018 (4)	2017 (5)	Var. % (4/5)
Personnel and management	381,534	288,043	423,350	(9.9)	1,357,785	1,343,344	1.1
(-) Provision for indemnification for voluntary dismissal ¹	20,228	1,468	(22,462)	2.9	(89,518)	(53,468)	2.6
TOTAL	401,762	289,511	400,888	0.2	1,268,267	1,289,876	(1.7)

The following variations are also noteworthy:

- (i) 99.0% decrease in costs with “materials and suppliers for power electricity”, since TPP Araucária did not dispatch energy in 4Q18, while in 4Q17 the plant generated 195.2 GWh;
- (ii) 46.9% increase in “charges of the main distribution and transmission grid”, mainly reflecting the effect of CCEE’s decision in 4Q17 to transfer the surplus of resources accumulated in CONER to the market (affecting the ESS), as well as the higher costs with the use of the system - basic network, due to the TUST readjustment in June 2018 and the readjustment of Itaipu’s electric energy transmission tariff; and

	R\$'000						
Charges of the main distribution and transmission grid	4Q18 (1)	3Q18 (2)	4Q17 (3)	Var.% (1/3)	2018 (4)	2017 (5)	Var.% (4/5)
System usage charges	287,339	249,178	243,821	17.8	1,077,595	779,311	38.3
Itaipu transportation charges	51,627	54,765	50,960	1.3	203,318	147,284	38.0
Charge reserve energy - EER	-	-	-	-	58,426	-	-
System Service Charges - ESS	37,196	(65,527)	(33,330)	(211.6)	(26,025)	(129,484)	(79.9)
(-) PIS / Pasep and Cofins taxes on charges for use of power grid	(38,596)	(23,481)	(31,679)	21.8	(136,534)	(85,081)	60.5
TOTAL	337,566	214,935	229,772	46.9	1,176,780	712,030	65.3

- (iii) 100.7% increase in “natural gas and suppliers for the gas business”, mainly due to the exchange rate change and the increase of 44.6% in the consumption of natural gas.

	R\$ '000						
Operating Costs and Expenses	4Q18 (1)	3Q18 (2)	4Q17 (3)	Var.% (1/3)	2018 (4)	2017 (5)	Var.% (4/5)
Electricity purchased for resale	1,384,068	2,309,229	1,792,276	(22.8)	6,361,178	6,165,450	3.2
Charge of the main distribution and transmission grid	337,566	214,935	229,772	46.9	1,176,780	712,030	65.3
Personnel and management	381,534	288,043	423,350	(9.9)	1,357,785	1,343,344	1.1
Pension and healthcare plans	63,894	59,396	62,085	2.9	243,750	237,597	2.6
Materials and supplies	21,396	23,576	24,290	(11.9)	81,757	83,124	(1.6)
Materials and supplies for power electricity	754	639	74,970	(99.0)	19,729	97,360	(79.7)
Natural gas and supplies for the gas business	123,687	129,495	61,628	100.7	412,618	309,542	33.3
Third-party services	150,517	141,213	136,023	10.7	572,227	521,515	9.7
Depreciation and amortization	194,631	187,384	182,208	6.8	749,179	731,599	2.4
Provisions and reversals	35,201	55,811	268,352	(86.9)	306,697	365,539	(16.1)
Construction cost	305,893	267,494	297,771	2.7	1,052,208	1,003,881	4.8
Other cost and expenses	120,914	94,866	65,399	84.9	342,713	413,950	(17.2)
TOTAL	3,120,055	3,772,081	3,618,124	(13.8)	12,676,621	11,984,931	5.8

In 2018, operating costs and expenses totaled R\$12,676.6 million, up 5.8%. This is mainly due to (a) the 65.3% increase in “charges of the main distribution and transmission grid”, mainly from higher expenses with charges to use the system - basic network, given the TUST adjustment in June 2018 and 2017 (when the indemnity referring to RBSE-related assets became part of the RAP, while in 2018 the impact was on the full year); (b) the 3.2% increase in “electricity purchased for resale”, due to (i) the purchase of 4,101 GWh by Copel Comercialização in 2018 (higher than the 2,644 GWh in 2017), and (ii) the higher exchange rate of US dollar in 2018 (R\$3.86 over R\$3.19 in 2017), focusing on the electric energy supplied by Itaipu; and (c) the 33.3% increase in natural gas expenses due to the market growth of Compagas.

2.3 Equity in the Earnings of Subsidiaries

Equity in the earnings of investees reflects gains and losses from investments in Copel's investees and jointly-controlled company, are presented in the table below.

	R\$'000						
Company	4Q18 (1)	3Q18 (2)	4Q17 (3)	Var. % (1/3)	2018 (5)	2017 (5)	Var. % (4/5)
Joint Ventures	1,728	57,704	44,236	(96.1)	112,723	91,978	22.6
Dominó Holdings	-	-	(2)	-	-	(568)	-
Voltaia São Miguel do Gostoso I Participações S.A.	(963)	2,483	(1,278)	(24.6)	(3,964)	(565)	601.6
Paraná Gás Exploração e Produção S.A.	-	-	(7)	-	(3)	(34)	(91.2)
Costa Oeste Transmissora de Energia S.A.	-	821	618	-	3,041	(2,566)	-
Marumbi Transmissora de Energia S.A.	-	2,326	2,169	-	6,971	(9,537)	-
Transmissora Sul Brasileira de Energia S.A.	-	226	(6,783)	-	1,161	(5,009)	-
Caiuá Transmissora de Energia S.A.	(439)	3,948	827	-	5,034	(4,020)	-
Integração Maranhense Transmissora de Energia S.A.	(366)	6,904	721	-	9,238	(8,852)	-
Matrinchã Transmissora de Energia (TP NORTE) S.A.	17,394	10,331	26,862	(35.2)	50,411	57,376	(12.1)
Guaraciaba Transmissora de Energia (TP SUL) S.A.	21,775	4,358	6,752	222.5	35,321	25,377	39.2
Paranaíba Transmissora de Energia S.A.	(26,455)	3,896	5,064	-	(16,510)	17,020	-
Mata de Santa Genebra Transmissão S.A.	(31,655)	7,858	4,484	-	(2,541)	19,477	-
Cantareira Transmissora de Energia S.A.	22,437	14,553	4,809	366.6	24,564	3,879	533.3
Associates	9,120	3,452	2,722	235.0	23,165	9,761	137.3
Dona Francisca Energética S.A.	2,545	2,451	2,411	5.6	9,989	8,876	12.5
Foz do Chopim Energética Ltda.	6,599	1,000	378	1,645.8	13,214	6,645	98.9
Dominó Holdings S.A. ¹	(17)	5	4	-	(15)	4	-
Others ²	(7)	(4)	(71)	(90.1)	(23)	(5,764)	(99.6)
TOTAL	10,848	61,156	46,958	(76.9)	135,888	101,739	33.6

¹ In November, 2017 occurred the transformation of a Limited Liability Company and the change in joint venture investment for Associate investment.

² Includes Carbocampel S.A., Copel Amec S/C Ltda, Escoelectric Ltda e Dois Saltos Ltda.

2.4 EBITDA

In 4Q18, earnings before interest, taxes, depreciation and amortization reached R\$756.6 million, up 45.0% over the R\$521.7 million in 4Q17. This increase is mainly explained by (i) the improvement in hydrological conditions in the last quarter of 2018 vs. 2017, the average GSF was 81.9% (vs. 69.3% in 4Q17) and the average PLD was R\$158.24/MWh (vs. R\$398.09/MWh in 4Q17); (ii) the decreased provisions and reversals (R\$35.2 million provisioned in 4Q18 vs. R\$268.4 million in 4Q17), mainly due to the reversal of civil and administrative lawsuits, totaling R\$80.7 million, and to the 29.2% decrease in the provision for labor lawsuits; and (iii) a 6.1% increase in the volume of energy sold to final consumers, which increased the revenues from “electricity sales of customers”.

This growth was partially offset by (i) the 17.3% decrease in “electricity sales of distributors”, since TPP Araucária dispatched 195.2 GWh in 4Q17, while in 4Q18 there was no dispatch, and (ii) the 35.2% increase in “charge of the main distribution and transmission grid”, mainly reflecting the effect of CCEE's decision in 4Q17 to transfer the surplus of resources accumulated in CONER to the market (affecting the ESS), as well as the higher costs with the use of the system - basic network, due to the TUST readjustment in June 2018 and the readjustment of Itaipu's electric energy transmission tariff.

EBITDA was also impacted by non-recurring events, with a reversal of R\$92.7 million related to an indemnification action against third parties on alleged losses caused by the implementation of a hydroelectric project. Excluding the extraordinary effects, adjusted EBITDA in 4Q18 would be R\$692.7 million, 0.6% higher than in the same period of the previous year, while in the last year accumulated R\$3,086.3 million, growth of 9.8% compared to 2017.

Also, excluding the effects of the equity income, the adjusted EBITDA of 4Q18 would be R\$681.9 million, an amount 6.3% above the R\$641.2 million recorded in 4Q17. Already in the accumulated of the year would be R\$2,950.4 million, an increase of 8.9%.

	R\$ million					
Adjusted EBITDA	4Q18 (1)	4Q17 (2)	Var.% (1/2)	2018 (3)	2017 (4)	Var.% (3/4)
EBITDA	756.6	521.7	45.0	3,143.2	2,873.0	9.4
(-)/+ Remeasurement of financial assets RBSE	-	-	-	-	(183.0)	-
(-)/+ IRT 2018 result	-	-	-	(36.7)	-	-
(-)/+ Additional PECLD to the tariff coverage	8.8	5.7	54.4	22.9	40.6	(43.6)
(-)/+ Impairment	34.6	(25.7)	(234.6)	(18.9)	(122.8)	(84.6)
(-)/+ Reversal of provision	(92.7)	(42.8)	-	(92.7)	(59.5)	-
(-)/+ Provision for PDI	(20.2)	22.5	(189.8)	69.3	53.5	29.5
(-)/+ Provisions for litigation ¹	5.6	235.5	-	96.4	237.5	-
(-)/+ Tax Credit - Pasep	-	-	-	(25.1)	-	-
(-) Reimbursement Suppliers Brisa	-	-	-	(72.1)	-	-
(-)/+ Result of disposal of investment - Sanepar	-	(28.7)	-	-	(28.7)	-
Adjusted EBITDA	692.7	688.2	0.6	3,086.3	2,810.6	9.8
(-)/+Equity	(10.8)	(47.0)	(77.0)	(135.9)	(101.7)	33.6
Adjusted EBITDA	681.9	641.2	6.3	2,950.4	2,708.9	8.9

¹ Dispute referring to three collective labor actions, being R\$ 21.5 million in 3Q18, R\$45.1 million in 2Q18 and R\$24.2 million in 1Q18.

2.5 Financial Result

In 4Q18, the financial result was a negative R\$137.6 million vs. the negative R\$230.5 million in the 4Q17. The result reflects the 10.7% improvement in financial revenues, mainly due to the updating of the Cost Variation Account (CVA) and a 20.0% reduction in financial expenses, mainly due to the lower amount spent on “PIS/Pasep e Cofins on interest on equity” due to the lower interest on equity (IOC) received by Copel Holding from its subsidiaries.

These effects were partially offset by the lower income and monetary change on CRC transfers, due to the IGP-DI change in the period (-1.33% in 4Q18 vs. 1.65% in 4Q17).



	R\$'000						
	4Q18 (1)	3Q18 (2)	4Q17 (3)	Var.% (1/3)	2018 (4)	2017 (5)	Var.% (4/5)
Financial Revenues	168,972	184,565	152,706	10.7	813,915	699,310	16.4
Income and monetary variation on CRC transfer	24,962	63,674	48,746	(48.8)	214,627	141,923	51.2
Income from investments held for trading	27,666	18,687	36,022	(23.2)	98,841	114,523	(13.7)
Late fees on electricity bills	64,755	60,862	63,134	2.6	226,050	191,554	18.0
Income from financial investments available for sale	-	-	(15,760)	-	-	-	-
Monetary restatement and adjustment to present value of accounts payable related to concession	401	646	(5,995)	-	1,047	10,813	(90.3)
Income from sectorial assets and liabilities	15,637	11,263	(523)	-	43,966	20,493	114.5
Exchange variation About Purchase Itaipu Electric Power	19,850	513	(742)	-	24,658	17,777	38.7
Tax credit recognition	-	-	-	-	55,096	-	-
Other financial revenues	15,701	28,920	27,824	(43.6)	149,630	202,227	(26.0)
Financial Expenses	(306,558)	(310,451)	(383,166)	(20.0)	(1,251,965)	(1,447,750)	(13.5)
Monetary variation, foreign exchange and debt service charges	(224,118)	(211,462)	(227,839)	(1.6)	(871,397)	(993,970)	(12.3)
Monetary variation and adjustment to present value of accounts payable related to concession	(10,468)	(28,731)	(16,355)	(36.0)	(94,319)	(65,418)	44.2
Exchange variation About Purchase Itaipu Electric Power	(3,097)	(21,619)	(4,975)	-	(50,203)	(12,264)	309.4
Pis/ Pasep and Cofins taxes over interest on equity	(13,636)	-	(45,196)	(69.8)	(13,636)	(45,196)	(69.8)
Income from sectorial assets and liabilities	(1,461)	(1,487)	(8,126)	(82.0)	(23,747)	(29,622)	(19.8)
Interest on R&D and PEE	(6,890)	(6,316)	(6,585)	4.6	(25,407)	(34,345)	(26.0)
Accounts receivable tied to the concession fair value's update	(25,830)	-	-	-	(25,830)	(51,211)	(49.6)
Estimated losses on impairment of assets	-	-	-	-	-	-	-
Other financial expenses	(21,058)	(40,836)	(74,090)	(71.6)	(147,426)	(215,724)	(31.7)
Financial income (expenses)	(137,586)	(125,886)	(230,460)	(40.3)	(438,050)	(748,440)	(41.5)

2.6 Consolidated Net Income

In 4Q18, Copel recorded net income of R\$390.8 million, amount 3 times higher than the R\$133.3 million registered in the same period of 2017. In the accumulated of 2018, the net profit increased 29.1%, closing the period in R\$1,444.0 million.

2.7 Consolidated Income Statement

Income Statement	4Q18	3Q18	4Q17	Var.% (1/3)	2018	2017	Var.% (4/5)
	(1)	(2)	(3)		(4)	(5)	
OPERATING REVENUES	3,671,143	4,309,126	3,910,664	(6.1)	14,934,780	14,024,573	6.5
Electricity sales to final customers	1,478,473	1,451,002	1,258,915	17.4	5,548,584	4,681,533	18.5
Electricity sales to distributors	727,210	839,217	879,843	(17.3)	2,765,916	3,176,354	(12.9)
Use of the main distribution and transmission grid	867,253	953,294	855,319	1.4	3,469,060	3,617,941	(4.1)
Construction revenue	332,656	302,801	276,191	20.4	1,097,313	868,001	26.4
Fair value of assets from the indemnity for the concession	15,506	9,134	48,655	(68.1)	47,499	57,080	(16.8)
Revenues from telecommunications	95,868	94,204	81,897	17.1	366,179	308,952	18.5
Distribution of piped gas	160,505	164,763	94,745	69.4	557,186	454,815	22.5
Result of Sectorial financial assets and liabilities	(54,983)	429,306	381,121	-	893,688	718,826	24.3
Other operating revenues	48,655	65,405	33,978	43.2	189,355	141,071	34.2
OPERATING COSTS AND EXPENSES	(3,120,055)	(3,772,081)	(3,618,124)	(13.8)	(12,676,621)	(11,984,931)	5.8
Electricity purchased for resale	(1,384,068)	(2,309,229)	(1,792,276)	(22.8)	(6,361,178)	(6,165,450)	3.2
Charge of the main distribution and transmission grid	(337,566)	(214,935)	(229,772)	46.9	(1,176,780)	(712,030)	65.3
Personnel and management	(381,534)	(288,043)	(423,350)	(9.9)	(1,357,785)	(1,343,344)	1.1
Pension and healthcare plans	(63,894)	(59,396)	(62,085)	2.9	(243,750)	(237,597)	2.6
Materials and supplies	(21,396)	(23,576)	(24,290)	(11.9)	(81,757)	(83,124)	(1.6)
Materials and supplies for power electricity	(754)	(639)	(74,970)	(99.0)	(19,729)	(97,360)	(79.7)
Natural gas and supplies for the gas business	(123,687)	(129,495)	(61,628)	100.7	(412,618)	(309,542)	33.3
Third-party services	(150,517)	(141,213)	(136,023)	10.7	(572,227)	(521,515)	9.7
Depreciation and amortization	(194,631)	(187,384)	(182,208)	6.8	(749,179)	(731,599)	2.4
Provisions and reversals	(35,201)	(55,811)	(268,352)	(86.9)	(306,697)	(365,539)	(16.1)
Construction cost	(305,893)	(267,494)	(297,771)	2.7	(1,052,208)	(1,003,881)	4.8
Other cost and expenses	(120,914)	(94,866)	(65,399)	84.9	(342,713)	(413,950)	(17.2)
EQUITY IN EARNINGS OF SUBSIDIARIES	10,848	61,156	46,958	(76.9)	135,888	101,739	33.6
PROFIT BEFORE FINANCIAL RESULTS AND TAXES	561,936	598,201	339,498	65.5	2,394,047	2,141,381	11.8
FINANCIAL RESULTS	(137,586)	(125,886)	(230,460)	(40.3)	(438,050)	(748,440)	(41.5)
Financial income	168,972	184,565	152,706	10.7	813,915	699,310	16.4
Financial expenses	(306,558)	(310,451)	(383,166)	(20.0)	(1,251,965)	(1,447,750)	(13.5)
OPERATIONAL EXPENSES/ INCOME	424,350	472,315	109,038	289.2	1,955,997	1,392,941	40.4
INCOME TAX AND SOCIAL CONTRIBUTION ON PROFIT	(33,532)	(111,312)	24,235	-	(511,993)	(274,686)	86.4
Income tax and social contribution on profit	63,187	(201,875)	89,879	(29.7)	(580,065)	(379,943)	52.7
Deferred income tax and social contribution on profit	(96,719)	90,563	(65,644)	47.3	68,072	105,257	(35.3)
NET INCOME (LOSS)	390,818	361,003	133,273	193.2	1,444,004	1,118,255	29.1
Attributed to controlling shareholders	372,789	354,789	74,149	402.8	1,407,063	1,033,626	36.1
Attributed to non-controlling interest	18,029	6,214	59,124	(69.5)	36,941	84,629	(56.3)
EBITDA	756,567	785,585	521,706	45.0	3,143,226	2,872,980	9.4

3. Main Account and Changes Balance Sheet

The main accounts and changes in the Balance Sheet in relation to December 2017 are described below. Additional information can be found in the Notes to our Financial Statement.

3.1 Main Accounts

Cash, Cash Equivalents and Bonds and Securities

On December 31, 2018, the cash and cash equivalents, bonds and securities of Copel's wholly owned subsidiaries and controlled companies totaled R\$2,292.7 million, 82.0% up than the R\$1,259.7 million recorded on December 2017. These funds were invested, mostly in Bank Deposit Certificates (CDBs) and repo transactions. These investments are remunerated between 75% and 101% of the variation rate of the Interbank Deposit Certificate (CDI).

CRC Transferred to the State of Paraná

Through the fourth addendum signed on January 21, 2005, the Company renegotiated the CRC balance on December 31, 2004 with the State of Paraná at R\$1,197.4 million, in 244 monthly installments recalculated by the price amortization system, restated by the IGP-DI inflation index plus annual interest of 6.65%. The first installment was due on January 30, 2005, with subsequent and consecutive maturities.

The State of Paraná requested the Company and the Board of Directors approved, on June 16, 2016, subject to the consent of the Department of the Treasury, the Novation of the CRC Adjustment Agreement, which contemplates: (i) from April to December 2016, a total grace period for principal and interest payments; and (ii) from January to December 2017, a grace only the principal amount, but with monthly interest payments. The other clauses would be maintained, including the maintenance of the current correction and interest rates, thus not affecting the overall net present value of said agreement.

The Company's management and the State of Paraná formalized the Fifth Amendment on October 31, 2017. The State of Paraná complied with the agreed terms and made the payments of the monthly installments of interest estimated until December 2017. After the grace period, the State of Paraná has been complied with payments under the contracted conditions, leaving 76 monthly installments. The current balance of the CRC is R\$1,445.0 million.

Sectorial Financial Assets and Liabilities

As of December 31, 2014, Copel Distribuição has recognized sectorial financial assets and/or liabilities in its financial statements as a result of an amendment to the concession agreement, that guarantees that the residual amounts of items of Portion A and other financial components not recovered or returned via tariffs

will be included in, or discounted from, the calculation of the indemnification for non-amortized assets at the expiration of the concession. On December 31, 2018, the Company had a net asset of R\$582.3 million. More detail in our Financial Statements (Note 9).

Accounts Receivable Related to the Concession

This line refers to accounts receivable related to the contracts for the concession of electric power generation, transmission, distribution and distribution of natural gas activities. The amounts refer to (a) the concession fee paid as a result of the auction involving the Governador Parigot de Souza Power Plant – HPP GPS, won by Copel GeT on November 25, 2015 (R\$625.8 million), (b) its investments in infrastructure and financial remuneration that have not been or will not be recovered via tariffs until the expiration of the concession (R\$783.0 million), (c) the amounts receivable from energy transmission assets of the Existing System Basic Network – RBSE and connection facilities and other transmission facilities - RPC, as a result of the recognition of the effects of MME Ordinance No. 120 and the approval, by Aneel, of the result of the inspection of the appraisal report of these assets (R\$753.8 million) and (d) the gas distribution concession agreement - Compagas (R\$322.3 million) and (e) to the electricity generation concession contract due to the expiration of the concessions of the HPP GPS and HPP Mourão I (R\$65.8 million). As of December 31, 2018, the balance of the account totaled R\$2,550.7 million. More details in our Financial Statements (NE n ° 10).

