Companhia Paranaense de Energia

Corporate Taxpayer's ID (CNPJ/MF) 76.483.817/0001-20

State registration 10146326-50

Publicly-Held Company - CVM 1431-1

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QUARTERLY INFORMATION

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PARANÁ
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PARANÁ
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FINANCIAL STATEMENTS

Statements of Financial Position

as of June 30, 2018 and December 31, 2017

All amounts expressed in thousands of Brazilian reais

ASSETS	Note	Parent Company		Consolidated	
		06.30.2018	12.31.2017	06.30.2018	12.31.2017
CURRENT ASSETS					
Cash and cash equivalents	5	134,309	56,833	1,704,148	1,040,075
Bonds and securities	6	92	90	1,381	1,341
Collaterals and escrow accounts		129	129	42,200	59,372
Trade accounts receivable	7	-	-	2,624,021	2,733,240
Dividends receivable		431,475	459,464	68,253	80,815
CRC transferred to the State Government of Paraná	8	177,354	167,109	177,354	167,109
Sectorial financial assets	9	-	-	333,717	171,609
Accounts receivable related to the concession	10	-	-	149,996	149,744
Other current receivables	12	9,567	8,287	494,543	409,351
Inventories		-	-	111,321	110,559
Income tax and social contribution	13.1	44,001	14,055	190,292	501,685
Other current recoverable taxes	13.3	329	276	139,627	198,232
Prepaid expenses	14	-	-	35,453	39,867
Related parties	15	407,757	292,051	489	38,835
		1,205,013	**998,294**	**6,072,795**	**5,701,834**
NONCURRENT ASSETS					
Long Term Assets					
Bonds and securities	6	-	-	232,490	218,322
Other temporary investments	16	18,902	18,727	18,902	18,727
Collaterals and escrow accounts	23.1	-	-	87,046	75,665
Trade accounts receivable	7	-	-	203,234	261,082
CRC transferred to the State Government of Paraná	8	1,334,940	1,349,253	1,334,940	1,349,253
Judicial deposits	17	121,962	119,167	578,172	582,529
Sectorial financial assets	9	-	-	301,302	171,609
Accounts receivable related to the concession	10	-	-	4,559,943	4,360,378
Accounts receivable related to the concession compensation	11	-	-	72,893	68,859
Other noncurrent receivables	12	-	-	184,442	149,416
Income tax and social contribution	13.1	65,746	158,808	83,706	176,480
Deferred income tax and social contribution	13.2	135,177	102,236	986,286	915,492
Other noncurrent recoverable taxes	13.3	84,812	15	202,983	116,974
Prepaid expenses	14	36	-	6,830	12,684
Related parties	15	118,423	219,426	14,266	130,156
		1,879,998	**1,967,632**	**8,867,435**	**8,607,626**
Investments	18	**15,745,038**	**14,987,607**	**2,630,131**	**2,570,643**
Property, plant and equipment	19	**867**	**830**	**10,435,519**	**9,829,450**
Intangible assets	20	**1,717**	**1,603**	**6,474,120**	**6,452,824**
		17,627,620	**16,957,672**	**28,407,205**	**27,460,543**
TOTAL ASSETS		**18,832,633**	**17,955,966**	**34,480,000**	**33,162,377**

Notes are an integral part of this quarterly information

Statements of Financial Position

as of June 30, 2018 and December 31, 2017 (continued)

All amounts expressed in thousands of Brazilian reais

LIABILITIES	Note	Parent Company		Consolidated	
		06.30.2018	12.31.2017	06.30.2018	12.31.2017
CURRENT LIABILITIES					
Payroll, social charges and accruals	21	11,554	6,977	429,235	313,967
Related parties		470	3,936	-	-
Suppliers	22	2,827	2,096	1,672,888	1,683,577
Income tax and social contribution payable	13.1	4,475	2,467	182,462	86,310
Other taxes due	13.3	591	476	394,896	345,487
Loans and financing	23	119,834	322,092	1,768,983	784,666
Debentures	24	919,899	339,341	2,194,894	1,632,062
Dividend payable		266,022	267,988	278,742	288,981
Post-employment benefits	25	69	57	54,349	53,225
Customer charges due	26	-	-	115,062	150,025
Research and development and Energy efficiency	27	-	-	267,677	282,766
Accounts payable related to concession	28	-	-	65,493	62,624
Sectorial financial liabilities	9	-	-	-	192,819
Other accounts payable	29	172	249	186,564	121,405
Provisions for legal claims	30	113,260	112,000	113,260	112,000
		1,439,173	**1,057,679**	**7,724,505**	**6,109,914**
NONCURRENT LIABILITIES					
Suppliers	22	-	-	50,410	43,469
Deferred income tax and social contribution	13.2	-	-	144,722	156,630
Other taxes due	13.3	2,483	2,365	782,905	809,576
Loans and financing	23	772,029	664,020	2,393,951	2,974,839
Debentures	24	595,523	876,140	3,826,751	4,438,916
Post-employment benefits	25	4,227	3,995	833,200	812,878
Research and development and Energy efficiency	27	-	-	296,701	249,709
Accounts payable related to concession	28	-	-	512,302	492,330
Sectorial financial liabilities	9	-	-	93,583	90,700
Other accounts payable	29	509	830	104,340	72,849
Provisions for legal claims	30	147,538	143,095	1,535,780	1,400,064
		1,522,309	**1,690,445**	**10,574,645**	**11,541,960**
EQUITY					
Attributable to controlling shareholder's					
Capital	31.1	7,910,000	7,910,000	7,910,000	7,910,000
Equity valuation adjustments	31.2	857,999	895,601	857,999	895,601
Legal reserve		844,398	844,398	844,398	844,398
Profit retention reserve		5,557,843	5,557,843	5,557,843	5,557,843
Accumulated profit		700,911	-	700,911	-
		15,871,151	**15,207,842**	**15,871,151**	**15,207,842**
Attributable to non-controlling interest	18.2.2	**-**	**-**	**309,699**	**302,661**
		15,871,151	**15,207,842**	**16,180,850**	**15,510,503**
TOTAL LIABILITIES & EQUITY		**18,832,633**	**17,955,966**	**34,480,000**	**33,162,377**

Notes are an integral part of this quarterly information

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PARANÁ
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Statements of Income

for the six-month periods ended June 30, 2018 and 2017

All amounts expressed in thousands of Brazilian reais

	Note	Parent Company		Consolidated	
		06.30.2018	06.30.2017	06.30.2018	12.31.2017
NET OPERATING REVENUE	32	**-**	**-**	**6,954,511**	**6,470,240**
OPERATING COSTS	33	**-**	**-**	**(5,182,067)**	**(4,690,862)**
GROSS PROFIT		**-**	**-**	**1,772,444**	**1,779,378**
Operational expenses / income					
Selling expenses	33	-	-	(77,509)	(83,712)
General and administrative expenses	33	(39,379)	(37,058)	(370,319)	(315,823)
Other operational income (expenses)	33	21,933	9,488	(154,590)	(116,708)
Equity in earnings of investees	18	621,100	630,222	63,884	82,998
		603,654	**602,652**	**(538,534)**	**(433,245)**
PROFIT BEFORE FINANCIAL RESULTS AND TAXES		**603,654**	**602,652**	**1,233,910**	**1,346,133**
Financial results	34				
Financial income		199,722	72,505	460,378	298,816
Financial expenses		(94,056)	(165,163)	(634,956)	(717,078)
		105,666	**(92,658)**	**(174,578)**	**(418,262)**
OPERATING PROFIT		**709,320**	**509,994**	**1,059,332**	**927,871**
INCOME TAX AND SOCIAL CONTRIBUTION	13.4				
Current		(62,776)	-	(441,377)	(326,114)
Deferred		32,941	40,388	74,228	(33,506)
		(29,835)	**40,388**	**(367,149)**	**(359,620)**
NET INCOME		**679,485**	**550,382**	**692,183**	**568,251**
Attributed to controlling shareholders		-	-	679,485	550,382
Attributed to non-controlling interest	18.2.2	-	-	12,698	17,869
BASIC AND DILUTED NET EARNING PER SHARE ATTRIBUTED TO PARENT COMPANY SHAREHOLDERS - EXPRESSED IN BRAZILIAN REAIS	31.3				
Common shares		2.37153	1.92093		
Class "A" Preferred shares		2.60868	2.11302		
Class "B" Preferred shares		2.60868	2.11302		

Notes are an integral part of this quarterly information

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Statements of Income - Changes in the Second Quarter

for the quarters ended June 30, 2018 and 2017

All amounts expressed in thousands of Brazilian reais

	Note	Parent Company		Consolidated	
					Restated
		04.01.2018 to 06.30.2018	04.01.2017 to 06.30.2017	04.01.2018 to 06.30.2018	04.01.2017 to 06.30.2017
OPERATING REVENUES	32	**-**	**-**	**3,605,830**	**3,173,229**
COST OF SALES AND SERVICES PROVIDED	33	**-**	**-**	**(2,721,871)**	**(2,446,823)**
GROSS PROFIT		**-**	**-**	**883,959**	**726,406**
Operational expenses / income					
Selling expenses	33	-	-	(34,668)	(42,805)
General and administrative expenses	33	(15,102)	(22,108)	(171,951)	(164,105)
Other operational income (expenses)	33	(22,601)	11,135	(69,396)	(45,651)
Equity in earnings of investees		342,760	189,702	35,366	49,285
		305,057	**178,729**	**(240,649)**	**(203,276)**
PROFIT (LOSS) BEFORE FINANCIAL RESULTS AND TAXES		**305,057**	**178,729**	**643,310**	**523,130**
Financial results	34				
Financial income		91,331	30,643	254,983	135,229
Financial expenses		(47,051)	(95,523)	(359,894)	(397,470)
		44,280	**(64,880)**	**(104,911)**	**(262,241)**
PROFIT (LOSS) BEFORE INCOME TAX AND SOCIAL CONTRIBUTION		**349,337**	**113,849**	**538,399**	**260,889**
INCOME TAX AND SOCIAL CONTRIBUTION ON PROFIT	13.4				
Current		(41,202)	-	(195,770)	(133,002)
Deferred		39,072	26,191	9,974	23,094
		(2,130)	**26,191**	**(185,796)**	**(109,908)**
NET INCOME (LOSS)		**347,207**	**140,040**	**352,603**	**150,981**
Attributed to controlling shareholders		-	-	347,207	140,040
Attributed to non-controlling interest		-	-	5,396	10,941
BASIC AND DILUTED NET EARNING PER SHARE ATTRIBUTED TO PARENT COMPANY SHAREHOLDERS - IN REAIS	31.3				
Ordinary shares		1.21182	0.48876	-	-
Class "A" Preferred shares		1.33299	0.53764	-	-
Class "B" Preferred shares		1.33299	0.53764	-	-

Notes are an integral part of this quarterly information

Statements of Comprehensive Income

for the six-month periods ended June 30, 2018 and 2017

All amounts expressed in thousands of Brazilian reais

	Parent Company		Consolidated	
	06.30.2018	06.30.2017	06.30.2018	06.30.2017
NET INCOME	**679,485**	**550,382**	**692,183**	**568,251**
Other comprehensive income				
Items that may be reclassified to profit or loss				
Adjustments related to financial assets classified as available for sale	-	5,327	-	5,328
Taxes on other comprehensive income	-	(1,810)	-	(1,811)
Total comprehensive income, net of taxes	**-**	**3,517**	**-**	**3,517**
TOTAL COMPREHENSIVE INCOME	**679,485**	**553,899**	**692,183**	**571,768**
Attributed to controlling shareholders			679,485	553,899
Attributed to non-controlling interest			12,698	17,869

Notes are an integral part of this quarterly information

Statements of Comprehensive Income - Changes in the Second Quarter

for the quarters ended June 30, 2018 and 2017

All amounts expressed in thousands of Brazilian reais

	Parent Company		Consolidated	
	04.01.2018 to 06.30.2018	04.01.2017 to 06.30.2017	04.01.2018 to 06.30.2018	04.01.2017 to 06.30.2017
NET INCOME (LOSS)	**347,207**	**140,040**	**352,603**	**150,981**
Other comprehensive income				
Items that may be reclassified to profit or loss				
Adjustments related to financial assets classified as available for sale	-	(3,876)	-	(3,875)
Taxes on other comprehensive income	-	1,319	-	1,318
Total comprehensive income, net of taxes	**-**	**(2,557)**	**-**	**(2,557)**
TOTAL COMPREHENSIVE INCOME (LOSS)	**347,207**	**137,483**	**352,603**	**148,424**
Attributed to controlling shareholders			347,207	137,483
Attributed to non-controlling interest			5,396	10,941

Notes are an integral part of this quarterly information

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Statements of Changes in Equity

for the six-month periods ended June 30, 2018 and 2017

All amounts expressed in thousands of Brazilian reais

	Note	Attributable to Parent Company						Shareholders' equity	Attributable to non - controlling interests	Equity Consolidated
		Capital	Equity valuation adjustments		Profit reserves					
			Deemed cost	Other comprehensive income	Legal reserve	Profit retention reserve	Accumulated profit			
Balance as of January 1, 2018		**7,910,000**	**873,306**	**22,295**	**844,398**	**5,557,843**	**-**	**15,207,842**	**302,661**	**15,510,503**
Adjustments arising from the adoption of CPC 47/IFRS15 and CPC 48/IFRS9		-	-	(4,391)	-	-	(11,785)	(16,176)	-	(16,176)
Balance as of January 1, 2018 adjusted		**7,910,000**	**873,306**	**17,904**	**844,398**	**5,557,843**	**(11,785)**	**15,191,666**	**302,661**	**15,494,327**
Net Income		-	-	-	-	-	679,485	679,485	12,698	692,183
Total comprehensive income		**-**	**-**	**-**	**-**	**-**	**679,485**	**679,485**	**12,698**	**692,183**
Realization - deemed cost, net of taxes	31.2	-	(33,211)	-	-	-	33,211	-	-	-
Dividends		-	-	-	-	-	-	-	(5,660)	(5,660)
Balance as of June 30, 2018		**7,910,000**	**840,095**	**17,904**	**844,398**	**5,557,843**	**700,911**	**15,871,151**	**309,699**	**16,180,850**

	Attributable to Parent Company						Shareholders' equity	Attributable to non - controlling interests	Equity Consolidated
	Capital	Equity valuation adjustments		Profit reserves					
		Cost assigned	Other comprehensive income	Legal reserve	Profit retention reserve	Accumulated profit			
Balance as of January 1, 2017	**7,910,000**	**944,956**	**53,510**	**792,716**	**5,016,916**	**-**	**14,718,098**	**260,044**	**14,978,142**
Net Income	-	-	-	-	-	550,382	550,382	17,869	568,251
Other comprehensive income									
Gain on financial assets, net of taxes	-	-	3,517	-	-	-	3,517	-	3,517
Total comprehensive income	**-**	**-**	**3,517**	**-**	**-**	**550,382**	**553,899**	**17,869**	**571,768**
Realization - deemed cost, net of taxes	-	(36,513)	-	-	-	36,513	-	-	-
Deliberation of additional dividends proposed	-	-	-	-	-	-	-	(11,053)	(11,053)
Approval of additional dividends in accordance with the 62th Annual General Meeting	-	-	-	-	(223,266)	-	(223,266)	-	(223,266)
Balance as of June 30, 2017	**7,910,000**	**908,443**	**57,027**	**792,716**	**4,793,650**	**586,895**	**15,048,731**	**266,860**	**15,315,591**

Notes are an integral part of this quarterly information

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Statements of Cash Flows

for the six-month periods ended June 30, 2018 and 2017

All amounts expressed in thousands of Brazilian reais

	Note	Parent Company		Consolidated	
		06.30.2018	06.30.2017	06.30.2018	06.30.2017
CASH FLOWS FROM OPERATIONAL ACTIVITIES					
Net income		**679,485**	**550,382**	**692,183**	**568,251**
Adjustments to reconcile net income for the period with cash generated from operating activities					
Unrealized monetary and cambial variation and debt charges - net		(27,580)	103,564	372,857	500,371
Interest - bonus from the grant of concession agreements under the quota system	10.2	-	-	(47,853)	(42,359)
Gain on transmission concession agreement	10.3	-	-	(82,977)	(41,103)
Gain on remeasurement of the cash flow from the RBSE assets	10.4	-	-	(97,937)	(280,829)
Income tax and social contribution	13.4	62,776	-	441,377	326,114
Deferred income tax and social contribution	13.4	(32,941)	(40,388)	(74,228)	33,506
Equity in earnings of investees	18.1	(621,100)	(630,222)	(63,884)	(82,998)
Appropriation of acturial calculation of post-employment benefits	25.4	281	259	48,517	48,215
Appropriation of pension and healthcare contributions	25.4	2,399	1,217	82,915	72,939
Creation for research and development and energy efficiency programs	27.2	-	-	60,408	53,885
Recognition of fair value of assets related to concession compensation	32	-	-	(22,859)	(6,164)
Sectorial financial assets and liabilities result	32	-	-	(566,122)	80,184
Depreciation and amortization	33	609	598	367,164	367,194
Net operating estimated losses, provisions and reversals	33.4	3,005	3,039	215,685	197,225
Impairment of accounts receivable related to concession	10	-	-	1,485	16
Loss on disposal of property, plant and equipment	19.2	-	-	4,973	3,168
Loss on disposal of intangible assets		-	-	23,918	19,043
		66,934	**(11,551)**	**1,355,622**	**1,816,658**
Decrease (increase) in assets					
Trade accounts receivable		-	-	306,477	(135,773)
Dividends and interest on own capital received		46,335	467,789	17,701	34,176
CRC transferred to the Government of the State of Paraná	8.1	130,059	49,013	130,059	49,013
Judicial deposits		(3,047)	15,097	8,686	75,902
Other receivables		(1,280)	(5)	(113,729)	(144,336)
Inventories		-	-	(762)	9,751
Income tax and social contribution		64,326	(8,044)	405,377	(56,573)
Other current taxes recoverable		(84,850)	(70)	(28,468)	2,542
Prepaid expenses		(36)	-	10,268	8,713
Related parties		6,646	135	-	-
		158,153	**523,915**	**735,609**	**(156,585)**
Increase (decrease) in liabilities					
Payroll, social charges and accruals		4,577	2,937	115,268	5,114
Related parties		(3,466)	5	-	-
Suppliers		731	1,450	(88,754)	226,497
Other taxes		233	46	27,671	(1,579)
Post-employment benefits	25.4	(2,436)	(1,308)	(109,986)	(96,752)
Customer charges due		-	-	(34,963)	2,227
Research and development and energy efficiency	27.2	-	-	(40,706)	(61,299)
Payable related to the concession	28.1	-	-	(32,581)	(32,960)
Sectorial financial liabilities	9.2	-	-	80,652	118,246
Other accounts payable		(398)	(15)	96,650	(88,061)
Provisions for legal claims	30.1.1	(8)	-	(65,597)	(51,292)
		(767)	**3,115**	**(52,346)**	**20,141**
CASH GENERATED FROM OPERATING ACTIVITIES		**224,320**	**515,479**	**2,038,885**	**1,680,214**
Income tax and social contribution paid		(60,768)	-	(345,225)	(185,986)
Loans and financing - interest due and paid	23.4	(67,060)	(67,042)	(157,799)	(175,304)
Debentures - interest due and paid	24.2	(29,797)	(70,669)	(205,779)	(283,144)
NET CASH GENERATED FROM OPERATING ACTIVITIES		**66,695**	**377,768**	**1,330,082**	**1,035,780**

(continued)

Statements of Cash Flows

for the six-month-periods ended June 30, 2018 and 2017 (continued)

All amounts expressed in thousands of Brazilian reais

	Note	Parent Company		Consolidated	
		06.30.2018	06.30.2017	06.30.2018	06.30.2017
CASH FLOWS FROM INVESTMENT ACTIVITIES					
Financial investments		(177)	58	(8,592)	(8,280)
Loans and financing granted to related parties		(158,365)	(12,145)	-	(5,145)
Receipt of loans and financing granted to related parties		116,978	8,792	116,849	12,493
Additions in investments	18.1	(135,190)	(121,582)	-	(176,841)
Capital reduction of investees.	18.1	-	170,000	35,280	73,361
Additions to property, plant and equipment		(85)	(199)	(840,768)	(564,075)
Additions to intangible assets		(114)	(441)	(288,835)	(348,077)
Customers contributions - intangible assets		-	-	52,245	53,056
NET CASH (USED IN) GENERATED FROM INVESTING ACTIVITIES		**(176,953)**	**44,483**	**(933,821)**	**(963,508)**
CASH FLOWS FROM FINANCING ACTIVITIES					
Loans and financing obtained from third parties	23.4	-	77,000	630,000	691,378
Issue of Debentures	24.2	600,000	520,000	600,000	522,521
Payments of principal - loans and financing	23.4	(77,000)	(77,000)	(237,131)	(275,178)
Payments of principal - debentures	24.2	(333,300)	(333,300)	(709,158)	(371,238)
Dividends and interest on own capital paid		(1,966)	(182,567)	(15,899)	(197,880)
NET CASH GENERATED FROM FINANCING ACTIVITIES		**187,734**	**4,133**	**267,812**	**369,603**
TOTAL EFFECTS ON CASH AND CASH EQUIVALENTS		**77,476**	**426,384**	**664,073**	**441,875**
Cash and cash equivalents at the beginning of the period	5	56,833	46,096	1,040,075	982,073
Cash and cash equivalents at the end of the period	5	134,309	472,480	1,704,148	1,423,948
CHANGE IN CASH AND CASH EQUIVALENTS		**77,476**	**426,384**	**664,073**	**441,875**

Notes are an integral part of this quarterly information

COPEL
Companhia Paranaense de Energia

PARANÁ
GOVERNO DO ESTADO

Statements of Added Value

for the six-month periods ended June 30, 2018 and 2017

All amounts expressed in thousands of Brazilian reais

ADDED VALUE TO DISTRIBUTE	Parent Company		Consolidated	
	06.30.2018	06.30.2017	06.30.2018	06.30.2017
Income				
Sale of energy, services and other income	-	-	9,743,302	9,611,125
Construction income	-	-	804,273	663,175
Fair value of indemnifiable concession assets	-	-	22,859	5,445
Sectorial financial assets and liabilities result	-	-	566,122	(80,184)
Other income	25,304	23	110,616	2,779
Expected credit losses	-	-	(43,684)	(50,489)
	25,304	**23**	**11,203,488**	**10,151,851**
(-) Supplies acquired from third parties				
Energy purchased for resale	-	-	2,865,082	2,590,369
Charges for use of the main transmission grid (-) ESS and ERR	-	-	638,002	339,279
Materials, supplies and third parties services	9,346	8,301	342,329	306,109
Natural gas and supplies for gas operations	-	-	202,444	124,037
Construction costs	-	-	737,801	692,705
Loss / Recovery of assets	-	-	59,553	32,825
Impairment	-	-	(15,106)	61,011
Other supplies	19,586	9,749	219,949	126,127
	28,932	**18,050**	**5,050,054**	**4,272,462**
(=) GROSS ADDED VALUE	**(3,628)**	**(18,027)**	**6,153,434**	**5,879,389**
(-) Depreciation and amortization	**609**	**598**	**367,164**	**367,194**
(=) NET ADDED VALUE	**(4,237)**	**(18,625)**	**5,786,270**	**5,512,195**
(+) Transferred added value				
Results from investment interests	621,100	630,222	63,884	82,998
Financial income	199,722	72,505	460,378	298,816
Other Income	195	13,066	59,001	68,765
	821,017	**715,793**	**583,263**	**450,579**
	816,780	**697,168**	**6,369,533**	**5,962,774**

(continued)

Statements of Added Value

for the six-month-periods ended June 30, 2018 and 2017 (continued)

All amounts expressed in thousands of Brazilian reais

DISTRIBUTION OF ADDED VALUE	Parent Company				Consolidated			
	06.30.2018	%	06.30.2017	%	06.30.2018	%	06.30.2017	%
Personnel								
Remuneration and fees	4,691		12,002		422,660		439,201	
Private pension and health plans	1,111		1,880		130,532		128,348	
Meal and education assistance	540		499		62,556		63,889	
Social security charges - FGTS	364		854		34,147		35,261	
Labor indemnities (reversals)	4,403		2,450		92,462		20,568	
Profit sharing	389		309		42,930		37,264	
Transfers to property, plant and equipment in progress	-		-		(15,431)		(16,687)	
	11,498	**1.4**	**17,994**	**2.6**	**769,856**	**12.1**	**707,844**	**11.9**
Government								
Federal								
Tax	31,753		(34,707)		1,155,216		1,134,787	
Sectorial charges	-		-		1,174,944		971,814	
State	3		3		1,949,106		1,838,233	
Municipal	56		87		4,949		3,975	
	31,812	**3.9**	**(34,617)**	**(5.0)**	**4,284,215**	**67.3**	**3,948,809**	**66.2**
Third Parties								
Interest	93,329		162,566		600,266		715,645	
Leasing and rent	656		843		19,531		19,377	
Donations, subsidies and contributions	-		-		3,482		2,848	
	93,985	**11.5**	**163,409**	**23.4**	**623,279**	**9.8**	**737,870**	**12.4**
Shareholders								
Retained profits	679,485		550,382		679,485		550,382	
Non controlling interests	-		-		12,698		17,869	
	679,485	**83.2**	**550,382**	**79.0**	**692,183**	**10.8**	**568,251**	**9.5**
	816,780	**100.0**	**697,168**	**100.0**	**6,369,533**	**100.0**	**5,962,774**	**100.0**

Notes are an integral part of this quarterly information

NOTES TO THE FINANCIAL STATEMENTS

for the six-month period ended June 30, 2018

All amounts expressed in thousands of Brazilian reais

1 Operations

Companhia Paranaense de Energia (Copel, Company or Parent Company), with its headquarters at Rua Coronel Dulcídio, 800, Curitiba - State of Paraná, is a publicly-held mixed capital company controlled by the State of Paraná and its shares are traded on Corporate Governance Level 1 of the Special Segments Listing of B3 S.A. - Brasil, Bolsa Balcão and also on the New York Stock Exchange (NYSE) and on the Madrid Stock Exchange in the Latin American segment (Latibex).