Contract Assets

With CPC 47/IFRS 15 coming into effect on January 1, 2018 and bringing the concept of “contract assets” referring to the receipt rights conditioned to the compliance with obligations to operate and maintain the infrastructure and not only by the passage of time (concept “financial asset”), the Company changed the classification for agreement assets of the part related to assets of the concession of distribution of electric energy, distribution of piped gas and transmission of electric energy, now classifying as “contract assets” the construction works for distribution of electric energy and piped gas during the construction period (reclassification of ongoing intangible assets to contract assets) and changed the classification to contract assets of the part related to RBSE assets ratified for receipt after the first RAP cycle that started in July 2017.

On December 31, 2018, the account balance totaled R\$3,433.2 million. More details in our Financial Statement (Note 11).

Investments, Property, Plant and Equipment and Intangible Assets

The balance in ‘investments’ decreased by 7.4% by December 31, 2018, mainly due to the new CPCs, mainly CPC 47/IFRS 15 (Note 4.18.3), changing the classification of the balance of the financial asset of the jointly controlled ventures to contract asset, as of January 1, 2018, with a decrease in its measurement of R\$200.6 million, as well as the Shares Exchange Agreement signed on August 30, 2018 by Copel GeT and Eletrosul in



the following jointly controlled ventures: Costa Oeste, Marumbi, and Transmissora Sul Brasileira de Energia. Under this agreement, Copel GeT now holds a 100% interest in Costa Oeste and Marumbi, and Eletrosul holds a 100% interest in Transmissora Sul Brasileira, resulting in a classification change (R\$36.7 million in Costa Oeste and R\$92.3 million in Marumbi) and a write-off (R\$65.5 million in Transmissora Sul Brasileira) of these investments. This result was partially offset by the increased equity income and contributions in the period.

The 'Property, Plant and Equipment' increased 10.3% due to the start-up of new assets, according to the Company's investment program, net of depreciation for the period. The 'Intangible' decreased 6.6%, mainly because of the initial adoption of CPC 47/IFRS 15, as of January 1, 2018, with the balance of construction works in progress transferred to contract assets (Note 11.1).

3.2 Balance Sheet – Assets

	R\$'000				
Assets	Dec-18 (1)	Sep-18 (2)	Dec-17 (3)	Var.% (1/2)	Var.% (1/3)
CURRENT	6,677,846	5,626,758	5,701,834	18.7	17.1
Cash and cash equivalents	1,948,409	857,862	1,040,075	127.1	87.3
Bonds and securities	124,862	1,380	1,341	-	-
Collaterals and escrow accounts	203	73,795	59,372	(99.7)	(99.7)
Customers	2,944,091	3,076,031	2,733,240	(4.3)	7.7
Dividends receivable	76,672	61,316	80,815	25.0	(5.1)
CRC transferred to the State of Paraná	190,876	186,701	167,109	2.2	14.2
Sectorial financial assets	421,184	408,091	171,609	3.2	145.4
Account receivable related to concession	53,177	134,640	149,744	(60.5)	(64.5)
Contract Assets	85,019	-	-	-	-
Other current receivables	363,250	391,938	409,351	(7.3)	(11.3)
Inventories	116,285	116,842	110,559	(0.5)	5.2
Income tax and social contribution	152,157	109,730	501,685	38.7	(69.7)
Other current recoverable taxes	160,842	174,984	198,232	(8.1)	(18.9)
Prepaid expenses	40,819	33,219	39,867	22.9	2.4
Related parties	-	229	38,835	-	-
NON-CURRENT	29,252,254	29,324,619	27,460,543	(0.2)	6.5
Long Term Assets	10,014,260	9,506,554	8,607,626	5.3	16.3
Bonds and securities	219,434	220,911	218,322	(0.7)	0.5
Other temporary investments	19,511	18,543	18,727	5.2	4.2
Collaterals and escrow accounts	89,555	90,775	75,665	(1.3)	18.4
Customers	162,915	186,658	261,082	(12.7)	(37.6)
CRC transferred to the State of Paraná	1,254,166	1,324,237	1,349,253	(5.3)	(7.0)
Judicial deposits	528,290	574,559	582,529	(8.1)	-
Sectorial financial assets	257,635	478,374	171,609	(46.1)	50.1
Account receivable related to concession	2,497,514	4,977,814	4,429,237	(49.8)	(43.6)
Accounts receivable related to the concession compensation	-	73,419	-	-	-
Contract Assets	3,348,211	-	-	-	-
Other non-current receivables	228,894	201,733	149,416	13.5	53.2
Income tax and social contribution	166,384	83,853	176,480	98.4	(5.7)
Deferred income tax and social contribution	1,007,061	1,044,565	915,492	(3.6)	10.0
Other non-current recoverable taxes	231,400	211,902	116,974	9.2	97.8
Prepaid expenses	3,290	4,945	12,684	(33.5)	(74.1)
Related parties	-	14,266	130,156	-	-
Investments	2,368,234	2,497,182	2,570,643	(5.2)	(7.9)
Property, plant and equipment, net	10,840,663	10,736,928	9,829,450	1.0	10.3

3.3 Debt

Gross Debt

Copel's total consolidated debt amounted to R\$11,565.4 million on December 31, 2018, an increase of 17,6% compared to the R\$9,830.5 million recorded in 2017. This increase reflects, mainly, Copel Holding's 7th issue of debentures (R\$600.0 million), Copel GeT's 4th (R\$1,000.0 million) and 5th (R\$290.0 million) issue of debentures and Copel DIS's 4th issue of debentures (R\$1,000.0 million) and the financing obtained from the BNDES for the Cutia Wind Complex and for the HPP Baixo Iguaçu, partially offset by the amortization of the period.

On December 31, 2018, Copel's gross debt represented 70.8% of consolidated shareholders' equity, which at the end of the period was R\$16,336.2 million, equivalent to R\$59.69 per share (book value per share). The breakdown of the balance of loans, financing and debentures is shown in the table below:

		R\$'000	
		Total	Composition %
Domestic Currency	Eletrobras - COPEL	21,579	0.2
	FINEP	10,572	0.1
	BNDES	2,208,920	19.1
	Banco do Brasil S/A and other	1,129,663	9.8
	Debentures and Promissory Notes	8,089,953	69.9
	Total	11,460,687	99.1
Foreign Currency	National Treasury	104,751	0.9
	Total	104,751	0.9
TOTAL		11,565,438	100.0

Loans, financing and debentures maturities are presented below:

								R\$'000
	Short Term	Long Term						Total
	2019	2020	2021	2022	2023	2024	From 2025	
Domestic Currency	3,296,823	1,553,459	2,135,158	1,778,258	972,800	312,803	1,411,386	11,460,687
Foreign Currency	1,105	-	-	-	-	103,646	-	104,751
TOTAL	3,297,928	1,553,459	2,135,158	1,778,258	972,800	416,449	1,411,386	11,565,438

Endorsements and Guarantees

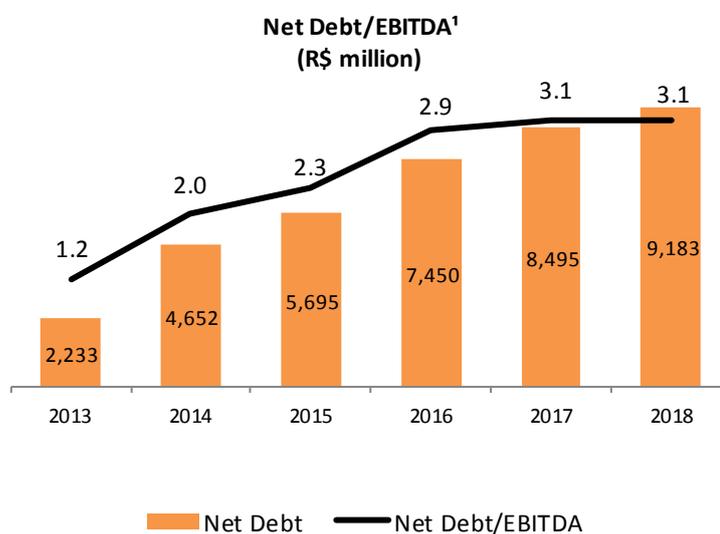
At the end of December 31, 2018, the Company had R\$1,578.8 million in guarantees and endorsements, as shown below.



	R\$'000				
Guarantees and Endorsements ¹	Dec-18 (1)	Sep-18 (2)	Dec-17 (3)	Var.% (1/2)	Var.% (1/3)
Caiuá Transmissora de Energia S.A.	35,843	35,843	35,039	-	2.3
Integração Maranhense Transmissora de Energia S.A.	58,797	58,797	57,328	-	2.6
Matrinchã Transmissora de Energia (TP NORTE) S.A.	381,776	381,776	372,833	-	2.4
Guaraciaba Transmissora de Energia (TP SUL) S.A.	191,133	191,133	206,502	-	(7.4)
Mata de Santa Genebra Transmissão S.A.	353,205	353,205	352,652	-	0.2
Paranaíba Transmissora de Energia S.A.	169,966	169,966	169,564	-	0.2
Cantareira Transmissora de Energia S.A.	257,101	257,101	215,204	-	19.5
Voltaia São Miguel do Gostoso I Participações S.A.	131,014	131,014	129,018	-	1.5
TOTAL	1,578,835	1,578,835	1,538,140	-	2.6

¹ Adjusted for Copel's stake.

Copel's consolidated net debt (loans, financing and debentures less cash and cash equivalents) and the net debt/EBITDA ratio are shown in the following chart:



Net Debt by Subsidiary

The following table shows the gross debt and net debt of the subsidiaries:

	R\$'000					
	GeT	DIS	Telecom	Holding	Other	Total
Total debt	5,431,508	2,176,701	429,486	2,441,465	1,086,278	11,565,438
Availability	571,317	724,982	19,208	458,074	608,679	2,382,260
Net debt	4,860,191	1,451,719	410,278	1,983,391	477,599	9,183,178

Accounts Payables related to the Concession

Use of Public Property

It refers to the concession charges for the use of public property incurred since the execution of the project's concession agreement until the end of the concession.

R\$'000					
Mauá	Colíder	Baixo Iguaçu	SHP ¹	Elejor	Total
16,709	23,864	7,412	47	536,131	584,163

¹Relative to SPP Cavernoso, Apucarantina, Chaminé and Derivação do Rio Jordão.

Provisions for Legal Claims

The Company is involved in a series of lawsuits in different courts and instances. Copel's management, based on its legal advisors' opinion, maintains a provision for legal claims for those cases assessed as probable losses. The balances of provisions for legal claims are as follows:

					R\$ '000	
Probable Losses - Consolidated	Dec-18	Sep-18	Dec-17	Var %	Var %	
	(1)	(2)	(3)	(1/2)	(1/3)	
Tax	157,097	155,418	138,541	1.1	13.4	
Labor suits	612,782	604,813	475,631	1.3	28.8	
Employees and Benefits	85,199	85,228	89,438	(0.0)	(4.7)	
Civil	732,691	812,579	742,554	(9.8)	(1.3)	
Civil and administrative claims	492,934	581,837	527,613	(15.3)	(6.6)	
Easements	118,147	111,465	110,936	6	6.5	
Condemnations and property	116,401	114,070	95,627	2.0	21.7	
Customers	5,209	5,207	8,378	0.0	(37.8)	
Environmental claims	3,531	2,015	1,584	75.2	122.9	
Regulatory	73,473	69,562	64,316	5.6	14.2	
TOTAL	1,664,773	1,729,615	1,512,064	(3.7)	10.1	

The lawsuits classified as possible losses (those that are not provisioned in the balance sheet), as estimated by the Company and its controlled companies at the end 4Q18, totaled R\$3,066.3 million, 1.8% lower than in December 2017 (R\$3,123.5 million), distributed in lawsuits of the following natures: civil (R\$1,292.2 million), fiscal (R\$588.5 million), regulatory (R\$866.8 million), labor (R\$299.7 million) and employee benefits (R\$19.1 million).



3.4 Balance Sheet – Liabilities

	R\$'000				
Liabilities	Dec-18	Sep-18	Dec-17	Var.%	Var.%
	(1)	(2)	(3)	(1/2)	(1/3)
CURRENT	6,695,114	7,288,336	6,109,914	(8.1)	9.6
Payroll, social charges and accruals	284,179	393,517	313,967	(27.8)	(9.5)
Suppliers	1,419,243	2,143,297	1,683,577	(33.8)	(15.7)
Income tax and social contribution payable	197,949	237,799	86,310	(16.8)	129.3
Other taxes due	451,433	438,239	345,487	3.0	30.7
Loans, financing and debentures	3,297,928	3,305,895	2,416,728	(0.2)	36.5
Minimum compulsory dividend payable	375,675	18,244	288,981	-	30.0
Post employment benefits	58,478	53,539	53,225	9.2	9.9
Customer charges due	79,872	116,911	150,025	(31.7)	(46.8)
Research and development and energy efficiency	270,429	232,776	282,766	16.2	(4.4)
Accounts Payable related to concession	67,858	67,487	62,624	0.5	8.4
Net sectorial financial liabilities	-	-	192,819	-	-
Other accounts payable	192,070	165,466	121,405	16.1	58.2
Provision for litigation	-	115,166	112,000	-	-
NON-CURRENT	12,898,772	11,130,035	11,541,960	15.9	11.8
Suppliers	49,956	30,503	43,469	63.8	14.9
Deferred income tax and social contribution	157,420	118,199	156,630	33.2	0.5
Other taxes due	796,732	802,892	809,576	(0.8)	(1.6)
Loans, financing and debentures	8,267,510	6,642,199	7,413,755	24.5	11.5
Post employment benefits	910,285	845,020	812,878	7.7	12.0
Research and development and energy efficiency	322,306	343,356	249,709	(6.1)	29.1
Accounts Payable related to concession	516,305	522,764	492,330	(1.2)	4.9
Net sectorial financial liabilities	96,531	95,069	90,700	1.5	6.4
Other accounts payable	116,954	115,584	72,849	1.2	60.5
Tax, social security, labor and civil provisions	1,664,773	1,614,449	1,400,064	3.1	18.9
EQUITY	16,336,214	16,533,006	15,510,503	(1.2)	5.3
Attributed to controlling shareholders	16,032,925	16,225,940	15,207,842	(1.2)	5.4
Share capital	7,910,000	7,910,000	7,910,000	-	-
Equity valuation adjustments	785,610	841,355	895,601	(6.6)	(12.3)
Legal reserves	914,751	844,398	844,398	8.3	8.3
Retained earnings	6,422,564	5,557,843	5,557,843	15.6	15.6
Accrued earnings	-	1,072,344	-	-	-
Attributable to non-controlling interest	303,289	307,066	302,661	(1.2)	0.2
TOTAL	35,930,100	34,951,377	33,162,377	2.8	8.3

4. Performance of the Main Companies

4.1 Copel Geração e Transmissão

Copel GeT recorded an EBITDA of R\$512.2 million in 4Q18, 4.5 times higher than the R\$114.7 million recorded in 4Q17. This result mainly reflects (a) the 85.1% decrease in the “electricity purchased for resale”, mainly due to (i) an improved hydrological scenario (GSF of 81.9% in 4Q18 vs. 69.3% in 4Q17) and the lower average PLD in the period (R\$158.24/MWh in 4Q18 vs. R\$398.09/MWh in 4Q17), and (ii) the lower volume of energy purchased in bilateral agreements; (b) a reversal of “provisions and reversals” of R\$31.0 million (vs. R\$185.1 million provisioned in 4Q17) due to the reversal of a provision for civil and administrative lawsuits totaling R\$92.7 million, concerning a lawsuit for compensation to third parties for the implementation of a hydroelectric project, partially offset by a R\$61.3 million impairment, of which R\$58.3 million was provisioned at the Colíder plant, due to the postponement of the start-up of this plant; and (c) the effects of the tariff revision applied as of June 2017 to transmission companies in which Copel GeT has an interest, negatively impacting the equity pickup in 4Q17, over the positive effect of the tariff adjustment in June 2018.

These effects were partially offset by the 25.5% decrease in “use of the main distribution and transmission grid (TUST)” as a result of tariff readjustments and revisions and the 43.0% increase in “charges of the main distribution and transmission grid”, in accordance with the provision of charges of network transmission made available to the Colíder HPP.

In addition, manageable costs, ex-estimated losses, provisions and reversals, and water use fees decreased by 14.1% and basically reflect the reversal of R\$9.0 million related to the employees who gave up on leaving the company by PDI.

	R\$million						
Manageable Costs	4Q18	3Q18	4Q17	Var. %	2018	2017	Var. %
	(1)	(2)	(3)	(1/3)	(4)	(5)	(4/5)
Personnel and management	92,755	76,275	107,694	(13.9)	347,365	318,438	9.1
Private pension and healthcare plans	16,071	15,181	15,685	2.5	61,204	58,521	4.6
Materials	4,265	4,435	3,625	17.7	16,038	16,129	(0.6)
Third party services	29,581	23,305	30,185	(2.0)	115,009	110,285	4.3
Other operating costs and expenses	(3,140)	15,481	5,298	(159.3)	32,641	32,264	-
TOTAL	139,531	134,677	162,487	(14.1)	572,257	535,637	6.8

Disregarding the effect of the provision for indemnification related to PDI (reversal of R\$9.0 million in 4Q18 and provision of R\$8.6 million in 4Q17), personnel costs increased 2.7% vs. 4Q17, remaining below the accumulated inflation of 3.7% in the last 12 months.

	R\$million						
Personnel and Management	4Q18	3Q18	4Q17	Var. %	2018	2017	Var. %
	(1)	(2)	(3)	(1/3)	(4)	(5)	(4/5)
Personnel and Management	92,755	76,275	107,694	(13.9)	347,365	318,438	9.1
(-)/+ Provision for indemnification for voluntary dismissal ¹	9,047	-	(8,582)	(205.4)	(19,812)	(13,661)	45.0
TOTAL	101,802	76,275	99,112	2.7	327,553	304,777	7.5

Net profit was of R\$310.8 million in 4Q18, 3.8 times higher than the R\$80.8 million recorded in 4Q17.

	R\$'000						
Main Indicators	4Q18	3Q18	4Q17	Var.%	2018	2017	Var.%
	(1)	(2)	(3)	(1/3)	(4)	(5)	(4/5)
Net Operating Revenue (R\$ million)	847.9	885.2	824.4	2.9	3,465.8	3,409.9	1.6
Operating Costs and Expenses (R\$ million)	(417.7)	(744.3)	(760.8)	(45.1)	(2,032.2)	(2,116.0)	(4.0)
Operating Income (R\$ million)	353.0	212.9	(53.4)	-	1,251.4	892.6	40.2
Net Income (R\$ million)	249.4	194.5	80.8	208.7	900.8	739.0	21.9
EBITDA (R\$ million)	512.2	363.0	114.7	346.7	1,875.1	1,632.7	14.8
Operating Margin	41.6%	24.0%	0.0%	-	36.1%	26.2%	37.9
Net Margin	29.4%	22.0%	9.8%	200.2	26.0%	21.7%	19.9
EBITDA Margin	60.4%	41.0%	13.9%	334.3	54.1%	47.9%	13.0
Investment Program (R\$ million)	230.1	129.2	327.2	(29.7)	729.3	1,071.3	(31.9)

Copel GeT's EBITDA increased by 14.8% in 2018, mainly due to the growth of 168.2% in income from equity accounting in the face of the effects of the tariff revision applied, as of June 2017, to transmission companies in which Copel GeT holds an interest, negatively impacting the equity income in 2017, due to the positive effect of the tariff adjustment in June 2018. Also noteworthy is the decreased 'provisions and reversals' in 2018.

Excluding the extraordinary effects listed below, Copel GeT's EBITDA increased by 41.0% in 4Q18 and by 9.0% in 2018.

	R\$ million						
Adjusted EBITDA	4Q18	4Q17	Var.%	2018	2017	Var.%	
	(1)	(2)	(1/2)	(3)	(4)	(3/4)	
EBITDA	512.2	114.7	346.7	1,875.1	1,632.7	14.8	
(-)/+ Remeasurement of financial assets RBSE	-	-	-	-	(183.0)	-	
(-)/+ Impairment	29.6	96.2	-	(23.9)	12.0	(299.2)	
(-)/+ Remesuration of the Indemnification of Generation Concessions	(9.0)	8.6	-	19.9	13.7	-	
(-)/+ Provision for litigations	(92.7)	92.7	-	(89.7)	92.7	-	
(-) Reimbursement Suppliers Brisa	-	-	-	(72.1)	-	-	
Adjusted EBITDA	440.1	312.2	41.0	1,709.3	1,568.1	9.0	

4.2 Copel Distribuição

Copel Distribuição reported an EBITDA of R\$175.9 million in 4Q18, up 58.6% over the R\$110.9 million verified in 4Q17, mainly due to the 16.42% increase in TUSD, effective as of June 24, 2018, which, in line with the 1.8% growth in the grid market, contributed to the 2.6% increase in "use of the main distribution and transmission grid".

In addition, manageable costs, excluding credit losses, provisions and reversals, decreased 6.8% vs. 4Q17, mainly due to (i) the decrease of 7.3% in personnel and management costs, due to the reversal of provision of R\$8.0 million related to employees who declined the PDI, partially offset by the salary adjustment of October 2018, (ii) savings in communication, processing and data transmission costs, affecting “third-party services”, and (iii) a 18.3% decrease in “material”, basically related to lower expenses with fuel and parts for vehicles.

	R\$million						
Manageable Costs	4Q18	3Q18	4Q17	Var. %	2018	2017	Var. %
	(1)	(2)	(3)	(1/3)	(4)	(5)	(4/5)
Personnel and management	247,668	177,010	267,143	(7.3)	837,728	822,963	1.8
Private pension and healthcare plans	41,622	39,326	40,177	3.6	159,842	154,285	3.6
Materials	15,305	17,637	18,731	(18.3)	60,379	60,320	0.1
Third party services	83,124	78,729	89,069	(6.7)	339,400	347,393	(2.3)
Other operating costs and expenses	29,548	30,391	32,390	(8.8)	143,867	157,921	(8.9)
TOTAL	417,266	343,093	447,510	(6.8)	1,541,215	1,542,882	(0.1)

Disregarding the effect of the provision for indemnification related to PDI (reversal of R\$8.0 million in 4Q18 and provision of R\$12.2 million in 4Q17), personnel costs remained basically the same YoY, with an increase of only 0.3%. During this period, accumulated inflation was of 3.7% and salary adjustments were of 3.97% made in October 2018, thus, there was an actual decrease of costs, in line with the decrease in the number of employees. In the last 12 months, there was a reduction of 382 employees at Copel Distribuição.