The core activities of Copel and its subsidiaries, regulated by the Brazilian Electricity Regulatory Agency (ANEEL), linked to the Ministry of Mines and Energy (MME), is to research, study, plan, build and explore the production, transformation, distribution and trading of energy in any of its forms, primarily electricity. Furthermore, Copel participates in consortiums and in private sector and mixed-capital companies for the purpose of engaging in activities, primarily in the fields of energy, telecommunications, and natural gas.

1.1 Copel's equity interests

Copel has direct and indirect interests in subsidiaries (1.1.1), joint ventures (1.1.2), associates (1.1.3) and joint operations (1.1.4).

1.1.1 Subsidiaries

Subsidiaries	Headquarters	Main activity	Interest	
			%	Investor
Copel Geração e Transmissão S.A. (Copel GeT)	Curitiba/PR	Production and transmission of electricity	100.0	Copel
Copel Distribuição S.A. (Copel DIS)	Curitiba/PR	Distribution and marketing of electricity	100.0	Copel
Copel Telecomunicações S.A. (Copel TEL)	Curitiba/PR	Telecommunication and communication	100.0	Copel
Copel Renováveis S.A. (Copel REN) (a)	Curitiba/PR	Control and management of interests	100.0	Copel
Copel Comercialização S.A. (Copel Energia)	Curitiba/PR	Commercialization of electricity	100.0	Copel
Companhia Paranaense de Gás - Compagás	Curitiba/PR	Distribution of pipeline gas	51.0	Copel
Elejor - Centrais Elétricas do Rio Jordão S.A.	Curitiba/PR	Production of electricity	70.0	Copel
UEG Araucária Ltda. (UEG)	Curitiba/PR	Production of electricity from natural gas	20.0	Copel
			60.0	Copel GeT
São Bento Energia, Investimentos e Participações S.A. (São Bento)	Curitiba/PR	Control and management of interests	100.0	Copel GeT
Nova Asa Branca I Energias Renováveis S.A.	S. Miguel do Gostoso/RN	Production of electricity from w ind sources	100.0	Copel GeT
Nova Asa Branca II Energias Renováveis S.A.	Parazinho/RN	Production of electricity from w ind sources	100.0	Copel GeT
Nova Asa Branca III Energias Renováveis S.A.	Parazinho/RN	Production of electricity from w ind sources	100.0	Copel GeT
Nova Eurus IV Energias Renováveis S.A.	Touros/RN	Production of electricity from w ind sources	100.0	Copel GeT
Santa Maria Energias Renováveis S.A.	Maracanaú/CE	Production of electricity from w ind sources	100.0	Copel GeT
Santa Helena Energias Renováveis S.A.	Maracanaú/CE	Production of electricity from w ind sources	100.0	Copel GeT
Ventos de Santo Uriel S.A.	João Câmara/RN	Production of electricity from w ind sources	100.0	Copel GeT
Cutia Empreendimentos Eólicos S.A. (Cutia)	Curitiba/PR	Control and management of interests	100.0	Copel GeT
GE Olho D'Água S.A.	São Bento do Norte/RN	Production of electricity from w ind sources	100.0	São Bento
GE Boa Vista S.A.	São Bento do Norte/RN	Production of electricity from w ind sources	100.0	São Bento
GE Farol S.A.	São Bento do Norte/RN	Production of electricity from w ind sources	100.0	São Bento
GE São Bento do Norte S.A.	São Bento do Norte/RN	Production of electricity from w ind sources	100.0	São Bento
Central Geradora Eólica São Bento do Norte I S.A. (b)	São Bento do Norte/RN	Production of electricity from w ind sources	100.0	Cutia
Central Geradora Eólica São Bento do Norte II S.A. (b)	São Bento do Norte/RN	Production of electricity from w ind sources	100.0	Cutia
Central Geradora Eólica São Bento do Norte III S.A. (b)	São Bento do Norte/RN	Production of electricity from w ind sources	100.0	Cutia
Central Geradora Eólica São Miguel I S.A. (b)	São Bento do Norte/RN	Production of electricity from w ind sources	100.0	Cutia
Central Geradora Eólica São Miguel II S.A. (b)	São Bento do Norte/RN	Production of electricity from w ind sources	100.0	Cutia
Central Geradora Eólica São Miguel III S.A. (b)	São Bento do Norte/RN	Production of electricity from w ind sources	100.0	Cutia
Usina de Energia Eólica Guajiru S.A. (b)	São Bento do Norte/RN	Production of electricity from w ind sources	100.0	Cutia
Usina de Energia Eólica Jangada S.A. (b)	São Bento do Norte/RN	Production of electricity from w ind sources	100.0	Cutia
Usina de Energia Eólica Potiguar S.A. (b)	São Bento do Norte/RN	Production of electricity from w ind sources	100.0	Cutia
Usina de Energia Eólica Cutia S.A. (b)	São Bento do Norte/RN	Production of electricity from w ind sources	100.0	Cutia
Usina de Energia Eólica Maria Helena S.A. (b)	São Bento do Norte/RN	Production of electricity from w ind sources	100.0	Cutia
Usina de Energia Eólica Esperança do Nordeste S.A.(b)	São Bento do Norte/RN	Production of electricity from w ind sources	100.0	Cutia
Usina de Energia Eólica Paraíso dos Ventos do Nordeste S.A. (b)	São Bento do Norte/RN	Production of electricity from w ind sources	100.0	Cutia

(a) Company management is assessing w hether a business purpose change or a closure and transfer of assets to the shareholder is required.
(b) Pre-operating stage.

1.1.2 Joint ventures

Joint ventures	Headquarters	Main activity	Interest	
			%	Investor
Voltalia São Miguel do Gostoso I Participações S.A.	São Paulo/SP	Interests in companies	49.0	Copel
Paraná Gás Exploração e Produção S.A. (a)	Curitiba/PR	Exploration of natural gas	30.0	Copel
Costa Oeste Transmissora de Energia S.A.	Curitiba/PR	Transmission of electricity	51.0	Copel GeT
Marumbi Transmissora de Energia S.A.	Curitiba/PR	Transmission of electricity	80.0	Copel GeT
Transmissora Sul Brasileira de Energia S.A.	Florianópolis/SC	Transmission of electricity	20.0	Copel GeT
Caiuá Transmissora de Energia S.A.	Rio de Janeiro/RJ	Transmission of electricity	49.0	Copel GeT
Integração Maranhense Transmissora de Energia S.A.	Rio de Janeiro/RJ	Transmission of electricity	49.0	Copel GeT
Matrinchã Transmissora de Energia (TP NORTE) S.A.	Rio de Janeiro/RJ	Transmission of electricity	49.0	Copel GeT
Guaraciaba Transmissora de Energia (TP SUL) S.A.	Rio de Janeiro/RJ	Transmission of electricity	49.0	Copel GeT
Paranaíba Transmissora de Energia S.A.	Rio de Janeiro/RJ	Transmission of electricity	24.5	Copel GeT
Mata de Santa Genebra Transmissão S.A. (b)	Rio de Janeiro/RJ	Transmission of electricity	50.1	Copel GeT
Cantareira Transmissora de Energia S.A.	Rio de Janeiro/RJ	Transmission of electricity	49.0	Copel GeT

(a) Project activities came to a halt in connection w ith a Public Class Action. Consortium members have requested the National Oil Agency (ANP) a release from contractual obligations w ithout encumbrances to bidders, and eventual return of sign-up bonus, reimbursement of costs incurred and release from guarantees given.
(b) Pre-operating stage.

1.1.3 Associates

Associated companies	Headquarters	Main activity	Interest	
			%	Investor
Dona Francisca Energética S.A.	Agudo/RS	Production of electricity	23.0303	Copel
Foz do Chopim Energética Ltda. (a)	Curitiba/PR	Production of electricity	35.77	Copel GeT
Carbocampel S.A.	Figueira/PR	Coal exploration	49.0	Copel
Dois Saltos Empreendimentos de Geração de Energia Elétrica Ltda. (b)	Curitiba/PR	Production of electricity	30.0	Copel
Copel Amec S/C Ltda. - em liquidação	Curitiba/PR	Services	48.0	Copel
Sercomtel S.A. Telecomunicações (c)	Londrina/PR	Telecommunications	45.0	Copel
Dominó Holdings Ltda.	Curitiba/PR	Interests in companies	49.0	Copel Energia
GBX Tietê II Empreendimentos Participações S.A. (b)	São Paulo/SP	Incorporation of real estate projects	19.31	UEG

(a) In February 2018, the associated Foz do Chopim Energética Ltda. was transfer from Copel to Copel GeT, through an increase in the capital stock.
(b) Pre-operating stage.
(c) Investment reduced to zero due to the impairment tests.

1.1.4 Joint operations (consortiums)

Joint operations	Interest (%) Copel GeT	Other consortium members
Hydroelectric Power Plant Gov. Jayme Canet Júnior (Mauá)	51.0	Eletrosul Centrais Elétricas S.A. (49%)
Hydroelectric Power Plant Baixo Iguaçu (Note 19.5.1) (a)	30.0	Geração Céu Azul S.A (subsidiarie of Neoenergia S.A.) (70%)

(a) Pre-operating stage.

2 Concessions and Authorizations

2.1 Concessions contracts or authorizations obtained by Copel

Copel		Interest %	Maturity
Concession agreement / authorization of the equity			
Copel DIS	Contract 046/1999, extended by 5th addendum to the contratct	100	07.07.2045
Copel TEL	Authorization Term 54/2003 - Anatel/SVP/PVST	100	Indeterminate
	Authorization Term 305/2012 - Anatel/SVP/PVST	100	Indeterminate
Elejor	Contract 125/2001 - HPP Fundão and Santa Clara	70	05.28.2037
	Authorization - SHP Fundão I and SHP Santa Clara I - 753/2002 and 757	70	12.18.2032
Dona Francisca Energética	Contract 188/1998 - HPP Dona Francisca	23	08.27.2033
UEG Araucária	Authorization 351/1999 - TPP Araucária (60% Copel GET)	20	12.22.2029
Compagás (2.1.1)	Concession gas distribution contract	51	01.20.2019
Dois Saltos (a)	Authorization 5,204/2015	30	04.22.2045
Paraná Gás (1.1.2 - a)	PART-T-300_R12 4861-.0000.99/2014-00 - ANP	30	05.15.2045
Usina de Energia Eólica São João S.A. (b)	MME Ordinance 173 /2012 - WPP São João	49	03.25.2047
Usina de Energia Eólica Carnaúba S.A. (b)	MME Ordinance 204 /2012 - WPP Carnaúbas	49	04.08.2047
Usina de Energia Eólica Reduto S.A. (b)	MME Ordinance 230 /2012 - WPP Reduto	49	04.15.2047
Usina de Energia Eólica Santo Cristo S.A. (b)	MME Ordinance 233/2012 - WPP Santo Cristo	49	04.17.2047

(a) Building under construction.
(b) Subsidiaries of Voltalia São Miguel do Gostoso I Participações S.A.

Hydroelectric Power Plant - HPP
Small Hydroelectric Plant - SHP
Thermal Power Plant - TPP
Wind Power Plant - WPP

2.1.1 Compagás

Compagás is a party to a concession agreement entered into with the Concession Grantor, the State of Paraná, setting July 6, 2024 as the expiry date of the concession.

On December 7, 2017, the State of Paraná published Supplementary Law 205, introducing a new interpretation of the expiry of the concession, understanding that expiry will be on January 1, 2019.

The management board of Compagás, its Parent company and other shareholders are looking into and challenging the effects of the aforesaid law, understanding that they conflict with the provisions of the concession agreement currently in force. However, as by the end of issuance of this quarterly information such discussion had not yet been closed and that law continues in force, the effects on the quarterly information for 6/30/2018 had to be taken into consideration.

Management will continue to make its best efforts to protect the Company interests, aiming to appropriately settle the impacts of the new interpretation given by the Concession Grantor and find alternatives necessary to maintain the concession in a sustainable manner.

The impacts on Compagás financial statements for 6/30/2018 by accelerating the expiry of the concession are as follows:

06.30.2018	End of concession in 2024	Adjustments	End of concession in 2019
STATEMENTS OF FINANCIAL POSITION			
Noncurrent assets			
Accounts receivable related to the concession	116,529	199,369	315,898
Intangible assets	186,663	(152,973)	33,690
STATEMENTS OF INCOME			
Net operating revenue			
Fair value of assets from the indemnity for the concession	5,056	2,546	7,602
Operating Costs			
Amortization	(14,579)	2,771	(11,808)

2.2 Concession contracts or authorizations obtained by Copel GeT and is investees

Copel GeT		Interest %	Maturity
ONEROUS CONCESSION BY THE USE OF PUBLIC PROPERTY - UBP			
Generation Concession 001/2007 - HPP Gov. Jayme Canet Júnior (Mauá)		51	07.02.2042
Generation concession 001/2011 - HPP Colíder (a)		100	01.16.2046
Ordinance 133/2011 - SHP Cavernoso II		100	02.27.2046
Generation Concession 002/2012 - HPP Baixo Iguaçu (a)		30	09.13.2049
Generation Concession 007/2013			
HPP Apucaraninha		100	10.12.2025
HPP Chaminé		100	08.16.2026
HPP Derivação do Rio Jordão		100	11.15.2029
HPP Cavernoso		100	01.07.2031
PUBLIC SERVICE CONCESSIONS			
Generation concession 045/1999			
TPP Figueira		100	03.26.2019
HPP Gov. Bento Munhoz da Rocha Neto (Foz do Areia)		100	09.17.2023
HPP São Jorge		100	12.03.2024
HPP Guaricana		100	08.16.2026
HPP Gov. Ney Aminthas de Barros Braga (Segredo)		100	11.15.2029
HPP Gov. José Richa (Salto Caxias)		100	05.04.2030
Authorization 278/1999 - WPP Palmas		100	09.28.2029
Dispatch 182/2002 - Hydroeletric Generating Plant - HGP Melissa, HGP Pitangui and HGP Salto do Vau (only register with ANEEL)		100	-
Generation concession 002/2016 - HPP Gov. Pedro Viriato Parigot de Souza (GPS)		100	01.05.2046
HPP Marumbi - Power generating plant registration: CGH. PH. PR. 001501-6.02		100	-
Authorization Aneel 5,373/2015 - HGP Chopim I (only register with ANEEL)		100	-
Concession agreement / authorization of the equity			
UEG Araucária	Authorization 351/1999 - TPP Araucária (20% - Copel)	60	12.22.2029
Nova Asa Branca I	MME Ordinance 267/2011 - WPP Asa Branca I	100	04.24.2046
Nova Asa Branca II	MME Ordinance 333/2011 - WPP Asa Branca II	100	05.30.2046
Nova Asa Branca III	MME Ordinance 334/2011 - WPP Asa Branca III	100	05.30.2046
Nova Eurus IV	MME Ordinance 273/2011 -WPP Eurus IV	100	04.26.2046
Santa Maria	MME Ordinance 274/2012 - WPP SM	100	05.07.2047
Santa Helena	MME Ordinance 207/2012 - WPP Santa Helena	100	04.08.2047
Ventos de Santo Uriel	MME Ordinance 201/2012 - WPP Santo Uriel	100	04.08.2047
GE Boa Vista	MME Ordinance 276 /2011 - WPP Dreen Boa Vista	100	04.27.2046
GE Farol	MME Ordinance 263 /2011 - WPP Farol	100	04.19.2046
GE Olho D'Água	MME Ordinance 343 /2011 - WPP Dreen Olho D'Água	100	05.31.2046
GE São Bento do Norte	MME Ordinance 310 /2011 - WPP Dreen São Bento do Norte	100	05.18.2046
Esperança do Nordeste	MME Ordinance 183/2015 - WPP Esperança do Nordeste (a)	100	05.10.2050
Paraíso dos Ventos do Nordeste	MME Ordinance 182/2015 - WPP Paraíso dos Ventos do Nordeste (a)	100	05.10.2050
Usina de Energia Eólica Jangada	Resolution 3,257/2011 - WPP GE Jangada (a)	100	01.04.2042
Maria Helena	Resolution 3,259/2011 - WPP GE Maria Helena (a)	100	01.04.2042
Usina de Energia Eólica Potiguar	MME Ordinance 179/2015 - WPP Potiguar (a)	100	05.10.2050
Usina de Energia Eólica Guajiru	Resolution 3,256/2011 - WPP Dreen Guajiru (a)	100	01.04.2042
Usina de Energia Eólica Cutia	Resolution 3,258/2011 - WPP Dreen Cutia (a)	100	01.04.2042
São Bento do Norte I	Ordinance 349/2015 - WPP São Bento do Norte I (a)	100	08.03.2050
São Bento do Norte II	Ordinance 348/2015 - WPP São Bento do Norte II (a)	100	08.03.2050
São Bento do Norte III	Ordinance 347/2015 - WPP São Bento do Norte III (a)	100	08.03.2050
São Miguel I	Ordinance 352/2015 - WPP São Miguel I (a)	100	08.03.2050
São Miguel II	Ordinance 351/2015 - WPP São Miguel II (a)	100	08.03.2050
São Miguel III	Ordinance 350/2015 - WPP São Miguel III (a)	100	08.03.2050
Foz do Chopim	Authorization 114/2000 - SHP Arturo Andreoli	35.77	04.23.2030

(a) Building under construction.

Copel GeT		Interest %	Maturity
Transmission lines and substations concession agreements			
Contract 060/2001 (extended by 3rd addendum to the contratct) - Transmission facilities – several joint ventures		100	12.31.2042
Contract 075/2001 - Transmission line Bateias - Jaguariaíva		100	08.16.2031
Contract 006/2008 - Transmission line Bateias - Pilarzinho		100	03.16.2038
Contract 027/2009 - Transmission line Foz do Iguaçu - Cascavel Oeste		100	11.18.2039
Contract 010/2010 - Transmission line Araraquara II - Taubaté		100	10.05.2040
Contract 015/2010 - Substation Cerquilho III		100	10.05.2040
Contract 022/2012 - Transmission line - Foz do Chopim - Salto Osório C2; Transmission line 230 kV Londrina - Figueira		100	08.26.2042
Contract 002/2013 - Transmission line - Assis - Paraguaçu Paulista II; Substation 230/88 kV Paraguaçu Paulista II		100	02.24.2043
Contract 005/2014 - Transmission line - Bateias - Curitiba Norte; Substation 230/138 kV Curitiba Norte		100	01.28.2044
Contract 021/2014 - Transmission line Foz do Chopim - Realeza; Substation Realeza 230/138 kV - Pátio novo 230 kV		100	09.04.2044
Contract 022/2014 - Transmission line Assis - Londrina		100	09.04.2044
Contract 006/2016 - Transmission line 525kV Curitiba Leste - Blumenau C1 (a)		100	04.06.2046
Contract 006/2016 - Transmission line 230 kV Uberaba - Curitiba Centro C1 e C2 (Underground) (a) - Substation 230/138 kV Curitiba Centro (SF6) - 230/138 kV - 2 x ATF 150 MVA (a) - Substation 230/138 kV Medianeira (Pátio novo 230 kV) - 2 x 150 MVA (a) - Transmission line 230 kV Baixo Iguaçu - Realeza (a) - Substation 230/138 kV Andirá Leste - 2 x ATR 150 MVA (a)			
Concession agreement / authorization of the equity			
Costa Oeste Transmissora	Contract 001/2012 - Transmission line Cascavel Oeste - Umuarama; Substation Umuarama 230/20138 kV	51	01.11.2042
Transmissora Sul Brasileira	Contract 004/2012 - Transmission line Nova Santa Rita - Camaquã 3; Transmission line 230 kV Camaquã 3 - Quinta; Transmission line 525 kV Salto Santiago - Itá; Transmission line 525 kV Itá - Nova Santa Rita; Substation Camaquã 3 230/69/2013,8 kV	20	05.09.2042
Caiuá Transmissora	Contract 007/2012 - Transmission line Umuarama - Guaíra; Transmission line 230 kV Cascavel Oeste - Cascavel Norte; Substation Santa Quitéria 230/69-13,8 kV; Substation Cascavel Norte 230/20138-13,8 kV	49	05.09.2042
Marumbi Transmissora	Contract 008/2012 - Transmission line Curitiba - Curitiba Leste; Substation Curitiba Leste 525/230 kV	80	05.09.2042
Integração Maranhense	Contract 011/2012 - Transmission line Açailândia - Miranda II	49	05.09.2042
Matrinchã Transmissora	Contract 012/2012 - Transmission line Paranaíta - Ribeirãozinho; Transmission line 500 kV Paranaíta - Cláudia; Substation Cláudia 500 kV; Transmission line 500 kV Cláudia - Paranatinga; Substation Paranatinga 500 kV; Transmission line 500 kV Paranatinga - Ribeirãozinho	49	05.09.2042
Guaraciaba Transmissora	Contract 013/2012 - Transmission line Ribeirãozinho - Marimbondo II; Transmission line 500 kV Ribeirãozinho - Rio Verde Norte; Transmission line 500 Rio Verde Norte - Marimbondo II; Sectioning of Transmission lines 500 kV Marimbondo - Araraquara, at Substation Marimbondo II; Substation Marimbondo II 500 kV	49	05.09.2042
Paranaíba Transmissora	Contract 007/2013 - Transmission line - T 500 kV Barreiras II - Rio das Éguas; Transmission line 500 kV Rio das Éguas - Luziânia; Transmission line 500 kV Luziânia - Pirapora 2	24.5	05.01.2043
Mata de Santa Genebra	Contract 001/2014 - Transmission line - Itatiba - Bateias (a); Transmission line 500 kV Itatiba - Bateias (a); Transmission line 500 kV Araraquara 2 - Itatiba (a); Transmission line 500 kV Araraquara 2 - Fernão Dias (a); Substation Santa Bárbara D'Oeste 440 kV (a); Substation Itatiba 500 kV (a); Substation 500/440 kV Fernão Dias (a)	50.1	05.13.2044
Cantareira Transmissora	Contract 019/2014 - Transmission line - Estreito - Fernão Dias	49	09.04.2044

(a) Buildings under construction.

3 Basis of Preparation

3.1 Statement of compliance

The quarterly information is being presented considering the provisions of CPC 21 (R1) and IAS 34 – Interim Financial Reporting. Consequently, certain information contained in the notes to the financial statements for the year ended 12/31/2017, and which was not subject to modifications in the first half of 2018, is not being presented. Therefore, this quarterly information should be read together with the financial statements as at 12/31/2017, available on the websites of the Brazilian Securities and Exchange Commission - CVM and Copel.

Company's management believes that all the relevant information used in its management is evidenced in the individual and consolidated quarterly information.

The issuance of the individual and consolidated quarterly information was approved by Management on 8/14/2018.

3.2 Functional and presentation currency

The individual and consolidated quarterly information is presented in Brazilian Reais, which is the functional currency of the Company. The financial information has been rounded to the nearest thousand, unless otherwise indicated.

3.3 Basis of measurement

The quarterly information was prepared based on the historical cost, except for certain financial instruments measured at fair value and investments.

3.4 Use of estimates and judgments

In the preparation of this quarterly information, Management used judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses of the Company and its subsidiaries. Actual results may differ from those estimates.

Estimates and assumptions are reviewed on a continuous basis. Reviews of estimates are recognized in the period in which it is revised (prospective basis).

The information on the use of estimates and judgments involving the application of the accounting policies adopted that has effects on the amounts recognized in the quarterly information is the same as that disclosed in Note 3.4 to the financial statements as of 12/31/2017.

4 Significant Accounting Policies

The Company's accounting policies are consistent with those presented in Note 4 to the financial statements for the year ended December 31, 2017, except for the policies disclosed in item 4.1.

4.1 Standards applicable to the Company beginning on January 1, 2018

4.1.1 CPC 48/IFRS 9 - Financial Instruments

This standard establishes three categories for classification and measurement of financial assets and liabilities: (i) measured at fair value through profit or loss; (ii) measured at amortized cost, based on the business model within which they are held and the characteristics of their contractual cash flows; and (iii) measured at fair value through other comprehensive income.

The Company and its subsidiaries adopted CPC 48/IFRS 9 using the exemption set forth in item 7.2.15 which allows them not to restate prior period's comparative information due to the changes in classification and measurement of financial instruments. The differences in the balances of financial assets and liabilities arising from the initial adoption of CPC 48/IFRS 9 were recognized in retained earnings.

Impairment

In relation to the impairment of financial assets, IFRS 9 / CPC 48 requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized.

CPC 48/IFRS 9 requires the Company's management to carry out an assessment in light of twelve months or throughout the life of the financial asset and record the effects in case of indication of expected credit losses on financial assets.

The Company and its subsidiaries applied the simplified approach according to which expected losses are recognized throughout the life of financial assets of trade accounts receivable.