	R\$million						
Personnel and Management	4Q18	3Q18	4Q17	Var. %	2018	2017	Var. %
	(1)	(2)	(3)	(1/3)	(4)	(5)	(4/5)
Personnel and management	247,668	177,010	267,143	(7.3)	837,728	822,963	1.8
(-) Provision for indemnification for voluntary dismissal	8,031	1,033	(12,215)	-	(41,566)	(29,188)	42.4
TOTAL	255,699	178,043	254,928	0.3	796,162	793,775	0.3

Also noteworthy was the 22.7% decrease in “provisions and reversals”, basically due to the lower amounts provided for labor lawsuits in 4Q18.

Net profit in 4Q18 was of R\$126.7 million, 96.0% higher than the R\$64.7 million recorded in 4Q17.

	R\$'000						
Main Indicators	4Q18	3Q18	4Q17	Var.%	2018	2017	Var.%
	(1)	(2)	(3)	(1/3)	(4)	(5)	(4/5)
Net Operating Revenue (R\$ million)	2,345.4	2,942.5	2,605.6	(10.0)	9,972.4	9,358.7	6.6
Operating Costs and Expenses (R\$ million)	(2,247.2)	(2,757.4)	(2,566.0)	(12.4)	(9,474.5)	(9,071.4)	4.4
Operating Income (R\$ million)	141.3	190.9	40.6	247.6	525.0	324.4	61.9
Net Income (R\$ million)	126.7	125.4	64.7	96.0	376.8	347.3	8.5
EBITDA (R\$ million)	175.9	261.0	110.9	58.6	799.5	573.1	39.5
Operating Margin	6.0%	6.5%	1.6%	286.2	5.3%	3.5%	51.9
Net Margin	5.4%	4.3%	2.5%	117.7	3.8%	3.7%	1.8
EBITDA Margin	7.5%	8.9%	4.3%	76.2	8.0%	6.1%	30.9
Investment Program (R\$ million)	234.0	217.2	192.4	21.6	696.0	630.4	10.4

In 2018, Copel Distribuição recorded an EBITDA of R\$799.5 million, a 39.5% higher than 2017. This performance was mainly impacted by tariff adjustment of the distributor and the effort to reduce manageable costs. This improvement was partially offset by the 18.8% increase in provisions, as a result of labor claims collective.

Excluding the extraordinary effects listed below, Copel Distribuição's EBITDA would be R\$176.7 million in 4Q18, 14.1% higher than the R\$154.9 million reported in 4Q17. In 2018, EBITDA would be R\$893.1 million, 34.2% higher than in 2017 (R\$665.7 million).

	R\$ million					
Adjusted EBITDA	4Q18	4Q17	Var.%	2018	2017	Var.%
	(1)	(2)	(1/2)	(3)	(4)	(3/4)
EBITDA	175.9	110.9	58.6	799.5	573.1	39.5
(-)/+ IRT 2018 result	-	-	-	(54.7)	-	-
(-)/+ PECLD additional to the tariff coverage	8.8	5.7	54.4	22.9	40.6	(43.6)
(-)/+ Compensation - Voluntary termination program/retirement	(8.0)	12.2	-	41.6	29.2	42.5
(-)/+ Provision for risks ¹	-	26.1	(100.0)	83.8	22.8	267.5
Adjusted EBITDA	176.7	154.9	14.1	893.1	665.7	34.2

¹ Litigation concerning three labor lawsuits: R\$ 21.5 million in 3Q18, R\$ 45.1 million in 2Q18 and R\$ 17.2 million in 1Q18.

Compared EBITDA reported with regulatory EBITDA (R\$1.0 billion), the performance was 23.4% down, due to manageable costs are above the tariff coverage. The following are highlighted: PECLD of R\$22.9 million above the tariff coverage and accounting R\$83.8 million in collective labor lawsuits and R\$41.6 million with provisions for the PDI.

Excluding these effects, adjusted EBITDA would be of R\$893.1 million, 16.8% lower than the regulatory.

It should be noted that the efforts to reduce the gap between regulatory and actual EBITDA have shown results: the gap decreased from 86% in 2016 to 23% in 2018.

4.3 Copel Telecomunicações

Copel Telecom recorded a negative EBITDA of R\$4.2 million in 4Q18. This reflects mainly the provision of R\$36.0 million referring to the deactivation of equipment infrastructure in Copel Telecom's customers throughout the year, partially offset by reduction of 34.7% in the "personal and administrators."

In view of the effects of the above mentioned the manageable costs, excluding others provisions and reversals, totaled R\$99.4 million in 4Q18, growth of 36.2% in relation to 4Q17.

Manageable Costs	R\$million						
	4Q18	3Q18	4Q17	Var. %	2018	2017	Var. %
	(1)	(2)	(3)	(1/3)	(4)	(5)	(4/5)
Personnel and management	22,248	17,315	34,047	(34.7)	92,472	107,874	(14.3)
Private pension and healthcare plans	3,242	3,098	3,961	(18.1)	13,892	14,800	(6.1)
Materials	535	407	1,152	(53.6)	1,763	2,978	(40.8)
Third party services	24,879	23,929	18,807	32.3	91,126	67,612	34.8
Other operating costs and expenses	48,539	13,062	15,041	222.7	86,145	41,589	107.1
TOTAL	99,444	57,811	73,008	36.2	285,399	234,853	21.5

Disregarding the effect of the provision for indemnification related to the PDI, personnel and administrative costs declined by 24.3% compared to 4Q17 and basically reflect the wage policy applied from October 2017 and the reduction of workforce due to internal restructuring, with the transfer of 137 employees to other subsidiaries and of the PDI. The workforce was reduced by of 171 employees in the last 12 months.

Personnel and Management	R\$million						
	4Q18	3Q18	4Q17	Var. %	2018	2017	Var. %
	(1)	(2)	(3)	(1/3)	(4)	(5)	(4/5)
Personnel and management	22,248	17,315	34,047	(34.7)	92,472	107,874	(14.3)
(-) Provision for indemnification for voluntary dismissal	1,971	-	(2,057)	-	(4,054)	(5,813)	(30.3)
TOTAL	24,219	17,315	31,990	(24.3)	88,418	102,061	(13.4)

Excluding extraordinary events, Copel Telecom's EBITDA in 4T18 was negative at R\$6.2 million, compared to the positive R\$25.9 million recorded in 4Q17.

Adjusted EBITDA	R\$ million					
	4Q18	4Q17	Var.%	2018	2017	Var.%
	(1)	(2)	(1/2)	(3)	(4)	(3/4)
EBITDA	(4.2)	23.9	-	110.4	133.7	(17.4)
+ Compensation - Voluntary termination program/retirement	(2.0)	2.0	-	4.0	5.8	(31.0)
+ Provision for litigation	-	-	-	4.0	-	-
Adjusted EBITDA	(6.2)	25.9	-	118.4	139.5	(15.1)

In 4Q18 Copel Telecom recorded a loss of R\$12.3 million, basically due to the provision for deactivation of equipment infrastructure of customers in 2018.

The following table presents the main indicators of Copel Telecom:

Main Indicators	R\$'000						
	4Q18	3Q18	4Q17	Var.%	2018	2017	Var.%
	(1)	(2)	(3)	(1/3)	(4)	(5)	(4/5)
Net Operating Revenue (R\$ million)	105.9	103.4	100.3	5.6	421.4	380.6	10.7
Operating Costs and Expenses (R\$ million)	(129.3)	(74.3)	(87.2)	48.4	(369.2)	(286.4)	28.9
Operating Income (R\$ million)	(28.0)	21.9	6.7	-	27.3	75.3	(63.8)
Net Income (R\$ million)	(12.8)	14.6	8.1	-	24.4	54.1	(54.8)
EBITDA (R\$ million)	(4.2)	43.9	23.9	-	110.4	133.7	(17.4)
Operating Margin	-26.5%	21.2%	6.7%	-	6.5%	19.8%	(67.3)
Net Margin	-12.1%	14.1%	8.1%	-	5.8%	14.2%	(59.2)
EBITDA Margin	-3.9%	42.4%	23.9%	-	26.2%	35.1%	(25.4)
Investment Program (R\$ million)	89.3	91.1	62.6	42.7	309.4	241.1	28.3

Copel Telecom's EBITDA in 2018 reached R\$110.4 million, down 17.4% compared to the performance recorded in 2017. While net income fell 54.8%, totaling R\$24.4 million.

4.4 Accounting Information

Accounting information concerning Copel's interests in other companies in 4Q18 is shown in the following table:

	R\$'000			
Partnerships - Dec/18	Total Assets	Shareholders' Equity	Net Oper. Revenues	Net Income
Parent Company (Consolidated)				
Companhia Paranaense de Gás - Compagás	675,286	434,617	588,532	59,618
Elejor - Centrais Elétricas do Rio Jordão S.A.	652,175	53,977	293,942	76,331
UEG Araucária Ltda	436,137	370,662	524	(75,855)
Jointly-controlled entities (Equity in earning)				
Caiuá Transmissora de Energia S.A.	261,951	152,324	25,129	10,273
Cantareira Transmissora S.A	1,443,693	648,005	195,441	50,131
Guaraciaba Transmissora de Energia (TP Sul) S.A.	1,295,670	728,450	181,665	72,082
Integração Maranhense Transmissora de Energia S.A.	465,800	264,661	42,379	18,857
Mata de Santa Genebra Transmissão S.A.	2,166,972	966,592	514,591	(5,070)
Matrinchã Transmissora de Energia (TP Norte) S.A.	2,199,434	1,373,911	272,103	102,878
Paranaíba Transmissora de Energia S.A.	1,574,846	655,449	(14,331)	(67,390)
Voltaia São Miguel do Gostoso I Participações S.A.	227,867	225,651	-	(8,088)
Associates (Equity in earning)				
Dona Francisca Energética S.A.	134,141	126,549	70,716	43,368
Foz do Chopim Energética Ltda	106,736	23,000	46,479	36,941

5. Investment Program

The following chart shows the investment program carried in 4Q18 and schedule 2019, which was reviewed by the Board of Directors, with the last change in the 184th Ordinary Meeting of the Board of Directors, with an increase of R\$26.2 million in the amount initially estimated for SPE Mata de Santa Genebra Transmissão.

Subsidiary / SPC	R\$ million		
	Carried 2018	Carried 4Q18	Scheduled 2019 ¹
Copel Geração e Transmissão	729.3	230.1	794.8
HPP Colíder	117.3	22.4	59.3
HPP Baixo Iguaçu ²	77.4	20.7	18.1
TL Curitiba Leste-Blumenau	198.7	64.7	196.1
LT Araraquara-Taubaté	59.2	1.5	-
Substation Bateias	16.9	7.6	11.3
Mata da Santa Genebra Transmissão ²	48.0	48.0	55.4
SHP Bela Vista	14.8	14.8	113.6
SPC Uirapuru	-	-	133.0
Others	196.9	50.3	207.9
Copel Distribuição	696.0	234.0	835.0
Copel Telecomunicações	309.4	89.3	290.2
Copel Comercialização	0.2	0.2	0.7
Holding	2.8	2.8	1.3
Cutia Empreendimentos Eólicos	781.3	108.3	59.2
Other^{2,3}	50.7	4.5	12.4
Total	2,569.7	669.2	1,993.5

¹ Capital budget originally approved by the Board of Directors at the 184th Ordinary Meeting of the Board of Directors, updated at the 186th Ordinary Meeting of the Board of Directors, with an increased of R\$ 26.2 million for the amount originally forecast for SPE Mata de Santa Genebra Transmissão. These values do not consider appropriation due to own labor, interest and others.

² Regarding the participation of Copel in Enterprise.

³ Includes Copel Renováveis, São Bento Energia, Copel Brisa Potiguar, SPC Volitalia São Miguel do Gostoso, SPC Parana Gas and SPC Dois Saltos.

6. Power Market and Tariffs

6.1 Captive Market – Copel Distribuição

Copel Distribuição's captive market energy sales totaled 4,892 GWh in 4Q18, a 0.6% increase. This result was influenced by the increase in consumption by the residential and commercial segments, mainly due to the growth in the number of customers.

The following table shows captive market trends by consumption segment:

	Number of Customers			Energy sold (GWh)					
	Dec-18	Dec-17	Var. %	4Q18	4Q17	Var. %	2018	2017	Var. %
Residential	3,754,598	3,682,009	2.0	1,825	1,784	2.3	7,238	7,126	1.6
Industrial	73,070	76,328	(4.3)	731	756	(3.3)	2,935	3,254	(9.8)
Commercial	400,209	389,844	2.7	1,169	1,143	2.3	4,652	4,651	0.0
Rural	352,074	354,829	(0.8)	542	556	(2.4)	2,288	2,257	1.4
Other	57,853	57,483	0.6	625	626	(0.2)	2,481	2,455	1.0
Captive Market	4,637,804	4,560,493	1.7	4,892	4,865	0.6	19,594	19,743	(0.8)

For more details visit the Notice to the Market - IR 05/18 ([link](#)).

6.2 Grid Market (TUSD)

Copel Distribuição's grid market, comprising the captive market, concessionaires and licensees in the state of Paraná, and all free consumers in the Company's concession area, increased by 1.8% in terms of energy consumption in 4Q18, as illustrated in the following table:

	Number of Customers / Agreements			Energy sold (GWh)						
	Dec-18	Dec-17	Var. %	4Q18	3Q18	4Q17	Var. %	2018	2017	Var. %
Captive Market	4,637,804	4,560,493	1.7	4,892	4,723	4,865	0.6	19,594	19,743	(0.8)
Concessionaries and Licensees ¹	7	6	16.7	199	197	198	0.3	790	784	0.7
Free Customers ²	1,121	991	13.1	2,458	2,438	2,352	4.5	9,568	8,873	7.8
Grid Market	4,638,932	4,561,490	1.7	7,549	7,358	7,415	1.8	29,952	29,400	1.9

¹ The amount of energy related to the period of 2017 was adjusted to reflect the migration of customers to the free market within the concession area of concessionaires and licensees.

² All free customers served by Copel GeT, Copel Comercialização and other suppliers at the Copel Distribuição concession area.

The result was mainly due to the 4.5% increase in the total consumption of the free market in 4Q18, due to the improvement industrial production in the state of Paraná – which increased by 1.7% and 0.3% in October and November, respectively, in comparison with the same months in 2017. The sectors that contributed most to the increase in energy consumption were: (i) food manufacturing, (ii) pulp and paper, and (iii) chemical products.

6.3 Electricity Sales

Copel's electricity supply, which is the volume of energy sold to final customers, is comprised by sales in Copel Distribuição's captive market and free market sales by Copel Geração e Transmissão and Copel Comercialização, increased by 6.1% between October and December 2018.

The breakdown of energy sales by consumption segment is illustrated below:

Segment	Market	Energy Sold (GWh)					
		4Q18	4Q17	Var. %	2018	2017	Var. %
Residential		1,825	1,784	2.3	7,238	7,126	1.6
	Total	2,244	1,957	14.7	8,641	7,689	12.4
Industrial	Captive	731	756	(3.3)	2,935	3,254	(9.8)
	Free	1,513	1,201	26.0	5,706	4,435	28.7
	Total	1,261	1,201	5.0	4,979	4,847	2.7
Commercial	Captive	1,169	1,143	2.3	4,652	4,651	0.0
	Free	92	58	59.7	327	196	66.6
Rural		542	556	(2.4)	2,288	2,257	1.4
Other		625	626	(0.2)	2,481	2,455	1.0
Energy Supply		6,497	6,124	6.1	25,627	24,374	5.1

6.4 Total Energy Sold¹

Total energy sold by Copel in all markets, comprising sales by Copel Distribuição, Copel Geração e Transmissão, Wind Farm Complexes, and Copel Comercialização totaled 10,944 GWh in the fourth quarter of 2018, an increase of 9.4%.

The following table illustrates the total energy sales by Copel, distributed among Copel Distribuição, Copel Geração e Transmissão, Wind Farm Complexes and Copel Comercialização:

¹ This item may presents a balance different from what was published in the Notice to the Market 05/19, as a result of CCEE's re-balances.

	Number of Customers / Agreements			Energy Sold (GWh)					
	Dec-18	Dec-17	Var. %	4Q18	4Q17	Var. %	2018	2017	Var. %
Copel DIS									
Captive Market	4,637,804	4,560,493	1.7	4,892	4,865	0.6	19,594	19,743	(0.8)
Concessionaries and Licensees	3	3	-	57	130	(56.1)	279	521	(46.4)
CCEE (MCP)	-	-	-	219	27	711.1	983	1,530	(35.8)
Total Copel DIS	4,637,807	4,560,496	1.7	5,168	5,022	2.9	20,856	21,794	(4.3)
Copel GeT	0								
CCEAR (Copel DIS)	3	1	200	28	24	17	92	87	5.8
CCEAR (other concessionaries)	74	27	174.1	256	218	17.5	876	837	4.7
Free Customers	53	52	1.9	1,029	1,001	2.8	3,960	3,861	2.6
Bilateral Agreements (Copel Comercialização)	7	1	600	791	5	-	2,422		8,870.4
Bilateral Agreements ¹	48	36	33.3	1,563	2,243	(30.3)	6,373	8,477	(24.8)
CCEE (MCP) ²	-	-	-	-	-	-	845	1,402	(39.7)
Total Copel GeT	185	117	58.1	3,667	3,491	5.0	14,568	14,691	(0.8)
Wind Farms Complex	0								
CCEAR (other concessionaries)	112	112	-	213	213	-	840	840	-
CER	9	3	200	79	90	-13	335	357	(6.3)
Total Wind Farm Complex	121	115	5	292	303	-3.8	1,175	1,197	(1.9)
Copel Comercialização	-								
Free Customers	292	139	110	600	258	132.4	2,096	771	172.0
Bilateral Agreements	130	53	145	1,201	920	30.5	4,403	1,882	133.9
CCEE (MCP) ²	-	-	-	17	8	113	26	18	41.1
Total Copel Comercialização	422	192	120	1,818	1,186	53.3	6,525	2,671	144.3
Total Copel Consolidated	4,638,535	4,560,920	1.7	10,944	10,002	9.4	43,123	40,353	6.9

Note: Not considering the energy from MRE (Energy Relocation Mechanism).

¹ Includes Short Term Sales Agreements.

² Assured Power allocated in the period, after impact of the GSF.

CCEE: Electric Power Trade Chamber / CCEAR: Energy Purchase Agreements in the Regulated Market / MCP: Short Term Market / CER: Agreements Reserve Energy.

6.5 Energy Flow

Energy Flow – Copel Dis

	GWh		
Energy Flow - Copel Dis	2018	2017	Var. %
Itaipu	5,726	5,934	(3.5)
CCEAR – Copel Geração e Transmissão	92	87	5.5
CCEAR – Other	10,691	9,860	8.4
CCEE (MCP)	34	215	(84.2)
Angra	1,009	1,023	(1.3)
CCGF	6,520	7,271	(10.3)
Proinfa	493	514	(4.1)
Elejor S.A	1,186	1,186	- 0
Available Power	25,751	26,091	(1.3)
Captive market	19,594	19,743	(0.8)
Concessionaries ¹	226	402	(43.8)
Electricity sales to distributor CCEE ²	53	118	(55.2)
Assignments - Mechanism for Compensation of Surpluses and Deficits (MCSD) EN ³	1,418	980	44.7
CCEE (MCP)	983	1,530	(35.7)
Losses and differences	3,477	3,317	4.8
Basic network losses	445	455	(2.2)
Distribution losses	2,734	2,505	9.1
CG contract allocation	298	357	(16.4)

¹ Electricity sales to concessionaries with own market of less than 500GWh / year

² Electricity sales to the agent distributor of CCEE through a Regulated Bilateral Contract - CBR

³ Assignments MCSD EN - Contractual assignments to other distributors through the Mechanism for Compensation of Surpluses and Deficits (MCSD)

Energy Flow – Copel GeT

	GWh		
Energy Flow - Copel GeT	2018	2017	Var. %
Own Generation (net of losses)	18,029	19,583	(12.6)
Dona Francisca	141	141	-
Copel Comercialização	180	628	(49.4)
Other	-	287	-
Total Available Power	18,350	20,638	(6.9)
Bilateral Agreements	6,211	8,427	(24.6)
Bilateral Agreements - Copel Comercialização	2,422	27	-
CBR Agreements ¹	162	50	542.1
Free Customers	3,960	3,861	2.5
CCEAR – COPEL Distribuição	92	87	1.6
CCEAR – Other	876	837	0.2
Cession to the MRE	4,413	6,103	(37.2)
CCEE (MCP) - net of purchases	213	1,246	(73.5)

¹ Regulated Bilateral Contract - CBR

Energy Flow – Wind Farms

	GWh		
Energy Flow - São Bento Energia	2018	2017	Var. %
Own Generation	355	293	21.2
Total Available Power	355	293	21.2
CCEAR – Other	383	383	-
Losses and differences	(28)	(90)	(68.9)

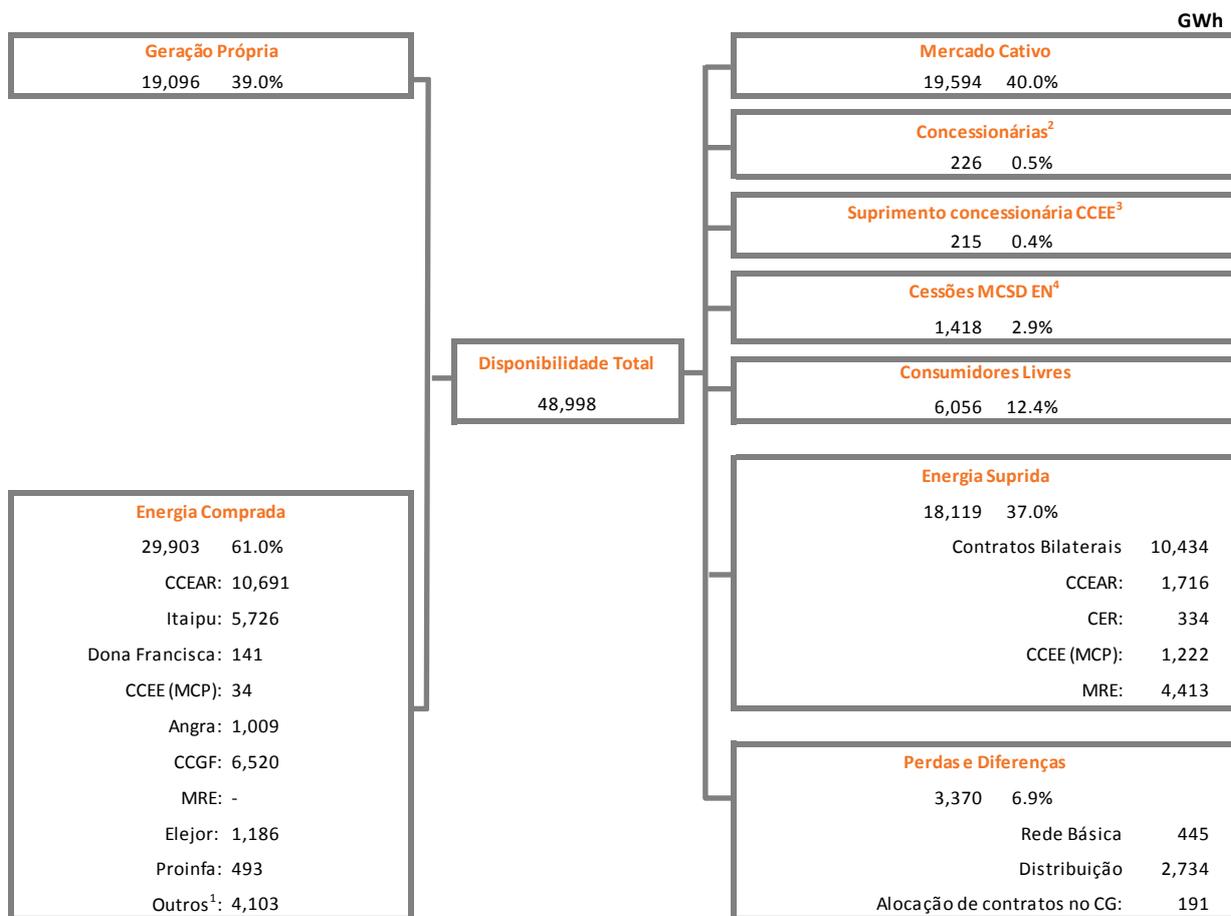
	GWh		
Energy Flow - Brisa Potiguar	2018	2017	Var. %
Own Generation	708	696	1.7
Total Available Power	708	696	1.7
CCEAR – Other	457	457	(0.1)
CER	329	357	(7.7)
Losses and differences	(78)	(117)	(33.6)

	GWh		
Energy Flow - Brisa Potiguar	2018	2017	Var. %
Own Generation	4	0	-
Total Available Power	4	0	-
CER	5	0	-
Losses and differences	(1)	0	-

Energy Flow – Copel Comercialização

	GWh		
Energy Flow - Copel Com	2018	2017	Var. %
Copel GeT	2,422	27	-
Other	4,101	2,644	55.1
CCEE (MCP)	2	-	-
Total Available Power	6,525	2,671	144.3
Free Customers	2,096	771	171.9
Bilateral Agreements	4,223	1,254	236.8
Bilateral Agreements - Copel GeT	180	628	(71.3)
CCEE (MCP)	26	18	44.4

Consolidated Energy Flow (Jan to Dec 18)



CCEAR: Contrato de Comercialização de Energia no Ambiente Regulado.

CER: Contrato de Energia de Reserva.

CCEE (MCP): Câmara de Comercialização de Energia Elétrica (Mercado de Curto Prazo).

MRE: Mecanismo de Realocação de Energia.

CG: Centro de Gravidade do Submercado (diferença entre a energia faturada e a recebida no CG).

¹Outros: Energia comprada pela Copel Comercialização.

²Suprimento de energia a concessionárias e permissionárias com mercado próprio inferior a 500GWh/ano

³Suprimento de energia a distribuidora agente da CCEE, através de Contrato Bilateral Regulado - CBR

⁴Cessões MCSD EN - Cessões contratuais a outras distribuidoras através do Mecanismo de Compensação de Sobras e Déficits de Energia Nova
 Não considera a energia produzida pela UTE Araucária vendida no mercado de curto prazo (MCP).

6.6 Tariffs

Sales to Distributors Average Tariff (CCEARs) – Copel Geração e Transmissão

Tariff	Amount Average MW	R\$ / MWh				
		Dec-18 (1)	Sep-18 (2)	Jun-18 (3)	Var. % (1/2)	Var. % (1/3)
Copel Geração e Transmissão	108	171.76	217.97	214.19	(21.2)	(19.8)
Auction CCEAR 2011 - 2040 (HPP Mauá)	100	217.91	216.72	212.99	0.5	2.3
Auction CCEAR 2013 - 2042 (Cavernoso II)	8	239.06	232.99	229.94	2.6	4.0
Auction - CCEAR 2015 - 2044 (UHE Colíder)	-	-	-	-	1.0	2.2
Copel Distribuição						
Concession holders in the State of Paraná	26	298.69	306.03	255.85	(2.4)	16.7
Total / Tariff Weighted Average Supply	134	191.89	236.12	224.60	(18.7)	(14.6)

With PIS/COFINS. Net of ICMS.

For the year 2018, Colíder's energy was submitted to the New Energy MCSD.

Power Purchase Average Tariff – Copel Distribuição

Tariff*	Amount Average MW	R\$ / MWh				
		Dec-18 (1)	Sep-18 (2)	Jun-18 (3)	Var. % (1/2)	Var. % (1/3)
Itaipu ¹	615.0	234.49	264.94	258.62	(11.5)	(9.3)
Auction – CCEAR 2010 – H30	71.1	225.11	224.80	219.34	0.1	2.6
Auction – CCEAR 2010 – T15 ²	55.0	134.42	215.85	261.87	(37.7)	(48.7)
Auction – CCEAR 2011 – H30	58.6	232.18	232.01	226.43	0.1	2.5
Auction – CCEAR 2011 – T15 ²	54.2	181.04	348.34	188.56	(48.0)	(4.0)
Auction – CCEAR 2012 – T15 ²	107.5	204.62	320.91	246.71	(36.2)	(17.1)
Auction – CCEAR 2014 - 2019 ³	109.1	157.85	499.74	518.26	(68.4)	(69.5)
Auction – CCEAR 2014 - 2019 ⁴	-	0.00	-	-	-	-
Auction 2016 - T20 ²	14.0	161.57	161.30	161.30	0.17	0.2
Angra	115.2	243.33	251.45	251.45	-	(3.2)
CCGF ⁵	740.6	96.57	99.17	83.44	(2.6)	15.7
Santo Antônio	141.1	143.84	143.84	140.78	-	2.2
Jirau	230.5	126.51	126.51	123.82	-	2.2
Others Auctions ⁶	250.5	138.79	278.14	211.58	(50.1)	(34.4)
Bilaterals	135.4	245.06	245.06	245.06	-	0.0
Total / Tariff Average Supply	2,697.8	166.61	210.71	196.90	(20.9)	(15.4)

¹ Furnas transport charge not included.

² Average auction price restated according as bilateral payment to vendors. It does not include hiring effects recorded by the CCEE.

³ Energy Agreements.

⁴ Capacity Agreements.

⁵ Contract of quotas of assured power of those HPPs which concessions were extended pursuant the new rules of Law 12783/13.

⁶ Products average price, without PROINFA.

With PIS/COFINS.



Sales to Final Customers Average Tariff Copel Distribuição

Tariff ¹	Dec-18 (1)	Sep-18 (2)	Jun-18 (3)	Var. % (1/2)
Industrial	767.87	470.48	416.89	63.2
Residential	505.08	504.97	463.86	0.0
Commercial	527.31	502.53	451.57	4.9
Rural	345.80	343.43	313.37	0.7
Other	375.99	359.02	349.88	4.7
Retail distribution average rate	514.94	460.99	421.66	11.7

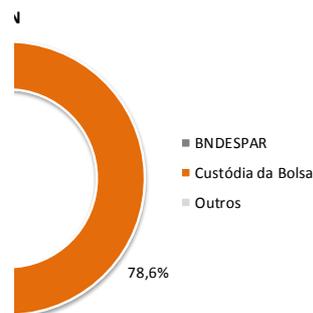
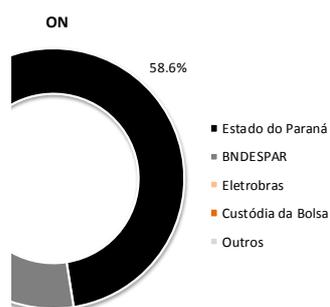
¹ Does not consider tariff flags. Net of ICMS.

7. Capital Market

7.1 Capital Stock

Copel's capital amounts to R\$7,910.0 million, represented by shares with no par value. The Company's current number of shareholders is 25,294. In December 2018 the Company's capital was as follows:

Shareholders	Thousand shares							
	Common	%	Preferred "A"	%	Preferred "B"	%	TOTAL	%
State of Paraná	85,029	58.6	-	-	-	-	85,029	31.0
BNDESPAR	38,299	26.4	-	-	27,282	21.3	65,581	24.0
Eletrobras	1,531	1.1	-	-	-	-	1,531	0.6
Free Floating	19,836	13.7	77	23.4	100,965	78.7	120,878	44.2
B3	19,187	13.2	77	23.4	69,782	54.4	89,046	32.5
NYSE	650	0.4	-	-	30,974	24.1	31,623	11.6
LATIBEX	-	-	-	-	209	0.2	209	0.1
Other	336	0.2	252	76.6	49	-	636	0.2
TOTAL	145,031	100.0	329	100.0	128,296	100.0	273,655	100.0



7.2 Stock Performance

Stock Performance (Jan - Sep/18)		Common (CPLE3 / ELPVY)		Preferred "B" (CPLE6 / ELP / XCOP)	
		Total	Daily average	Total	Daily average
		B3	Number of Trades	87,489	356
Volume Traded	21,323,100		86,679	203,723,400	828,144
Trading Value (R\$ thousand)	501,151		2,037	5,065,366	20,591
Presence in Trading Sessions	246		100%	246	100%
NYSE	Volume Traded	861,370	4,350	122,677,117	488,753
	Trading Value (US\$ thousand)	6,074	31	840,317	3,348
	Presence in Trading Sessions	198	79%	251	100%
LATIBEX	Volume Traded	-	-	127,569	1,575
	Trading Value (Euro thousand)	-	-	734	9
	Presence in Trading Sessions	-	-	81	32%

From January to December 2018, Copel's common shares (ON - CPLE3) and class B preferred shares (PNB - CPLE6) were traded in 100% of the trading sessions of the B3 S.A. - Brasil, Bolsa, Balcão (B3).

The free float accounted for 69.0% of the Company's capital. At the end of December 2018, the market value of Copel considering the prices of all markets was R\$8,244.2 million.

Copel also accounted for 5.4% of the B3's Electric Power Index (IEE). In the Corporate Sustainability Index (ISE), Copel class B preferred shares accounted for 1.2%.

On the B3, Copel's common closed the period at R\$29.80, with a positive variation of 39.25%. The PNB shares (CPLE6) closed the period at R\$30.55, with a positive variation of 22.44%. In the same period the Ibovespa had positive change of 15.03%.

On the New York Stock Exchange (NYSE), ON shares are traded at Level 1 in the form of ADR's, under the ticker ELPVY, in 79% of the trading sessions and closed the period at US\$7.71, with a positive variation of 22.38%. Class B preferred shares, represented by American Depositary Shares (ADSs), were traded at Level 3, under the ticker ELP, in 100% of the trading sessions and closed the period at US\$7.83, with a positive variation of 2.62%. Over this period, the Dow Jones Index negative by 5.63%.

On the Latibex (the Euro market for Latin American securities on the Madrid Stock Exchange), Copel's class B preferred shares were traded under the ticker XCOP in 32,0% of the trading sessions and closed the period at €7.15, with a negative variation of 13.7%. In the same period the Latibex All Shares index was positive of 10.3%.

The table below summarizes Copel's share prices in 4Q18.

	Ticker / Index	Price / Points		Var. (%)
		12.31.2018	12.31.2017	
B3	CPLE3	R\$ 29.80	R\$ 21.40	39.3
	CPLE6	R\$ 30.55	R\$ 24.95	22.4
	Ibovespa	87,887	76,402	15.0
NYSE	ELP	US\$ 7.83	US\$ 7.63	2.6
	Dow Jones	23,327	24,719	(5.6)
LATIBEX	XCOP	€ 7.15	€ 6.29	13.7
	Latibex	2,178	1,974	10.3

7.3 Dividends and Interest on Own Capital

The table below presents the payments of dividends and interest on own capital as of 2011:

Type of Earning	Fiscal Year	Approved on	Paid on	Thousands of R\$ (gross)	R\$ per Share		
					Common	Preferred "A"	Preferred "B"
Total	2011			421,091	1.46833	2.52507	1.61546
IOC ¹	2011	08/11/11	09/15/11	225,814	0.78803	0.86706	0.86706
IOC	2011	04/26/12	05/29/12	195,277	0.68030	1.65801	0.74840
Total	2012			268,554	0.93527	2.52507	1.02889
IOC ¹	2012	12/19/12	01/15/13	138,072	0.47920	2.52507	0.52720
Dividends	2012	04/25/13	05/23/13	130,482	0.45607	-	0.50169
Total	2013			560,537	1.95572	2.52507	2.15165
IOC ¹	2013	11/13/13	12/16/13	180,000	0.62819	0.69111	0.69111
Dividends ¹	2013	11/13/13	12/16/13	145,039	0.50617	0.55688	0.55688
Dividends	2013	04/24/14	05/28/14	235,498	0.82136	1.27708	0.90366
Total	2014			622,523	2.17236	2.52507	2.39000
IOC ¹	2014	10/24/14	11/21/14	30,000	0.10469	0.11519	0.11519
Dividends ¹	2014	10/24/14	11/21/14	350,770	1.22416	1.34678	1.34678
Dividends	2014	04/23/15	06/22/15	241,753	0.84351	1.06310	0.92803
Total	2015			326,795	1.13716	2.52507	1.25473
IOC	2015	04/28/16	06/15/16	198,000	0.68748	2.10511	0.76022
Dividends	2015	04/28/16	06/15/16	128,795	0.44968	0.41996	0.49451
Total	2016			506,213	1.76466	2.89050	1.94342
IOC	2016	04/28/17	06/30/17	282,947	0.98539	2.89050	1.08410
Dividends	2016	04/28/17	12/28/2017	223,266	0.77927	-	0.85932
Total	2017			289,401	1.00801	2.89050	1.10883
IOC	2017	12/13/17	08/14/18	266,000	0.92624	2.89050	1.01887
Dividends	2017	06/15/18	08/14/18	23,401	0.08177	-	0.08996
Total	2018			280,000	0.97515	2.89050	1.07270
IOC	2018	12/12/18	A pagar	280,000	0.97515	2.89050	1.07270
Dividends							

8. Operating Performance

8.1 Power Generation

Assets in Operation

Copel Geração e Transmissão

Below is the main information of Copel GeT's power station and the power produced in 2018 year.

Power Plants	Installed Capacity (MW)	Assured Power (Average MW)	Generation (GWh)*	Concession Expires
Hydroelectric Power Plants	4,541.9	1,979.5	18,009.3	
HPP Gov. Bento Munhoz da Rocha Netto (Foz do Areia)	1,676.0	603.3	4,819.2	09.17.2023
HPP Gov. Ney Aminthas de Barros Braga (Segredo)	1,260.0	578.5	5,753.1	11.15.2029
HPP Gov. José Richa (Salto Caxias)	1,240.0	605.6	5,694.9	05.04.2030
HPP Gov. Parigot de Souza ⁽¹⁾	78.0	32.7	348.8	01.05.2046
HPP Mauá ⁽²⁾	185.2	100.8	925.0	07.02.2042
HPP Guaricana	36.0	16.1	121.1	08.16.2026
SHP Cavernoso II	19.0	10.6	75.8	02.27.2046
HPP Chaminé	18.0	11.6	106.2	08.16.2026
HPP Apucarantina	10.0	6.7	62.5	10.12.2025
HPP Derivação do Rio Jordão	6.5	5.9	46.6	11.15.2029
HPP Marumbi	4.8	2.4	19.8	(3)
HPP São Jorge	2.3	1.5	12.1	12.03.2024
HPP Chopim I	2.0	1.5	13.0	(4)
HPP Cavernoso	1.3	1.0	1.5	01.07.2031
SHP Melissa	1.0	0.6	4.4	(4)
SHP Salto do Vau	0.9	0.6	4.1	(4)
SHP Pitangui	0.9	0.1	1.3	(4)
Thermal Power Plant	20.0	10.3	41.2	
TTP Figueira	20.0	10.3	41.2	03.26.2019
Wind Energy Plants	2.5	0.5	3.0	
UEE Eólica de Palmas ⁽⁵⁾	2.5	0.5	3.0	09.28.2029
TOTAL	4,564.4	1,990.3	18,053.5	

Notes:

(1) Proportional to 30% of the energy of the plant. The other 70% are allocated in the physical guarantee of quota system.

(2) Referred to COPEL's participation (51% of power plant capacity of 363 MW).

(3) Submitted to ANEEL for ratification.

(4) Power plants with no concession agreement, only required to be registered at ANEEL.

(5) Average wind plant generation.

* Considers internal consumption of generators.

On March 24, 2017 Copel GeT filed an agreement with Aneel with its intention to extend the granting of the TPP Figueira, noting, however, that it will sign the necessary contracts and/or additives only after knowing and accepting the contractual terms and the rules that will govern any process related to the extension of the grant.

In addition, Copel GeT operates one plants under the quota system, as shown below:

Power Plants - Quota System	Installed Capacity (MW)	Assured Power (Average MW)	Service Provision Revenue ² (jul.17 - jun.18) (R\$ million)	Granting Fee (R\$ million)	Concession Expires
HPP Gov. Pedro Viriato Parigot de Souza (GPS) ¹	182.0	76.3	119.2	574.8	01.05.2046
TOTAL	182.0	76.3	119.2	574.8	

⁽¹⁾ Proportional the energy allocated in the physical guarantee of quota system (70% of the energy of the plant). To that portion of energy, Copel GeT will not bear the hydrological risks or with the financial results of the MRE associated with the plant.

⁽²⁾ Updated by Resolution n° 2,421, of July 17, 2018, of Aneel.

Copel was designated as the provisional operator of the Rio dos Patos plant (1.7 MW of installed capacity and assured power of 1MW average) after the final term of the concession. However, its operation was suspended in September 2014 due to flood damage in June of that year.

On July 5, 2018, the ANEEL through Authorization Resolution No. 7.050 of June 5, 2018 extinguished the concession of the plant without the reversion of the assets to the granting authority, considered unfeasible to the continuity of the service and therefore, freely available to Copel GeT, being the company responsible by demobilization and eventual disposal of the assets.

On December 11, 2018, the Company signed the promissory instrument for the purchase and sale of the remaining assets of the extinguished Rio dos Patos plant, with Dois Saltos Empreendimentos de Geração de Energia Elétrica Ltda., under the terms of Authorizing Resolution No. 7050 of June 5, 2018 of Aneel.

Wind Farms Complex

Copel has 24 wind farms in operation constituted in the São Bento Energia wind farms, Copel Brisa Potiguar and Cutia Wind Complex.

The 11 wind farms of São Bento Energia and Brisa Potiguar generated 1,105.4 GWh in 2018, as shown in the following chart:

Wind Farm	Auction ¹	Installed Capacity (MW)	Assured Power (Average MW)	Generation (GWh)	Price ²	Expiration of Authorization
São Bento Energia, Invest. e Part. S.A.		94.0	46.3	370.3	220.45	
GE Boa Vista S.A.		14.0	6.3	48.4	226.15	04.27.2046
GE Olho D'Água S.A.	2nd LFA (08.26.2010)	30.0	15.3	125.0	219.56	05.31.2046
GE São Bento do Norte S.A.		30.0	14.6	116.4	219.56	05.18.2046
GE Farol S.A.		20.0	10.1	80.5	219.56	04.19.2046
Copel Brisa Potiguar S.A.		183.6	98.4	735.1	194.48	
Nova Asa Branca I Energias Renováveis S.A.		27.0	14.2	100.2	221.90	04.24.2046
Nova Asa Branca II Energias Renováveis S.A.	2nd LFA (08.26.2010)	27.0	14.3	103.9	221.90	05.30.2046
Nova Asa Branca III Energias Renováveis S.A.		27.0	14.5	103.8	221.90	05.30.2046
Nova Eurus IV Energias Renováveis S.A.		27.0	14.7	110.9	221.90	04.26.2046
Santa Maria Energias Renováveis S.A.		29.7	15.7	118.7	155.87	05.07.2047
Santa Helena Energias Renováveis S.A.	4th LER (08.18.2011)	29.7	16.0	127.3	155.87	04.08.2047
Ventos de Santo Uriel S.A.		16.2	9.0	70.3	154.66	04.08.2047
Total		277.6	144.7	1,105.4	202.79	

¹ LFA - Auction of Alternative Sources/ LER - Auction Reserve Energy.

² Price updated to December, 2018.

Copel's largest wind farm, known as Cutia Empreendimentos Eólicos, started operations in 2018. Currently 95% of the 149 wind turbines are in operation (127 in commercial operation and 16 in tests), and the remaining 6 wind turbines will enter into operation of staggered form.