Effects on initial application

The new requirements of CPC 48/IFRS had the following impacts on the classification of financial assets, as shown below:

Financial instrument	Classification as CPC 38/IAS 39	New classification (CPC 48/IFRS 9)
Bonds and securities	Available for sale	Fair value through profit or loss
Collaterals and escrow accounts	Loans and receivables	Amortized cost
Trade accounts receivable	Loans and receivables	Amortized cost
CRC transferred to the State Government of Paraná	Loans and receivables	Amortized cost
Sectorial financial assets	Loans and receivables	Amortized cost
Accounts receivable related to the concession - transmission (amortizable)	Loans and receivables	Amortized cost
Accounts receivable related to the concession - transmission (indemnable)	Loans and receivables	Fair value through profit or loss
Accounts receivable related to the concession - bonus from the grant	Loans and receivables	Amortized cost
Accounts receivable related to the concession - distribution	Available for sale	Fair value through profit or loss
Accounts receivable related to the concession compensation	Available for sale	Fair value through profit or loss
State of Paraná - Government Programs	Loans and receivables	Amortized cost
Other temporary investments	Available for sale	Fair value through profit or loss

The effects on the Company's statement of financial position are presented in the table below:

	Parent Company			Consolidated		
	12.31.2017	Effects of applying CPC 48/IFRS 9	01.01.2018	12.31.2017	Effects of applying CPC 48/IFRS 9	01.01.2018
STATEMENTS OF FINANCIAL POSITION						
Assets	**17,955,966**	**(14,496)**	**17,941,470**	**33,162,377**	**(14,496)**	**33,147,881**
Current assets	998,294	-	998,294	5,701,834	(18,608)	5,683,226
Trade accounts receivable	-	-	-	2,733,240	(18,507)	2,714,733
Other current receivables	8,287	-	8,287	409,351	(101)	409,250
Noncurrent assets	16,957,672	(14,496)	16,943,176	27,460,543	4,112	27,464,655
Trade accounts receivable	-	-	-	261,082	(3,356)	257,726
Deferred income tax and social contribution	102,236	-	102,236	915,492	7,468	922,960
Investments	14,987,607	(14,496)	14,973,111	2,570,643	-	2,570,643
Liabililties	**17,955,966**	**(14,496)**	**17,941,470**	**33,162,377**	**(14,496)**	**33,147,881**
Equity	15,207,842	(14,496)	15,193,346	15,510,503	(14,496)	15,496,007
Attributable to controlling shareholder's	15,207,842	(14,496)	15,193,346	15,207,842	(14,496)	15,193,346
Equity valuation adjustments	895,601	(4,391)	891,210	895,601	(4,391)	891,210
Accumulated profit	-	(10,105)	(10,105)	-	(14,496)	(14,496)

The Company did not designate financial liabilities as fair value through profit or loss, thus there was no impact on the classification of financial liabilities.

4.1.2 CPC 47/IFRS 15 - Clarifications to IFRS 15 Revenue from contracts with customers

The standard establishes that an entity will recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduces a five-step model for revenue recognition: (i) Identify the contract with the customer; (ii) Identify the performance obligations in the contract; (iii) Determine the transaction price; (iv) Allocate the transaction price to the performance obligations in the contract; and (v) Recognize revenue when (or as) the entity satisfies a performance obligation.

Under IFRS 15 / CPC 47, an entity recognizes revenue when (or as) the entity satisfies a performance obligation, i.e., when the "control" over the goods and services in a certain operation is transferred to the customer, and will establish a greater level of detail in the disclosures. In addition, this standard establishes a greater detailing in the disclosures related to contracts with customers:

The effect on the Company's consolidated statement of financial position as of January 1, 2018 was a decrease in trade accounts receivable by R$2,960, increase in deferred tax assets by R$1,280, against a decrease in retained earnings of R$1,680, with the related effects on the Parent Company's investments and retained earnings, due to equity in earnings of investees.

In addition, beginning on January 1, 2018, the continuity indicators are Individual Interruption Duration - DIC, Individual Interruption Frequency - FIC, Maximum Continuous Interruption Duration - DMIC and Individual Interruption Duration on a critical day – DICRI, previously recorded as operating expenses and currently recorded as reducing the revenue from electric network availability.

4.2 Standard applicable to the Company beginning on January 1, 2019

4.2.1 CPC 06 (R2)/IFRS 16 - Leases

Applicable for periods beginning on or after January 1, 2019, CPC 06 (R2) / IFRS 16 establishes, in the lessee's view, a new form for accounting for leases currently classified as operating leases, which are now recognized similarly to leases classified as finance leases. As regards the lessors, it virtually retains the requirements of IAS 17, including only some additional disclosure aspects.

The Company is assessing the potential impacts of the adoption of this new standard.

5 Cash and Cash Equivalents

	Parent Company		Consolidated	
	06.30.2018	**12.31.2017**	**06.30.2018**	**12.31.2017**
Cash and bank accounts	1,170	2,477	131,817	157,470
Financial investments with immediate liquidity	133,139	54,356	1,572,331	882,605
	134,309	**56,833**	**1,704,148**	**1,040,075**

These comprise cash on hand, deposits with banks and short-term highly liquid investments, which can be redeemed in cash within 90 days from the investment date.

Financial investments refer to Bank Deposit Certificates - CDBs and Repurchase Agreements, which are the sale of a security with the commitment of the seller (Bank) to repurchase it, and of the purchaser to resell it in the future. Investments are remunerated between 60% and 100.8% of the rate of change of the Interbank Deposit Certificate (Certificado de Depósito Interbancário - CDI).

6 Bonds and Securities

		Consolidated	
Category	**Index**	**06.30.2018**	**12.31.2017**
Quotas in Funds	CDI	157,126	114,732
Bank Deposit Certificates - CDB	95.0% to 101% of CDI	69,753	57,192
Committed Operation	96.5% to 100% of CDI	6,283	47,052
Financial Treasury Bonds - LFT	Selic	709	687
		233,871	**219,663**
	Current	**1,381**	**1,341**
	Noncurrent	**232,490**	**218,322**

Interbank Deposit Certificate - CDI
Interest rate equivalent to the reference rate of the Special System for Settlement and Custody - Selic

Copel and its subsidiaries have securities that yield variable interest rates. The term of these securities ranges from 1 to 60 months from the end of the reporting period.

7 Trade Accounts Receivable

Consolidated	Balances falling due	Overdue up to 90 days	Overdue for more than 90 days	Total 06.30.2018	Total 12.31.2017
Customers					
Residential	286,100	183,153	17,347	486,600	512,817
Industrial	261,765	32,296	83,201	377,262	429,327
Commercial	208,808	49,381	28,582	286,771	340,582
Rural	55,222	16,068	4,160	75,450	80,531
Public Entities	32,500	7,345	9,171	49,016	55,826
Public lighting	38,021	9	-	38,030	37,684
Public service	34,337	565	492	35,394	39,780
Unbilled	448,955	-	-	448,955	410,086
Energy installments plan (7.1)	139,731	14,046	37,782	191,559	190,261
Low income subsidy - Eletrobras	12,277	-	-	12,277	14,435
Other receivables	30,348	22,134	67,742	120,224	157,611
	1,548,064	**324,997**	**248,477**	**2,121,538**	**2,268,940**
Concessionaires and Permission holder					
Energy supplies					
Energy purchase agreements in the regulated market - CCEAR	18,514	405	6,393	25,312	76,513
Bilateral contracts	154,394	-	7,416	161,810	195,510
CCEE (7.2)	245,668	-	231,617	477,285	442,541
New Energy MCSD	56,094	-	-	56,094	-
Unbilled	27,760	-	-	27,760	31,671
Quota system and Reimbursement to generators	10,217	851	1,412	12,480	11,351
	512,647	**1,256**	**246,838**	**760,741**	**757,586**
Charges from using transmission grid	**122,100**	**5,570**	**7,432**	**135,102**	**162,020**
Telecommunications	**39,886**	**16,556**	**17,774**	**74,216**	**65,769**
Gas distribution	**63,257**	**2,357**	**9,790**	**75,404**	**49,837**
Expected credit losses (7.3)	**(12,525)**	**(9,727)**	**(317,494)**	**(339,746)**	**(309,830)**
	2,273,429	**341,009**	**212,817**	**2,827,255**	**2,994,322**
Current				**2,624,021**	**2,733,240**
Noncurrent				**203,234**	**261,082**

7.1 Energy installments plan

The trade accounts receivable renegotiated are discounted to present value, at 6/30/2018, taking into consideration the future value, the maturity dates, the dates of settlement and the discount rate ranging from 0.08% to 3.60% p.m.

7.2 Electricity Trading Chamber - CCEE

From the total balance, the most significant amounts are R$90,197 of Copel DIS, fully received to the date of this publication, and R$364,354 of Copel GeT, of which R$108,614 were offset against the negative balance in July 2018, R$24,123 is expected to be received in the following settlements of CCEE during 2018, and the remaining balance of R$231,617 is derived from the reprocessing by CCEE of the energy measured at the PLD for the period from January to October 2015, as a result of the favorable reply to the request for preliminary injunction in the common civil action that claims for exclusion of responsibility in energy delivery to comply with the trading contracts of Colíder HPP (Note 19.4). In this period Copel GeT complied with its commitment related to energy surpluses not contracted in its other plants.

From the amount calculated by CCEE, based on the PLD amount, arising from the effects of the injunction to exclude the responsibility of the Colíder HPP, there is an estimated loss on doubtful receivables of R$119,665. The remaining balance of R$111,952 refers to the right to energy supply, regardless of any litigation, measured at the price of the trading agreements.

Also, regarding the exclusion of responsibility of the Colíder HPP, there is another additional portion of R$43,844 related to the same energy supply, measured at the PLD, which was not recognized due to the uncertainty on the judgment of the merit of the lawsuit.

7.3 Expected credit losses

Consolidated	Balance as of January 1, 2018	Additions / (reversals)	Reversal of write offs	Effects of applying new CPC/IFRS	Balance as of June 30, 2018
Customers					
Residential	22,532	30,090	(26,697)	(5,708)	20,217
Industrial	78,779	4,610	(3,298)	4,394	84,485
Commercial	59,275	8,906	(7,315)	16,973	77,839
Rural	2,731	2,279	(2,967)	1,646	3,689
Public Entities	4,835	(2,212)	(300)	3,262	5,585
Public lighting	40	(387)	(5)	389	37
Public service	19	(72)	(187)	460	220
Unbilled	-	107	-	1,573	1,680
Adjustment to present value	-	3,857	-	(4,048)	(191)
	168,211	**47,178**	**(40,769)**	**18,941**	**193,561**
Concessionaries and permission holder					
CCEE (7.2)	119,665	-	-	-	119,665
Concessionaries and permission holder	14,189	(5,611)	-	4,155	12,733
	133,854	**(5,611)**	**-**	**4,155**	**132,398**
Telecommunications	**1,511**	**4,493**	**-**	**(1,233)**	**4,771**
Gas distribution	**6,254**	**2,891**	**(129)**	**-**	**9,016**
	309,830	**48,951**	**(40,898)**	**21,863**	**339,746**

8 CRC Transferred to the State Government of Paraná

By means of a fourth amendment dated January 21, 2005, the Company renegotiated with the State of Paraná the outstanding CRC (Account for Compensation of Income and Losses) balance as of December 31, 2004, in the amount of R$1,197,404, to be paid in 244 installments under the Price amortization system, adjusted according to the IGP-DI inflation index plus interest of 6.65% p.y., which are received monthly, with the first installment due on January 30, 2005 and the others due in subsequent and consecutive months.

The Paraná State Government requested the Novation of the Adjustment Term of CRC, which was approved by the Company's Board of Directors on June 16, 2016, subject to the consent of the Ministry of Finance. (i) no principal and interest payments in the period from April to December 2016, and (ii) no payment of principal and monthly payment of interest from January to December 2017. The other clauses were maintained, including the maintenance of the current indexes of correction and interest, thus not affecting the global net present value of referred agreement.

The Company's management and the State of Paraná formalized on October 31, 2017 the fifth amendment.

The State of Paraná complied with the agreed terms and made the payments of the monthly interest forecast until December 2017. With the end of the grace period, the State of Paraná has strictly complied with the payments under the agreed terms, remaining 82 monthly installments to be paid.

8.1 Changes in CRC

	Balance as of January 1, 2018	Interest	Monetary variations	Amortizations	Balance as of June 30, 2018
	1,516,362	47,850	78,141	(130,059)	1,512,294
Current	**167,109**				**177,354**
Noncurrent	**1,349,253**				**1,334,940**

8.2 Maturity of noncurrent installments

2019	100,105
2020	200,432
2021	213,762
2022	227,978
2023	243,140
After 2023	349,523
	1,334,940

9 Net Sectorial Financial Assets and Liabilities

9.1 Composition of net sectorial financial assets and liabilities balances per tariff cycle

Consolidated	06.30.2018		12.31.2017	
	Current	Noncurrent	Current	Noncurrent
Sectorial financial assets - Electricity rate adjustment recoverable 2018				
Portion A				
Electricity purchased for resale - CVA Energ	560,097	-	333,412	333,412
Electricity purchased for resale - Itaipu	567,395	-	250,851	250,851
Transport of energy using the transmission system - basic grid	57,336	-	18,056	18,056
Transport of energy purchased from Itaipu	16,961	-	5,063	5,063
System Service Charges - ESS	(490,216)	-	(211,735)	(211,735)
Energy Development Account - CDE	33,533	-	(28,800)	(28,800)
Proinfa	6,136	-	(33)	(33)
Other financial components				
Neutrality	86,933	-	33,319	33,319
Overcontracting	(95,844)	-	(112,137)	(112,137)
Hydrological risk	(357,320)	-	(93,964)	(93,964)
Tariff refunds	(75,170)	-	(21,302)	(21,302)
CVA Angra III Adjustment	12,798	-	(1,121)	(1,121)
Other	11,078	-	-	-
Sectorial financial assets - Electricity rate adjustment recoverable 2019				
Portion A				
Electricity purchased for resale - CVA Energ	-	194,216	-	-
Electricity purchased for resale - Itaipu	-	199,720	-	-
Transport of energy using the transmission system - basic grid	-	11,050	-	-
Transport of energy purchased from Itaipu	-	4,219	-	-
System Service Charges - ESS	-	(75,109)	-	-
Energy Development Account - CDE	-	23,807	-	-
Proinfa	-	15	-	-
Other financial components	-	-	-	-
Neutrality	-	19,459	-	-
Overcontracting	-	(42,768)	-	-
Hydrological risk	-	(27,439)	-	-
Tariff refunds	-	(5,868)	-	-
	333,717	**301,302**	**171,609**	**171,609**

Consolidated	06.30.2018		12.31.2017	
	Current	Noncurrent	Current	Noncurrent
Sectorial financial liabilities - Electricity rate adjustment recoverable 2017				
Portion A				
Electricity purchased for resale - CVA Energ	-	-	(168,939)	-
ESS	-	-	(167,938)	-
CDE	-	-	(84,293)	-
Proinfa	-	-	(5,122)	-
Electricity purchased for resale - Itaipu	-	-	36,002	-
Transport of energy using the transmission system - basic grid	-	-	11,127	-
Transport of energy purchased from Itaipu	-	-	2,797	-
Other financial components				
Tariff refunds	-	-	(12,470)	-
Overcontracting	-	-	87,949	-
Neutrality	-	-	54,609	-
CVA Angra III Adjustment	-	-	50,435	-
Other	-	-	3,024	-
	-	**-**	**(192,819)**	**-**
Sectorial financial liabilities - Tariff Review 2021				
Financial components				
Tariff refunds	-	(93,583)	-	(90,700)
	-	**(93,583)**	**-**	**(90,700)**
	-	**(93,583)**	**(192,819)**	**(90,700)**

9.2 Changes in net sectorial financial assets and liabilities

Consolidated	Balance as of	Operating revenues		Financial results	Rate	Balance as of
	January 1, 2018	Constitution	Amortization	Updating	flags	June 30, 2018
Portion A						
Electricity purchased for resale - Itaipu	537,704	262,473	(49,425)	16,363	-	767,115
Electricity purchased for resale - CVA Energ	497,885	160,116	166,051	10,913	(80,652)	754,313
Transport of energy using the transmission system - basic grid	47,239	32,385	(12,860)	1,622	-	68,386
Transport of energy purchased f rom Itaipu	12,923	11,042	(3,258)	473	-	21,180
ESS	(591,408)	(139,748)	185,736	(19,905)	-	(565,325)
CDE	(141,893)	114,284	87,362	(2,413)	-	57,340
Proinfa	(5,188)	6,145	5,252	(58)	-	6,151
Other financial components						
Neutrality	121,247	41,275	(56,333)	203	-	106,392
CVA Angra III Adjustment	48,193	8,483	(50,689)	6,811	-	12,798
Hydrological risk	(187,928)	(197,270)	7,086	(6,647)	-	(384,759)
Tariff refunds	(145,774)	(39,049)	13,961	(3,759)	-	(174,621)
Overcontracting	(136,325)	91,201	(86,048)	(7,440)	-	(138,612)
Others	3,024	11,193	(3,243)	104	-	11,078
	59,699	**362,530**	**203,592**	**(3,733)**	**(80,652)**	**541,436**
Current assets	**171,609**					**333,717**
Noncurrent assets	**171,609**					**301,302**
Current liabilities	**(192,819)**					**-**
Noncurrent liabilities	**(90,700)**					**(93,583)**

10 Accounts Receivable Related to the Concession

Consolidated	06.30.2018	12.31.2017
Distribution concession agreement (10.1)	719,777	684,206
Bonus from the grant of concession agreements under the quota system (10.2)	621,662	606,479
Transmission concession agreements (10.3)	1,666,066	1,497,399
Remeasurement of RBSE financial assets (10.4)	1,386,536	1,418,370
Concession agreement - gas distribution (10.5)	315,898	303,668
	4,709,939	**4,510,122**
Current	**149,996**	**149,744**
Noncurrent	**4,559,943**	**4,360,378**

10.1 Distribution concession agreement

Balance as of January 1, 2018	**684,206**
Transfers from intangible assets (Note 20.1)	23,106
Transfers to other receivables (assets held for disposal)	(1,308)
Fair value recognition	15,257
Loss on disposal	(1,484)
Balance as of June 30, 2018	**719,777**

10.2 Bonus from the grant of concession agreements under the quota system

Balance as of January 1, 2018	**606,479**
Transfers to electricity grid use charges - customers	(32,670)
Interest	47,853
Balance as of June 30, 2018	**621,662**

10.3 Transmission concession agreement

Balance as of January 1, 2018	**1,497,399**
Transfers to electricity grid use charges - customers	(50,744)
Transfers to property, plant and equipment	(46)
Transfers from judicial deposits	4,029
Remuneration	82,977
Construction income	132,451
Balance as of June 30, 2018	**1,666,066**

10.4 Remeasurement of RBSE assets

Balance as of January 1, 2018	**1,418,370**
Gain on the cash flow from the RBSE assets	97,937
Transfers to electricity grid use charges - customers	(129,771)
Balance as of June 30, 2018	**1,386,536**

Copel GeT extended the concession agreement 060/2001, pursuant to Law No. 12,783/2013, and recognized receivables related to the electricity transmission assets of the Existing Basic Network System (RBSE) and the connecting facilities and Other Transmission Facilities (RPC) existing in May 2000 and not yet depreciated or amortized.

On April 20, 2016, MME Ordinance No. 120 was published, determining that the amounts of assets not yet depreciated and/or amortized, shall comprise the Regulatory Remuneration Base (BRR) for electricity transmission concessionaires as of the 2017 tariff review process, in order to define the Annual Permitted Revenue (APR). The Ordinance addressed issues related to updating, remunerating and period for receiving the amounts, which are regulated by ANEEL Normative Resolution No. 762/2017, by means of Public Hearing 068/2016.

On April 12, 2017, ANEEL issued Technical Note No. 61/2017 - SFF, which concluded the audit of the assets appraisal report and recognized the amount of R$667,637 as the net value of the assets at December 31, 2012. ANEEL's board approved the inspection results on May 9, 2017, with a disallowance of R$214,663 in relation to the amount originally requested of R$882,300, the main disallowance is related to assets of Substation SF6 of Salto Caxias.

Moreover, on June 27, 2017 ANEEL published Resolution No. 2,258 establishing the Annual Permitted Revenue (RAP), for the 2017/2018 tariff cycle, considering a court decision on the injunction of April 11, 2017 related to a lawsuit filed by three business associations, which determines the deduction of the "compensation", provided for in article 15, paragraph 2 of Law 12,783/2013. The same decision was applied for the current 2018-2019 cycle, according to ANEEL Resolution 2,408 of June 26, 2018.

The compensation being challenged in court, related to the cost of equity calculated for the RBSE assets from January 2013 to June 2017 temporarily reduced the RAP of this cycle from R$136,790 to R$102,514, and the amount deducted from the RAP by ANEEL in the eight tariff cycles is R$201,795.

Based on the opinion of its legal counsel, Copel GeT understands that this is a provisional decision and is not against Copel GeT's right to receive the amounts related to RSBE assets, which are guaranteed by Law. Therefore, the receivables related to the compensation by the cost of equity considered in the receipt flow of this asset are recorded in noncurrent assets.

The remeasurement of RBSE asset base at 6/30/2018 totals R$1,386,536, already considering the amortization for the RAP received, and the changes in the periods were recognized in operating income.

10.5 Concession agreement - gas distribution

Balance as of January 1, 2018	**303,668**
Transfers from intangible assets (Note 20.3)	4,629
Fair value recognition	7,602
Loss on disposal	(1)
Balance as of June 30, 2018	**315,898**

11 Accounts Receivable Related to Concession Compensation

11.1 Changes in accounts receivable related to concession compensation

Balance as of January 1, 2018	**68,859**
Gain on remeasurement of the cash flow	945
Reversal of impairment	3,089
Balance as of June 30, 2018	**72,893**

12 Other Receivables

	Parent Company		Consolidated	
	06.30.2018	12.31.2017	06.30.2018	12.31.2017
CDE Transfer	-	-	163,177	136,559
Services in progress (a)	7,444	7,444	152,936	141,959
Advance payments to employees	1,680	660	104,004	25,928
Credits on sales and purchases of gas (12.1)	-	-	97,634	77,279
Advance payments to suppliers (b)	-	-	29,902	29,016
Decommissioning in progress	-	-	20,302	44,451
Advance for severance estate	-	-	19,883	19,230
Other receivables	443	183	91,147	84,345
	9,567	**8,287**	**678,985**	**558,767**
Current	**9,567**	**8,287**	**494,543**	**409,351**
Noncurrent	**-**	**-**	**184,442**	**149,416**

(a) This item refers to services currently in progress within the Company, most of which are related to the Research and Development and Energy Efficiency programs, which upon conclusion are offset against the respective liability recorded for this purpose.
(b) Advances to suppliers provided on contractual clauses.

12.1 Credits on sales and purchases of gas - Compagás

This balance refers to the gas acquisition contract with Petrobras, relating to the acquisition of contracted and guaranteed volumes, higher than those actually withdrawn and used, and contains a future compensation clause. Compagás has the right to withdraw the gas in subsequent months, and can compensate the volume contracted and not consumed. According to the contractual provisions and consumption perspectives, derived from the review of the projects and scenarios for the next years, Compagás estimates to fully offset the amounts paid in the course of its operation. Should the concession be early terminated for any reason, the agreement with Petrobras sets forth the right for sale of this asset. The expiry date of the concession is in discussion with the Concession Grantor, as described in Note 2.1.1

13 Taxes

13.1 Income tax and social contribution

	Parent Company		Consolidated	
	06.30.2018	12.31.2017	06.30.2018	12.31.2017
Current assets				
IR and CSLL paid in advance	103,832	119,320	448,549	937,663
IR and CSLL to be offset against liability	(59,831)	(105,265)	(258,257)	(435,978)
	44,001	**14,055**	**190,292**	**501,685**
Noncurrent assets				
IR and CSLL paid in advance	65,746	158,808	83,706	176,480
	65,746	**158,808**	**83,706**	**176,480**
Current liabilities				
IR and CSLL due	62,776	36,803	434,369	362,307
IR and CSLL to be offset against asset	(58,301)	(34,336)	(251,907)	(275,997)
	4,475	**2,467**	**182,462**	**86,310**

13.2 Deferred income tax and social contribution

13.2.1 Changes in deferred income tax and social contribution

Parent Company	Balance as of January 1, 2018	Recognized in income	Balance as of June 30, 2018
Noncurrent assets			
Provisions for legal claims	86,732	1,939	88,671
Amortization - concession	19,680	161	19,841
Provision for financing	3,457	(2)	3,455
Post-employment benefits	1,374	85	1,459
Others	15,219	33,718	48,937
	126,462	**35,901**	**162,363**
(-) Noncurrent liabilities			
Escrow deposits monetary variation	18,349	854	19,203
Transaction cost on borrowings and debentures	3,615	2,047	5,662
Financial instruments	2,262	59	2,321
	24,226	**2,960**	**27,186**
Net	**102,236**	**32,941**	**135,177**

Consolidated	Balance as of January 1, 2018	Recognized in income	Effects of applying new CPC/IFRS	Balance as of June 30, 2018
Noncurrent assets				
Provisions for legal claims	514,358	46,828	-	561,186
Post-employment benefits	293,611	7,334	-	300,945
Impairment of assets	310,561	(25,487)	-	285,074
Research and development and energy efficiency programs	156,325	10,435	-	166,760
Provision for energy purchases	129,877	467	-	130,344
Expected credit losses	113,380	547	7,468	121,395
Tax losses and negative tax basis	110,658	(34,886)	-	75,772
Social security contributions - injunction on judicial deposit	60,856	3,921	-	64,777
Amortization - concession	48,722	2,266	-	50,988
Voluntary retirement program	13,027	25,686	-	38,713
Concession contracts	24,906	(650)	-	24,256
Provision for tax losses	23,915	1,020	-	24,935
Provision for profit sharing	22,270	(7,915)	-	14,355
Financial instruments	15,718	(2,116)	-	13,602
Others	44,432	53,487	1,006	98,925
	1,882,616	**80,937**	**8,474**	**1,972,027**
(-) Noncurrent liabilities				
Concession contracts	535,726	23,037	-	558,763
Deemed cost	449,884	(17,108)	-	432,776
Escrow deposits monetary variation	55,328	3,870	-	59,198
Transaction cost on borrowings and debentures	21,538	(223)	-	21,315
Deferment of capital gains	11,320	-	-	11,320
Capitalization of financial charges	5,357	-	-	5,357
Others	44,601	(2,867)	-	41,734
	1,123,754	**6,709**	**-**	**1,130,463**
Net	**758,862**	**74,228**	**8,474**	**841,564**
Assets presented in the Statement of Financial Position	915,492			986,286
(-) Liabilities presented in the Statement of Financial Position	(156,630)			(144,722)

13.2.2 Realization of deferred tax assets

	Parent Company		Consolidated	
	Assets	Liabilities	Assets	Liabilities
2018	42,024	(1,887)	410,556	(43,539)
2019	278	(1,887)	272,764	(106,229)
2020	146	(1,887)	234,164	(80,661)
2021	146	-	121,070	(73,870)
2022	146	-	102,982	(65,973)
2023 to 2025	438	-	178,999	(186,628)
2026 to 2028	119,185	(21,525)	651,492	(573,563)
	162,363	**(27,186)**	**1,972,027**	**(1,130,463)**

13.2.3 Unrecognized tax credits

As of 6/30/2018, UEG Araucária did not recognize income tax and social contribution credits on tax loss carryforwards and negative bases in the amount of R$33,733 because there is at present no reasonable assurance of generation of future taxable profits sufficient to absorb these assets.