The complex is formed of 13 projects and is divided into two large complexes with a total installed capacity estimated at 312.9 MW: Complexo Cutia is composed of seven wind farms (Guajiru, Jangada, Potiguar, Cutia, Maria Helena, Esperança do Nordeste and Paraíso dos Ventos do Nordeste) and Bento Complex Miguel, composed of six wind farms (São Bento do Norte I, São Bento do Norte II, São Bento do Norte III, São Miguel I, São Miguel II and São Miguel III), located in the State of Rio Grande do Norte.

Interest in Generation Projects

Copel holds interests in seven power generation projects at the operational stage, with a total installed capacity of 884.7 MW, 599.0 MW referred to Copel's stake, as shown below:

Company	Installed Capacity (MW)	Assured Power (Average MW)	Partners	PPA signed with	Concession Expires
TPP Araucária (UEG Araucária)	484.2	267.0	COPEL - 20% COPEL GeT - 60% Petrobras - 20%	¹	12.22.2029
HPP Santa Clara (Elejor)	120.2	69.2	COPEL - 70% Paineira Participações - 30%	COPEL Dis Free customers	05.28.2037
SHP Santa Clara I (Elejor)	3.6	2.8	COPEL - 70% Paineira Participações - 30%	Free customers	12.18.1932
HPP Fundão (Elejor)	120.2	63.8	COPEL - 70% Paineira Participações - 30%	COPEL Dis Free customers	05.28.2037
SHP Fundão I (Elejor)	2.5	2.1	COPEL - 70% Paineira Participações - 30%	Free customers	12.18.1932
HPP Dona Francisca (DFESA)	125.0	75.9	COPEL - 23.03% Gerdau - 51.82% Celesc - 23.03% Desenvix - 2.12%	COPEL GeT Gerdau Celesc Desenvix	08.27.2033
SHP Arturo Andreoli (Foz do Chopim)	29.1	20.4	COPEL GeT - 35.77% Silea Participações - 64.23%	Free customers	04.23.2030

¹ Since February 1, 2014, the plant's operation has been under the responsibility of UEGA. The Araucária TPP does not have availability agreements and operates under the merchant model.

Interest in Wind Farms

Copel has 49% interest in the Voltalia São Miguel do Gostoso I Participações S.A. wind farm complex, in the State of Rio Grande do Norte. Whose energy was sold in the Fourth Reserve Energy Auction by under twenty-year contracts, with supply beginning in July, 2015, according to the table below.

Wind Farm	Installed Capacity ¹ (MW)	Assured Power (Average MW)	Price ²	Start up	Stake (%)	Wind farm location	Expiration of Authorization
Voltalia - São Miguel do Gostoso I Participações S.A.							
Carnaúbas	27.0	13.1	151.19	Jul-15	49% COPEL 51% Voltalia	São Miguel do Gostoso (RN)	04.08.2047
Reduto	27.0	14.4					04.15.2047
Santo Cristo	27.0	15.3					04.17.2047
São João	27.0	14.3					03.25.2047
Total	108.0	57.1	151.19				

¹ The capacity envisaged in the Auction was altered based on the characteristics of Acciona Windpower's equipment, respecting the volume of energy sold.

² Price updated to December 2018.

Under Construction

Copel Geração e Transmissão

Copel GeT is building two hydroelectric plants that will add a total of 405 MW of installed capacity to its generating plant. As of March 28, 2019, the Colíder HPP had a generating unit operating commercially, while the UHE Baixo Iguaçu had two units in operation since February 2019.

Power Plants	Contract	Installed Capacity (MW)	Assured Power (Average MW)	Energy Sold in the (Average MW)	Supply Start	Price ¹ (R\$/MWh)	CAPEX ² (R\$ million)	Concession Expires
HPP Colíder 100% Copel GeT	01/2011 of 01.17.2011	300	178.1	125.0	01.01.2015	170.80	2,364.0	01.16.2046
HPP Baixo Iguaçu 30% Copel GeT 70% Geração Céu Azul S.A	02/2012 of 08.20.2012	350	171.3	121.0	11.12.2018 ³	177.75	743.1	30/10/2049 ³
SHP Bela Vista 100% Copel GeT	In subscription	29	16.6	14.7	01.01.2024	198.89	200.0	12.31.2053
Total		679	366.0					

¹ Adjusted by the IPCA up to December/2018. Font: CCEE.

² Adjusted for Copel's stake (considers own capital and third-party capital).

³ According to 2nd Amendment to the Concession Agreement, which included 756 days waiver of responsibility and Aneel Dispatch No. 3770 of November 7, 2017, which included more 46 days waiver of responsibility.

In addition of Colíder HPP and Baixo Iguaçu HPP, in August 2018 Copel conquered the right to build Bela Vista SHP (29 MW of installed capacity) predicting the start of works for the first quarter of 2019.

Colíder Hydroelectric Power Plant

On July 30, 2010, under Aneel New Energy Auction no. 003/2010, Copel GeT was awarded the concession to explore the Colíder HPP for a term of 35 years, from January 17, 2011, the signing date of MME - Colíder HPP Concession Agreement no. 001/11.

The project will be made of a main power house with an installed capacity of 300 MW, sufficient to serve around 1 million inhabitants, based on the estimated energy potential of the Teles Pires River on the border of the municipalities of Nova Canaã do Norte and Itaúba, in northern of State of Mato Grosso.

The BNDES endorsed the qualification of the Colíder HPP for feasibility analysis of financial support and the financing agreement, in the amount of R\$1,041.2 million. The amounts released up to December 31, 2018 total R\$1,005.1 million.

Due to force majeure events and government acts, such as fire in the construction site, difficulties related to environmental licensing, supplier delays in equipment delivery and services related to electromechanical assembly services and the construction of the transmission line associated to the plant, the project suffered impacts on its schedule, so that the commercial generation of the plant was delayed, with the first generating unit started the commercial operation in March 2019, and the other units are scheduled to start until May 2019. As a result of these events, there is recorded for this project a balance of estimated losses due to impairment of the asset in the amount of R\$731.3 million on December 31, 2018 against R\$683.0 million on December 31, 2017. Due to the postponement of the start of operation of the first turbine for March 2019 (in 2017 considered May 2018), and changes in the budget of the work, an additional provision was recognized.

The energy from the Colíder HPP was sold at an Aneel auction at a final tariff of R\$103.40/MWh, as of July 1, 2010, restated by the IPCA inflation index to R\$169.52 on December 31, 2018. A total of 125 average-MW was traded, to be supplied beginning January 2015, for 30 years. Copel GeT filed with Aneel a request for exclusion of liability, so that the obligation to supply the energy sold is postponed. The request was not

accepted in first instance; however, the Company exercised its right to appeal and filed a motion for rehearing, which was denied on March 14, 2017. As Copel GeT does not agree with the decision, it filed another motion for rehearing, which was denied on a final basis on July 4, 2017. Not agreeing with the decision, Copel GeT again requested the reconsideration, which was definitively denied on July 4, 2017. Copel GeT filed on December 18, 2017 an ordinary action with the Judicial Court requesting the reversal of the agency's decision and on April 6, 2018, the Federal Court of the 1st Region fully granted the advance notice of appeal required by Copel GeT in the Instrument of Appeal to exempt it from any liens, charges or restrictions due to the displacement of the schedule of implementation of the HPP Colíder.

Copel GeT has been honoring energy supply agreements as follows:

- from January 2015 to May 2016: with energy surplus of its other plants that has not been contracted;
- In June 2016: partial reduction through Bilateral Agreement
- from July 2016 to December 2018: with a reduction of all Energy Commercialization Agreements in the Regulated Environment - CCEARs, through a Bilateral Agreement and participation in the New Energy MCSD.

The assured power of 177.9 average MW of the plant, established by Ordinance MME nº 258, on December 21, 2016, was increased to 178.1 average MW, according to MME Ordinance No. 213 / SPC, of July 14 2017.

Baixo Iguaçu Hydroelectric Power Plant

Copel holds a 30% interest in the Consórcio Baixo Iguaçu (CEBI). The purpose of the consortium is to build and operate the HPP Baixo Iguaçu, with an installed capacity of 350.2 MW and assured power of 171.3 average-MW located on the Iguaçu river, between the cities of Capanema and Capitão Leônidas Marques, and between HPP Governador José Richa and the Iguaçu National Park, in the State of Paraná. With an estimated total investment of R\$2.5 billion, the commercial generation of units 1 and 2 began in February 2019 and unit 3 is scheduled for March 2019.

Work on the construction site began in July 2013, with the excavation of the generation circuit, the earthworks of the construction site and the construction of the housing areas. The original schedule was changed due to the suspension of the Installation License, according to the ruling of the Regional Federal Court of the 4th Region (TRF-RS), which occurred on June 16, 2014, and paralyzed the construction works from July of that year. In March 2015, a ruling authorizing the resumption of the construction works was issued. However, the Chico Mendes Institute for Biodiversity Conservation (ICMBio) enforced additional constraints on the environmental licensing, which prevented the immediate resumption of the construction work. CEBI submitted to the Environmental Institute of Paraná (IAP) all the necessary information to comply

with these constraints and, in August 2015, the license was issued. After the measures discussed and agreed with the Developer Consortium, on February 1, 2016, the construction work was fully resumed.

In August 2016, Aneel issued the 2nd Amendment to the Concession Agreement, in order to formalize the redefinition of HPP Baixo Iguaçu's schedule, as well as its final closing date, acknowledging, in favor of CEBI, an exemption of liability for the delay in the implementation of the project for a period corresponding to 756 days, recommending to the MME the extension of the term of the grant and establishing that the CCEE must postpone the beginning of the supply period of the CCEARs for the period of the recognized exemption of liability.

On November 7, 2017, Aneel recognized an additional 46 days of exclusion of liability for the delay in the implementation of the Baixo Iguaçu HPP, barring any penalties and contractual, commercial or regulatory obligations arising from the delay. The project already had 746 days of exclusion of liability; therefore, its concession term will now expire on October 30, 2049 and supply of the Energy Commercialization Agreements shall begin on November 12, 2018.

On December 18, 2018, the filling of the reservoir was completed, which enabled the start of the commercial operation of the first two generating units in February 2019.

Wind Farm Complex

Copel is expanding its energy generation matrix with renewable sources by building wind farm complexes in the State of Rio Grande do Norte, consisting of 13 projects with a total installed capacity estimated at 312.9 MW, as follows:

Cutia Wind Farm	Auction ¹	Installed Capacity (MW) ²	Assured Power (Average MW)	Price ⁴	Start up	CAPEX (R\$ million)	Premium Value (R\$ million)	Expiration of Authorization
Cutia Wind Farm		180.6	71.4	183.26				
UEE Cutia S.A.		23.1	9.6	183.26				01.04.2042
UEE Guajiru S.A.		21.0	8.3	183.26				01.04.2042
UEE Esperança do Nordeste S.A.		27.3	9.1	183.26				05.10.2050
UEE Jangada S.A.	6th LER (10/31/2014)	27.3	10.3	183.26	Sep-18	1,158.7	9.4	01.04.2042
UEE Maria Helena S.A.		27.3	12.0	183.26				01.04.2042
UEE Paraíso dos Ventos do Nordeste		27.3	10.6	183.26				05.10.2050
UEE Potiguar S.A.		27.3	11.5	183.26				05.10.2050
Bento Miguel Wind Farm		132.3	58.7	173.42				
CGE São Bento do Norte I S.A.		23.1	10.1	173.42				08.03.2050
CGE São Bento do Norte II S.A.		23.1	10.8	173.42				08.03.2050
CGE São Bento do Norte III S.A.		23.1	10.2	173.42				08.03.2050
CGE São Miguel I S.A.	20th LEN (11/28/2014)	21.0	9.3	173.42	Jan-19	845.0	14.2	08.03.2050
CGE São Miguel II S.A.		21.0	9.1	173.42				08.03.2050
CGE São Miguel III S.A.		21.0	9.2	173.42				08.03.2050
Total		312.9	130.1	178.82		2,003.8	23.6	

¹ Types of auctions: LER - Auction Reserve Energy / LEN - New Energy Auction.

² The installed capacity of the new projects can be optimized in relation to the registered at auctions.

³ Price updated to December 2018.

Currently 95% of the 149 wind turbines are in operation (127 in commercial operation and 16 in tests), and the remaining 6 wind turbines will enter in a staggered way.

The Copel wind farm named Cutia and is divided into two large complexes:

- **Cutia Complex:** composed of seven wind farms (Guajiru, Jangada, Potiguar, Cutia, Maria Helena, Esperança do Nordeste and Paraíso do Ventos do Nordeste) with 180.6 MW of total installed capacity, 71.4 average MW of assured power, all located in the State of Rio Grande do Norte. The power that will be generated by the farms was sold on the 6th Reserve Auction that was held on October 31, 2014, at an average historical price of R\$144.00/MWh updated by the variation of the IPCA to R\$183.26 in December 31, 2018. Starting in the last fortnight of December 2018, the wind farms started the commercial operation in a stepped way by aerogenerator; and
- **Bento Miguel Complex:** composed of six wind farms (São Bento do Norte I, São Bento do Norte II, São Bento do Norte III, São Miguel I, São Miguel II and São Miguel III) with a total installed capacity of 132.3 MW, 58.1 average MW assured power, all also located in the State of Rio Grande do Norte. The power that will be generated by the farms was sold on the 20th New Energy Auction that was held on November 28, 2014, at an average historical price of R\$136.97/MWh, updated by the variation of the IPCA to R\$179.84 in December 31, 2018. As of January 29, 2019, wind farms began to operate commercially in a staggered form by aerogenerator.

Due to the reviewed impairment in these projects, the balance of estimated losses due to asset impairment were of R\$252.5 million on December 31, 2018 (R\$167.9 million for Cutia and R\$84.6 million for Bento Miguel), over R\$322.7 million on December 31, 2017. The reversal of R\$70.2 million (R\$56.6 million and R\$13.6 million for Cutia and Bento Miguel, respectively), observed in both complexes is justified by the increase in the generation estimate, changed to 100% of the P-50 physical guarantee (in 2017, 95% of P-50) and by the changes in the long-term forecast of LDP and the selling price in ACL.

8.2 Transmission

Assets in Operation

The chart below shows the transmission concession agreements and the design of the substations park and the transmission lines in operation:

Subsidiary / SPC	Contract	Enterprise	TL	Substation		APR ¹ with PA reduction (R\$ million)	Concession Expiration
			Extension (km)	Amount	MVA		
Copel GeT	060/2001 ²	Several	2,024	33	12,352	360.9	12.31.2042
Copel GeT	075/2001 ³	TL Bateias - Jaguariaiva	137	-	-	12.7	08.16.2031
Copel GeT	006/2008	TL Bateias - Pilarzinho	32	-	-	1.0	03.16.2038
Copel GeT	027/2009	TL Foz - Cascavel Oeste	116	-	-	11.5	11.18.2039
Copel GeT	001/2010	LT Araraquara II — Taubaté	334	-	-	29.8	10.05.2040
Copel GeT	015/2010	Cerquillo III Substation	-	1	300	4.7	10.05.2040
Copel GeT	022/2012	TL Foz do Chopim - Salto Osório LT Londrina - Figueira	102	-	-	5.6	08.26.2042
Copel GeT	002/2013	TL Assis — Paraguaçu Paulista II	83	1	200	8.2	02.24.2043
Copel GeT	005/2014	TL Bateias - Curitiba Norte	31	1	300	6.5	01.28.2044
Copel GeT	021/2014	TL Foz do Chopim - Realeza	52	1	150	6.9	09.04.2044
Copel GeT	022/2014	TL Assis — Londrina	122	-	-	18.7	09.04.2044
Costa Oeste Copel GeT - 100%	001/2012	TL Cascavel Norte - Cascavel Oeste TL Cascavel Norte - Umuarama Sul Umuarama Sul Substation	152	1	300	9.1	01.11.2042
Marumbi Copel GeT - 100%	008/2012	TL Curitiba - Curitiba Leste	29	1	300	18.1	05.09.2042
Subtotal Copel GeT⁴			3,214	39	13,902	493.7	
Caiuá Transmissora Copel GeT - 49% Elecnor - 51%	007/2012	TL Guairá - Umuarama Sul TL Cascavel Norte - Cascavel Oeste Santa Quitéria Substation / Cascavel Norte Substation	136	2	700	10.0	05.09.2042
Integração Maranhense Copel GeT - 49% Elecnor - 51%	011/2012	TL Açailândia - Miranda II	365	-	-	16.1	05.09.2042
Matrinchã Copel GeT - 49% State Grid - 51%	012/2012	TL Paranaíba - Ribeirãozinho	1,005	3	-	86.6	05.09.2042
Guaraciaba Copel GeT - 49% State Grid - 51%	013/2012	LT Ribeirãozinho - Marimbondo	600	1	-	44.1	05.09.2042
Paranaíba Copel GeT - 24,5% Furnas - 24,5% State Grid - 51%	007/2013	TL Barreiras II - Pirapora II	953	-	-	31.6	05.01.2043
Cantareira Copel GeT - 49% Elecnor - 51%	19/2014	LT Estreito - FERNÃO DIAS	342	-	-	47.8	09.04.2044
Subtotal SPES⁵			3,401	6	700	236.1	
Total			6,615	45	14,602	729.8	

¹ Proportion to the participation of Copel in the venture. Updated according to Aneel Approval Resolution No. 2.408/2018 of 06.26.2018.

² Renewed contract pursuant to Law 12,783/13.

³ From the 10.31.2018 APR reduced 50%.

⁴ Consolidated Income.

⁵ Equity in Earning of Subsidiaries.

On August 30, 2018, Copel GeT concluded a Swap Contract of Shares with Eletrosul in the jointly-controlled developments of Costa Oeste Transmissora de Energia SA (51% Copel GeT and 49% Eletrosul), Marumbi Transmissora de Energia SA (80% Copel GeT and 20% Eletrosul) and Transmissora Sul Brasileira de Energia SA (20% Copel GeT and 80% Eletrosul). Under this agreement, Copel GeT now holds 100% interest in the Costa Oeste and Marumbi projects, while Eletrosul now holds a 100% stake in Transmissora Sul Brasileira.

The assumption of 100% of the Costa Oeste and Marumbi's participation in Copel GeT will allow the appropriation of scale gains in the integrated management of these projects with the company's other assets. Business combinations occurred on August 31, 2018, the date of the transfer of shares. More details are in note 1.2 of our DF.

Assets under Construction

Copel GeT is substantially increasing its share of the transmission segment through own investments and partnerships in SPCs. The projects have a joint total of 1,074 km of transmission lines and 4 substations and will generate RAP of R\$234.9 million of which refers to Copel Get stake. Copel's interest in the transmission projects is available in the table below.

Subsidiary / SPC	Auction	Signing of Contract	Enterprise	State	km	Subst	APR ¹ (R\$ million)	CAPEX ² (R\$ million)	Start up	Next Review	Concession Expiration
Copel GeT	005/15	Apr-16	TL Curitiba Leste - Blumenau	PR / SC	189	3	117.8	560.9	Mar-21	2021	04.06.2046
			TL Baixo Iguaçu - Realeza						Sep-19		
Subtotal Copel GeT					189	3	117.8	560.9	-		
Mata de Santa Genebra Copel GeT - 50,1% Furnas - 49,9%	007/13	May-14	TL Araraquara II - Bateias	SP / PR	885	1	117.1	845.2	Sep-19	2019	05.13.2044
Subtotal SPC					885	1	117.1	845.2			
Total					1,074	4	234.9	1,406.1			

¹ Updated according to Aneel Approval Resolution No. 2,408/2018 of 06.26.2018. Adjusted for Copel's stake.

² Adjusted for Copel's stake (considers own capital and third-party capital).

SPC Mata de Santa Genebra

On February 25, 2019, all the stages planned for the test run period of the Santa Bárbara d'Oeste substation, belonging to the SPC Mata de Santa Genebra, allowing the operation of this substation under the Commercial Operation regime.

The SPC Mata de Santa Genebra is still awaiting the issue of the Temporary Release Document (TLP - Termo de Liberação Provisória) by the ONS, without prejudice to the Commercial Operation date. The TLP will allow the SPC Mata de Santa Genebra to receive a portion of the Annual Permitted Revenue (APR) related to the Santa Bárbara d'Oeste substation, in the amount of R\$10.8 million. The project's total expected APR is R\$233.8 million, of which R\$117.1 million related to COPEL's stake, and full receipt is subject to the startup of the other stages of the project, which will enter step by step.

8.3 Distribution

Concession agreement

In December 2015, the Company signed the fifth amendment to the Public Electricity Distribution Concession Agreement no. 46/1999 of Copel Distribuição S.A., extending the concession term to July 7, 2045.

The concession agreement imposes economic and financial efficiency and quality conditions. Failure to comply with the conditions for two consecutive years or any of the limits at the end of the first five years will result in the termination of the concession. From the sixth year following execution of the agreement, any

breach of quality criteria for three consecutive years or economic and financial management criteria for two consecutive years will result in the opening of a forfeiture process.

The following chart shows the goals set for Copel Distribuição in the first 5 years of renovation:

Year	Economic and Financial Management	Quality (Limit Established) ¹		Quality Performed	
		DEC _i ²	FEC _i ²	DEC _i ²	FEC _i ²
2016		13.61	9.24	10.80	7.14
2017	EBITDA ⁴ ≥ 0	12.54	8.74	10.41	6.79
2018	EBITDA ⁴ (-) QRR ³ ≥ 0	11.23	8.24	10.29	6.2
2019	{Net Debt / [EBITDA ⁴ (-) QRR ³] ≤ 1 / (0.8 * SELIC ⁵)}	10.12	7.74	-	-
2020	{Net Debt / [EBITDA ⁴ (-) QRR ³] ≤ 1 / (1.11 * SELIC ⁵)}	9.83	7.24	-	-

¹ According to Aneel's Technical Note No. 0335/2015

² DEC_i – Equivalent Time of Interruption Caused by Internal Source per Consumer Unit; and FEC_i – Equivalent Frequency of Interruption Caused by Internal Source per

³ QRR: Regulatory Reintegration Quota or Regulatory Depreciation Expense. It will be the value set in the last Periodic Tariff Review - RTP, plus the IGP-M between the month prior to the RTP and the month prior to the period of twelve (12) months of the determination of economic and financial sustainability. In June/2016 set value was R\$333.8 million.

⁴ EBITDA adjusted for the effects of post-employment benefits, provisions and PDV.

⁵ Selic: limited to 12.87% p.y.

Operating Data

In the distribution business, Copel serves more than 4.6 million energy customers in 1,113 locations, belonging to 394 municipalities in State of Paraná and one in the State of Santa Catarina. Copel Distribuição operates and maintains the installations in the 13.8 kV, 34.5 kV, 69 kV and 138 kV.

Voltage	Km	Substations	MVA
13.8 kV	106,172	-	-
34.5 kV	85,185	225	1,502
69 kV	751	35	2,393
88 kV ¹	-	-	5
138 kV	6,265	109	7,125
Total	198,374	369	11,025

¹ Not automated.

Copel Dis migrated from the grid system and the data previously obtained with insulation voltage to 230 kV today reflects the operating voltage, which is why the 230 kV lines have been zeroed

Compact-Design Distribution Lines

Copel Distribuição has continued to implement compact-design distribution lines in urban areas with a high concentration of trees surrounding the distribution grids. This technology reduces the number of trees cut down or trimmed, and improves the quality of power supply by reducing the number of unplanned outages. In December 2018, the total length of compact-design distribution lines in operation was 10,477 km.

Secondary Isolated Lines

Copel Distribuição has also invested in low-voltage (127/220V) secondary isolated lines, which offer substantial advantages over regular overhead lines, including: improvement in DEC and FEC distribution performance indicators, defense against illegal connections, improved environmental conditions, reduced

areas subject to tree trimming, improved safety, reduced voltage drops throughout the grid, and increased transformer useful life, due to the reduction of short-circuits, among other advantages. The total length of installed secondary isolated lines closed December 2018 at 18,255 km.

Quality of Supply

The two main indicators of power supply quality are DEC (outage duration) and FEC (outage frequency). The trends for these indicators, as well as for total time service, are shown below:

Jan-Dec	DEC ¹ (hours)	FEC ² (outages)	Total time service (hours)
2014	14.01	8.92	2:34
2015	13.67	8.33	2:48
2016	10.82	7.23	2:33
2017	10.46	6.83	3:19
2018	10.31	6.22	4:20

¹ DEC measured in hours and hundredths of an hour

² FEC expressed in number of interruptions and hundredths of a number of interruptions year to date

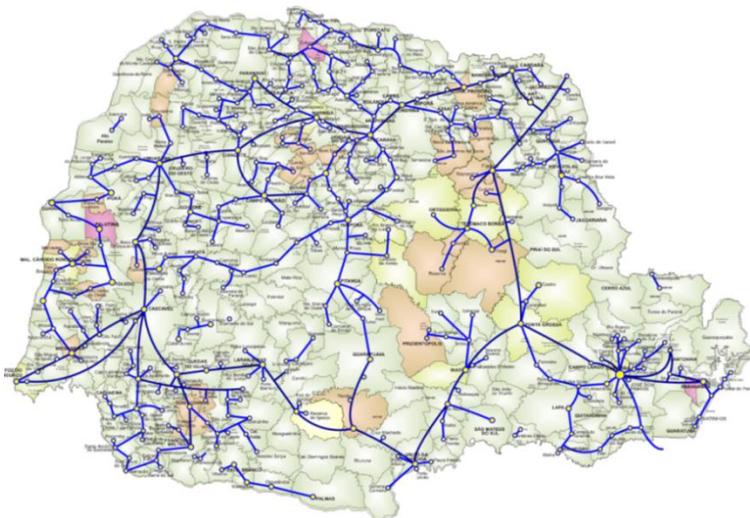
8.4 Telecommunications

Copel Telecomunicações has an optical backbone, a high capacity intermunicipal transmission network, and the access, a customer service network. The access network can be multi-point (GPON) or point-to-point (conventional), thus connecting the customer to the network's data transmission Copel Telecom and providing the contracted services.

In December 2018, the backbone cable network was 34.2 thousand km, carrying data in ultra-speed and managing an optical ring that serves the 399 municipalities of Paraná, with a portfolio of data, voice and datacenter products.

Copel Telecomunicações Fiber Optic Network

Map of the State of Paraná



8.5 Equity Interests

Other Sectors

Copel holds interests in companies in the gas, telecommunications, sanitation and service sectors, as shown below:

Company	Sector	Partners
Dominó Holdings Ltda	Participation in society	COPEL - 49.0% Andrade Gutierrez - 51.0%
Companhia Paranaense de Gás - Compagas	Gas	COPEL - 51.0% Mitsui Gás - 24.5% Gaspetro - 24.5%
Paraná Gás Exploração e Produção S.A ¹	Oil and natural gas	COPEL - 30.0% Petra Energia - 30.0% Bayar Participações -30.0% Tucumann Engenharia - 10.0%
Sercomtel S.A. Telecom	Telecommunications	COPEL - 45.0% Município de Londrina - 44.4% Banco Itauleasing S.A. - 7.1% Outros - 3.5%
Carbocampel S.A.	Coal mining	COPEL - 49.0% Carbonífera Cambuí - 51.0%
Copel Amec Ltda in liquidation	Services	COPEL - 48.0% Amec - 47.5% Lactec - 4.5%
GBX Tietê II Empreendimentos Participações S.A.	Multimarket Investment Fund	UEG- 19.3% Others - 80.7%

¹ More information in item 8.6

8.6 New Projects

Project Portfolio

Copel holds interests in different power generation projects. When these projects go into commercial operation, they will add 343.4 MW of installed capacity to the Company's portfolio.

Project	Estimated Installed Capacity (MW) ¹	Estimated Assured Power (Average MW)	COPEL' Stake (%)
SHP	58.0	39.8	
Dois Saltos	29.0	20.0	19.0
Salto Alemã	29.0	19.8	19.0
HPP	378.0	205.0	
São Jerônimo	331.0	178.1	41.2
Salto Grande	47.0	26.9	99.9
WPP	149.1	79.6	
Complexo Alto Oriente	48.3	24.7	100.0
Complexo Jandaia	100.8	54.9	100.0
Total	585.1	324.4	

¹ The installed capacity of the new projects can be optimized in relation to the registered at auctions.

Copel, in partnership with others companies is also developing studies in the lower reaches of the Chopim river that will lead to the feasibility of another hydroelectric projects. As for wind power generation, there are studies for the feasibility of new wind farms in the State of Rio Grande do Norte, where Copel already has wind assets. The short-term objective is to register such projects in the EPE to enable participation in the upcoming auctions to be organized by the Federal Government. The technical characteristics may be adjusted until the effective energy commercialization of the projects, since Copel's engineering is conducting optimization studies, in order to make the projects more competitive.

Interest in Feasibility Study

Hydroelectric Potential Surveyed Along the Piquiri River

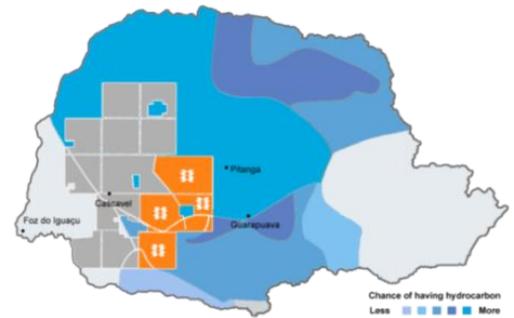
The feasibility studies for the four hydroelectric power plants making up the hydroelectric potential of the Piquiri River, in Paraná, were submitted by Copel GeT and accepted by Aneel in 2012. The projects are in the process of environmental licensing with the Environmental Institute of Paraná. The following table features these plants, which have a joint installed capacity 459.3 MW:

Project	Estimated Installed Capacity (MW)
HPP Apertados	139.0
HPP Comissário	140.0
HPP Foz do Piquiri	93.2
HPP Ercilândia	87.1
Total	459.3



Gas Exploration and Production (Paraná Gás Exploração e Produção S.A)

On November 28, 2013, in the 12th round of Bids of the National Petroleum Agency (ANP), the consortium formed by Copel (30%), Bayar Participações (30%), Tucumann Engenharia (10%) and Petra Energia (30%) (the latter acting as operator) won the right to explore, develop and produce natural gas in four blocks in an 11,327 km² area in the midwestern region of the State of Paraná. The consortium's total investment will come to R\$78.1 million in the first phase of exploration, for the term of four years granted by the ANP. Copel and its partners Bayar, Tucumann and Petra signed concession contracts for 2 blocks in May 2014. At the end of 2016, State Law No. 18.947/2016 was sanctioned, suspending for ten years the environmental licensing of any drilling or exploration activity of shale gas by the hydraulic fracturing method, better known as "fracking".



Signature Bonus: R\$12.5 million
Exploration Program: R\$78.1 million

Due to the ruling rendered regarding the Public Civil Action referred to above (in the lower court), issued on June 7, 2017, stating the nullity of the bidding procedure and the respective agreements signed for the areas of the Rio Paraná Basin, and the lack of compliance prospects of the object of ANP's 12th Round of Bids, the consortium resolved to request to ANP the discharge from its contractual obligations under the 12th Round of Bids without charges to the bidders, with the consequent refund of the signature bonus, reimbursement of the guarantee costs incurred and discharge of the guarantees presented (application filed at ANP on June 6, 2017).

9. Other Information

9.1 Human Resources

Copel's workforce closed 4Q18 at 7,611 employees distributed. The table below shows employee number trends in the Company and its subsidiaries in the last four years:

Headcount	2015	2016	2017	2018
Geração e Transmissão	1,568	1,680	1,734	1,660
Distribuição	6,032	6,022	5,746	5,364
Telecomunicações	621	660	649	478
Holding	347	69	78	75
Comercialização	10	30	38	34
Renováveis	50	70	-	-
TOTAL	8,628	8,531	8,245	7,611

At the end of December, Copel Distribuição had 4,637,804 customers, representing a consumer-to-employee ratio of 865. Compagas, Elejor and UEG Araucária, companies in which Copel holds a majority interest, had 159, 07 and 17 employees, respectively.



9.2 Main Operational Indicators

Generation		Installed capacity (MW)
Copel GeT		
In operation		
Hydroelectric ¹	16	4,541.9
Quota System	1	182.0
Thermal	1	20.0
Wind power	1	2.5
Under construction		
Hydroelectric	2	434.0
Wind Farms		
In operation		
	11	277.6
Under construction		
	13	312.9
Partnership		
In operation		
		652.0
Hydroelectric	6	211.7
Thermal	1	387.3
Wind farms	4	52.9

Transmission	
Copel GeT	
In operation	
Transmission Lines (km)	3,214
Substation (amount)	39
Under construction	
Transmission Lines (km)	189
Substation (amount)	3
Partnership	
In operation	
Transmission Lines (km)	3,401
Substation (amount)	6
Under construction	
Transmission Lines (km)	885
Substation (amount)	1

Copel Telecom	
Optical cables backbone network (km)	34,200
Cities served in Parana State	399

Copel Distribution	
Distribution lines (km)	198,374
Substations	369
Installed power substations (MVA)	11,025
Municipalities served	395
Locations served	1,113
Captive customers	4,637,804
Customers by distribution employee	865
DEC (in hundredths of an hour and minute)	10.31
FEC (number of outages)	6.22

Administration			
Total employees		7,611	
Copel Geração e Transmissão	1,660	Copel Participações	34
Copel Distribuição	5,364	Copel Renováveis	-
Copel Telecomunicações	478	Copel Holding	75

¹ Since January 1, 2017, the HPP Governor Pedro Viriato Parigot de Souza (GPS) has 30% of its assured power marketed by Copel GeT and 70% allocated in the quota system.



9.3 Conference Call 4Q18 Results

Information about 4Q18 Results Conference Call:

- > Friday, March 29, 2018, at 10:00 a.m. (Brazilian time)
- > **Telephone: (+1 646) 843-6054**
- > **Code: Copel**

A live webcast of the conference call will be available at: ir.copel.com

Please connect 15 minutes before the call.

Investor Relations – Copel

ri@copel.com

Telephone: (+ 55 41) 3331-4011

The information contained in this press release may contain forward-looking statements that reflect management's current view and estimates of future economic circumstances, industry conditions, company performance, and financial results. Any statements, expectations, capabilities, plans and assumptions contained in this press release that do not describe historical facts such as statements regarding the declaration or payment of dividends, the direction of future operations, the implementation of relevant operating and financial strategies, the investment program, factors or trends affecting the Company's financial condition, liquidity or results of operations are forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 and involve a number of risks and uncertainties. There is no guarantee that these results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.

Exhibit I – Consolidated Cash Flow Statement

	R\$'000	
Consolidated Cash Flow	2018	2017
Cash flows from operational activities		
Net income for the period	1,444,004	1,118,255
Adjustments to reconcile net income for the period with cash generated from operating activities	1,204,142	1,067,241
Depreciation and Amortization	749,179	731,599
Unrealized monetary and cambial variation and debt charges - net	767,751	900,610
Result from the business combination carried out with exchange of assets - surplus value	3,769	-
Gain on transmission concession agreement	(268,904)	(129,769)
Sectorial financial assets and liabilities result	(985,344)	(767,040)
Interest - bonus from the grant of concession agreements under the quota system	(85,986)	(82,160)
Gain on remeasurement of the cash flow from the RBSE assets	(82,640)	(361,156)
Result of the adoption of the Special Tax Regularization Program	-	(154,197)
Equity in earnings of investees	(135,888)	(101,739)
Recognition of fair value of assets related to concession compensation	(47,499)	(57,080)
Income tax and social contribution	580,065	379,943
Deferred Income tax and social contribution	(68,072)	(105,257)
Net operating estimated losses, provisions and reversals	306,697	365,539
Appropriation of actuarial calculation of post-employment benefits	97,900	97,511
Appropriation of pension and healthcare contributions	151,215	153,069
Creation for research and development and energy efficiency programs	125,369	118,753
Impairment of accounts receivable related to concession	1,536	17
Loss on disposal of contract assets	-	-
Result of disposal of investment	(8,174)	(28,650)
Fair value in operations of purchase/sale of energy in the captive market	(3,786)	-
Loss on disposal of property, plant and equipment	68,450	64,508
Loss on disposal of intangible assets	28,742	42,740
Decrease (increase) in assets	1,379,853	136,465
Increase (reduction) of liabilities	(998,379)	157,180
Income tax and social contribution paid	(468,552)	(335,087)
Loans and financing - interest due and paid	(289,095)	(532,033)
Debentures - interest due and paid	(501,002)	(622,815)
Net cash generated from operating activities	1,770,971	989,206
Cash flows from investing activities		
Financial investments	(75,804)	48,512
Loans and financing granted to related parties	-	(5,145)
Receipt of loans and financing granted to related parties	117,645	24,985
Acquisitions of contract assets	-	-
Customers contributions - contract assets	-	-
Acquisitions of subsidiaries - effect on cash	7,998	-
Disposal of investments	-	-
Additions in investments	(51,557)	(248,243)
Capital reduction of investees	35,280	-
Additions to property, plant and equipment	(1,489,067)	(1,205,508)
Customers contributions - property, plant and equipment	12	-
Additions to intangible assets	(7,589)	(806,240)
Customers contributions - intangible assets	-	125,858
Net cash generated (used) by investing activities	(2,149,153)	(1,581,173)
Cash flows from financing activities		
Loans and financing obtained from third parties	1,314,766	800,044
Issue of Debentures	2,890,283	2,242,521
Payments of principal - loans and financing	(1,126,144)	(971,187)
Payments of principal - debentures	(1,491,667)	(915,005)
Dividends and interest on own capital paid	(300,722)	(506,404)

Exhibit II – Financial Statements – Wholly Owned Subsidiaries

Income Statement – Copel Geração e Transmissão

	R\$'000						
Income Statement	4Q18 (1)	3Q18 (2)	4Q17 (3)	Var.% (1/3)	2018 (4)	2017 (5)	Var.% (4/5)
OPERATING REVENUES	847,880	885,218	824,369	2.9	3,465,756	3,409,904	1.6
Electricity sales to final customers	164,745	177,483	158,006	4.3	648,893	615,249	5.5
Electricity sales to distributors	455,205	453,081	460,445	(1.1)	1,886,560	1,935,996	(2.6)
Use of the main transmission grid	102,377	120,445	137,509	(25.5)	515,882	673,597	(23.4)
Construction revenue	111,974	97,555	56,840	97.0	341,980	136,336	150.8
Other operating revenues	13,579	36,654	11,569	17.4	72,441	48,726	48.7
OPERATING COSTS AND EXPENSES	(417,725)	(744,309)	(760,819)	(45.1)	(2,032,228)	(2,116,038)	(4.0)
Electricity purchased for resale	(21,906)	(288,157)	(147,468)	(85.1)	(390,082)	(361,227)	8.0
Charges of main distribution and transmission grid	(109,086)	(80,042)	(76,275)	43.0	(345,128)	(300,943)	14.7
Personnel and management	(92,755)	(76,275)	(107,694)	(13.9)	(347,365)	(318,438)	9.1
Pension and healthcare plans	(16,071)	(15,181)	(15,685)	2.5	(61,204)	(58,521)	4.6
Materials and supplies	(4,265)	(4,435)	(3,625)	17.7	(16,038)	(16,129)	(0.6)
Materials and supplies for power electricity	-	-	(6,506)	-	(17,111)	(26,809)	(36.2)
Third-party services	(29,581)	(23,305)	(30,185)	(2.0)	(115,009)	(110,285)	4.3
Depreciation and amortization	(66,655)	(65,948)	(66,778)	(0.2)	(264,608)	(272,855)	(3.0)
Provisions and reversals	30,972	(78,832)	(185,093)	-	(13,861)	(190,859)	(92.7)
Construction cost	(65,562)	(62,425)	(78,420)	-	(277,403)	(272,216)	1.9
Other cost and expenses	(42,816)	(49,709)	(43,090)	(0.6)	(184,419)	(187,756)	(1.8)
EQUITY IN EARNINGS OF SUBSIDIARIES	15,356	156,170	(15,672)	-	176,939	65,968	168.2
PROFIT BEFORE FINANCIAL RESULTS AND TAXES	445,511	297,079	47,878	830.5	1,610,467	1,359,834	18.4
FINANCIAL RESULTS	(92,542)	(84,199)	(101,315)	-	(359,053)	(467,235)	(23.2)
Financial income	20,696	28,035	8,942	131.4	73,603	43,825	67.9
Financial expenses	(113,238)	(112,234)	(110,257)	2.7	(432,656)	(511,060)	(15.3)
OPERATIONAL EXPENSES/ INCOME	352,969	212,880	(53,437)	-	1,251,414	892,599	40.2
INCOME TAX AND SOCIAL CONTRIBUTION ON PROFIT	(103,600)	(18,335)	134,205	-	(350,573)	(153,576)	128.3
Income tax and social contribution on profit	(47,320)	(53,263)	83,757	-	(342,841)	(195,572)	75.3
Deferred income tax and social contribution on profit	(56,280)	34,928	50,448	-	(7,732)	41,996	-
NET INCOME (LOSS)	249,369	194,545	80,768	208.7	900,841	739,023	21.9
EBITDA	512,166	363,027	114,656	346.7	1,875,075	1,632,689	14.8

Income Statement – Copel Distribuição

	R\$'000						
Income Statement	4Q18 (1)	3Q18 (2)	4Q17 (3)	Var.% (1/3)	2018 (4)	2017 (5)	Var.% (4/5)
OPERATING REVENUES	2,345,365	2,942,462	2,605,556	(10.0)	9,972,442	9,358,664	6.6
Electricity sales to final customers	1,232,546	1,161,200	1,057,154	16.6	4,530,521	3,953,867	14.6
Electricity sales to distributors	76,685	236,147	118,852	(35.5)	416,569	666,645	(37.5)
Use of the main distribution grid	812,443	869,567	792,016	2.6	3,189,867	3,144,611	1.4
Construction revenue	216,584	201,834	216,343	0.1	741,855	717,351	3.4
Fair value of assets from the indemnity for the concession	15,514	4,535	6,179	151.1	35,306	16,199	118.0
Sectorial assets and liabilities result	(54,983)	429,306	381,121	-	893,688	718,826	24.3
Other operating revenues	46,576	39,873	33,891	37.4	164,636	141,165	16.6
OPERATING COSTS AND EXPENSES	(2,247,246)	(2,757,361)	(2,565,952)	(12.4)	(9,474,473)	(9,071,359)	4.4
Electricity purchased for resale	(1,206,814)	(1,912,511)	(1,537,746)	(21.5)	(5,577,719)	(5,717,970)	(2.5)
Charges of main transmission grid	(266,904)	(156,693)	(213,018)	25.3	(1,012,062)	(554,805)	82.4
Personnel and management	(247,668)	(177,010)	(267,143)	(7.3)	(837,728)	(822,963)	1.8
Pension and healthcare plans	(41,622)	(39,326)	(40,177)	3.6	(159,842)	(154,285)	3.6
Materials and supplies	(15,305)	(17,637)	(18,731)	(18.3)	(60,379)	(60,320)	0.1
Third-party services	(83,123)	(78,729)	(89,069)	(6.7)	(339,399)	(347,393)	(2.3)
Depreciation and amortization	(77,776)	(75,869)	(71,298)	9.1	(301,581)	(285,835)	5.5
Provisions and reversals	(61,903)	(67,361)	(80,037)	(22.7)	(300,042)	(252,516)	18.8
Construction cost	(216,584)	(201,834)	(216,343)	0.1	(741,855)	(717,351)	3.4
Other cost and expenses	(29,547)	(30,391)	(32,390)	(8.8)	(143,866)	(157,921)	(8.9)
PROFIT BEFORE FINANCIAL RESULTS AND TAXES	98,119	185,101	39,604	147.8	497,969	287,305	73.3
FINANCIAL RESULTS	43,162	5,848	1,035	-	27,058	37,057	(27.0)
Financial income	104,847	78,863	68,784	52.4	335,377	380,597	(11.9)
Financial expenses	(61,685)	(73,015)	(67,749)	(9.0)	(308,319)	(343,540)	(10.3)
OPERATIONAL EXPENSES/ INCOME	141,281	190,949	40,639	247.6	525,027	324,362	61.9
INCOME TAX AND SOCIAL CONTRIBUTION ON PROFIT	(14,541)	(65,553)	24,024	-	(148,244)	22,893	-
Income tax and social contribution on profit	36,137	(79,657)	16,852	-	(120,957)	(47,571)	154.3
Deferred income tax and social contribution on profit	(50,678)	14,104	7,172	-	(27,287)	70,464	-
NET INCOME (LOSS)	126,740	125,396	64,663	96.0	376,783	347,255	8.5
EBITDA	175,895	260,970	110,902	58.6	799,550	573,140	39.5