13.3 Other taxes recoverable and other tax obligations

	Parent Company		Consolidated	
	06.30.2018	12.31.2017	06.30.2018	12.31.2017
Current assets				
Recoverable ICMS (VAT)	7	7	88,259	68,773
Recoverable PIS/Pasep and Cofins taxes	322	269	54,129	133,090
PIS/Pasep and Cofins to be offset against liabilities	-	-	(3,331)	(4,202)
Other recoverable taxes	-	-	570	571
	329	**276**	**139,627**	**198,232**
Noncurrent assets				
Recoverable ICMS (VAT)	-	-	33,969	36,740
PIS/Pasep and Cofins taxes	84,797	-	135,628	46,858
Other recoverable taxes	15	15	33,386	33,376
	84,812	**15**	**202,983**	**116,974**
Current liabilities				
ICMS (VAT) payable	-	3	144,696	151,928
PIS/Pasep and Cofins payable	1,530	44,927	112,613	138,797
PIS/Pasep and Cofins to be offset against assets	(1,530)	(44,927)	(9,681)	(121,165)
IRRF on JSCP	-	26,002	-	97,065
IRRF on JSCP to be offset against IR and CSLL assets	-	(26,002)	-	(43,018)
Special Tax Regularization Program - Pert	-	-	68,153	45,108
Ordinary financing of taxes with the federal tax authorities	-	-	64,658	63,791
Other taxes	591	473	14,457	12,981
	591	**476**	**394,896**	**345,487**
Noncurrent liabilities				
Social security contributions - injunction on judicial deposit	2,483	2,365	190,917	179,373
Special Tax Regularization Program - Pert	-	-	458,139	488,563
Ordinary financing of taxes with the federal tax authorities	-	-	53,882	85,054
TCFRH (a)	-	-	76,630	53,349
Other taxes	-	-	3,337	3,237
	2,483	**2,365**	**782,905**	**809,576**

(a) Fee for Control, Monitoring and Inspection of Activities of Exploitation and Use of Water Resources.

13.4 Reconciliation of provision for income tax (IRPJ) and social contribution (CSLL)

	Parent Company		Consolidated	
	06.30.2018	06.30.2017	06.30.2018	06.30.2017
Income before IRPJ and CSLL	**709,320**	**509,994**	**1,059,332**	**927,871**
IRPJ and CSLL (34%)	**(241,169)**	**(173,398)**	**(360,173)**	**(315,476)**
Tax effects on:				
Equity in income	211,174	214,275	21,720	28,219
Dividends	66	147	66	147
Non deductible expenses	(11)	(12)	(5,610)	(13,285)
Tax incentives	93	-	5,652	6,101
Unrecognized income and social contribution tax loss carry-forwards	-	-	(14,595)	(18,956)
Setting up and/or offset of income tax and social contribution losses of prior years	-	-	2,970	-
Difference between the calculation bases of deemed profit and taxable profit	-	-	(19,345)	(26,428)
Others	12	(624)	2,166	(19,942)
Current IRPJ and CSLL	**(62,776)**	**-**	**(441,377)**	**(326,114)**
Deferred IRPJ and CSLL	**32,941**	**40,388**	**74,228**	**(33,506)**
Effective rate - %	4.2%	-7.9%	34.7%	38.8%

	Parent Company		Consolidated	
	04.01.2018 to 06.30.2018	04.01.2017 06.30.2017	04.01.2018 06.30.2018	04.01.2017 06.30.2017
Income before IRPJ and CSLL	**349,337**	**113,849**	**538,399**	**260,889**
IRPJ and CSLL (34%)	**(118,775)**	**(38,709)**	**(183,056)**	**(88,702)**
Tax effects on:				
Equity in income	116,538	64,498	12,024	16,756
Dividends	66	147	66	147
Non deductible expenses	(6)	(6)	(1,766)	(10,086)
Tax incentives	40	-	2,542	1,830
Unrecognized income and social contribution tax loss carry-forwards	-	-	(7,720)	(18,956)
Setting up and/or offset of income tax and social contribution losses of prior years	-	-	2,970	-
Difference between the calculation bases of deemed profit and taxable profit	-	-	(12,904)	(20,867)
Others	7	261	2,048	9,970
Current IRPJ and CSLL	**(41,202)**	**-**	**(195,770)**	**(133,002)**
Deferred IRPJ and CSLL	**39,072**	**26,191**	**9,974**	**23,094**
Effective rate - %	0.6%	-23.0%	34.5%	42.1%

14 Prepaid Expenses

Consolidated	06.30.2018	12.31.2017
Risk premium - GSF renegotiation (14.1)	20,303	28,033
Others	21,980	24,518
	42,283	**52,551**
Current	**35,453**	**39,867**
Noncurrent	**6,830**	**12,684**

14.1 Hydrological risk renegotiation (GSF)

A breakdown of these items as at 6.30.2018 is presented below:

Consolidated	Balance as of January 1, 2018	Amortization	Transfers	Balance as of June 30, 2018
Risk premium - current asset	15,459	(7,730)	6,213	13,942
Risk premium - noncurrent asset	12,574	-	(6,213)	6,361
Intangible	45,745	(3,519)	-	42,226
	73,778	**(11,249)**	**-**	**62,529**
Risk premium to be amortized - prepaid expenses	**28,033**			**20,303**
Grant extension period - intangible	**45,745**			**42,226**

15 Receivables from Related Parties

	Parent Company		Consolidated	
	06.30.2018	12.31.2017	06.30.2018	12.31.2017
Controlling shareholders				
State of Paraná (15.1)	14,266	130,156	14,668	130,417
Subsidiaries				
Copel DIS (15.2)	104,157	89,270	-	-
Eólicas (15.3)	396,728	221,327	-	-
Structure sharing	5,711	27,273	-	-
Reimbursement of expenses	5,302	5,215	-	-
Joint Ventures				
Voltalia São Miguel do Gostoso (15.4)	-	38,169	-	38,169
Structure sharing	16	67	87	405
	526,180	**511,477**	**14,755**	**168,991**
Current	**407,757**	**292,051**	**489**	**38,835**
Noncurrent	**118,423**	**219,426**	**14,266**	**130,156**

15.1 State of Paraná

15.1.1 Programa Luz Fraterna

The credit of R$115,890 related to Luz Fraterna Program as of December 31, 2016 was fully paid in March 2018 (Note 37).

15.1.2 2014 Construction Works for the World Cup

Regarding the credit related to the 2014 World Soccer Cup of R$14,266 (R$14,266 as of 12/31/2017), through the 2,119th Meeting held on July 28, 2014, Copel's executive board approved the transfer of the credit rights of the costs related to mobility projects for the FIFA 2014 World Soccer Cup made by Copel DIS and under the responsibility of the Paraná State government.

ANEEL agreed to the transaction through Order No. 3,483/2015 and a Credit Assignment Agreement that transfers Copel DIS rights to Copel was executed.

In addition, State Law No. 18,875, dated September 27, 2016, authorized the State of Paraná to pay debts due and unpaid to Copel relating to services rendered up to the date of publication of said Law. Considering this legal provision, Management is in the negotiation phase to define the terms of the settlement of this balance.

15.1.3 Programa Morar Bem Paraná

Creit in the amount of R$402 (R$261 at December 31, 2017) related to Programa Morar Bem Paraná, established by Decree 2,845/2011. This program is an agreement between the Paraná State, Companhia de Habitação do Paraná (Cohapar) and Copel DIS, and is managed by Cohapar. Copel DIS main attributions under this agreement are the constructions of electric energy distribution networks and housing project consumer unit service connections.

15.2 Copel DIS - Financing transferred - STN

The Company transferred loans and financing to its wholly-owned subsidiaries at the time of constitution in 2001. However, since the contracts for the transfers to the subsidiaries were not formalized with the financial institutions, they remain recognized in the Parent Company.

The balance with Copel DIS refers to the National Treasury Department - STN financing transferred with the same levy of charges borne by the Company (Note 23) and shown as obligations for loans and financing at Copel DIS.

15.3 Wind farms - Loans

Loan agreements were signed on August 21, 2017 between Copel (lender) and the wind farms, as shown below:

	Approved	Financial income	Balance receivable	
Borrower	limit	06.30.2018	06.30.2018	12.31.2017
Usina de Energia Eólica Guajiru S.A.	49,300	1,518	46,588	31,584
Usina de Energia Eólica Jangada S.A.	88,800	2,783	91,369	31,078
Usina de Energia Eólica Potiguar S.A.	91,400	3,016	90,179	73,702
Usina de Energia Eólica Cutia S.A.	40,100	1,110	39,660	20,181
Usina de Energia Eólica Maria Helena S.A.	102,800	3,361	101,080	61,963
Usina de Energia Eólica Esperança do Nordeste S.A.	16,500	267	14,136	490
Usina de Energia Eólica Paraíso dos Ventos do Nordeste S.A.	19,900	345	13,716	2,329
	408,800	**12,400**	**396,728**	**221,327**

Characteristics: contracts within approved limits, plus IOF and remuneration at 117% of the CDI rate.
On January 24, 2018, amendments were made to the agreements in order to change their effectiveness from January 31, 2018 to September 28, 2018, and to increase approved limits from R$ 260,000 to R$408,800. On June 6, 2018,new amendments were made to the agreements, relocating the individual limits of the wind power plants, maintaining the approved amount of R$ 408,800.

Allocation: providing resources for financing the borrower's activities and business.

15.4 Voltalia São Miguel do Gostoso Participações S.A. - Loan agreements

On May 14, 2015, a loan agreement was signed between Copel (lender) and Voltalia São Miguel do Gostoso Participações S.A. (borrower), aiming at providing working capital for financing the borrower's activities and business. A limit of R$29,400 was established, plus IOF (tax on financial transactions) and interest of 111.5% of the CDI. Of the limit approved, the borrower used R$27,950. The initial term of two years was extended to February 6, 2018, the date on which the contract was settled, with finance income recorded in 2018 in the amount of R$294 (R$1,863 in the first half of 2017).

16 Other Temporary Investments

Copel has investments in shares of companies with and without shares traded in active market. These assets are classified in the accounting category of fair value through profit or loss.

17 Judicial Deposits

	Parent Company		Consolidated	
	06.30.2018	12.31.2017	06.30.2018	12.31.2017
Taxes claims	**121,735**	**119,156**	**350,148**	**337,909**
Labor claims	**29**	**11**	**105,383**	**120,463**
Civil				
Suppliers	-	-	-	-
Civil	-	-	112,759	110,495
Easements	-	-	2,411	6,114
Customers	-	-	2,067	2,522
	-	**-**	**117,237**	**119,131**
Others	**198**	**-**	**5,404**	**5,026**
	121,962	**119,167**	**578,172**	**582,529**

18 Investments

18.1 Changes in investments

Parent Company	Balance as of January 1, 2018	Equity	Investiment/ Advance for future capital increase	Amorti-zation	Proposed dividends and JCP	Effects of applying new CPC/IFRS	Transfer	Balance as of June 30, 2018
Subsidiaries								
Copel GeT	8,409,370	456,927	-	-	-	533	13,799	8,880,629
Copel DIS	5,452,703	124,647	123,890	-	-	(15,843)	-	5,685,397
Copel TEL	483,195	22,588	11,200	-	-	(866)	-	516,117
Copel REN	28,579	-	-	-	-	-	-	28,579
Copel Energia	133,511	(8,274)	100	-	-	-	-	125,337
UEG Araucária (18.2)	89,240	(8,639)	-	-	-	-	-	80,601
Compagás (18.2)	202,857	13,000	-	-	-	-	-	215,857
Elejor (18.2)	43,208	20,642	-	-	(13,207)	-	-	50,643
Elejor - concession rights	13,762	-	-	(377)	-	-	-	13,385
	14,856,425	**620,891**	**135,190**	**(377)**	**(13,207)**	**(16,176)**	**13,799**	**15,596,545**
Joint Ventures				-				
Voltalia São Miguel do Gostoso I (18.3)	74,998	(5,484)	36,224	-	-	-	-	105,738
Voltalia São Miguel do Gostoso - authorization rights	10,773	-	-	(184)	-	-	-	10,589
Paraná Gás (a)	3	(3)	-	-	-	-	-	-
	85,774	**(5,487)**	**36,224**	**(184)**	**-**	**-**	**-**	**116,327**
Associates								
Dona Francisca Energética (18.4)	29,821	4,993	-	-	(5,139)	-	-	29,675
Foz do Chopim Energética (18.4)	13,084	715	-	-	-	-	(13,799)	-
Other	2,503	(12)	-	-	-	-	-	2,491
	45,408	**5,696**	**-**	**-**	**(5,139)**	**-**	**(13,799)**	**32,166**
	14,987,607	**621,100**	**171,414**	**(561)**	**(18,346)**	**(16,176)**	**-**	**15,745,038**

(a) The amount of unrecognized losses is R$3.

Consolidated	Balance as of January 1, 2018	Equity	Investiment/ Advance for future capital increase	Amorti-zation	Proposed dividends and JCP	Other (b)	Balance as of June 30, 2018
Joint Ventures (18.3)							
Voltalia São Miguel do Gostoso I	74,998	(5,484)	36,224	-	-	-	105,738
Voltalia São Miguel do Gostoso - authorization rights	10,773	-	-	(184)	-	-	10,589
Paraná Gás (a)	3	(3)	-	-	-	-	-
Costa Oeste	33,646	2,220	-	-	-	-	35,866
Marumbi	85,341	4,645	-	-	-	-	89,986
Transmissora Sul Brasileira	64,360	935	-	-	-	-	65,295
Caiuá	56,037	1,525	-	-	-	-	57,562
Integração Maranhense	113,401	2,700	-	-	-	-	116,101
Matrinchã	835,819	22,686	-	-	-	-	858,505
Guaraciaba	418,320	9,188	-	-	-	-	427,508
Paranaíba	162,273	6,049	-	-	-	-	168,322
Mata de Santa Genebra	459,374	21,256	-	-	-	-	480,630
Cantareira	200,018	(12,426)	-	-	-	(35,280)	152,312
	2,514,363	**53,291**	**36,224**	**(184)**	**-**	**(35,280)**	**2,568,414**
Associates							
Dona Francisca Energética (18.4)	29,821	4,993	-	-	(5,139)	-	29,675
Foz do Chopim Energética (18.4)	13,084	5,615	-	-	-	-	18,699
Dominó Holdings	2,457	(3)	-	-	-	-	2,454
Other	9,556	(12)	-	-	-	-	9,544
	54,918	**10,593**	**-**	**-**	**(5,139)**	**-**	**60,372**
Investment property	**1,362**	**-**	**-**	**(2)**	**-**	**(15)**	**1,345**
	2,570,643	**63,884**	**36,224**	**(186)**	**(5,139)**	**(35,295)**	**2,630,131**

(a) The amount of unrecognized losses is R$3.

(b) Of the total, R$35,280 refers to capital reduction and R$15 refers to the transfer to Other receivables..

18.2 Subsidiaries with non-controlling interest

18.2.1 Summarized financial information

Balance as of June 30, 2018	Compagás	Elejor	UEG Araucária
ASSETS	**686,179**	**659,513**	**462,863**
Current assets	181,897	77,255	62,521
Noncurrent assets	504,282	582,258	400,342
LIABILITIES	**686,179**	**659,513**	**462,863**
Current liabilities	148,102	118,458	37,161
Noncurrent liabilities	114,828	468,707	22,691
Equity	423,249	72,348	403,011
STATEMENT OF INCOME			
Operating revenues	245,488	141,793	-
Operating costs and expenses	(213,750)	(43,803)	(42,897)
Financial results	(75)	(53,322)	(296)
Income tax and social contribution	(6,172)	(15,179)	-
Net income (loss)	**25,491**	**29,489**	**(43,193)**
Other comprehensive income	-	-	-
Total comprehensive income	**25,491**	**29,489**	**(43,193)**
STATEMENTS OF CASH FLOWS			
Cash flows from operational activities	40,644	43,052	4,864
Cash flows from investiment activities	(6,463)	(408)	(2,655)
Cash flows from financing activities	(28,086)	(41,306)	-
TOTAL EFFECTS ON CASH AND CASH EQUIVALENTS	**6,095**	**1,338**	**2,209**
Cash and cash equivalents at the beginning of the year	84,079	37,905	51,264
Cash and cash equivalents at the end of the year	90,174	39,243	53,473
CHANGE IN CASH AND CASH EQUIVALENTS	**6,095**	**1,338**	**2,209**

18.2.2 Changes in equity attributable to non-controlling shareholders

Participation in capital stock	Compagás: 49%	Elejor: 30%	UEG Araucária: 20%	Consolidated
Balance as of January 1, 2018	**194,901**	**18,518**	**89,242**	**302,661**
Net income (loss)	12,491	8,846	(8,639)	12,698
Dividends	-	(5,660)	-	(5,660)
Balance as of June 30, 2018	**207,392**	**21,704**	**80,603**	**309,699**

18.3 Total balances of the groups of assets, liabilities, net income and share in commitments and contingent liabilities of the main joint ventures

Balance as of June 30, 2018	Voltalia	Costa Oeste	Marumbi	Transmis-sora Sul Brasileira	Caiuá	Integração Maranhense	Matrinchã	Guaraciaba	Paranaíba	Mata de Santa Genebra	Cantareira
ASSETS	**217,908**	**101,255**	**165,395**	**655,620**	**230,432**	**464,291**	**2,827,634**	**1,444,279**	**1,708,180**	**1,957,596**	**1,039,109**
Current assets	**2,297**	**8,919**	**11,760**	**78,311**	**25,065**	**45,450**	**337,652**	**103,938**	**179,857**	**79,064**	**53,296**
Cash and cash equivalents	155	3,606	3,075	17,437	4,479	4,940	152,251	25,420	18,741	68,273	39,249
Other current assets	2,142	5,313	8,685	60,874	20,586	40,510	185,401	78,518	161,116	10,791	14,047
Noncurrent assets	**215,611**	**92,336**	**153,635**	**577,309**	**205,367**	**418,841**	**2,489,982**	**1,340,341**	**1,528,323**	**1,878,532**	**985,813**
LIABILITIES	**217,908**	**101,255**	**165,395**	**655,620**	**230,432**	**464,291**	**2,827,634**	**1,444,279**	**1,708,180**	**1,957,596**	**1,039,109**
Current liabilities	**2,363**	**3,721**	**6,510**	**42,914**	**23,695**	**69,696**	**152,834**	**72,476**	**118,920**	**32,753**	**49,033**
Financial liabilities	-	3,129	5,229	36,360	7,462	13,282	53,098	32,200	53,938	-	21,793
Other current liabilities	2,363	592	1,281	6,554	16,233	56,414	99,736	40,276	64,982	32,753	27,240
Noncurrent liabilities	**-**	**27,207**	**46,402**	**286,229**	**89,261**	**157,655**	**922,749**	**499,336**	**902,233**	**965,502**	**679,236**
Financial liabilities	-	23,346	36,309	274,465	60,650	97,486	695,111	374,323	626,558	842,443	545,527
Other noncurrent liabilities	-	3,861	10,093	11,764	28,611	60,169	227,638	125,013	275,675	123,059	133,709
Equity	**215,545**	**70,327**	**112,483**	**326,477**	**117,476**	**236,940**	**1,752,051**	**872,467**	**687,027**	**959,341**	**310,840**
STATEMENT OF INCOME											
Net operating income	-	6,738	10,385	24,931	9,130	13,129	175,146	85,787	132,890	251,443	60,716
Operating costs and expenses	(52)	(1,233)	(2,725)	(4,618)	(2,909)	(2,952)	(77,707)	(37,806)	(60,242)	(155,040)	(54,085)
Financial results	(139)	(898)	(1,471)	(13,194)	(2,554)	(4,077)	(30,052)	(16,813)	(29,029)	(32,157)	(31,990)
Equity in income of subsidiaries	(11,003)	-	-	-	-	-	-	-	-	-	-
Income tax and social contribution	-	(254)	(384)	(2,443)	(553)	(589)	(21,088)	(12,417)	(18,933)	(21,820)	-
Net income (loss)	**(11,194)**	**4,353**	**5,805**	**4,676**	**3,114**	**5,511**	**46,299**	**18,751**	**24,686**	**42,426**	**(25,359)**
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income	**(11,194)**	**4,353**	**5,805**	**4,676**	**3,114**	**5,511**	**46,299**	**18,751**	**24,686**	**42,426**	**(25,359)**
Investment interest - %	49.0	51.0	80.0	20.0	49.0	49.0	49.0	49.0	24.5	50.1	49.0
Investment book value	105,617	35,866	89,986	65,295	57,562	116,101	858,505	427,508	168,322	480,630	152,312

As at 6/30/2018, Copel's interest in the commitments assumed from its joint ventures is equivalent to R$97,959 (R$141,744 as at 12/31/2017) and in contingent liabilities is equivalent to R$38,212 (R$38,218 as at 12/31/2017).

18.4 Total balances of the groups of assets, liabilities, net income and share in contingent liabilities of the main associates

Balance as of June 30, 2018	Dona Francisca	Foz do Chopim
ASSETS	**137,752**	**78,462**
Current assets	13,978	39,104
Noncurrent assets	123,774	39,358
LIABILITIES	**137,752**	**78,462**
Current liabilities	4,217	2,007
Noncurrent liabilities	4,678	24,178
Equity	128,857	52,277
STATEMENT OF INCOME		
Net operating income	35,075	21,273
Operating costs and expenses	(12,364)	(5,433)
Financial income (expense)	175	839
Income tax and social contribution	(1,209)	(980)
Net income	**21,677**	**15,699**
Other comprehensive income	-	-
Total comprehensive income	**21,677**	**15,699**
Investment interest - %	23.0303	35.77
Investment book value	29,675	18,699

As at 6/30/2018, Copel's interest in the contingent liabilities of its associates is equivalent to R$58,219 (R$58,194 as at 12/31/2017).

19 Property, plant and equipment

19.1 Property, plant and equipment by asset class

Consolidated	Cost	Accumulated depreciation	06.30.2018	Cost	Accumulated depreciation	12.31.2017
In service						
Reservoirs, dams and aqueducts	6,639,800	(4,143,853)	2,495,947	6,638,348	(4,071,621)	2,566,727
Machinery and equipment	5,450,330	(2,747,730)	2,702,600	5,320,736	(2,654,801)	2,665,935
Buildings	1,498,700	(1,003,705)	494,995	1,500,144	(989,221)	510,923
Land	361,846	(16,735)	345,111	277,665	(15,287)	262,378
Vehicles and aircraft	56,143	(48,106)	8,037	59,101	(48,759)	10,342
Furniture and tools	17,264	(11,870)	5,394	16,990	(11,476)	5,514
(-) Provision for impairment (19.7)	(4,986)	-	(4,986)	(4,986)	-	(4,986)
(-) Special Obligations	(56)	22	(34)	(56)	18	(38)
	14,019,041	**(7,971,977)**	**6,047,064**	**13,807,942**	**(7,791,147)**	**6,016,795**
In progress						
Cost	5,586,796	-	5,586,796	5,023,013	-	5,023,013
(-) Provision for impairment (19.7)	(1,198,341)	-	(1,198,341)	(1,210,358)	-	(1,210,358)
	4,388,455	**-**	**4,388,455**	**3,812,655**	**-**	**3,812,655**
	18,407,496	**(7,971,977)**	**10,435,519**	**17,620,597**	**(7,791,147)**	**9,829,450**

19.2 Changes in property, plant and equipment

Consolidated	Balance as of January 1, 2018	Additions / Reversal of impairment	Depreciation	Loss on disposal	Capitalizations	Transfers/ Reclassifications	Balance as of June 30, 2018
In service							
Reservoirs, dams and aqueducts	2,566,727	-	(72,233)	-	1,453	-	2,495,947
Machinery and equipment	2,665,935	-	(95,494)	(3,536)	135,652	43	2,702,600
Buildings	510,923	-	(17,852)	(499)	2,423	-	494,995
Land	262,378	-	(1,449)	(83)	84,265	-	345,111
Vehicles and aircraft	10,342	-	(2,322)	(256)	273	-	8,037
Furniture and tools	5,514	-	(406)	(1)	284	3	5,394
(-) Provision for impairment (19.7)	(4,986)	-	-	-	-	-	(4,986)
(-) Special Obligations	(38)	-	4	-	-	-	(34)
	6,016,795	**-**	**(189,752)**	**(4,375)**	**224,350**	**46**	**6,047,064**
In progress							
Cost	5,023,013	778,043	-	(598)	(224,350)	10,688	5,586,796
(-) Provision for impairment (19.7)	(1,210,358)	12,017	-	-	-	-	(1,198,341)
	3,812,655	**790,060**	**-**	**(598)**	**(224,350)**	**10,688**	**4,388,455**
	9,829,450	**790,060**	**(189,752)**	**(4,973)**	**-**	**10,734**	**10,435,519**

19.3 Costs of loans, financing and debentures capitalized

The costs of loans, financing and debentures capitalized in property, plant and equipment during the first half of 2018 amounted to R$2,430, at an average rate of 0.06 % p.y. (R$1,133, at an average rate of 0.04% p.y. during the first half of 2017).