Income Statement – Copel Telecomunicações

	R\$ '000						
Income Statement	4Q18 (1)	3Q18 (2)	4Q17 (3)	Var.% (1/3)	2018 (4)	2017 (5)	Var.% (4/5)
NET OPERATING REVENUES	105,948	103,442	100,299	5.6	421,408	380,550	10.7
Revenues from telecommunications	104,286	102,547	89,534	16.5	399,271	340,821	17.1
Other operating revenues	1,662	895	10,765	(84.6)	22,137	39,729	(44.3)
OPERATING COSTS AND EXPENSES	(129,345)	(74,320)	(87,187)	48.4	(369,201)	(286,363)	28.9
Personnel and management	(22,248)	(17,315)	(34,047)	(34.7)	(92,472)	(107,874)	(14.3)
Pension and healthcare plans	(3,242)	(3,098)	(3,961)	(18.2)	(13,892)	(14,800)	(6.1)
Materials and supplies	(535)	(407)	(1,152)	(53.6)	(1,763)	(2,978)	(40.8)
Third-party services	(24,880)	(23,929)	(18,807)	32.3	(91,127)	(67,612)	34.8
Depreciation and amortization	(19,227)	(14,749)	(10,813)	77.8	(58,209)	(39,553)	47.2
Provisions and reversals	(10,674)	(1,760)	(3,366)	217.1	(25,593)	(11,957)	114.0
Other cost and expenses	(48,539)	(13,062)	(15,041)	222.7	(86,145)	(41,589)	107.1
PROFIT BEFORE FINANCIAL RESULTS AND TAXES	(23,397)	29,122	13,112	-	52,207	94,187	(44.6)
FINANCIAL RESULTS	(4,633)	(7,241)	(6,440)	(28.1)	(24,905)	(18,863)	32.0
Income tax and social contribution on profit	4,224	4,081	3,627	16.5	16,808	11,828	42.1
Deferred income tax and social contribution on profit	(8,857)	(11,322)	(10,067)	(12.0)	(41,713)	(30,691)	35.9
OPERATIONAL EXPENSES / INCOME	(28,030)	21,881	6,672	-	27,302	75,324	(63.8)
INCOME TAX AND SOCIAL CONTRIBUTION ON PROFIT	15,258	(7,248)	1,456	947.9	(2,853)	(21,272)	(86.6)
Income tax and social contribution on profit	5,170	(8,544)	2,411	114.4	(20,428)	(21,810)	(6.3)
Deferred income tax and social contribution on profit	10,088	1,296	(955)	-	17,575	538	-
NET INCOME (LOSS)	(12,772)	14,633	8,128	-	24,449	54,052	(54.8)
EBITDA	(4,170)	43,871	23,925	-	110,416	133,740	(17.4)

Exhibit III – Financial Statements by Company

Balance Sheet by Company

	R\$'000											
Assets - Dec-18	Geração e Transmissão	Distribuição	Telecom	Compagas	Elejr	UEG Araucária	Comercialização	Wind Farms	Costa Oeste SPC and Marumbi SPC	Holding	Eliminations	Consolidated
CURRENT	1,487,257	3,971,915	88,239	204,725	80,990	33,573	181,077	459,662	22,918	1,170,320	(1,022,830)	6,677,846
Cash and cash equivalents	473,498	634,393	19,208	90,155	42,886	21,516	12,399	330,528	8,823	315,003	-	1,948,409
Bonds and securities	-	-	-	-	-	-	1,302	-	-	123,560	-	124,862
Collaterals and escrow accounts	-	-	-	73	-	-	-	1	-	129	-	203
Customers	310,059	2,364,147	37,090	97,513	30,209	491	131,871	73,685	3,136	-	(104,110)	2,944,091
Dividends receivable	127,323	-	-	-	-	-	-	15,128	-	519,100	(584,879)	76,672
CRC transferred to the State Government of Paraná	-	-	-	-	-	-	-	-	-	190,876	-	190,876
Sectorial financial assets	-	421,184	-	-	-	-	-	-	-	-	-	421,184
Account receivable related to concession	53,177	-	-	-	-	-	-	-	-	-	-	53,177
Other current receivables	74,845	253,023	6,713	1,130	4,765	244	11,015	5,972	2	7,027	(1,486)	363,250
Inventories	27,175	79,325	7,801	1,977	7	-	-	-	-	-	-	116,285
Income tax and social contribution	17,165	85,701	8,013	13,543	-	5,985	9,875	5,722	23	6,130	-	152,157
Other current recoverable taxes	27,405	103,302	9,313	149	-	5,337	14,610	405	-	321	-	160,842
Prepaid expenses	11,939	24,151	101	185	3,123	-	2	1,234	44	40	-	40,819
Related parties	290,542	6,689	-	-	-	-	3	26,987	-	8,134	(332,355)	-
NON-CURRENT	15,153,496	8,359,688	1,176,509	470,561	571,185	402,564	46,210	4,665,526	253,088	17,972,486	(19,819,059)	29,252,254
Long Term Assets	4,173,405	2,968,282	88,798	466,942	23,590	88,096	43,564	173,707	253,019	1,899,330	(164,473)	10,014,260
Bonds and securities	97,819	1,034	-	7,539	-	-	-	109,136	3,906	-	-	219,434
Other temporary investments	-	-	-	-	-	-	-	-	-	19,511	-	19,511
Collaterals and escrow accounts	-	89,555	-	-	-	-	-	-	-	-	-	89,555
Customers	71,191	68,718	23,006	-	-	-	-	-	-	-	-	162,915
CRC transferred to the State Government of Paraná	-	-	-	-	-	-	-	-	-	1,254,166	-	1,254,166
Judicial deposits	67,332	300,303	14,995	89	115	13,106	187	323	-	131,840	-	528,290
Sectorial financial assets	-	257,635	-	-	-	-	-	-	-	-	-	257,635
Account receivable related to concession	1,392,232	783,023	-	322,259	-	-	-	-	-	-	-	2,497,514
Accounts receivable related to the concession extension	2,428,442	640,500	-	25,718	-	-	-	-	249,113	-	4,438	3,348,211
Other receivables	36,150	50,510	104	111,227	-	19,414	4,045	-	-	7,444	-	228,894
Income tax and social contribution	647	17,597	-	-	-	-	-	-	-	148,140	-	166,384
Deferred income tax and social contribution	-	705,131	36,179	-	23,475	55,576	39,332	-	-	147,368	-	1,007,061
Other recoverable taxes	76,412	54,276	14,514	-	-	-	-	88	-	86,110	-	231,400
Prepaid Expenses	3,180	-	-	110	-	-	-	-	-	-	-	3,290
Receivables from subsidiaries	-	-	-	-	-	-	-	64,160	-	104,751	(168,911)	-
Investments	4,599,283	1,343	-	-	-	7,053	2,442	1,709,573	-	16,070,567	(20,022,027)	2,368,234
Property, Plant and Equipment, net	6,295,114	-	1,071,489	-	383,994	307,323	51	2,781,664	32	996	-	10,840,663
Intangible Assets	85,694	5,390,063	16,222	3,619	163,601	92	153	582	37	1,593	367,441	6,029,097
TOTAL	16,640,753	12,331,603	1,264,748	675,286	652,175	436,137	227,287	5,125,188	276,006	19,142,806	(20,841,889)	35,930,100

R\$'000

Assets - Dec-17	Geração e Transmissão	Distribuição	Telecom	Compagas	Elejor	UEG Araucária	Comercialização	Other ¹	Holding	Eliminations	Consolidated
CURRENT	1,053,154	3,609,663	102,002	151,966	77,216	99,101	187,966	302,912	998,294	(880,440)	5,701,834
Cash and cash equivalents	299,234	174,468	31,977	84,079	37,905	51,264	97,068	207,247	56,833	-	1,040,075
Bonds and securities	-	-	-	-	-	-	1,251	-	90	-	1,341
Collaterals and escrow accounts	-	59,146	-	97	-	-	-	-	129	-	59,372
Customers	345,736	2,184,280	44,453	44,161	25,380	39,151	73,027	40,811	-	(63,759)	2,733,240
Dividends receivable	100,193	-	-	-	-	-	2,008	12,966	459,464	(493,816)	80,815
Account receivable related to concession	149,744	-	-	-	-	-	-	-	-	-	149,744
Other current receivables	76,247	307,261	3,100	1,561	4,722	1,284	297	7,979	8,287	(1,387)	409,351
Inventories	29,063	71,653	7,356	2,487	-	-	-	-	-	-	110,559
Income tax and social contribution	6,522	440,040	8,154	19,440	-	7,402	1,773	4,299	14,055	-	501,685
Other current recoverable taxes	18,257	160,547	6,825	-	-	-	11,998	329	276	-	198,232
Prepaid expenses	9,366	21,090	61	141	9,209	-	-	-	-	-	39,867
Related parties	18,792	19,569	76	-	-	-	544	29,281	292,051	(321,478)	38,835
NON-CURRENT	14,401,871	7,919,925	952,739	480,944	598,234	407,959	20,403	2,931,439	16,957,672	(17,210,643)	27,460,543
Long Term Assets	3,830,993	2,167,690	69,543	437,056	27,885	66,859	17,703	163,135	1,967,632	(140,870)	8,607,626
Bonds and securities	104,157	1,012	-	7,172	-	-	-	105,981	-	-	218,322
Other temporary investments	-	-	-	-	-	-	-	-	18,727	-	18,727
Collaterals and escrow accounts	-	75,665	-	-	-	-	-	-	-	-	75,665
Customers	111,953	121,363	27,766	-	-	-	-	-	-	-	261,082
CRC transferred to the State Government of Paraná	-	-	-	-	-	-	-	-	1,349,253	-	1,349,253
Judicial deposits	84,462	305,075	12,376	49,984	77	10,952	129	307	119,167	-	582,529
Account receivable related to concession	3,372,504	684,206	-	303,668	-	-	-	-	-	-	4,360,378
Accounts receivable related to the concession extension	68,859	-	-	-	-	-	-	-	-	-	68,859
Other receivables	21,604	29,758	104	76,122	-	16,647	-	5,181	-	-	149,416
Income tax and social contribution	632	17,040	-	-	-	-	-	-	158,808	-	176,480
Deferred income tax and social contribution	-	712,976	18,671	-	24,775	39,260	17,574	-	102,236	-	915,492
Other recoverable taxes	57,281	48,986	10,626	-	-	-	-	66	15	-	116,974
Prepaid Expenses	9,541	-	-	110	3,033	-	-	-	-	-	12,684
Receivables from subsidiaries	-	-	-	-	-	-	-	51,600	219,426	(140,870)	130,156
Investments	4,235,657	1,362	-	-	-	7,053	2,457	782,081	14,987,607	(17,445,574)	2,570,643
Property, Plant and Equipment, net	6,244,837	-	866,489	-	397,786	333,889	57	1,985,562	830	-	9,829,450
Intangible Assets	90,384	5,750,873	16,707	43,888	172,563	158	186	661	1,603	375,801	6,452,824
TOTAL	15,455,025	11,529,588	1,054,741	632,910	675,450	507,060	208,369	3,234,351	17,955,966	(18,091,083)	33,162,377

¹ Wind Farms and Copel Renováveis

R\$'000

Liabilities - Dec/18	Geração e Transmissão	Distribuição	Telecom	Compagas	Elejor	UEG Araucária	Comercialização	Wind Farms	Costa Oeste SPC and Marumbi SPC	Holding	Eliminations	Consolidated
CURRENT	2,640,071	2,459,317	143,667	133,769	124,880	42,185	137,337	586,450	15,481	1,435,888	(1,023,931)	6,695,114
Social charges and accruals	70,223	176,447	18,640	9,313	335	389	1,926	119	40	6,747	-	284,179
Associated companies and parent company	7,414	12,496	-	-	-	-	307	311,246	113	755	(332,331)	-
Suppliers	192,045	897,578	66,492	84,684	4,001	10,568	126,408	139,871	481	2,731	(105,616)	1,419,243
Income Tax and Social Contribution payable	158,907	-	-	-	27,990	-	-	10,794	258	-	-	197,949
Other taxes	90,555	330,026	10,906	11,122	2,210	482	457	5,413	110	152	-	451,433
Loans and financing	682,706	241,186	5,799	-	-	-	-	46,628	8,432	129,401	(1,105)	1,113,047
Debentures	929,543	278,545	8,612	5,919	-	-	-	20,585	-	941,677	-	2,184,881
Dividends payable	368,950	89,486	29,260	19,600	19,083	30,718	-	44,109	5,145	354,203	(584,879)	375,675
Post employment benefits	14,847	41,372	2,136	-	-	-	5	31	-	87	-	58,478
Customer charges due	9,544	70,078	-	-	-	-	-	-	250	-	-	79,872
Research and development and energy efficiency	66,221	196,250	-	-	7,412	2	-	-	544	-	-	270,429
Payables related to concession	5,045	-	-	-	62,813	-	-	-	-	-	-	67,858
Sectorial financial liabilities	-	-	-	-	-	-	-	-	-	-	-	-
Other accounts payable	44,071	125,853	1,822	3,131	1,036	26	8,234	7,654	108	135	-	192,070
Provisions for litigation	-	-	-	-	-	-	-	-	-	-	-	-
NON-CURRENT	5,088,718	3,963,531	482,208	106,900	473,318	23,290	6,482	1,168,141	71,358	1,673,993	(159,167)	12,898,772
Associated companies and parent company	-	-	-	-	-	-	-	64,161	-	-	(64,161)	-
Suppliers	9,934	-	-	14,908	-	-	-	25,114	-	-	-	49,956
Deferred income tax and social contribution	122,730	-	-	18,795	-	-	-	10,203	7,879	-	(2,187)	157,420
Tax liabilities	165,474	615,611	8,357	-	-	4,174	191	323	-	2,602	-	796,732
Loans and financing	1,230,709	178,408	4,773	-	-	-	-	794,174	55,858	773,984	(103,646)	2,934,260
Debentures	2,588,550	1,478,562	410,302	11,732	-	-	-	247,701	-	596,403	-	5,333,250
Post-employment benefits	252,111	611,010	33,173	6,159	-	450	2,129	386	-	4,867	-	910,285
Research and development and energy efficiency	54,242	249,398	-	-	-	18,666	-	-	-	-	-	322,306
Payables related to the concession	42,987	-	-	-	473,318	-	-	-	-	-	-	516,305
Sectorial financial liabilities	-	96,531	-	-	-	-	-	-	-	-	-	96,531
Other payables	24,379	3,569	-	55,049	-	-	4,015	26,030	-	3,957	(45)	116,954
Tax, social security, labor and civil provisions	597,602	730,442	25,603	257	-	-	147	49	7,621	292,180	10,872	1,664,773
EQUITY	8,911,964	5,908,755	638,873	434,617	53,977	370,662	83,468	3,370,597	189,167	16,032,925	(19,658,791)	16,336,214
Attributable to controlling shareholders	8,911,964	5,908,755	638,873	434,617	53,977	370,662	83,468	3,370,597	189,167	16,032,925	(19,962,080)	16,032,925
Capital	5,528,226	5,235,943	316,098	220,966	35,503	707,440	45,459	2,756,940	119,941	7,910,000	(14,966,516)	7,910,000
Advance for Future Capital Increase	237,000	105,500	147,125	-	-	-	-	1,298,342	-	-	(1,787,967)	-
Capital reserves	-	-	-	-	-	-	-	-	-	-	-	-
Equity valuation adjustments	796,442	(20,388)	7,268	(470)	256	313	(973)	1,783	-	785,610	(784,231)	785,610
Legal Reserves	509,888	136,071	21,537	30,044	7,100	-	2,508	8,437	5,384	914,751	(720,969)	914,751
Retained earnings	1,840,408	451,629	147,711	184,077	-	-	36,474	81,624	63,842	6,422,564	(2,805,765)	6,422,564
Accrued earnings (losses)	-	-	-	-	-	(337,091)	-	(792,283)	-	-	1,129,374	-
Attributable to noncontrolling interests	-	-	-	-	-	-	-	-	-	-	303,289	303,289
TOTAL	16,640,753	12,331,603	1,264,748	675,286	652,175	436,137	227,287	5,125,188	276,006	19,142,806	(20,841,889)	35,930,100

	R\$'000										
Liabilities - Dec-17	Geração e Transmissão	Distribuição	Telecom	Compagas	Elejor	UEG Araucária	Comercialização	Other ¹	Holding	Eliminations	Consolidated
CURRENT	1,941,599	2,872,432	114,511	147,743	164,574	38,386	73,107	581,110	1,057,679	(881,227)	6,109,914
Social charges and accruals	81,040	188,369	25,586	8,800	284	291	2,410	210	6,977	-	313,967
Associated companies and parent company	22,561	30,746	5,319	-	-	-	1,101	257,084	3,936	(320,747)	-
Suppliers	177,970	1,129,475	42,392	89,756	3,328	5,539	65,664	233,236	2,096	(65,879)	1,683,577
Income Tax and Social Contribution payable	45,277	-	-	-	36,964	-	22	1,580	2,467	-	86,310
Other taxes	130,256	192,079	9,002	6,583	2,079	1,536	23	3,453	476	-	345,487
Loans and financing	103,003	325,219	5,936	-	-	-	-	29,201	322,092	(785)	784,666
Debentures	947,310	262,246	7,415	25,138	30,370	-	-	20,242	339,341	-	1,632,062
Dividends payable	297,500	98,968	15,405	15,573	24,055	30,718	3,717	28,873	267,988	(493,816)	288,981
Post employment benefits	13,551	37,680	1,900	-	-	-	6	31	57	-	53,225
Customer charges due	8,393	141,632	-	-	-	-	-	-	-	-	150,025
Research and development and energy efficiency	83,642	191,359	-	-	7,467	298	-	-	-	-	282,766
Payables related to concession	4,213	-	-	-	58,411	-	-	-	-	-	62,624
Sectorial financial liabilities	-	192,819	-	-	-	-	-	-	-	-	192,819
Other accounts payable	26,883	81,840	1,556	1,893	1,616	4	164	7,200	249	-	121,405
Provisions for litigation	-	-	-	-	-	-	-	-	112,000	-	112,000
NON-CURRENT	5,104,056	3,204,453	457,035	87,409	449,149	22,470	1,751	665,277	1,690,445	(140,085)	11,541,960
Associated companies and parent company	-	-	-	-	-	-	-	51,600	-	(51,600)	-
Suppliers	30,105	-	-	13,364	-	-	-	-	-	-	43,469
Deferred income tax and social contribution	132,274	-	-	17,475	-	-	-	6,881	-	-	156,630
Tax liabilities	177,077	618,527	7,933	-	-	3,237	131	306	2,365	-	809,576
Loans and financing	1,673,034	383,783	10,401	-	-	-	-	332,086	664,020	(88,485)	2,974,839
Debentures	2,149,524	741,743	392,766	17,537	-	-	-	261,206	876,140	-	4,438,916
Post-employment benefits	215,059	552,708	32,869	5,658	-	628	1,464	497	3,995	-	812,878
Research and development and energy efficiency	36,235	194,869	-	-	-	18,605	-	-	-	-	249,709
Payables related to the concession	43,181	-	-	-	449,149	-	-	-	-	-	492,330
Sectorial financial liabilities	-	90,700	-	-	-	-	-	-	-	-	90,700
Other payables	22,149	4,098	-	33,223	-	-	-	12,549	830	-	72,849
Tax, social security, labor and civil provisions	625,418	618,025	13,066	152	-	-	156	152	143,095	-	1,400,064
EQUITY	8,409,370	5,452,703	483,195	397,758	61,727	446,204	133,511	1,987,964	15,207,842	(17,069,771)	15,510,503
Attributable to controlling shareholders	8,409,370	5,452,703	483,195	397,758	61,727	446,204	133,511	1,987,964	15,207,842	(17,372,432)	15,207,842
Capital	5,459,598	4,746,053	316,098	220,966	35,503	707,440	66,289	1,495,153	7,910,000	(13,047,100)	7,910,000
Advance for Future Capital Increase	54,829	374,000	-	-	-	-	24,070	1,261,785	-	(1,714,684)	-
Equity valuation adjustments	881,136	1,509	5,998	(657)	256	-	(668)	1,646	895,601	(889,220)	895,601
Legal Reserves	464,846	117,233	20,315	25,917	7,100	-	2,508	4,080	844,398	(641,999)	844,398
Retained earnings	1,548,961	213,908	140,784	151,532	-	-	41,312	40,672	5,557,843	(2,137,169)	5,557,843
Additional proposed dividends	-	-	-	-	18,868	-	-	-	-	(18,868)	-
Accrued earnings (losses)	-	-	-	-	-	(261,236)	-	(815,372)	-	1,076,608	-
Attributable to noncontrolling interests	-	-	-	-	-	-	-	-	-	302,661	302,661
TOTAL	15,455,025	11,529,588	1,054,741	632,910	675,450	507,060	208,369	3,234,351	17,955,966	(18,091,083)	33,162,377