19.4 HPP Colíder

On July 30, 2010, at the ANEEL Auction of Power from New Projects 003/10, Copel GeT won the rights to the concession of the Colíder Hydroelectric Power Plant, valid for 35 years from the date of signature of Concession Agreement No. 001/11-MME-HPP Colíder, which took place on January 17, 2011.

This project will comprise a main powerhouse of 300 MW, which is enough to supply approximately one million people. The facility will take advantage of the hydroelectric potential discovered on the Teles Pires River, between the towns of Nova Canaã do Norte and Itaúba, in the northern region of the State of Mato Grosso.

The National Bank for Economic and Social Development (BNDES) approved the classification of the HPP Colíder project for financial support in the total amount of R$1,041,155 (Note 23). The amounts released until June 30, 2018 totaled R$1,005,108.

Due to acts of God and force majeure, such as fire at the construction site, and public power acts, delays involving environmental licenses, among other setbacks, such as delays in delivery of equipment, in electromechanical assembly services and in the construction of the transmission line of the power plant, the project timeframe was adversely affected, leading to postponement of the commercial generation of the power plant, whose first generating unit is expected to be operational by June 2018, whilst the third and last one is expected by December 2018. As a result of these events, a balance of estimated losses on impairment of assets is recorded as shown in Note 19.7.

The Colíder Hydroelectric Power Plant's power output was sold at an ANEEL auction at a final price of R$103.40/MWh, as of July 1, 2010, adjusted according to the variation of IPCA inflation index to R$167.66 as of June 30, 2018. 125 averages MW were sold, for supply starting on January 2015, for 30 years. Copel GeT submitted an application to ANEEL to exclude its responsibility, so that the obligation to supply energy could be postponed. In a first judgment, the request was not accepted, Copel GeT filed an application for reconsideration of the decision, which was also denied on March 14, 2017. Not agreeing with the decision, Copel GeT filed again an application for reconsideration, which was definitely denied on July 4, 2017. Copel GeT filed a common civil action with the Court on December 18, 2017 applying for a preliminary injunction and requesting the reversal of the decision of the Agency, and on April 6, 2018, the Federal Court of the 1st Region fully granted the preliminary injunction required by Copel Get in the Interlocutory Appeal to exempt it from any burden, charges or restrictions to right arising from the delay in the implementation schedule of the Colíder HPP.

Copel GeT has complied with its commitments of energy supply as follows:

- From January 2015 to June 2016 - with energy surpluses not contracted in its other plants;
- From June 2016 to December 2018 - with partial reduction, in June 2016, through a bilateral agreement; and
- from July 2016 to December 2018, with reduction of all supply contracts of the CCEARs - Energy Trading Agreement in the Regulated Environment, through a bilateral agreement and participation in the New Energy and Decrease Clearing Facility ("Mecanismo de Compensação de Sobras e Déficits de Energia Nova - MCSD-EN").

On July 14, 2017, the assured power of the project was revised by MME Ordinance No. 213/SPE, going to 178.1 average MW, after full set-up.

At 6/30/2018, the expenditures incurred on HPP Colíder presented a balance of R$2,303,454.

19.5 Joint operations - consortiums

The amounts recorded under property, plant and equipment referring to the participations of Copel GeT in consortiums are shown below:

Joint operations	Share Copel GeT (%)	Annual average depreciation rate (%)	06.30.2018	12.31.2017
In service				
HPP Mauá (Consórcio Energético Cruzeiro do Sul)	51.00		859,917	859,917
(-) Accumulated depreciation		3.43	(161,816)	(147,086)
			698,101	**712,831**
In progress				
HPP Baixo Iguaçu (19.5.1)	30.00		671,210	640,178
			671,210	**640,178**
			1,369,311	**1,353,009**

19.5.1 Consórcio Empreendedor Baixo Iguaçu - Cebi

The purpose of the consortium is to build and operate the project known as Baixo Iguaçu Hydroelectric Plant, with installed capacity of 350.20 MW and physical guarantee of 171.3 MW, located on the Iguaçu River between the municipalities of Capanema and Capitão Leônidas Marques, and between the Governador José Richa Hydroelectric Plant and the Iguaçu National Park, in the State of Paraná. With total estimated investment of R$2,300,000, the start of commercial operation of unit 1 is currently scheduled for the end of January 2019, and of units 2 and 3 for the end of February and end of March 2019, respectively.

The construction works started in July 2013, with the excavation of the generation circuit, the landscaping of the construction site and the construction of accommodation areas. The previous schedule has been changed due to the suspension of the Installation License, as per the decision of the Federal Court of the 4th Region (TRF-RS), held on June 16, 2014, that stopped the construction work as of July of that year. In March 2015, a decision authorizing the Company to resume construction work was published. However, Instituto Chico Mendes de Conservação da Biodiversidade - ICMBio imposed additional conditions for granting an environmental license to the Company, which prevented it from resuming construction work. Cebi sent IAP - Environmental Institute of Paraná the information necessary for those conditions to be met and in August 2015 the license was issued. After the measures were discussed and agreed with the construction consortium, the work was resumed on February 2, 2016.

In August 2016, ANEEL published the 2nd Amendment to the Concession Agreement with the purpose of formalizing the redefinition of the schedule of HPP Baixo Iguaçu as well as the final date of termination, acknowledging in favor of Cebi the exclusion of responsibility for the delay in implementing the project for a period of 756 days, recommending to the MME the extension of the grant period and determining CCEE to postpone the start of the supply period for the CCEARs for the period of exclusion of responsibility acknowledged. On November 7, 2017, ANEEL acknowledged additional 46 days of exclusion of responsibility for the delay in implementing HPP Baixo Iguaçu, dismissing the application of any penalties and contractual, commercial or regulatory obligations derived from the delay. Accordingly, the project, which already counted with exclusion of responsibility for 746 days, now has a termination date for its concession on October 30, 2049, and the start of supply of Energy Sale Agreements on November 12, 2018.

At the construction site, the works continue at a fast pace. The diversion activities of the second phase, assembly of power house and spillway are in full progress, as well as the implementation of the transmission system and the land and socio-environmental programs.

19.6 Cutia wind farm project

The largest Copel wind farm called Cutia is under construction, and is divided into two large complexes: The project named Cutia is divided into two large complexes, namely:

- 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, inflation adjusted according to the variation of the IPCA to R$181.24 as of 6/30/2018. The forecast for the commercial operation of these farms is scheduled for the period between August and November 2018; 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 wind farms was sold on the 20th Reserve Auction that was held on 11/28/2014, at an average historical price of R$136.97/MWh, inflation adjusted according to the variation of the IPCA to R$171.52 as of 6/30/2018. The forecast for the commercial operation of these farms is scheduled for the period between October 2018 and January 2019.

As a result of the review of the recoverable amount of these projects, a balance of estimated losses on impairment of assets is recorded as demonstrated in Note 19.7.

19.7 Estimated losses on impairment of generation segment assets

Based on previous indicators of impairment, of assumptions representing the Company management best estimates, of the methodology set forth by Technical Pronouncement CPC 01 (R1) and of measurement of value in use, a number of power plants or cash generating units of the generation segment were tested.

The calculation of the value in use was based on discounted operating cash flows over the time of concessions, maintaining the Company's current commercial conditions. The rate used to discount the cash flows was set in light of the WACC (Weighted Average Cost of Capital) methodology and CAPM (Capital Asset Pricing Model) methodology for the generation business, considering usual market parameters.

Internal references such as the budget approved by the Company, historical or past data, updating of the timeframe of work and amount of investments for projects in course support the design of key assumptions by Company management. In the same framework, external references such as level of consumption of electric power, expansion of the economic activity in Brasil and the availability of water resources support the key information about estimated cash flows.

Worth noting is that a number of assumptions used by Company management when determining future cash flows can be affected by uncertain events, which, in its turn, may give rise to variation in results. Changes in the political and economic model, for example, may lead to upward trend when projecting country risk-rating, increasing the discount rates used in tests.

All in all, the tests addressed the following key assumptions:

- Growth compatible with historical data and perspective for the Brazilian economy growth;
- Specific after-tax discount rates for the segments tested, obtained through the methodology usually applied by the market, taking into consideration the weighted average cost of capital;
- Projected revenue in accordance with the agreements in force, without any expectation for renewal of concession/authorization;
- Expenses broken into cash generating units, projected in view of the budget approved by the Company; and

The Company addressed all its generation projects as independent cash generating units.

The projects with impairment balances recorded at 6/30/2018 are the following:

Consolidated	Property, Plant and Equipment			
	Cost	Depreciation	Impairment	Value in use
Projects				
HPP Colíder (a)	2,305,633	(2,178)	(599,098)	1,704,357
Wind power complex Cutia (a)	1,138,433	-	(254,799)	883,634
Wind power complex Bento Miguel (a)	634,755	-	(127,798)	506,957
Consórcio Tapajós	14,464	-	(14,464)	-
Power plants in Paraná (a)	925,599	(61,439)	(207,168)	656,992
	5,018,884	**(63,617)**	**(1,203,327)**	**3,751,940**

(a) Under construction

The Company reviewed the recoverable amount of property, plant and equipment and, as a result of these analyses, the impairment suffered the following changes:

Consolidated	Balance as of January 1, 2018	Impairment at the year	Balance as of June 30, 2018
In service			
Power plants in Paraná	(4,986)	-	(4,986)
	(4,986)	**-**	**(4,986)**
In progress			
HPP Colíder (19.7.1)	(683,021)	83,923	(599,098)
Wind power complex Cutia (19.7.2)	(224,510)	(30,289)	(254,799)
Wind power complex Bento Miguel (19.7.2)	(98,231)	(29,567)	(127,798)
Consórcio Tapajós	(14,464)	-	(14,464)
Power plants in Paraná (19.7.3)	(190,132)	(12,050)	(202,182)
	(1,210,358)	**12,017**	**(1,198,341)**
	(1,215,344)	**12,017**	**(1,203,327)**

19.7.1 HPP Colíder

In June 2018 the calculation of the value in use considered the Company's assumptions and budgets and after-tax discount rate in constant currency of 5.35% p.y., which derives from the WACC methodology for the electric power generation segment. Although the current estimate for go-live of the first turbine has been postponed to August 2018 (in 2017 the tentative date was June 2018), a reversal was recognized due to the improvement of the expected revenue from the sale of energy.

19.7.2 Cutia and Bento Miguel Wind Farms

In June 2018 the calculation of the value in use considered the Company's assumptions and budgets and pretax discount rate in constant currency of 7.11%, which derives from the WACC methodology for the electric power generation segment, adjusted for the specific condition of taxation of those projects. The changes noted are justified mainly by the adjustment of the estimated capex amount and the reduction of the expected generation.

In the Cutia Windfarm Complex, the recognition noted is also justified by the change in the expected go-live in August 2018 and the completion in November 2018 (in 2017, the tentative date was July and completion in August 2018).

19.7.3 Power plants of Paraná

In June 2018 the calculation of value in use of generation assets in the State of Paraná considered: (I) the Company's assumptions and budgets; and (ii) and after-tax discount rate in constant currency of 5.35% p.y., which derives from the WACC methodology for the electric power generation segment. The additional provision is mainly due to the test of Figueir Hydroelectric Plant, and is justified by the increase in capex, increase in disallowance of the coal subsidy and the consideration of the reimbursement to CDE of the coal not used.

20 Intangible Assets

Consolidated	06.30.2018	12.31.2017
Distribution concession agreement (20.1)	5,794,870	5,750,873
Generation concession agreements/ authorization (20.2)	604,237	619,221
Concession agreement - gas distribution (20.3)	33,690	43,888
Others (20.4)	41,323	38,842
	6,474,120	**6,452,824**

20.1 Distribution concession agreement

Consolidated			Special liabilities		
	in service	in progress	in service	in progress	Total
Balance as of January 1, 2018	**7,907,965**	**714,446**	**(2,845,438)**	**(26,100)**	**5,750,873**
Acquisitions	-	293,738	-	-	293,738
Customers contributions	-	-	-	(52,245)	(52,245)
Provision for claims added to the cost of the w orks	-	2,627	-	-	2,627
Transfers for accounts receivable related to concession (Note 10.1)	-	(23,145)	-	39	(23,106)
Capitalizations for intangible in service	349,375	(349,375)	(52,053)	52,053	-
Amortization of quotas - concession (a)	(212,553)	-	64,619	-	(147,934)
Amortization of quotas - PIS/Pasep and Cofins credits	(5,492)	-	-	-	(5,492)
Loss on disposal	(17,834)	(5,757)	-	-	(23,591)
Balance as of June 30, 2018	**8,021,461**	**632,534**	**(2,832,872)**	**(26,253)**	**5,794,870**

(a) Amortization during the concession as of the start of commercial operations of the enterprieses or based on the useful life of the assets, of the tw o the shortest.

20.2 Generation concession agreement

Consolidated	Concession contract (a)		Concession and	
	in service	inprogress	authorization rights	Total
Balance as of January 1, 2018	**236,443**	**6,977**	**375,801**	**619,221**
ANEEL grant - use of public property	-	302	-	302
Amortization of quotas - concession and authorization (b)	(8,719)	-	(6,567)	(15,286)
Balance as of June 30, 2018	**227,724**	**7,279**	**369,234**	**604,237**

(a) Includes the balances of use of public asset and hydrological risk renegotiation

(b) Amortization during the concession/authorization as of the start of commercial operations of the enterprieses.

20.3 Concession agreement - gas distribution

Consolidated	in service	in progress	Total
Balance as of January 1, 2018	**24,417**	**19,471**	**43,888**
Acquisitions	-	6,263	6,263
Transfers for accounts receivable related to concession (Note 10.5)	(945)	(3,684)	(4,629)
Capitalizations for intangible in service	1,578	(1,578)	-
Amortization of quotas - concession (a)	(11,808)	-	(11,808)
Loss on disposal	(9)	(15)	(24)
Balance as of June 30, 2018	**13,233**	**20,457**	**33,690**

(a) Amortization during the concession as of the start of commercial operations of the enterprieses or based on the useful life of the assets, of the tw o the shortest.

20.4 Other intangible assets

Consolidated	in service	in progress	Total
Balance as of January 1, 2018	**22,693**	**16,149**	**38,842**
Acquisitions	-	5,738	5,738
Transfers from property, plant and equipment	54	35	89
Capitalizations for intangible in service	1,970	(1,970)	-
Amortization of quotas (a)	(3,027)	-	(3,027)
Amortization of quotas - PIS/Pasep and Cofins credits	(16)	-	(16)
Loss on disposal	-	(303)	(303)
Balance as of June 30, 2018	**21,674**	**19,649**	**41,323**

(a) Annual amortization rate: 20%.

20.5 Costs of loans, financing and debentures capitalized

The costs of loans, financing and debentures capitalized during the first half of 2018 totaled R$1,949, at an average rate of 0.13 % p.y. (R$1,863, at an average rate of 0.10% p.y. during the first half of 2017).

21 Payroll, Social Charges and Accruals

	Parent Company		Consolidated	
	06.30.2018	12.31.2017	06.30.2018	12.31.2017
Social security liabilities				
Taxes and social contribution	1,021	1,778	34,072	49,748
Social security charges on paid vacation and 13th salary	964	768	39,659	32,686
	1,985	**2,546**	**73,731**	**82,434**
Labor liabilities				
Payroll, net	1	157	251	1,796
Vacation and 13th salary	3,186	2,511	129,786	106,450
Profit sharing	1,106	586	111,270	68,817
Voluntary retirement program	5,276	877	114,194	38,642
Profit sharing	-	300	3	15,828
	9,569	**4,431**	**355,504**	**231,533**
	11,554	**6,977**	**429,235**	**313,967**

22 Suppliers

Consolidated	06.30.2018	12.31.2017
Energy supplies	1,023,615	986,689
Materials and supplies	446,067	521,969
Natural gas for resale	128,295	101,026
Charges for use of grid system	125,321	117,362
	1,723,298	**1,727,046**
Current	**1,672,888**	**1,683,577**
Noncurrent	**50,410**	**43,469**

23 Loans and Financing

Contracts	Company	Issue Date	Number of installment	Final maturity	Annual rate p.y. (interest + commission)	Finance charges	Principal	Consolidated 06.30.2018	Consolidated 12.31.2017
Foreign currency									
National Treasury Department - STN (Secretaria do Tesouro Nacional)									
(1) Par Bond	Copel	05.20.1998	1	04.11.2024	6.0% + 0.20%	Half-yearly	17,315	42,615	52,768
(1) Discount Bond	Copel	05.20.1998	1	04.11.2024	1.1875%+0.20%	Half-yearly	12,082	61,542	36,502
Total foreign currency								**104,157**	**89,270**
Local currency									
Banco do Brasil									
(2) 21/02155-4	Copel DIS	09.10.2010	2	08.15.2018	109.0% of DI	Half-yearly	116,667	59,801	60,049
(3) 21/02248-8	Copel DIS	06.22.2011	2	05.16.2018	109.0% of DI	Half-yearly	150,000	-	75,601
(4) CCB 21/11062X	Copel DIS	08.26.2013	3	07.27.2018	106.0% of DI	Half-yearly	151,000	51,725	51,932
(5) CCB 330.600.773	Copel DIS	07.11.2014	3	07.11.2019	111.8% of DI	Half-yearly	116,667	80,063	80,699
(6) CFX 17/35959-7	Copel DIS	05.16.2017	2	05.06.2019	12.0%	Quarterly	75,000	75,721	75,291
(7) CCB 21/00851-5	Copel DIS	06.30.2017	2	06.13.2019	11.0%	Quarterly	38,889	38,579	38,241
(8) CCB 17/35960-0	Copel DIS	07.27.2017	2	07.17.2019	11.0%	Quarterly	50,333	51,259	51,073
(9) CFX 17/35958-9	Copel DIS	08.15.2017	2	08.05.2019	11.0%	Quarterly	58,333	58,907	58,636
(10) NCI 330.600.132	Copel	02.28.2007	3	02.28.2019	107.8% of DI	Half-yearly	231,000	78,470	157,707
(11) CCB 306.401.381	Copel	06.21.2018	4	07.21.2021	120.0% of DI	Quarterly	640,005	631,133	660,949
(12) NCI 306.401.445	Copel	02.24.2017	2	02.15.2020	124.5% of DI	Half-yearly	77,000	78,103	78,186
								1,203,761	**1,388,364**
Eletrobras									
(13) 980/95	Copel DIS	12.22.1994	80	11.15.2018	8.0%	Quarterly	11	1	3
(13) 981/95	Copel DIS	12.22.1994	80	08.15.2019	8.0%	Quarterly	1,169	82	115
(13) 982/95	Copel DIS	12.22.1994	80	11.15.2019	8.0%	Quarterly	1,283	36	48
(13) 983/95	Copel DIS	12.22.1994	80	11.15.2020	8.0%	Quarterly	11	64	77
(13) 984/95	Copel DIS	12.22.1994	80	11.15.2020	8.0%	Quarterly	14	27	33
(13) 985/95	Copel DIS	12.22.1994	80	08.15.2021	8.0%	Quarterly	61	20	23
(14) 142/06	Copel DIS	05.11.2006	120	09.30.2018	5.0% + 1.0%	Monthly	74,340	910	2,730
(14) 206/07	Copel DIS	03.03.2008	120	08.30.2020	5.0% + 1.0%	Monthly	109,642	19,291	23,746
(14) 273/09	Copel DIS	02.18.2010	120	12.30.2022	5.0% + 1.0%	Monthly	63,944	7,399	8,222
								27,830	**34,997**
Caixa Econômica Federal									
(14) 415.855-22/14	Copel DIS	03.31.2015	120	12.08.2026	6.0%	Monthly	5,095	4,804	5,087
(15) 3153-352	Copel DIS	11.01.2016	36	12.15.2021	5,5 % above TJLP	Quarterly	489	496	498
								5,300	**5,585**
Finep									
(16) 21120105-00	Copel TEL	07.17.2012	81	10.15.2020	4.0%	Monthly	35,095	7,292	8,855
(16) 21120105-00	Copel TEL	07.17.2012	81	10.15.2020	3.5% + TR	Monthly	17,103	6,161	7,482
								13,453	**16,337**
BNDES									
(17) 820989.1	Copel GeT	03.17.2009	179	01.15.2028	1.63% above TJLP	Monthly	169,500	112,840	118,370
(18) 1120952.1-A	Copel GeT	12.16.2011	168	04.15.2026	1.82% above TJLP	Monthly	42,433	24,587	26,078
(19) 1120952.1-B	Copel GeT	12.16.2011	168	04.15.2026	1.42% above TJLP	Monthly	2,290	1,327	1,407
(20) 1220768.1	Copel GeT	09.28.2012	192	07.15.2029	1.36% above TJLP	Monthly	73,122	53,127	55,357
(21) 13211061	Copel GeT	12.04.2013	192	10.15.2031	1.49% above TJLP	Monthly	1,041,155	871,598	871,022
(22) 13210331	Copel GeT	12.03.2013	168	08.15.2028	1.49% and 1.89% above TJLP	Monthly	17,644	13,268	13,878
(23) 15206041	Copel GeT	12.28.2015	168	06.15.2030	2.42% above TJLP	Monthly	34,265	24,939	25,899
(24) 15205921	Copel GeT	12.28.2015	168	12.15.2029	2.32% above TJLP	Monthly	21,584	15,125	15,734
(25) 14205611-A	Copel DIS	12.15.2014	72	01.15.2021	2.09% above TJLP	Monthly	41,583	17,862	21,266
(25) 14205611-B	Copel DIS	12.15.2014	6	02.15.2021	2.09 above TR BNDES	Annual	17,821	11,342	15,384
(26) 14205611-C	Copel DIS	12.15.2014	113	06.15.2024	6.0%	Monthly	78,921	47,022	50,949
(27) 14205611-D	Copel DIS	12.15.2014	57	02.15.2021	TJLP	Monthly	750	25	29
(28) 14212711	Santa Maria	06.01.2015	192	08.15.2031	1.66% above TJLP	Monthly	59,462	49,845	51,578
(28) 14212721	Santa Helena	06.01.2015	192	08.15.2031	1.66% above TJLP	Monthly	64,520	54,054	55,932
(29) 11211521	GE Farol	03.19.2012	192	06.15.2030	2.34% above TJLP	Monthly	54,100	46,945	48,742
(29) 11211531	GE Boa Vista	03.19.2012	192	06.15.2030	2.34% above TJLP	Monthly	40,050	34,706	36,034
(29) 11211541	GE S.B. do Norte	03.19.2012	192	06.15.2030	2.34% above TJLP	Monthly	90,900	78,709	81,723
(29) 11211551	GE Olho D'Água	03.19.2012	192	06.15.2030	2.34% above TJLP	Monthly	97,000	84,062	87,278
								1,541,383	**1,576,660**
(30) Promissory notes	Copel GeT	05.12.2017	1	05.12.2019	117% of DI	Single installment	500,000	550,597	529,919
(31) Promissory notes	Copel GeT	05.11.2018	1	11.11.2018	114,5% of DI	Single installment	600,000	603,613	-
								1,154,210	**529,919**
Banco do Brasil BNDES Transfer									
(32) 21/02000-0	Copel GeT	04.16.2009	179	01.15.2028	2,13% above TJLP	Monthly	169,500	112,840	118,373
								112,840	**118,373**
Total local currency								**4,058,777**	**3,670,235**
								4,162,934	**3,759,505**
							Current	**1,768,983**	**784,666**
							Noncurrent	**2,393,951**	**2,974,839**

Allocation:

(1) The restructuring of medium and long-term debt in connection w ith the financing received under Law No. 4,131/1962.

(2) (3) (4) (5) (6) (7) (8) (9) (10) (11) (12) Working capital.

(12) National Program for Watering - Proni.

(14) Rural Electricity Program - *Luz para Todos* .

(15) Operation for the acquisition of machinery and/or equipment and IT and automation equipment.

(16) BEL project - ultra w ide band intranet service (Ultra Wide Band - UWB).

(17) (32) Construction of the Mauá Hydroelectric Pow er Plant and its transmission system, in consortium w ith Eletrosul.

(18) Implementation of transmission line betw een substations Foz do Iguaçu and Cascavel Oeste.

(19) Purchase of machinery and equipment for implementation of the transmission line described above.

(20) Implementation of Cavernoso II SHP.

(21) Implementation of HPP Colíder and associated transmission system.

(22) Implementation of the 230/138kV Cerquilho III Substation.

(23) Implementation of transmission line Assis – Paraguaçu Paulista II.

(24) Implementation of transmission lines Londrina – Figueira and Salto Osório – Foz do Chopim C2.

(25) Investment in preservation of businesses, improvements, operational support and general investments in expansion.

(26) National machinery and equipment accredited by BNDES.

(27) Implementation, expansion and consolidation of projects and Enterprises Social Investment Programs (ISE).

(28) (29) Construction and implementation of w ind generating plant.

(30) Payment of grant – auction 012/2015, relative to HPP GPS.

(31) Debt refinancing and reinforcement of w orking capital.

Guarantees:

(1) Company's centralized revenues account. Deposited Collateral (23.1).

(2) (3) Pledge until 360 days.

(2) (3) (4) (5) (6) (7) (8) (9) (10) (11) (12) (19) Credit assignment.

(13) (14) Ow n revenue, supported by pow er of attorney granted by a public instrument, and the issue of promissory notes and commercial duplicates equal to the number of installments falling due.

(15) Fiduciary assignment of trade notes.

(16) Withhold the amounts from the checking account in w hich revenues are deposited.

(17) (21) (32) Total revenue from the sale and/or transaction of CCEAR energy, related to the project, through Concession Agreement of Attachment of Revenues, Account Management and Other Covenants.

(18) (19) Fiduciary assignment of rights under the Concession Agreement No. 027/2009-ANEEL, Transmission Service Provision Contract No. 09/2010-ONS and contracts for use of Transmission System, signed by the ONS, the Dealerships and the Transmission System users, including the total income from the provision of transmission services.

(21) Fiduciary assignment of rights under the Concession Agreement No. 01/2011MME-HPP Colíder and fiduciary assignment due to the Purchase and Sale of Energy Eétrica (CCVEE) betw een Copel and BRF - Brasil Foods S.A.

(22) Fiduciary assignment of rights under the Public Service Concession Agreement for Electric Pow er Transmission No. 015/2010-ANEEL, signed betw een Copel and the Federal Government.

(23) Assignment of credit rights deriving from Concession Agreement No. 002/2013 - ANEEL.

(24) Assignment of credit rights deriving from Concession Agreement No. 022/2012 - ANEEL.

(25) (26) (27) Surety of Companhia Paranaense de Energia; fiduciary assignment of income and indemnity rights of the concession.

(28) Guarantee from Companhia Paranaense de Energia; pledge of shares; assignment of credit rights deriving from Electricity Agreement Reservation No. 153/2011; assignment of revenues arising from the project.

(29) Pledge of shares (GE Farol, GE Boa Vista, GE São Bento do Norte and GE Olho D'Água); assignment of receivables arising from the sale of electricity produced by the project; assignment of machinery and equipment assembled or built w ith the funds pegged to it.

(30) (31) Surety of Companhia Paranaense de Energia.

23.1 Collateral and escrow deposits - STN

The Guarantees provided in the form of Par Bonds for R$51,228 (R$44,548 at 12/31/2017), and Discount Bonds in the amount of R$35,818 (R$31,117 at 12/31/2017), to be used to repay amounts of principal corresponding to STN contracts, when these payments are due on April 11, 2024. The amounts are updated by applying the weighted average percentage changes of United States Treasury Zero Coupon bond prices, by the share of each series of the instrument in the portfolio of collateral for principal, provided in the context of the Brazilian Financing Plan from 1992.

23.2 Breakdown of loans and financing by currency and index

Consolidated		06.30.2018	%	12.31.2017	%
Foreign currency - change in currencies in the period (%)					
U.S. Dolar	16.56	104,157	2.50	89,270	2.37
		104,157	**2.50**	**89,270**	**2.37**
Local currency - accumulated index in the period (%)					
CDI	6.39	2,133,505	51.25	1,695,042	45.09
TJLP	6.60	1,596,355	38.35	1,629,198	43.34
TR	0.00	6,161	0.15	7,482	0.20
IPCA	2.60	11,342	0.27	15,384	0.41
Without indexer	-	311,414	7.48	323,129	8.59
		4,058,777	**97.50**	**3,670,235**	**97.63**
		4,162,934	**100.00**	**3,759,505**	**100.00**

23.3 Maturity of noncurrent installments

	Parent Company			Consolidated		
06.30.2018	Foreign currency	Local currency	Total	Foreign currency	Local currency	Total
2019	-	-	-	-	173,094	173,094
2020	-	353,323	353,323	-	514,272	514,272
2021	-	315,566	315,566	-	459,442	459,442
2022	-	-	-	-	139,454	139,454
2023	-	-	-	-	137,809	137,809
After 2023	103,140	-	103,140	103,140	866,740	969,880
	103,140	**668,889**	**772,029**	**103,140**	**2,290,811**	**2,393,951**

23.4 Changes in loans and financing

Parent Company	Foreign currency	Local currency	Total
Balance as of January 1, 2018	**89,270**	**896,842**	**986,112**
Charges	2,390	32,766	35,156
Monetary and exchange variations	14,655	-	14,655
Amortization - principal	-	(77,000)	(77,000)
Payment - charges	(2,158)	(64,902)	(67,060)
Balance as of June 30, 2018	**104,157**	**787,706**	**891,863**

Consolidated	Foreign currency	Local currency	Total
Balance as of January 1, 2018	**89,270**	**3,670,235**	**3,759,505**
Funding	-	630,000	630,000
Charges	2,390	145,890	148,280
Monetary and exchange variations	14,655	5,424	20,079
Amortization - principal	-	(237,131)	(237,131)
Payment - charges	(2,158)	(155,641)	(157,799)
Balance as of June 30, 2018	**104,157**	**4,058,777**	**4,162,934**

23.5 Covenants

The Company and its subsidiaries signed loan and financing agreements containing covenants that require economic and financial ratios to remain within pre-determined parameters, requiring annual fulfillment and other conditions to be observed, such as not changing the Company's interest in the capital stock of subsidiaries that would represent change of control without prior consent. Failing to fulfil these conditions may lead to accelerated debt repayment and/or fines.

Until 6/30/2018, all the conditions agreed had been fulfilled.

The financial covenants contained in the loan and financing agreements are presented below:

Company	Contract	Annual financial index	Limit
Copel GeT	BNDES Finem nº 820989.1 - Mauá Banco do Brasil nº 21/02000-0 - Mauá	EBITDA / Net financial results	≥ 1.3
	3rd issue of Promissory Notes	Consolidated net debt / Consolidated EBITDA	≤ 3.5
	4th issue of Promissory Notes	Debt service coverage ratio	≥ 1.5
Copel DIS	BNDES Finem nº 14205611	Financial indebtedness / adjusted EBITIDA	≤ 4.0
Santa Maria	BNDES Finem nº 14212711	Debt service coverage ratio	≥ 1.3
Santa Helena	BNDES Finem nº 14212721		
São Bento Energia, Investimento e Participações	BNDES Assignment Agreement	Debt service coverage ratio	≥ 1.3
GE Boa Vista S.A.	BNDES Finem nº 11211531		
GE Farol S.A.	BNDES Finem nº 11211521		
GE Olho D´Água S.A.	BNDES Finem nº 11211551		
GE São Bento do Norte S.A.	BNDES Finem nº 11211541		

Financing for businesses - Finem

24 Debentures

Issue	Company	Issue Date	Number of installment	Maturity initial	Maturity final	Annual rate p.y. (interest)	Principal	Consolidated 06.30.2018	Consolidated 12.31.2017
(1) 5th	Copel	05.13.2014	3	05.13.2017	05.13.2019	111.5% of DI	1,000,000	335,945	672,537
(2) 6th	Copel	06.29.2017	1	-	06.28.2019	117.0% of DI	520,000	563,951	542,944
(2) 7th	Copel	01.19.2018	2	01.19.2020	01.19.2021	119.0% of DI	600,000	615,526	-
(3) 1st	Copel GeT	05.15.2015	3	05.15.2018	05.15.2020	113.0% of DI	1,000,000	670,935	1,059,822
(4) 2nd	Copel GeT	07.13.2016	2	07.13.2018	07.13.2019	121.0% of DI	1,000,000	1,080,267	1,037,570
(5) 3rd	Copel GeT	10.20.2017	3	10.20.2020	10.20.2022	126.0% of DI	1,000,000	1,002,562	999,442
(7) 2nd	Copel DIS	10.27.2016	2	10.27.2018	10.27.2019	124.0% of DI	500,000	523,612	502,179
(8) 3rd	Copel DIS	10.20.2017	2	10.20.2021	10.20.2022	126.0% of DI	500,000	502,166	501,810
(9) 1st	Copel TEL	10.15.2015	5	10.15.2020	10.15.2024	IPCA + 7.9633%	160,000	183,535	184,506
(10) 2nd	Copel TEL	07.15.2017	1	-	07.15.2022	IPCA + 5.4329%	220,000	227,440	215,675
(11) 2nd	(a)	03.24.2016	192	08.15.2016	07.15.2032	TJLP + 2.02%	147,575	132,502	135,662
(12) 2nd	(a)	03.24.2016	192	08.15.2016	07.15.2032	IPCA + 9.87%	153,258	142,914	145,786
(13) 2nd	Elejor	09.26.2013	60	10.26.2013	09.26.2018	DI + Spread 1.00%	203,000	10,093	30,370
(14) 1st	Compagás	12.16.2013	40	09.15.2015	12.15.2018	TJLP+1.7% p.y.+1.0%	62,626	9,635	19,214
(15) 2nd	Compagás	04.15.2016	54	07.15.2017	12.15.2021	TJLP/Selic + 2.17%	33,620	20,562	23,461
								6,021,645	**6,070,978**
							Current	**2,194,894**	**1,632,062**
							Noncurrent	**3,826,751**	**4,438,916**

(a) Nova Asa Branca I, Nova Asa Branca II, Nova Asa Branca III, Nova Eurus IV e Ventos de Santo Uriel.

Characteristics:

(1) (2) (3) (4) (5) (6) (7) (8) (9) (10) (13) Simple debentures, single series, not convertible into shares, unsecured, for public distribution with restricted placement efforts, according to CVM No. 476.

(11) Simple debentures, 1st serie, issued privately and not convertible into shares.

(12) Simple debentures, 2nd serie, issued privately and not convertible into shares.

(14) (15) Simple floating debentures, issued privately in a single series and not convertible into shares.

Finance charges:

(1) Half-yearly interest - May and November.

(2) Interest on the maturity of the agreement

(3) (10) Half-yearly interest - January and July.

(4) Anuual interest - May.

(5) Anuual interest - July.

(6) (8) (9) Half-yearly interest - April and October.

(7) Anuual interest - October.

(11) (12) (13) Monthly interest.

(14) (15) Quarterly interest - March, June, September and December.

Allocation:

(1) (2) (3) (4) (5) (6) (7) (8) Working capital or used to make investments in the issuer.

(9) (10) Deployment, expansion and modernization of the telecommunication network.

(11) (12) Implementation of wind farms and associated transmission systems.

(13) Full settlement of the loan agreement with Copel.

(14) (15) Fund investment plan of the issuer.

Collaterals:

(1) (2) (3) (4) (5) (6) (7) (8) (9) (10) (13) Personal guarantee

(11) (12) Real and personal guarantee and pledge of Copel Geração e Transmissão's shares.

(14) (15) Floating

Guarantor:

(1) (2) (3) (4) (5) (6) (7) (8) (9) (10) (11) (12) Copel.

(13) Copel, at the ratio of 70% and Paineira Participações S.A., at the ratio of 30%.

(14) (15) Compagás.

Trustee:

(1) (2) (3) (4) (5) (6) (7) (8) (9) (10) (13) Pentágono S.A. DTVM.

(11) (12) None.

(14) (15) BNDES Participações S.A. - BNDESPAR.

24.1 Maturity of noncurrent installments

06.30.2018	Parent Company	Consolidated
2019	-	753,816
2020	297,761	991,170
2021	297,762	917,699
2022	-	874,971
2022	-	70,658
After 2023	-	218,437
	595,523	**3,826,751**

24.2 Changes in debentures

	Parent Company	Consolidated
Balance as of January 1, 2018	**1,215,481**	**6,070,978**
Funding	600,000	600,000
Charges and monetary variations	63,038	265,604
Amortization - principal	(333,300)	(709,158)
Payment - charges	(29,797)	(205,779)
Balance as of June 30, 2018	**1,515,422**	**6,021,645**

24.3 Covenants

Copel and its subsidiaries issued debentures containing covenants that require the maintenance of certain economic and financial ratios within pre-determined parameters, requiring annual fulfillment and other conditions to be observed, such as not changing the Company's interest in the capital stock that would represent change of control without prior consent from the debenture holders; not paying out dividends or interest on capital if it is in arrears in relation to honoring any of its financial obligations or not maintaining the financial ratios as determined without prior written consent of the debenture holders. Failing to fulfil these conditions may lead to accelerated redemption of debentures and regulatory penalties.

Until 6/30/2018, all the conditions agreed had been fulfilled.

The financial covenants contained in the debenture agreements are presented below:

Company	Contract	Annual financial index	Limit
Copel	5th issue de Debentures 6th issue de Debentures 7th issue de Debentures		
Copel GeT	1st issue de Debentures 2nd issue de Debentures 3rd issue de Debentures	Consolidated net debt / Consolidated EBITDA Debt service coverage ratio	≤ 3.5 ≥ 1.5
Copel DIS	2nd issue de Debentures 3rd issue de Debentures		
Copel TEL	1st issue de Debentures 2nd issue de Debentures		
Elejor	2nd issue de Debentures	Consolidated net debt / Consolidated EBITDA Debt service coverage ratio	≤ 4,0 ≥ 1.2
Compagás	1st issue de Debentures 2nd issue de Debentures	Consolidated net debt / Consolidated EBITDA General Indebtedness	≤ 3.5 ≤ 0.7
Nova Asa Branca I Nova Asa Branca II Nova Asa Branca III Nova Eurus IV Ventos de Santo Uriel	2nd issue de Debentures	Debt service coverage ratio	≥ 1.3

25 Post-employment benefits

The Company and its subsidiaries sponsor private retirement and pension plans (Unified Plan and Plan III) and Healthcare Plan for medical and dental care ("ProSaúde II" and "ProSaúde III" Plans) for their active employees and their dependents. The lifetime sponsorship of the Healthcare Plan for retirees, pensioners and legal dependents is only applied to "Prosaúde II" plan participants.

25.1 Pension Plan

The Unified Plan is a Defined Benefit plan - BD in which the income is predetermined, according to each individual's salary. This plan is closed plan for new participants since 1998.

The Plan III is a Variable Contribution plan - CV, being the only plan available for new participants.

The costs assumed by the sponsors for these plans are recognized according to the actuarial valuation prepared annually by independent actuaries in accordance with CPC 33 (R1) and correlated to IAS 19 (R1) and IFRIC 14. The economic and financial assumptions for purposes of the actuarial valuation are discussed with the independent actuaries and approved by the sponsor's management

25.2 Healthcare Plan

The Company and its subsidiaries allocate resources for the coverage of healthcare expenses incurred by their employees and their dependents, within rules, limits, and conditions set in "ProSaúde II" and "ProSaúde III" Plans' regulations. Coverage includes periodic medical exams in both plans and is only extended to all retirees and pensioners for life in the "ProSaúde II" plan.

25.3 Statement of financial position and statement of income

Amounts recognized in liabilities, under Post-employment Benefits, are summarized below:

	Parent Company		Consolidated	
	06.30.2018	12.31.2017	06.30.2018	12.31.2017
Pension plans	6	12	894	1,069
Healthcare plans	4,290	4,040	886,655	865,034
	4,296	**4,052**	**887,549**	**866,103**
Current	**69**	**57**	**54,349**	**53,225**
Noncurrent	**4,227**	**3,995**	**833,200**	**812,878**

Amounts recognized in the statement of income are shown below:

	Parent Company		Consolidated	
	06.30.2018	06.30.2017	06.30.2018	06.30.2017
Employees				
Pension plans	288	884	37,751	39,207
Healthcare plan - post employment	281	259	48,517	48,215
Healthcare plan - active employees	404	332	43,552	40,183
(-) Transfers to construction in progress	-	-	(10,071)	(11,194)
	973	**1,475**	**119,749**	**116,411**
Management				
Pension plans	134	349	666	650
Healthcare plan	4	56	45	93
	138	**405**	**711**	**743**
	1,111	**1,880**	**120,460**	**117,154**

	Parent Company		Consolidated	
	04.01.2018 to 06.30.2018	04.01.2017 to 06.30.2017	04.01.2018 to 06.30.2018	04.01.2017 to 06.30.2017
Employees				
Pension plans	145	453	18,689	18,619
Healthcare plan - post employment	141	129	24,220	24,109
Healthcare plan - active employees	197	178	21,280	20,335
(-) Transfers to construction in progress	-	-	(5,018)	(5,519)
	483	**760**	**59,171**	**57,544**
Management				
Pension plans	55	240	258	427
Healthcare plan	4	27	28	45
	59	**267**	**286**	**472**
	542	**1,027**	**59,457**	**58,016**

25.4 Changes in post-employment benefits

	Parent Company	Consolidated
Balance as of January 1, 2018	**4,052**	**866,103**
Appropriation of actuarial calculation	281	48,517
Appropriation of pension and healthcare contributions	2,399	82,915
Amortizations	(2,436)	(109,986)
Balance as of June 30, 2018	**4,296**	**887,549**

26 Customer Charges Due

Consolidated	06.30.2018	12.31.2017
Energy Development Account - CDE (a)	72,722	121,912
Tariff flags	33,430	22,427
Global Reversal Reserve - RGR	8,910	5,686
	115,062	**150,025**

(a) Aneel published Resolutions No. 2,202/2017, No. 2,231/2017 and No. 2,368/2018.

27 Research and Development and Energy Efficiency

27.1 Balances recognized for investment in Research and Development (R&D) and the Energy Efficiency Program (EEP)

Consolidated	Amounts payable, before any related prepayments	Amounts payable to regulatory agencies	Other amounts payable	Balance as of 06.30.2018	Balance as of 12.31.2017
Research and Development - R&D					
National Fund for Scientific and Technological Development - FNDCT	-	5,246	-	5,246	5,232
MME	-	2,624	-	2,624	2,616
R&D	117,570	-	209,700	327,270	316,121
	117,570	**7,870**	**209,700**	**335,140**	**323,969**
Energy efficiency program - EEP					
National Program of Electricity Conservation - Procel	-	10,326	-	10,326	6,041
EEP	20,296	-	198,616	218,912	202,465
	20,296	**10,326**	**198,616**	**229,238**	**208,506**
	137,866	**18,196**	**408,316**	**564,378**	**532,475**
			Current	**267,677**	**282,766**
			Noncurrent	**296,701**	**249,709**

27.2 Changes in R&D and EEP balances

Consolidated	FNDCT	MME	R&D	Procel	EEP	Total
Balance as of January 1, 2018	**5,232**	**2,616**	**316,121**	**6,041**	**202,465**	**532,475**
Additions	15,324	7,663	15,324	4,285	17,139	59,735
Performance agreement	-	-	-	-	673	673
Selic interest rate (Note 34)	-	-	6,463	-	5,738	12,201
Payments	(15,310)	(7,655)	-	-	-	(22,965)
Concluded projects	-	-	(10,638)	-	(7,103)	(17,741)
Balance as of June 30, 2018	**5,246**	**2,624**	**327,270**	**10,326**	**218,912**	**564,378**

28 Accounts Payable Related to Concession

Consolidated	Company	Grant	Signature	Closing	Discount Rate	Annual Adjustment	06.30.2018	12.31.2017
(1) HPP Mauá	Copel GeT	06.29.2007	07.03.2007	07.2042	5.65% p.y.	IPCA	16,512	16,384
(2) HPP Colider	Copel GeT	12.29.2010	01.17.2011	01.2046	7.74% p.y.	IPCA	23,473	23,188
(3) HPP Baixo Iguaçu	Copel GeT	07.19.2012	08.20.2012	01.2047	7.74% p.y.	IPCA	7,279	6,977
(4) SHP Cavernoso	Copel GeT	07.11.2013	07.11.2013	07.2018	7.74% p.y.	IPCA	4	27
(5) HPP Apucaraninha	Copel GeT	07.11.2013	07.11.2013	07.2018	7.74% p.y.	IPCA	27	185
(6) HPP Chaminé	Copel GeT	07.11.2013	07.11.2013	07.2018	7.74% p.y.	IPCA	46	320
(7) HPP Derivação Rio Jordão	Copel GeT	07.11.2013	02.24.2014	02.2019	7.74% p.y.	IPCA	181	313
(8) HPP Fundão e HPP Santa Clara	Elejor	10.23.2001	10.25.2001	10.2036	11.00% p.y.	IGPM	530,273	507,560
							577,795	**554,954**
						Current	**65,493**	**62,624**
						Noncurrent	**512,302**	**492,330**

Discount rate applied to calculate present value:
Actual net discount rate, in line with the estimated long-term rate. It bears no relationship with the expected project return.

Payment to the federal government:
Monthly installments equivalent to 1/12 of the annual payment restated, as defined in the concession agreement.

28.1 Changes in accounts payable related to concession

Balance as of January 1, 2018	**554,954**
Additions	302
Adjust to present value	547
Monetary variations	54,573
Payments	(32,581)
Balance as of June 30, 2018	**577,795**

29 Other Accounts Payable

Consolidated	06.30.2018	12.31.2017
ANEEL reimbursement - Consumers (a)	66,598	-
Customers	31,992	33,380
Public lighting rate collected	31,069	24,101
Aneel Order No. 084/2017 provision	22,794	22,132
Financial offset for the use of water resources	12,948	21,467
Pledges in guarantee	12,818	8,837
Investment acquisition	12,605	12,307
Reimbursements to customer contributions	4,556	5,481
Other liabilities	95,524	66,549
	290,904	**194,254**
Current	**186,564**	**121,405**
Noncurrent	**104,340**	**72,849**

(a) Refers to amounts transferred from the Federal Government to Copel, in accordance with ANEEL Directive Release No. 565/2018, for the reimbursement of consumers through moderateness of tariffs, due to the exceeding amount collected from the additional 0.3% on the Net Operating Revenue, as set forth by Law No. 12, 111/2009, which was transferred to the energy tariff and paid to the National Treasury, in the period from January 2010 to December 2012, aiming to reimburse the States and cities for any loss of collection of ICMS levied on fossil fuels used in the electricity generation, in the 24 months following the interconnection of the respective isolated Systems to the National Interconnected System.

30 Provisions for Legal Claims

The Company and its subsidiaries are defendants in various judicial and administrative proceedings before different courts. Based on assessments made by the Company's legal counsel, Management makes provisions for actions in which losses are rated probable, thus meeting the criteria for recognition of provisioning described in Note 4.8 to the financial statements at 12/31/2017.

The Company's management believes that, at the time of preparation of financial statements, it is not practicable to provide information regarding the expected timing of any cash outflows resulting from these legal actions in which the Company and its subsidiaries are involved, due to the slow pace and unpredictability of Brazilian legal, tax and regulatory systems, and since final resolution of the proceedings for which a provision has been registered depends on the conclusions of court proceedings. Therefore, this information is not being provided.

30.1 Provisions for legal claims

30.1.1 Changes in provisions for litigation in actions rated as probable losses

Consolidated		Income			Additions to			
		Provision for litigations		Construction cost	fixed assets in progress			
	Balances as of January 1, 2018	Additions	Reversals	Additions	Additions	Discharges	Transfers	Balances as of June 30, 2018
Tax								
Cofins (a)	79,748	2,413	-	-	-	-	-	82,161
Others (b)	58,793	813	(21,548)	-	-	(6,063)	4,933	36,928
	138,541	**3,226**	**(21,548)**	**-**	**-**	**(6,063)**	**4,933**	**119,089**
Labors (c)	**475,631**	**156,521**	**(2,269)**	**-**	**-**	**(35,139)**	**-**	**594,744**
Employee benefits (d)	**89,439**	**4,274**	**(7,750)**	**-**	**-**	**(728)**	**-**	**85,235**
Civil								
Civil and administrative claims (e)	527,613	75,098	(23,409)	-	-	(20,185)	671	559,788
Easements (f)	110,936	280	(220)	(669)	2,474	(1,113)	-	111,688
Expropriations and property (g)	95,627	-	(1,350)	1,844	10,848	(72)	-	106,897
Customers (h)	8,377	35	(1,196)	-	-	(2,237)	-	4,979
Environmental (i)	1,584	992	(562)	-	-	(60)	-	1,954
	744,137	**76,405**	**(26,737)**	**1,175**	**13,322**	**(23,667)**	**671**	**785,306**
Regulatory (j)	**64,316**	**465**	**(115)**	**-**	**-**	**-**	**-**	**64,666**
	1,512,064	**240,891**	**(58,419)**	**1,175**	**13,322**	**(65,597)**	**5,604**	**1,649,040**
Current	**112,000**						**Current**	**113,260**
Noncurrent	**1,400,064**						**Noncurrent**	**1,535,780**

Parent company	Balance as of January 1, 2018	Income		Discharges	Balance as of June 30, 2018
		Additions	Reversals		
Tax					
Cofins (a)	79,748	2,413	-	-	82,161
Others (b)	24,365	324	-	-	24,689
	104,113	**2,737**	**-**	**-**	**106,850**
Labor (c)	**518**	**102**	**(70)**	**(1)**	**549**
Civil (e)	**135,422**	**26,351**	**(23,409)**	**(7)**	**138,357**
Regulatory (j)	**15,042**	**-**	**-**	**-**	**15,042**
	255,095	**29,190**	**(23,479)**	**(8)**	**260,798**
Current	**112,000**			**Current**	**113,260**
Noncurrent	**143,095**			**Noncurrent**	**147,538**

30.1.2 Description of nature and/or details of the principal actions

a) Contribution for Social Security Funding (COFINS)

Plaintiff: Federal Tax Authority

Cofins payables and respective interest and fines from August 1995 to December 1996 due to the termination of a judicial decision that had recognized the Company's exemption from Cofins.

Current status: awaiting judgment**.**

b) Other tax provisions

Actions relating to federal, state and municipal taxes, fees and other charges: The principal action is described below:

Defendant: Federal Tax Authority

By the case 5037809-14.2015.4.04.7000, Copel GeT required payment in installments of the balance owed on the annual adjustment of corporate income tax (IRPJ) and social contribution (CSLL) for the fiscal year 2014. The Federal Tax Authority consolidated the amount and applied the maximum fine. An injunction was filed against this decision since the Federal Tax Authority failed to obey the limit established in legislation.