¹ Wind Farms and Copel Renováveis

Income Statement by Company

Income Statement 2018	R\$'000											Consolidated	
	Geração e Transmissão		Distribuição	Telecom	Compagas	Elejor	UEG Araucária	Comercialização	Wind Farms	Costa Oeste SPC and Marumbi SPC	Holding		Elimin. e Reclausif.
	Generation	Transmission											
NET OPERATING INCOME	2,567,806	897,950	9,972,442	421,408	588,532	293,942	524	1,341,162	174,112	9,178	-	(1,332,276)	14,934,780
Electricity sales to final customers	648,893	-	4,530,521	-	-	-	-	373,037	-	-	-	(3,867)	5,548,584
Electricity sales to distributors	1,886,560	-	416,569	-	-	293,942	524	967,263	174,112	-	-	(973,054)	2,765,916
Use of the main distribution and transmission grid (TUSD/ TUST)	-	515,882	3,189,867	-	-	-	-	-	-	9,178	-	(245,867)	3,469,060
Construction revenue	-	341,980	741,855	-	13,478	-	-	-	-	-	-	-	1,097,313
Fair value of assets from the indemnity for the concession	-	-	35,306	-	12,193	-	-	-	-	-	-	-	47,499
Telecommunications	-	-	-	399,271	-	-	-	-	-	-	-	(33,092)	366,179
Distribution of piped gas	-	-	-	-	562,823	-	-	-	-	-	-	(5,637)	557,186
Sectoral assets and liabilities result	-	-	893,688	-	-	-	-	-	-	-	-	-	893,688
Other operating revenues	32,353	40,088	164,636	22,137	38	-	-	862	-	-	-	(70,759)	189,355
OPERATING COSTS AND EXPENSES	(1,470,838)	(561,390)	(9,474,473)	(369,201)	(515,594)	(89,931)	(94,970)	(1,354,578)	5,047	(2,762)	(55,596)	1,307,665	(12,676,621)
Energy purchased for resale	(390,082)	-	(5,577,719)	-	-	(27,181)	(113)	(1,338,473)	(542)	-	-	972,932	(6,361,178)
Charges of the main distribution and transmission grid	(345,128)	-	(1,012,062)	-	-	(12,808)	(25,165)	-	(25,246)	-	-	243,629	(1,176,780)
Personnel and management	(200,707)	(146,658)	(837,728)	(92,472)	(34,896)	(3,680)	(3,029)	(13,734)	(9,256)	(481)	(15,144)	-	(1,357,785)
Private pension and health plans	(35,333)	(25,871)	(159,842)	(13,892)	(3,881)	(183)	(403)	(1,507)	(539)	(13)	(2,286)	-	(243,750)
Materials	(10,984)	(5,054)	(60,379)	(1,763)	(2,110)	(354)	(155)	(65)	(187)	-	(706)	-	(81,757)
Raw material and supplies - energy production	(17,111)	-	-	-	-	-	(8,256)	-	-	-	-	5,638	(19,729)
Natural gas and supplies for gas business	-	-	-	-	(412,618)	-	-	-	-	-	-	-	(412,618)
Third-party services	(81,669)	(33,340)	(339,399)	(91,127)	(17,034)	(11,639)	(28,477)	(1,700)	(27,476)	(1,694)	(31,465)	92,793	(572,227)
Depreciation and amortization	(253,224)	(11,384)	(301,581)	(58,209)	(22,759)	(25,413)	(24,699)	(16)	(50,669)	(2)	(1,223)	-	(749,179)
Provisions and reversals	27,191	(41,052)	(300,042)	(25,593)	(6,171)	-	-	(926)	70,348	(555)	(24,902)	(4,995)	(306,697)
Construction cost	-	(277,403)	(741,855)	-	(13,478)	-	-	-	-	144	-	(19,616)	(1,052,208)
Other operating costs and expenses	(163,791)	(20,628)	(143,866)	(86,145)	(2,647)	(8,673)	(4,673)	1,843	48,614	(161)	20,130	17,284	(342,713)
EQUITY IN EARNINGS OF SUBSIDIARIES	53,263	123,676	-	-	-	-	-	(15)	24,283	-	1,356,375	(1,421,694)	135,888
OPERATIONAL EXPENSES / INCOME	1,150,231	460,236	497,969	52,207	72,938	204,011	(94,446)	(13,431)	203,442	6,416	1,300,779	(1,446,305)	2,394,047
FINANCIAL RESULTS	(250,093)	(108,960)	27,058	(24,905)	(2,411)	(89,301)	2,275	5,961	(62,716)	1,668	63,374	-	(438,050)
Income tax and social contribution on profit	47,821	25,782	335,377	16,808	29,454	1,750	5,440	6,065	73,397	3,381	301,729	(33,089)	813,915
Deferred income tax and social contribution on profit	(297,914)	(134,742)	(308,319)	(41,713)	(31,865)	(91,051)	(3,165)	(104)	(136,113)	(1,713)	(238,355)	33,089	(1,251,965)
EARNINGS BEFORE INCOME TAXES	900,138	351,276	525,027	27,302	70,527	114,710	(92,171)	(7,470)	140,726	8,084	1,364,153	(1,446,305)	1,955,997
INCOME TAX AND SOCIAL CONTRIBUTION ON PROFIT	(276,313)	(74,260)	(148,244)	(2,853)	(10,909)	(38,379)	16,316	2,632	(30,175)	(1,101)	42,910	8,383	(511,993)
NET INCOME	623,825	277,016	376,783	24,449	59,618	76,331	(75,855)	(4,838)	110,551	6,983	1,407,063	(1,437,922)	1,444,004
Attributed to controlling shareholders	623,825	277,016	376,783	24,449	30,405	53,432	(60,684)	(4,838)	-	6,983	1,407,063	(1,437,922)	1,407,063
Attributed to non-controlling interest	-	-	-	-	29,213	22,899	(15,171)	-	-	-	-	-	36,941
EBITDA	1,403,455	471,620	799,550	110,416	95,697	229,424	(69,747)	(13,415)	254,111	6,418	1,302,002	(1,446,305)	3,143,226

R\$'000

Income Statement 2017	Geração e Transmissão		Distribuição	Telecom	Compagas	Elejor	UEG Araucária	Comercialização	Other ¹	Holding	Elimin. e Reclassif.	Consolidated
	Generation	Transmission										
NET OPERATING INCOME	2,588,751	821,153	9,358,664	380,550	515,563	291,597	129,084	664,495	203,221	-	(928,505)	14,024,573
Electricity sales to final customers	615,249	-	3,953,867	-	-	-	-	115,905	-	-	(3,488)	4,681,533
Electricity sales to distributors	1,935,996	-	666,645	-	-	291,597	128,953	547,989	203,221	-	(598,047)	3,176,354
Use of the main distribution and transmission grid (TUSD/ TUST)	-	673,597	3,144,611	-	-	-	-	-	-	-	(200,267)	3,617,941
Construction revenue	-	136,336	717,351	-	14,314	-	-	-	-	-	-	868,001
Fair value of assets from the indemnity for the concession	-	-	16,199	-	40,881	-	-	-	-	-	-	57,080
Telecommunications	-	-	-	340,821	-	-	-	-	-	-	(31,869)	308,952
Distribution of piped gas	-	-	-	-	460,368	-	-	-	-	-	(5,553)	454,815
Sectoral assets and liabilities result	-	-	718,826	-	-	-	-	-	-	-	-	718,826
Other operating revenues	37,506	11,220	141,165	39,729	-	-	131	601	-	-	(89,281)	141,071
OPERATING COSTS AND EXPENSES	(1,569,528)	(546,510)	(9,071,359)	(286,363)	(309,213)	(93,230)	(121,883)	(654,445)	(125,120)	(128,389)	921,109	(11,984,931)
Energy purchased for resale	(361,227)	-	(5,717,970)	-	-	(27,894)	(788)	(654,026)	(110)	-	596,565	(6,165,450)
Charges of the main distribution and transmission grid	(300,943)	-	(554,805)	-	-	(12,001)	(24,180)	-	(17,364)	-	197,263	(712,030)
Personnel and management	(195,923)	(122,515)	(822,963)	(107,874)	(35,761)	(3,557)	(2,729)	(12,993)	(20,574)	(18,455)	-	(1,343,344)
Private pension and health plans	(35,788)	(22,733)	(154,285)	(14,800)	(3,577)	(133)	(969)	(1,415)	(1,954)	(1,943)	-	(237,597)
Materials	(11,397)	(4,732)	(60,320)	(2,978)	(1,936)	(312)	(376)	(27)	(415)	(631)	-	(83,124)
Raw material and supplies - energy production	(26,809)	-	-	-	-	-	(75,910)	-	-	-	5,359	(97,360)
Natural gas and supplies for gas business	-	-	-	-	(309,542)	-	-	-	-	-	-	(309,542)
Third-party services	(85,676)	(24,609)	(347,393)	(67,612)	(22,670)	(12,167)	(39,524)	(1,280)	(20,292)	(14,265)	113,973	(521,515)
Depreciation and amortization	(265,654)	(7,201)	(285,835)	(39,553)	(28,753)	(27,704)	(23,936)	(9)	(51,751)	(1,203)	-	(731,599)
Provisions and reversals	(110,756)	(80,103)	(252,516)	(11,957)	123,007	-	69,073	(156)	(979)	(93,756)	(7,396)	(365,539)
Construction cost	-	(272,216)	(717,351)	-	(14,314)	-	-	-	-	-	-	(1,003,881)
Other operating costs and expenses	(175,355)	(12,401)	(157,921)	(41,589)	(15,667)	(9,462)	(22,544)	15,461	(11,681)	1,864	15,345	(413,950)
EQUITY IN EARNINGS OF SUBSIDIARIES	(27,176)	93,144	-	-	-	-	(5,777)	(564)	(65,670)	1,291,434	(1,183,652)	101,739
OPERATIONAL EXPENSES / INCOME	992,047	367,787	287,305	94,187	206,350	198,367	1,424	9,486	12,431	1,163,045	(1,191,048)	2,141,381
FINANCIAL RESULTS	(356,841)	(110,394)	37,057	(18,863)	(25,612)	(54,254)	5,302	6,193	(84,485)	(146,543)	-	(748,440)
Income tax and social contribution on profit	30,512	13,313	380,597	11,828	38,821	13,493	7,529	6,515	27,247	181,312	(11,857)	699,310
Deferred income tax and social contribution on profit	(387,353)	(123,707)	(343,540)	(30,691)	(64,433)	(67,747)	(2,227)	(322)	(111,732)	(327,855)	11,857	(1,447,750)
EARNINGS BEFORE INCOME TAXES	635,206	257,393	324,362	75,324	180,738	144,113	6,726	15,679	(72,054)	1,016,502	(1,191,048)	1,392,941
INCOME TAX AND SOCIAL CONTRIBUTION ON PROFIT	(123,061)	(30,515)	22,893	(21,272)	(66,785)	(47,893)	(7,098)	(2,638)	(15,441)	17,124	-	(274,686)
NET INCOME	512,145	226,878	347,255	54,052	113,953	96,220	(372)	13,041	(87,495)	1,033,626	(1,191,048)	1,118,255
Attributed to controlling shareholders	512,145	226,878	347,255	54,052	58,116	67,354	(298)	13,041	(87,495)	1,033,626	(1,191,048)	1,033,626
Attributed to non-controlling interest	-	-	-	-	55,837	28,866	(74)	-	-	-	-	84,629
EBITDA	1,257,701	374,988	573,140	133,740	235,103	226,071	25,360	9,495	64,182	1,164,248	(1,191,048)	2,872,980

¹Wind Farms and Copel Renováveis

R\$'000

Income Statement 4Q18	Geração e Transmissão										Elimin. e Reclássif.	Consolidated
	Geração e Transmissão		Distribuição	Telecom	Compagas	Elejor	UEG Araucária	Comercialização	Other ¹	Holding		
	Generation	Transmission										
NET OPERATING INCOME	625,204	222,676	2,345,365	105,948	170,270	77,747	399	375,073	65,398	-	(316,937)	3,671,143
Electricity sales to final customers	164,745	-	1,232,546	-	-	-	-	82,309	-	-	(1,127)	1,478,473
Electricity sales to distributors	455,205	-	76,685	-	-	77,747	399	292,544	58,328	-	(233,698)	727,210
Use of the main distribution and transmission grid (TUSD/ TUST)	(2,108)	104,485	812,443	-	-	-	-	-	7,070	-	(54,637)	867,253
Construction revenue	-	111,974	216,584	-	4,098	-	-	-	-	-	-	332,656
Fair value of assets from the indemnity for the concession	-	-	15,514	-	(8)	-	-	-	-	-	-	15,506
Telecommunications	-	-	-	104,286	-	-	-	-	-	-	(8,418)	95,868
Distribution of piped gas	-	-	-	-	166,142	-	-	-	-	-	(5,637)	160,505
Sectoral assets and liabilities result	-	-	(54,983)	-	-	-	-	-	-	-	-	(54,983)
Other operating revenues	7,362	6,217	46,576	1,662	38	-	-	220	-	-	(13,420)	48,655
OPERATING COSTS AND EXPENSES	(312,335)	(105,389)	(2,247,246)	(129,345)	(146,828)	(24,010)	(31,197)	(383,630)	(14,376)	(18,025)	292,326	(3,120,055)
Energy purchased for resale	(21,906)	-	(1,206,814)	-	-	(7,146)	-	(381,332)	(375)	-	233,505	(1,384,068)
Charges of the main distribution and transmission grid	(109,086)	-	(266,904)	-	-	(3,422)	(6,328)	-	(6,181)	-	54,355	(337,566)
Personnel and management	(54,929)	(37,826)	(247,668)	(22,248)	(9,527)	(917)	(961)	(3,718)	(2,938)	(802)	-	(381,534)
Private pension and health plans	(9,395)	(6,676)	(41,622)	(3,242)	(1,626)	(56)	(108)	(430)	(173)	(566)	-	(63,894)
Materials	(3,369)	(895)	(15,305)	(535)	(852)	(43)	(25)	(42)	(43)	(287)	-	(21,396)
Raw material and supplies - energy production	-	-	-	-	-	-	(6,392)	-	-	-	5,638	(754)
Natural gas and supplies for gas business	-	-	-	-	(123,687)	-	-	-	-	-	-	(123,687)
Third-party services	(20,064)	(9,518)	(83,123)	(24,880)	(3,447)	(3,042)	(7,556)	(426)	(8,567)	(9,195)	19,301	(150,517)
Depreciation and amortization	(64,065)	(2,590)	(77,776)	(19,227)	(5,724)	(6,356)	(6,748)	(9)	(11,826)	(310)	-	(194,631)
Provisions and reversals	12,611	18,362	(61,903)	(10,674)	(1,824)	-	-	(938)	31,185	(17,025)	(4,995)	(35,201)
Construction cost	(177)	(65,385)	(216,584)	-	(4,098)	-	-	-	(33)	-	(19,616)	(305,893)
Other operating costs and expenses	(41,955)	(861)	(29,547)	(48,539)	3,957	(3,028)	(3,079)	3,265	(15,425)	10,160	4,138	(120,914)
EQUITY IN EARNINGS OF SUBSIDIARIES	8,306	7,051	-	-	-	-	-	(17)	10,654	374,403	(389,549)	10,848
OPERATIONAL EXPENSES / INCOME	321,175	124,338	98,119	(23,397)	23,442	53,737	(30,798)	(8,574)	61,676	356,378	(414,160)	561,936
FINANCIAL RESULTS	(66,612)	(25,930)	43,162	(4,633)	(303)	(8,902)	1,857	1,301	(24,380)	(53,146)	-	(137,586)
Income tax and social contribution on profit	11,595	9,101	104,847	4,224	3,659	570	2,626	1,321	8,905	31,677	(9,553)	168,972
Deferred income tax and social contribution on profit	(78,207)	(35,031)	(61,685)	(8,857)	(3,962)	(9,472)	(769)	(20)	(33,285)	(84,823)	9,553	(306,558)
EARNINGS BEFORE INCOME TAXES	254,563	98,408	141,281	(28,030)	23,139	44,835	(28,941)	(7,273)	37,296	303,232	(414,160)	424,350
INCOME TAX AND SOCIAL CONTRIBUTION ON PROFIT	(75,351)	(28,249)	(14,541)	15,258	318	(14,635)	16,316	2,494	(13,082)	69,557	8,383	(33,532)
NET INCOME	179,212	70,159	126,740	(12,772)	23,457	30,200	(12,625)	(4,779)	24,214	372,789	(405,777)	390,818
Attributed to controlling shareholders	179,212	70,159	126,740	(12,772)	23,457	30,200	(12,625)	(4,779)	24,214	372,789	(405,777)	372,789
Attributed to non-controlling interest	-	-	-	-	11,494	9,060	(2,525)	-	-	-	-	18,029
EBITDA	385,240	126,928	175,895	(4,170)	29,166	60,093	(24,050)	(8,565)	73,502	356,688	(414,160)	756,567

¹ Wind Farms, Costa Oeste SPC and Marumbi SPC.

R\$'000

Income Statement 4Q17	Geração e Transmissão		Distribuição	Telecom	Compagas	Elejor	UEG Araucária	Comercialização	Other ¹	Holding	Elimin. e Reclausif.	Consolidated
	Generation	Transmission										
NET OPERATING INCOME	627,512	196,857	2,605,556	100,299	145,782	72,551	128,001	299,632	43,697	-	(309,223)	3,910,664
Electricity sales to final customers	158,006	-	1,057,154	-	-	-	-	44,781	-	-	(1,026)	1,258,915
Electricity sales to distributors	460,445	-	118,852	-	-	72,551	128,000	254,653	43,697	-	(198,355)	879,843
Use of the main distribution and transmission grid (TUSD/ TUST)	-	137,509	792,016	-	-	-	-	-	-	-	(74,206)	855,319
Construction revenue	-	56,840	216,343	-	3,008	-	-	-	-	-	-	276,191
Fair value of assets from the indemnity for the concession	-	-	6,179	-	42,476	-	-	-	-	-	-	48,655
Telecommunications	-	-	-	89,534	-	-	-	-	-	-	(7,637)	81,897
Distribution of piped gas	-	-	-	-	100,298	-	-	-	-	-	(5,553)	94,745
Sectoral assets and liabilities result	-	-	381,121	-	-	-	-	-	-	-	-	381,121
Other operating revenues	9,061	2,508	33,891	10,765	-	-	1	198	-	-	(22,446)	33,978
OPERATING COSTS AND EXPENSES	(575,341)	(185,478)	(2,565,952)	(87,187)	69,197	(28,608)	(115,821)	(285,662)	(50,925)	(102,411)	310,064	(3,618,124)
Energy purchased for resale	(147,468)	-	(1,537,746)	-	-	(10,669)	-	(294,315)	(11)	-	197,933	(1,792,276)
Charges of the main distribution and transmission grid	(76,275)	-	(213,018)	-	-	(3,171)	(6,150)	-	(5,068)	-	73,910	(229,772)
Personnel and management	(66,553)	(41,141)	(267,143)	(34,047)	(11,963)	(897)	(842)	(3,997)	(6,626)	9,859	-	(423,350)
Private pension and health plans	(9,641)	(6,044)	(40,177)	(3,961)	(1,358)	(52)	(713)	(410)	(656)	927	-	(62,085)
Materials	(2,346)	(1,279)	(18,731)	(1,152)	(446)	(49)	(100)	(3)	(29)	(155)	-	(24,290)
Raw material and supplies - energy production	(6,506)	-	-	-	-	-	(73,823)	-	-	-	5,359	(74,970)
Natural gas and supplies for gas business	-	-	-	-	(61,628)	-	-	-	-	-	-	(61,628)
Third-party services	(23,199)	(6,986)	(89,069)	(18,807)	(5,393)	(2,984)	(8,029)	(302)	(6,252)	(3,602)	28,600	(136,023)
Depreciation and amortization	(65,125)	(1,653)	(71,298)	(10,813)	(7,260)	(6,826)	(5,986)	(2)	(12,941)	(304)	-	(182,208)
Provisions and reversals	(137,037)	(48,056)	(80,037)	(3,366)	128,012	-	-	(94)	(14,700)	(113,173)	99	(268,352)
Construction cost	-	(78,420)	(216,343)	-	(3,008)	-	-	-	-	-	-	(297,771)
Other operating costs and expenses	(41,191)	(1,899)	(32,390)	(15,041)	32,241	(3,960)	(20,178)	13,461	(4,642)	4,037	4,163	(65,399)
EQUITY IN EARNINGS OF SUBSIDIARIES	(61,194)	45,522	-	-	-	-	(65)	2	(61,316)	247,335	(123,326)	46,958
OPERATIONAL EXPENSES / INCOME	(9,023)	56,901	39,604	13,112	214,979	43,943	12,115	13,972	(68,544)	144,924	(122,485)	339,498
FINANCIAL RESULTS	(76,858)	(24,457)	1,035	(6,440)	(29,501)	(21,780)	(166)	567	(27,062)	(45,059)	(739)	(230,460)
Income tax and social contribution on profit	6,180	2,762	68,784	3,627	17,521	(5,585)	521	585	5,735	57,030	(4,454)	152,706
Deferred income tax and social contribution on profit	(83,038)	(27,219)	(67,749)	(10,067)	(47,022)	(16,195)	(687)	(18)	(32,797)	(102,089)	3,715	(383,166)
EARNINGS BEFORE INCOME TAXES	(85,881)	32,444	40,639	6,672	185,478	22,163	11,949	14,539	(95,606)	99,865	(123,224)	109,038
INCOME TAX AND SOCIAL CONTRIBUTION ON PROFIT	105,688	28,517	24,024	1,456	(68,505)	(6,553)	(26,327)	(4,908)	(3,441)	(25,716)	-	24,235
NET INCOME	19,807	60,961	64,663	8,128	116,973	15,610	(14,378)	9,631	(99,047)	74,149	(123,224)	133,273
Attributed to controlling shareholders	19,807	60,961	64,663	8,128	59,656	10,927	(11,502)	9,631	(99,047)	74,149	(123,224)	74,149
Attributed to non-controlling interest	-	-	-	-	57,317	4,683	(2,876)	-	-	-	-	59,124
EBITDA	56,102	58,554	110,902	23,925	222,239	50,769	18,101	13,974	(55,603)	145,228	(122,485)	521,706

¹ Wind Farms, Copel Renováveis and Copel Participações