Current status: awaiting judgment of the Special Appeal**.** The amount of R$19,297 is presented in Other Tax Obligations (Note 13.3).

c) Labor

Labor claims comprise claims filed by employees and former employees of Copel and its subsidiaries in connection with the payment of overtime, hazardous working conditions, transfer bonuses, salary equality/reclassification, and other matters, and also claims by former employees of contractors and third-parties (secondary responsibility) involving indemnity and other matters.

d) Employee benefits

Labor claims comprise claims filed by retired former employees of the Company and its wholly owned subsidiaries against the Copel Foundation, which will have consequential impact on the Company and its wholly owned subsidiaries, since additional contributions will be required.

e) Civil and administrative claims

Actions involving billing, irregular procedure, administrative contracts and contractual fine, indemnity for accidents with the electric power grid or vehicles.

The balance also contains the amount being discussed by arbitration and under secrecy and confidentiality, in the discovery phase, without no decision being handed down.

The main lawsuits are as follows:

Plaintiff: Tradener Ltda**.** **Estimated amount:** R$121,476

Class action No. 588/2006 has already been rendered final and unappealable, and the ruling recognized as valid commissions payable by the Company to Tradener. In the civil public action No. 0000219-78.2003.8.16.0004, filed by the Prosecution Office, a decision has also been rendered ruling on the absence of irregularities in the electric power purchase agreement. Therefore, Tradener brought recovery lawsuits, seeking to receive its commissions.

Current status: Case record 0005990.22.2012.8.16.0004 - the Company was ordered to pay the amount of R$107,955, which is the value updated by the (INPC/IBGE) from the maturity of the commissions, plus default interest of 1% per month, as of the date of notification (October 31, 2012), as well as attorneys' fees. The Company filed an appeal against this decision, however, on November 8, 2016, by majority votes, the Court dismissed the appeal. Copel filed a request for Amendment of Judgment, which was partially granted to resolve obscurity, although without changing the result of the appeal**.** Copel filed a Special Appeal with the Superior Court of Justice.

Plaintiff: Compensation to third parties **Estimated amount: R$101,504**

Lawsuit for compensation of supposed loss to the plaintiff due to work and implementation of the hydroelectric project. Low court judgment declaring the lawsuit has no grounds and being appealed by the grounded claim of the plaintiff, and the amount of damages should be determined subsequently.

Current status: in the phase of closing of case.

f) Easements

Lawsuits are filed when there is a difference between the amount determined by Copel for payment and the amount claimed by the owner and/or when the owner's paper title may not be registered (probate proceedings are underway, properties have no registry number, etc.).

They may also involve third-party interventions for adverse possession, whether from owners or occupants of contiguous properties or even in cases of properties where right of way easements is required to preserve limits and boundaries of these areas.

g) Expropriations and property

Lawsuits are filed challenging expropriation when there is a difference between the amount determined by Copel for payment and the amount claimed by the owner and/or when the owner's paper title may not be registered (probate proceedings are underway, properties have no registry number, etc.).

Possessory case actions include those for repossession of property owned by the concessionaire. Litigation arises when there is a need to repossess properties invaded or occupied by third parties in areas owned by the Company. Cases may also arise from intervention in third-party adverse possession, or owners or occupants of contiguous properties or even in cases of properties to preserve limits and boundaries of expropriated areas.

h) Consumers

Lawsuits seeking compensation for damages caused in household appliances, lawsuits claiming damages for pain and suffering caused by service interruption and lawsuits filed by industrial consumers challenging the lawfulness of the increase in electricity prices while Plano Cruzado (anti-inflation plan) was in effect and claiming reimbursement for the amounts paid by the Company.

i) Environmental

Class actions whose purpose is to obstruct the progress of environmental licensing for new projects or to recover permanent preservation areas located around the hydroelectric power plant dams unlawfully used by private individuals. If the outcome of the lawsuits is unfavorable to the Company, management estimates only the cost to prepare new environmental studies and to recover the areas owned by Copel GeT.

They also contemplate the “Termos de Ajuste de Conduta -TAC”, which refers to the commitments agreed upon and approved between the Company and the competent bodies for noncompliance with any condition contained in the Installation and Operation Licenses. As they are considered liabilities, these amounts are recorded as "obligations" in current and noncurrent liabilities and the balancing items in property, plant and equipment (construction cost).

j) Regulatory

The Company is challenging, both at the administrative and judicial levels, notifications issued by the Regulatory Agency of alleged violations against regulations. The principal action is described below:

Plaintiffs: Companhia Estadual de Energia Elétrica - CEEE and Dona Francisca Energética S.A.

Estimated amount: R$49,397

Copel, Copel GeT and Copel DIS are challenging lawsuits filed against ANEEL's decision No. 288/2002 involving these companies.

Current status: awaiting judgment**.**

30.2 Contingent liabilities

30.2.1 Classification of actions rated as possible losses

Contingent liabilities are present obligations arising from past events for which no provisions are recognized because it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. The following information concerns the nature of the Company's contingent liabilities and potential losses arising thereof.

	Parent company		Consolidated	
	06.30.2018	12.31.2017	06.30.2018	12.31.2017
Tax (a)	524,833	513,803	951,950	858,082
Labor (b)	458	420	341,717	360,322
Employee benefits (c)	-	-	18,279	20,262
Civil (d)	496,215	458,708	1,179,339	1,091,122
Regulatory (e)	-	-	794,122	793,720
	1,021,506	**972,931**	**3,285,407**	**3,123,508**

30.2.2 Description of nature and/or details of the principal actions

a) Tax

Actions relating to federal, state and municipal taxes, fees and other charges in which the Company challenges their applicability, calculation bases and amounts due to be collected. The main lawsuits are as follows:

Plaintiff: Social Security National Institute (INSS) **Estimated amount:** R$331,470

Tax claims against Copel related to social security contribution on assignment of manpower (lawsuit No. 5003583-56.2010.404.7000); it is worth emphasizing that the case has already been judged favorably to the Company at two court levels, awaiting judgment by the Superior Court of Justice (STJ).

Current status: awaiting judgment**.**

Plaintiff: Social Security National Institute (INSS) **Estimated amount:** R$28,095

Tax collections against Copel consisting of social security contribution imposed on the assignment of labor (NFLD - 35.273.876-6). The case has been at Carf (Brazilian Administrative Tax Court) for judgment since 2010. The assessment of risk as possible is due to the existence of several legal arguments to defend the Company, particularly (a) the fact that no services were provided and no labor was assigned and (b) the fact that service providers classified into the Simples (lower taxation) category are not required to withhold that contribution.

Current status: awaiting judgment**.**

Plaintiff: State Tax Authority (SEFAZ) **Estimated amount:** R$73,626

Copel DIS received tax deficiency notice 6.587.156-4 from the State of Paraná for allegedly failing to pay ICMS (VAT) tax on the 'metered demand' line in the electricity bills issued to a major consumer between May 2011 and December 2013.

The Company maintains its illegitimacy to appear in the taxable position of this tax assessment, since it was not included in the judicial process, cannot suffer the effects of the judicial decision pronounced in it, which would imply in its illegitimacy to appear in the taxable position of the tax deficiency notice 6.587.156-4.

b) Labor

Labor claims comprise claims filed by employees and former employees of Copel and its subsidiaries in connection with the payment of overtime, hazardous working conditions, transfer bonuses, salary equality/reclassification, and other matters, and also claims by former employees of contractors and third-parties (secondary responsibility) involving indemnity and other matters.

c) Employee benefits

Labor claims comprise claims filed by retired former employees of the Company and its wholly owned subsidiaries against the Copel Foundation, which will have consequential impact on the Company and its wholly owned subsidiaries, since additional contributions will be required.

d) Civil

Actions involving billing, irregular procedure, administrative contracts and contractual fine, indemnity for accidents with the electric power grid or vehicles.

The balance also contains the amount being discussed by arbitration and under secrecy and confidentiality, in the discovery phase, without no decision being handed down.

The main lawsuits are as follows:

Plaintiff: Mineradora Tibagiana Ltda. **Estimated amount:** R$163,767

Action claiming compensation for alleged losses when this mining company was involved in the construction of the Mauá plant by the Energético Cruzeiro do Sul consortium in which Copel GeT has a 51% stake. The action challenges the validity of the mining permit granted by Mineradora Tibagiana for the Mauá job site and the indemnifying effects arising thereof.

Current status: action awaiting judgment in lower court.

Plaintiffs: franchises of the Agency / Copel store **Estimated amount:** R$57,014

Filing of two individual claims against Copel Distribuição regarding the franchise contracts of Copel branches/stores, with the main petition claiming an extension of the term of the contract and secondary petition to recognize the existence of a sub concession, with transfer of the services provided and full pass-through of the fees, amongst other amounts, currently have appeals awaiting trial.

Current status: awaiting judgment**.**

e) Regulatory

The Company is challenging, both at the administrative and judicial levels, notifications issued by the Regulatory Agency of alleged violations against regulations. The main lawsuits are as follows:

Plaintiff: ANEEL **Estimated amount:** R$19,650

The Company filed an appeal against a decision by ANEEL's Director-General under Resolution No. 3,959 from December 8, 2015 imposing an inefficiency penalty on Copel DIS due to over-contracting for use of the distribution system (MUSD) with the National Power Network Operator (ONS), obtaining an injunction to suspend the requirement of such penalty.

Current status: ANEEL's appeal was not granted**.**

Plaintiff: Energia Sustentável do Brasil S.A. - - ESBR **Estimated amount:** R$729,609

ESBR brought Ordinary Action No. 10426-71.2013.4.01.4100 against ANEEL in the federal courts of Rondônia, the decision on which: (i) excludes liability for the 535-day schedule overrun in the construction of the Jirau Hydropower Station; (ii) declares any obligations, penalties and costs imposed on ESBR as a result of the schedule overrun to be unenforceable, and (iii) annuls ANEEL Resolution No. 1,732/2013, which recognized a schedule overrun of only 52 days. An appeal has been brought by ANEEL, in progress at the TRF of the 1st Region.

The practical outcome of the decision is that, by exempting ESBR, it exposed the distribution utilities with which it had concluded regulated power trading contracts (CCEARs) including Copel DIS to the spot market and spot prices during the period. The reason is that electricity trading rules require that all electricity consumed be covered by a contract.

The risk of loss in this case is rated 'possible', considering the amount of R$729,609, as of June 30, 2018. If the actions are judged unfavorably, the amount will be classified as Sectorial Financial Asset to be recovered through tariff rates.

Current status: awaiting judgment.

31 Equity

31.1 Capital

The paid-in share capital is R$7,910,000. The different classes of shares (with no par value) and main shareholders are detailed below:

Shareholders	Number of shares in units							
	Common		Class "A" Preferred		Class "B" preferred		Total	
	in share	%	in share	%	in share	%	in share	%
State of Paraná	85,028,598	58.63	-	-	-	-	85,028,598	31.07
BNDES	38,298,775	26.41	-	-	27,282,006	21.26	65,580,781	23.96
Eletrobrás	1,530,774	1.06	-	-	-	-	1,530,774	0.56
Free float:	-	-	-	-	-	-		-
B3	18,798,158	12.96	76,763	23.36	67,642,430	52.73	86,517,351	31.63
NYSE	1,037,984	0.72	-	-	33,131,104	25.82	34,169,088	12.49
Latibex	-	-	-	-	191,246	0.15	191,246	0.07
Municipalities	178,393	0.12	9,326	2.84	3,471	-	191,190	0.07
Other shareholders	158,398	0.10	242,538	73.80	45,411	0.04	446,347	0.15
	145,031,080	**100.00**	**328,627**	**100.00**	**128,295,668**	**100.00**	**273,655,375**	**100.00**

31.2 Equity valuation adjustments

	Parent company	Consolidated
Balance as of January 1, 2018	**895,601**	**895,601**
Realization of equity evaluation adjustment		
Deemed cost of fixed assets	-	(50,319)
Taxes on adjustments	-	17,108
Deemed cost of fixed assets - equity in the parent company, net of taxes.	(33,211)	-
Reclassification by adoption of CPC 48/IFRS 9		
Equity interest investments	(4,391)	(4,391)
Balance as of June 30, 2018	**857,999**	**857,999**

31.3 Earnings per share - basic and diluted

Parent company	06.30.2018	06.30.2017
Basic and diluted numerator		
Basic and diluted earnings allocated by classes of shares, allocated to controlling shareholders		
Common shares	343,945	278,595
Class “A” preferred shares	858	694
Class “B” preferred shares	334,682	271,093
	679,485	**550,382**
Basic and diluted denominator		
Weighted average of shares (in thousands):		
Common shares	145,031,080	145,031,080
Class “A” preferred shares	328,627	328,627
Class “B” preferred shares	128,295,668	128,295,668
	273,655,375	**273,655,375**
Basic and diluted earnings per share attributable to shareholders of parent company:		
Common shares	2.37153	1.92093
Class “A” preferred shares	2.60868	2.11302
Class “B” preferred shares	2.60868	2.11302

Parent company	04.01.2018 to 06.30.2018	04.01.2017 to 06.30.2017
Basic and diluted numerator		
Basic and diluted earnings allocated by classes of shares, allocated to controlling shareholders		
Common shares	175,751	70,886
Class “A” preferred shares	439	177
Class “B” preferred shares	171,017	68,977
	347,207	**140,040**
Basic and diluted denominator		
Weighted average of shares (in thousands):		
Common shares	145,031,080	145,031,080
Class “A” preferred shares	328,627	328,627
Class “B” preferred shares	128,295,668	128,295,668
	273,655,375	**273,655,375**
Basic and diluted earnings (loss) per share attributable to shareholders of parent company:		
Common shares	1.21182	0.48876
Class “A” preferred shares	1.33299	0.53764
Class “B” preferred shares	1.33299	0.53764

32 Net Operating Revenue

Consolidated	Gross revenues	PIS/Pasep and Cofins	ICMS (VAT)	Regulatory charges (31.2)	Service tax (ISSQN)	Net revenues 06.30.2018
Electricity sales to final customers	**4,583,536**	**(422,808)**	**(1,033,816)**	**(507,803)**	**-**	**2,619,109**
Residential	1,464,208	(135,495)	(399,039)	(181,078)	-	748,596
Industrial	1,314,607	(120,308)	(213,195)	(102,794)	-	878,310
Trade, services and other activities	980,883	(90,769)	(283,744)	(121,133)	-	485,237
Rural	429,618	(39,756)	(34,201)	(54,005)	-	301,656
Public entities	114,660	(10,610)	(22,725)	(14,270)	-	67,055
Public lighting	116,664	(10,796)	(33,757)	(14,407)	-	57,704
Public service	162,896	(15,074)	(47,155)	(20,116)	-	80,551
Electricity sales to distribuitors	**1,366,322**	**(137,909)**	**-**	**(28,924)**	**-**	**1,199,489**
Bilateral contracts	860,877	(105,613)	-	(19,301)	-	735,963
Electric Energy Trade Chamber - CCEE	295,039	(9,764)	-	(6,614)	-	278,661
CCEAR (auction)	134,211	(16,465)	-	(3,009)	-	114,737
Interest (Note 10.2)	47,853	-	-	-	-	47,853
Quota system	28,342	(6,067)	-	-	-	22,275
Use of the main distribution and transmission grid	**3,202,044**	**(310,358)**	**(765,992)**	**(477,181)**	**-**	**1,648,513**
Residential	1,046,815	(99,185)	(295,324)	(164,995)	-	487,311
Industrial	558,465	(48,434)	(195,357)	(80,042)	-	234,632
Trade, services and other activities	641,986	(60,163)	(202,382)	(99,843)	-	279,598
Rural	181,079	(17,128)	(13,830)	(28,876)	-	121,245
Public entities	85,023	(8,056)	(16,356)	(13,479)	-	47,132
Public lighting	83,244	(7,887)	(24,131)	(13,114)	-	38,112
Public service	65,461	(6,202)	(18,612)	(10,316)	-	30,331
Free consumers	348,228	(32,994)	-	(55,902)	-	259,332
Basic network, BN connections, and connection grid	695	(66)	-	(111)	-	518
Operating and maintenance income - O&M	39,055	(16,472)	-	(5,721)	-	16,862
Interest income	151,993	(13,771)	-	(4,782)	-	133,440
Construction income	**461,856**	**-**	**-**	**-**	**-**	**461,856**
Fair value of assets from the indemnity for the concession	**22,859**	**-**	**-**	**-**	**-**	**22,859**
Telecommunications	**246,222**	**(9,221)**	**(59,534)**	**-**	**(1,360)**	**176,107**
Distribution of piped gas	**313,232**	**(28,695)**	**(52,619)**	**-**	**-**	**231,918**
Sectorial financial assets and liabilities result	**566,122**	**(46,757)**	**-**	**-**	**-**	**519,365**
Other operating revenue	**90,752**	**(14,243)**	**-**	**-**	**(1,214)**	**75,295**
Leasing and rent (32.1)	58,806	(9,229)	-	-	-	49,577
Income from rendering of services	15,343	(2,408)	-	-	(1,214)	11,721
Charged service	9,211	(1,446)	-	-	-	7,765
Other income	7,392	(1,160)	-	-	-	6,232
	10,852,945	**(969,991)**	**(1,911,961)**	**(1,013,908)**	**(2,574)**	**6,954,511**

CCEAR - Agreements for Power Trade on the Regulated Market

Consolidated	Gross revenues	PIS/Pasep and Cofins	ICMS (VAT)	Regulatory charges (31.2)	Service tax (ISSQN)	Net revenues 04.01.2018 to 06.30.2018
Electricity sales to final customers	**2,339,925**	**(215,829)**	**(512,997)**	**(310,848)**	**-**	**1,300,251**
Residential	743,076	(68,763)	(196,633)	(110,580)	-	367,100
Industrial	690,485	(63,195)	(108,495)	(64,561)	-	454,234
Trade, services and other activities	488,788	(45,231)	(138,293)	(73,101)	-	232,163
Rural	209,563	(19,392)	(16,441)	(32,035)	-	141,695
Public entities	62,437	(5,777)	(11,900)	(9,125)	-	35,635
Public lighting	62,178	(5,754)	(17,937)	(9,086)	-	29,401
Public service	83,398	(7,717)	(23,298)	(12,360)	-	40,023
Electricity sales to distribuitors	**669,654**	**(72,481)**	**-**	**(15,252)**	**-**	**581,921**
Bilateral contracts	468,629	(59,272)	-	(11,204)	-	398,153
Electric Energy Trade Chamber - CCEE	111,308	(3,867)	-	(2,822)	-	104,619
CCEAR (auction)	47,815	(6,258)	-	(1,226)	-	40,331
Interest (Note 10.2)	27,229	-	-	-	-	27,229
Quota system	14,673	(3,084)	-	-	-	11,589
Use of the main distribution and transmission grid	**1,602,537**	**(153,827)**	**(376,674)**	**(188,932)**	**-**	**883,104**
Residential	519,035	(47,888)	(144,135)	(61,679)	-	265,333
Industrial	260,041	(24,702)	(98,222)	(32,541)	-	104,576
Trade, services and other activities	338,366	(31,439)	(98,187)	(42,203)	-	166,537
Rural	82,647	(7,597)	(6,491)	(9,454)	-	59,105
Public entities	45,187	(4,184)	(8,523)	(5,642)	-	26,838
Public lighting	41,626	(3,842)	(12,057)	(4,969)	-	20,758
Public service	32,512	(3,000)	(9,059)	(3,867)	-	16,586
Free consumers	176,380	(16,291)	-	(21,725)	-	138,364
Basic network, BN connections, and connection grid	347	(32)	-	(41)	-	274
Operating and maintenance income - O&M	18,861	(7,307)	-	(3,522)	-	8,032
Interest income	87,535	(7,545)	-	(3,289)	-	76,701
Construction income	**263,258**	**-**	**-**	**-**	**-**	**263,258**
Fair value of assets from the indemnity for the concession	**13,291**	**-**	**-**	**-**	**-**	**13,291**
Telecommunications	**125,693**	**(4,703)**	**(30,742)**	**-**	**(705)**	**89,543**
Distribution of piped gas	**159,268**	**(14,221)**	**(26,300)**	**-**	**-**	**118,747**
Sectorial financial assets and liabilities result	**344,177**	**(28,281)**	**-**	**-**	**-**	**315,896**
Other operating revenue	**47,308**	**(6,868)**	**-**	**-**	**(621)**	**39,819**
Leasing and rent (32.1)	29,602	(4,271)	-	-	-	25,331
Income from rendering of services	7,805	(1,128)	-	-	(621)	6,056
Charged service	4,514	(649)	-	-	-	3,865
Other income	5,387	(820)	-	-	-	4,567
	5,565,111	**(496,210)**	**(946,713)**	**(515,032)**	**(1,326)**	**3,605,830**

Consolidated	Gross revenues	PIS/Pasep and Cofins	ICMS (VAT)	Regulatory charges (31.2)	Service tax (ISSQN)	Net revenues 06.30.2017
Electricity sales to final customers	**4,060,655**	**(374,786)**	**(935,053)**	**(525,556)**	**-**	**2,225,260**
Residential	1,303,306	(120,606)	(349,488)	(182,947)	-	650,265
Industrial	1,129,124	(103,507)	(200,867)	(113,576)	-	711,174
Trade, services and other activities	897,933	(83,093)	(253,093)	(125,933)	-	435,814
Rural	370,494	(34,285)	(37,315)	(52,571)	-	246,323
Public entities	108,151	(10,008)	(20,755)	(15,258)	-	62,130
Public lighting	105,842	(9,794)	(30,302)	(14,841)	-	50,905
Public service	145,805	(13,493)	(43,233)	(20,430)	-	68,649
Electricity sales to distribuitors	**1,643,310**	**(119,181)**	**-**	**(26,100)**	**-**	**1,498,029**
Bilateral contracts	799,215	(75,590)	-	(13,242)	-	710,383
Electric Energy Trade Chamber - CCEE	600,647	(21,474)	-	(9,952)	-	569,221
CCEAR (auction)	175,359	(16,585)	-	(2,906)	-	155,868
Interest (Note 10.2)	42,359	-	-	-	-	42,359
Quota system	25,730	(5,532)	-	-	-	20,198
Use of the main distribution and transmission grid	**3,344,428**	**(285,929)**	**(733,145)**	**(357,424)**	**-**	**1,967,930**
Residential	1,006,487	(95,237)	(281,413)	(120,992)	-	508,845
Industrial	567,257	(49,059)	(188,024)	(61,887)	-	268,287
Trade, services and other activities	640,208	(59,829)	(195,313)	(75,821)	-	309,245
Rural	179,395	(16,942)	(11,215)	(21,922)	-	129,316
Public entities	84,444	(7,990)	(15,997)	(10,229)	-	50,228
Public lighting	80,558	(7,623)	(23,314)	(9,676)	-	39,945
Public service	63,559	(6,014)	(17,869)	(7,640)	-	32,036
Free consumers	317,533	(30,046)	-	(39,079)	-	248,408
Basic netw ork, BN connections, and connection grid	692	(65)	-	(86)	-	541
Operating and maintenance income - O&M	81,774	(3,688)	-	(2,836)	-	75,250
Interest income	322,521	(9,436)	-	(7,256)	-	305,829
Construction income	**394,816**	**-**	**-**	**-**	**-**	**394,816**
Fair value of assets from the indemnity for the concession	**5,445**	**-**	**-**	**-**	**-**	**5,445**
Telecommunications	**200,105**	**(7,279)**	**(46,462)**	**-**	**(1,227)**	**145,137**
Distribution of piped gas	**330,388**	**(30,994)**	**(56,890)**	**-**	**-**	**242,504**
Sectorial financial assets and liabilities result	**(80,184)**	**-**	**-**	**-**	**-**	**(80,184)**
Other operating revenue	**85,576**	**(12,972)**	**-**	**-**	**(1,301)**	**71,303**
Leasing and rent (32.1)	53,337	(8,085)	-	-	-	45,252
Income from rendering of services	15,410	(2,336)	-	-	(1,301)	11,773
Charged service	6,741	(1,022)	-	-	-	5,719
Other income	10,088	(1,529)	-	-	-	8,559
	9,984,539	**(831,141)**	**(1,771,550)**	**(909,080)**	**(2,528)**	**6,470,240**

Consolidated	Gross revenues	PIS/Pasep and Cofins	ICMS (VAT)	Regulatory charges (31.2)	Service tax (ISSQN)	Net revenues 04.01.2017 to 06.30.2017
Electricity sales to final customers	**2,006,892**	**(185,368)**	**(451,088)**	**(278,713)**	**-**	**1,091,723**
Residential	618,947	(57,278)	(166,461)	(94,479)	-	300,729
Industrial	618,043	(56,844)	(101,096)	(66,380)	-	393,723
Trade, services and other activities	409,204	(37,868)	(118,808)	(62,784)	-	189,744
Rural	181,157	(16,764)	(18,249)	(27,846)	-	118,298
Public entities	52,965	(4,901)	(10,389)	(8,090)	-	29,585
Public lighting	54,837	(5,074)	(15,532)	(8,256)	-	25,975
Public service	71,739	(6,639)	(20,553)	(10,878)	-	33,669
Electricity sales to distribuitors	**848,814**	**(62,233)**	**-**	**(12,751)**	**-**	**773,830**
Bilateral contracts	415,306	(40,018)	-	(6,567)	-	368,721
Electric Energy Trade Chamber - CCEE	320,633	(11,859)	-	(5,013)	-	303,761
CCEAR (auction)	78,784	(7,637)	-	(1,171)	-	69,976
Interest (Note 10.2)	21,747	-	-	-	-	21,747
Quota system	12,344	(2,719)	-	-	-	9,625
Use of the main distribution and transmission grid	**1,515,697**	**(136,717)**	**(359,902)**	**(186,692)**	**-**	**832,386**
Residential	475,512	(43,950)	(134,131)	(61,687)	-	235,744
Industrial	252,936	(23,635)	(97,251)	(32,676)	-	99,374
Trade, services and other activities	308,449	(28,686)	(92,017)	(39,957)	-	147,789
Rural	80,674	(7,435)	(7,745)	(10,678)	-	54,816
Public entities	41,432	(3,835)	(8,053)	(5,383)	-	24,161
Public lighting	41,010	(3,803)	(11,859)	(5,264)	-	20,084
Public service	31,013	(2,870)	(8,846)	(4,004)	-	15,293
Free consumers	169,399	(15,737)	-	(22,101)	-	131,561
Basic network, BN connections, and connection grid	346	(32)	-	(46)	-	268
Operating and maintenance income - O&M	40,864	(2,413)	-	(1,799)	-	36,652
Interest income	74,062	(4,321)	-	(3,097)	-	66,644
Construction income	**175,410**	**-**	**-**	**-**	**-**	**175,410**
Fair value of assets from the indemnity for the concession	**(884)**	**-**	**-**	**-**	**-**	**(884)**
Telecommunications	**104,102**	**(3,954)**	**(24,290)**	**-**	**(633)**	**75,225**
Distribution of piped gas	**169,029**	**(15,475)**	**(28,677)**	**-**	**-**	**124,877**
Sectorial financial assets and liabilities result	**67,793**	**-**	**-**	**-**	**-**	**67,793**
Other operating revenue	**39,743**	**(6,238)**	**-**	**-**	**(636)**	**32,869**
Leasing and rent (32.1)	26,558	(4,150)	-	-	-	22,408
Income from rendering of services	7,447	(1,166)	-	-	(636)	5,645
Charged service	3,547	(553)	-	-	-	2,994
Other income	2,191	(369)	-	-	-	1,822
	4,926,596	**(409,985)**	**(863,957)**	**(478,156)**	**(1,269)**	**3,173,229**

32.1 Leases and rent

32.1.1 Revenues from leases and rentals

Consolidated	06.30.2018	06.30.2017
Equipment and framework	58,167	51,528
Facilities sharing	498	1,669
Real estate	141	140
	58,806	**53,337**

Consolidated	04.01.2018 to 06.30.2018	04.01.2017 to 06.30.2017
Equipment and framework	29,280	26,166
Facilities sharing	249	320
Real estate	73	72
	29,602	**26,558**

32.1.2 Receivables from non-cancelable leases

Consolidated	Less than 1 year	1 to 5 years	Over 5 years	Total 06.30.2018
Facilities sharing	1,079	5,396	13,082	19,557

32.2 Regulatory charges

Consolidated	06.30.2018	06.30.2017
Energy Development Account - "CDE Uso" (32.2.1)	456,782	338,069
Energy Development Account - "CDE Energia" (32.2.1)	382,540	369,423
Other charges - rate flags	83,435	120,636
Research and development and energy efficiency - R&D and EEP	59,735	53,110
Global Reversion Reserve - RGR quota	26,443	23,052
Inspection fee	4,973	4,790
	1,013,908	**909,080**

Consolidated	04.01.2018 to 06.30.2018	04.01.2017 to 06.30.2017
Energy Development Account - "CDE Energia"	208,405	163,507
Energy Development Account - "CDE Uso"	178,087	177,597
Other charges - rate flags	80,376	96,043
Research and development and energy efficiency - R&D and EEP	30,549	27,073
Global Reversion Reserve - RGR quota	15,109	11,526
Inspection fee	2,506	2,410
	515,032	**478,156**

32.2.1 Energy Development Account - CDE

The primary objectives of the Energy Development Account (CDE) created by Law No. 10,438/2002 and amended by Law No. 12,783/2013, are: (i) universalization of the electric power service; (ii) subsidy to the low income residential subclass; (iii) Fuel Consumption Account - CCC; (iv) amortization of financial operations associated with the compensation upon the reversal of concessions or to meet the purposes of moderateness of tariffs; (v) competitiveness of the power produced by national mineral coal in the areas served by interlinked systems; (vi) competitiveness of the power produced by wind sources, small hydroelectric power plants, biomass, natural gas and other renewable sources; (vii) subsidy for tariff discounts to the distributors due to the loss of revenue from discounts granted on tariffs of use of distribution and transmission systems and on electric power tariffs; (viii) administrative funding grants for management of CDE, CCC and RGR by CCEE; and (ix) compensation to the rural electrification cooperatives, concessionaires or permission holders by the tariff impact from the reduced density of load in relation to the supplying concessionaire.

CDE's quotas were originally defined based on the CCC figures for the 2001 Interconnected Systems, the values of which were adjusted annually starting in 2002 in proportion to the market growth of each agent, and in 2004 also by the IPCA. As of Law 12,783/2013, the system is changed and quotas are defined based on the resources needed to achieve its purposes and other revenues related to the CDE. The CDE charge incorporates:

i) annual quota of "CDE-Uso": this quota is allocated to the financing of the objectives of the CDE, set forth in its annual budget, defined by the Federal Government, as provided in §§ 2 and 3 of art. 13 of Law 10,438/2002, with wording given by Law No. 12,783/2013.

ANEEL Resolution No. 2,358/2017 defined the CDE-Uso quotas for 2018, subsequently amended by Resolution No. 2,368/2018, in the amount of R$52,181 as of January 2018, R$112,675 as of February 2018 and R$71,686 as of March 2018;

ii) annual quota "CDE - Energia" (ACR account): this quota is intended for the discharge of credit operations contracted by CCEE in the management of the Regulated Contracting Environment - ACR Account, in compliance with Decree No. 8,222/2014, and pursuant to ANEEL Normative Resolution No. 612/2014.

The purpose of the ACR Account is to cover costs relating to involuntary spot market exposure and the costs of thermal power dispatching in 2014.

Resolution No. 1,863/2015 defined the value of the CDE quota (ACR Account) at R$46,638, as of June 2015. Beginning June 2016, by means of Resolution No. 2,004/2015, the amount of the quota was updated to R$49,362. In April 2017, the quota was reduced to R$37,907 until March 2018, and from April 2018 to March 2020, the quota will be R$49,362, as approved by Resolution No. 2,231/2017. These installments are updated annually, in accordance with the conditions contracted by CCEE for each of the loans made with the participating financial institutions; and

iii) annual quota CDE-Energia: destined to the return of the resources received by the distribution concessionaires, from January 2013 to January 2014, to cover costs relating to involuntary spot market exposure and the hydrological risk of the plants contracted on a regime of quotas, and the costs of thermal power dispatching for reasons of energy security, in compliance with Decree 7,895/2013 and Decree 8,203/2014.

From June 2017 to May 2018, the monthly amount of the CDE-Energia quota was established at R$20,138 by Resolution No. 2,202/2017. As from June 2018, Resolution No. 2,358/2017 changed the quota amount to R$20,715, effective until May 2019.

Preliminary injunctions

As a result of preliminary injunctions in favor of the Brazilian Association of Large Industrial Consumers and Free Consumers - Abrace, and of the National Association of Energy Consumers - Anace and other associates, which challenge at court the tariff components of CDE-Uso and CDE-Energia, ANEEL, through Resolutions 1,967/2015, 1,986/2015 and 2,083/2016, ratified the tariff calculation deducting these charges from associates of those entities, as long as the preliminary injunctions granted in Judicial Proceedings No. 24648-39.2015.4.01.3400 and No. 0069262-32.2015.4.01.3400 / 16th Federal Court are in effect.

On the other hand, by the preliminary injunction in favor of Abradee, the associated distributors are guaranteed the right of non-transfer, deducting from the portion of CDE-Uso and CDE-Energia the amounts not collected due to the effects of the preliminary injunction. This deduction, which covers all preliminary injunctions, was approved by ANEEL by Order No. 1,576/2016.

Moreover, in compliance with the preliminary injunction granted in the Judicial Proceedings No. 0028882-30.2016.4.01.3400 of the 2nd Federal Court, ANEEL, through Order No. 2,634/2016, ratified, regarding the 2016 tariff process, new Tariffs for Use of Distribution Systems - Tusd for Abrace members, effective as of June 29, 2016 for as long as the effects of the preliminary injunction relief remain. In addition to the Abrace and Anace associates, other companies have also obtained favorable injunctions, with publication of new tariffs.

From that date, these tariffs have been published in Resolutions of the tariff processes of Copel DIS. In June 2017, by means of Resolution No. 2,255, Article 14, the tariff components of the Energy Tariff (TE) in R$/MWh were approved, applied to the customer units included in injunctions 0069262-32.2015.4.01.3400, of the National Association of Energy Consumers - Anace, and No. 0028996- 66.2016.4.01.3400, of the Labor Union of Cement Industry– SNIC. On December 18, 2017, ANEEL also approved, through Order No. 4,256, different tariffs for consumer units benefited by injunction No. 5007958-97.2015.4.04.7009.

In June 2018, by means of Resolution No. 2,402, Article 13, new tariffs were approved for the beneficiaries by the referred injunctions which currently include seven consumer units. Copel DIS has been carrying out the deduction of the payment of the CDE quota from the unbilled amounts resulting from these injunctions, thus not impacting the distributor's result. During 2018, the differences between the tariff coverage for CDE and the quota actually paid, until the month of June, represent the amount of R$674 for CDE - Energy.

32.3 Copel DIS periodic tariff adjustment

The annual tariff adjustment, which occurs between tariff reviews, is approved by ANEEL based on a formula defined in the concession agreement and on regulations established in Proret, which consider for unmanageable costs (Portion A) the variations incurred in the period and for manageable costs (Portion B) the IPCA variation, adjusted by applying the Factor X.

In 2018, ANEEL's Resolution No. 2,402 of 6/19/2018 approved the result of Copel DIS Annual Tariff Review and authorized a 15.99% average adjustment to be perceived by consumers, consisting of: 6.52% related to the inclusion of financial components; 0.31% from updating Portion B; 7.49% from adjusting Portion A; and 1.67% reflecting the withdrawal of the financial components from the previous tariff process.

This adjustment was fully applied to Copel DIS tariffs as of 6/24/2018.

33 Operating Costs and Expenses

Consolidated	Operational costs	Selling expenses	General and administrative expenses	Other operating expenses, net	06.30.2018
Electricity purchased for resale (33.1)	(2,667,881)	-	-	-	(2,667,881)
Charge of the main distribution and transmission grid	(624,279)	-	-	-	(624,279)
Personnel and management (33.2)	(499,104)	(10,634)	(178,470)	-	(688,208)
Pension and healthcare plans (Note 25.3)	(88,309)	(1,506)	(30,645)	-	(120,460)
Materials and supplies	(30,700)	(176)	(5,909)	-	(36,785)
Materials and supplies for power electricity	(18,336)	-	-	-	(18,336)
Natural gas and supplies for gas business	(159,436)	-	-	-	(159,436)
Third-party services (33.3)	(195,465)	(10,879)	(74,153)	-	(280,497)
Depreciation and amortization	(347,993)	(8)	(12,409)	(6,754)	(367,164)
Credit losses, provisions and reversals (33.4)	15,106	(43,684)	-	(187,107)	(215,685)
Construction cost (33.5)	(478,821)	-	-	-	(478,821)
Other operating costs and expenses, net (33.6)	(86,849)	(10,622)	(68,733)	39,271	(126,933)
	(5,182,067)	**(77,509)**	**(370,319)**	**(154,590)**	**(5,784,485)**

Consolidated	Operational costs	Selling expenses	General and administrative expenses	Other operating expenses, net	04.01.2018 to 06.30.2018
Electricity purchased for resale (33.1)	(1,477,445)	-	-	-	(1,477,445)
Charge of the main distribution and transmission grid	(309,807)	-	-	-	(309,807)
Personnel and management (33.2)	(216,452)	(4,846)	(76,600)	-	(297,898)
Pension and healthcare plans (Note 25.3)	(43,882)	(884)	(14,691)	-	(59,457)
Materials and supplies	(14,824)	(36)	(2,914)	-	(17,774)
Materials and supplies for power electricity	(9,643)	-	-	-	(9,643)
Natural gas and supplies for gas business	(82,015)	-	-	-	(82,015)
Third-party services (33.3)	(101,202)	(6,179)	(39,913)	-	(147,294)
Depreciation and amortization	(180,215)	(4)	(6,357)	(3,378)	(189,954)
Credit losses, provisions and reversals (33.4)	18,005	(16,854)	-	(100,795)	(99,644)
Construction cost (33.5)	(268,850)	-	-	-	(268,850)
Other operating costs and expenses, net (33.6)	(35,541)	(5,865)	(31,476)	34,777	(38,105)
	(2,721,871)	**(34,668)**	**(171,951)**	**(69,396)**	**(2,997,886)**

Consolidated	Operational costs	Selling expenses	General and administrative expenses	Other operating expenses, net	06.30.2017
Electricity purchased for resale (33.1)	(2,414,979)	-	-	-	(2,414,979)
Charge of the main distribution and transmission grid	(309,190)	-	-	-	(309,190)
Personnel and management (33.2)	(459,458)	(8,700)	(157,082)	-	(625,240)
Pension and healthcare plans (Note 25.3)	(87,459)	(1,170)	(28,525)	-	(117,154)
Materials and supplies	(34,104)	(427)	(4,428)	-	(38,959)
Materials and supplies for power electricity	(13,488)	-	-	-	(13,488)
Natural gas and supplies for gas business	(169,835)	-	-	-	(169,835)
Third-party services (33.3)	(182,610)	(8,854)	(59,122)	-	(250,586)
Depreciation and amortization	(342,033)	(7)	(18,402)	(6,752)	(367,194)
Credit losses, provisions and reversals (33.4)	(61,011)	(50,377)	-	(85,837)	(197,225)
Construction cost (33.5)	(517,099)	-	-	-	(517,099)
Other operating costs and expenses, net (33.6)	(99,596)	(14,177)	(48,264)	(24,119)	(186,156)
	(4,690,862)	**(83,712)**	**(315,823)**	**(116,708)**	**(5,207,105)**

Consolidated	Operational costs	Selling expenses	General and administrative expenses	Other operating expenses, net	04.01.2017 to 06.30.2017
Electricity purchased for resale (33.1)	(1,338,470)	-	-	-	(1,338,470)
Charge of the main distribution and transmission grid	(140,179)	-	-	-	(140,179)
Personnel and management (33.2)	(231,881)	(4,393)	(82,868)	-	(319,142)
Pension and healthcare plans (Note 25.3)	(43,110)	(589)	(14,317)	-	(58,016)
Materials and supplies	(17,002)	(154)	(2,432)	-	(19,588)
Materials and supplies for power electricity	(8,427)	-	-	-	(8,427)
Natural gas and supplies for gas business	(87,496)	-	-	-	(87,496)
Third-party services (33.3)	(92,139)	(4,716)	(32,821)	-	(129,676)
Depreciation and amortization	(170,880)	(3)	(9,857)	(3,376)	(184,116)
Credit losses, provisions and reversals (33.4)	(31,154)	(25,704)	-	(41,668)	(98,526)
Construction cost (33.5)	(242,370)	-	-	-	(242,370)
Other operating costs and expenses, net (33.6)	(43,715)	(7,246)	(21,810)	(607)	(73,378)
	(2,446,823)	**(42,805)**	**(164,105)**	**(45,651)**	**(2,699,384)**

Parent company	General and administrative expenses	Other operacional income (expenses), net	06.30.2018
Personnel and management (33.2)	(11,528)	-	(11,528)
Pension and healthcare plans (Note 25.3)	(1,111)	-	(1,111)
Materials and supplies	(278)	-	(278)
Third party services	(9,068)	-	(9,068)
Depreciation and amortization	(48)	(561)	(609)
Credit losses, provisions and reversals (33.4)	-	(3,005)	(3,005)
Other operating income (expenses) - (a)	(17,346)	25,499	8,153
	(39,379)	**21,933**	**(17,446)**

(a) From the balance of R$25,499 in the column of Other operacional income (expenses), net, R$25,129 refers to recognition of tax credit, according to note 34.1.

Parent company	General and administrative expenses	Other operacional income (expenses), net	04.01.2018 to 06.30.2018
Personnel and management (33.2)	(3,353)	-	(3,353)
Pension and healthcare plans (Note 25.3)	(542)	-	(542)
Materials and supplies	(159)	-	(159)
Third party services	(5,414)	-	(5,414)
Depreciation and amortization	(24)	(281)	(305)
Credit losses, provisions and reversals (33.4)	-	(21,347)	(21,347)
Other operating income (expenses)	(5,610)	(973)	(6,583)
	(15,102)	**(22,601)**	**(37,703)**

Parent company	General and administrative expenses	Other operacional income (expenses), net	06.30.2017
Personnel and management (33.2)	(19,123)	-	(19,123)
Pension and healthcare plans (Note 25.3)	(1,880)	-	(1,880)
Materials and supplies	(369)	-	(369)
Third party services	(7,932)	-	(7,932)
Depreciation and amortization	(37)	(561)	(598)
Credit losses, provisions and reversals (33.4)	-	(3,039)	(3,039)
Other operating income (expenses)	(7,717)	13,088	5,371
	(37,058)	**9,488**	**(27,570)**

Parent company	General and administrative expenses	Other operacional income (expenses), net	04.01.2017 to 06.30.2017
Personnel and management (33.2)	(11,715)	-	(11,715)
Pension and healthcare plans (Note 25.3)	(1,027)	-	(1,027)
Materials and supplies	(252)	-	(252)
Third party services	(3,920)	-	(3,920)
Depreciation and amortization	(18)	(281)	(299)
Credit losses, provisions and reversals (33.4)	-	(1,650)	(1,650)
Other operating income (expenses)	(5,176)	13,066	7,890
	(22,108)	**11,135**	**(10,973)**

33.1 Electricity purchased for resale

Consolidated	06.30.2018	06.30.2017
Purchase of Energy in the Regulated Environment - CCEAR	1,207,642	1,423,513
Electric Energy Trade Chamber - CCEE	644,087	482,400
Itaipu Binacional	596,512	555,036
Bilateral contracts	339,082	19,721
Program for incentive to alternative energy sources - Proinfa	113,768	108,824
Micro and mini generators and repurchase of customers	2,898	875
(-) PIS/Pasep/Cofins taxes on electricity purchased for resale	(236,108)	(175,390)
	2,667,881	**2,414,979**

Consolidated	04.01.2018 to 06.30.2018	04.01.2017 to 06.30.2017
Purchase of Energy in the Regulated Environment - CCEAR	579,268	703,033
Electric Energy Trade Chamber - CCEE	453,378	356,554
Itaipu Binacional	325,065	290,441
Bilateral contracts	182,277	10,573
Program for incentive to alternative energy sources - Proinfa	56,826	54,486
Micro and mini generators and repurchase of customers	1,470	472
(-) PIS/Pasep/Cofins taxes on electricity purchased for resale	(120,839)	(77,089)
	1,477,445	**1,338,470**

33.2 Personnel and management

	Parent company		Consolidated	
	06.30.2018	06.30.2017	06.30.2018	06.30.2017
Personnel				
Wages and salaries	2,743	7,931	357,744	366,646
Social charges on payroll	964	2,834	128,063	132,539
Meal assistance and education allow ance	540	499	55,503	55,815
Provisons for profit sharing (a)	389	309	42,785	37,340
Voluntary retirement program	4,399	2,450	90,985	19,222
	9,035	**14,023**	**675,080**	**611,562**
Management				
Wages and salaries	1,905	4,021	10,250	10,885
Social charges on payroll	541	1,028	2,756	2,621
Other expenses	47	51	122	172
	2,493	**5,100**	**13,128**	**13,678**
	11,528	**19,123**	**688,208**	**625,240**

(a) According to Federal Law No. 10,101/2000, State Decree No. 1,978/2007 and State Law No. 16,560/2010.

	Parent company		Consolidated	
	04.01.2018 to 06.30.2018	04.01.2017 to 06.30.2017	04.01.2018 to 06.30.2018	04.01.2017 to 06.30.2017
Personnel				
Wages and salaries	1,426	4,283	181,605	186,149
Social charges on payroll	483	1,506	64,700	66,788
Meal assistance and education allow ance	271	261	27,594	27,948
Provisons for profit sharing	167	155	18,369	18,260
Compensation - Voluntary termination Program/retirement	(19)	2,450	(167)	12,030
	2,328	**8,655**	**292,101**	**311,175**
Management				
Wages and salaries	744	2,415	4,432	6,348
Social charges on payroll	264	628	1,312	1,557
Other expenses	17	17	53	62
	1,025	**3,060**	**5,797**	**7,967**
	3,353	**11,715**	**297,898**	**319,142**

33.3 Third party services

Consolidated	06.30.2018	06.30.2017
Maintenance of electrical system	72,562	62,078
Communication, processing and transmission of data	55,767	41,237
Maintenance of facilities	43,514	48,006
Meter reading and bill delivery	20,960	25,222
Consulting and audit	18,075	11,608
Consumer service	16,688	12,928
Other services	52,931	49,507
	280,497	**250,586**

Consolidated	04.01.2018 to 06.30.2018	04.01.2017 to 06.30.2017
Maintenance of electrical system	38,123	30,482
Communication, processing and transmission of data	30,691	20,247
Maintenance of facilities	21,490	23,941
Meter reading and bill delivery	9,254	12,753
Consulting and audit	6,291	5,644
Consumer service	8,768	7,276
Other services	32,677	29,333
	147,294	**129,676**

33.4 Credit losses, provisions and reversals

	Parent company		Consolidated	
	06.30.2018	06.30.2017	06.30.2018	06.30.2017
Provision for litigations	3,005	3,039	179,485	82,529
Reversal of impairment of assets				
Accounts receivable related to the concession compensation (Note 11.1)	-	-	(3,089)	(177)
Property, plant and equipment (Note 19.9)	-	-	(12,017)	61,188
Expected credit losses (Trade accounts and Other current receivables)	-	-	43,684	50,378
Tax credits estimated losses	-	-	7,622	3,307
	3,005	**3,039**	**215,685**	**197,225**

	Parent company		Consolidated	
	04.01.2018 to 06.30.2018	04.01.2017 to 06.30.2017	04.01.2018 to 06.30.2018	04.01.2017 to 06.30.2017
Provision for litigations	21,349	1,650	97,022	42,230
Reversal of impairment of assets	-	-	-	-
Accounts receivable related to the concession compensation (Note 11.1)	-	-	(948)	-
Property, plant and equipment (Note 19.9)	-	-	(17,057)	31,154
Expected credit losses (Trade accounts and Other current receivables)	-	-	16,854	25,704
Tax credits estimated losses	-	-	3,775	(562)
Provision for negative equity in investees	(2)	-	(2)	-
	21,347	**1,650**	**99,644**	**98,526**

33.5 Construction cost

Consolidated	06.30.2018	06.30.2017
Materials and supplies	218,145	181,927
Third party services	195,355	232,817
Personnel	59,499	73,194
Others	5,822	29,161
	478,821	**517,099**

Consolidated	04.01.2018 to 06.30.2018	04.01.2017 to 06.30.2017
Materials and supplies	133,800	77,096
Third party services	104,420	123,970
Personnel	27,492	35,535
Others	3,138	5,769
	268,850	**242,370**

33.6 Other operating costs and expenses, net

Consolidated	06.30.2018	06.30.2017
Financial offset for the use of water resources	54,762	54,817
Taxes	47,338	49,574
Losses in the decommissioning and disposal of assets	38,435	23,271
Leasing and rent (33.6.1)	18,769	18,592
Compensation	17,202	23,103
Advertising and publicity	14,606	10,218
Other net income, costs and expenses (a)	(64,179)	6,581
	126,933	**186,156**

(a) This balance includes the revenue of R$ 72,068 related to the reimbursement with suppliers of assets of windfarms of the Brisa Complex.

Consolidated	04.01.2018 to 06.30.2018	04.01.2017 to 06.30.2017
Financial offset for the use of water resources	21,757	20,531
Taxes	24,711	35,527
Losses in the decommissioning and disposal of assets	23,708	9,679
Leasing and rent (33.6.1)	9,552	10,102
Compensation	7,062	11,665
Advertising and publicity	8,796	6,151
Other net income, costs and expenses	(57,481)	(20,277)
	38,105	**73,378**

33.6.1 Leases and rent

Consolidated	06.30.2018	06.30.2017
Real estate	16,441	16,797
Others	3,090	2,580
(-) PIS and Cofins credits	(762)	(785)
	18,769	**18,592**

Consolidated	04.01.2018 to 06.30.2018	04.01.2017 to 06.30.2017
Real estate	7,868	9,308
Others	2,021	1,244
(-) PIS and Cofins credits	(337)	(450)
	9,552	**10,102**

33.6.2 Commitments from non-cancelable leases and rents

Consolidated	Less than 1 year	1 to 5 years	Over 5 years	Total 06.30.2018
Rental of wind farm lands	6,247	36,511	172,630	215,388

34 Financial Results

	Parent company		Consolidated	
	06.30.2018	06.30.2017	06.30.2018	06.30.2017
Financial income				
Interest and monetary variation of CRC transfer (Note 8.1)	125,991	56,557	125,991	56,557
Arrears charges on bills	-	-	100,433	91,314
Recognition of tax credit (34.1)	55,096	-	55,096	-
Return on financial investments	10,666	1,908	52,488	59,280
Remuneration of net sectorial assets and liabilities (Note 9.2)	-	-	17,066	21,016
Monetary variation over the Itaipu power purchase	-	-	4,295	8,748
Monetary variation and adjust to present value of accounts payable related to the concession	-	-	-	14,001
Other financial income	7,969	14,040	105,009	47,900
	199,722	**72,505**	**460,378**	**298,816**
(-) Financial expenses				
Monetary and cambial variation and debt charges	95,956	117,159	435,817	527,008
Monetary variation and adjust to present value of accounts payable related to the concession (Note 28.2)	-	-	55,120	32,883
Monetary variation over the Itaipu power purchase	-	-	25,487	8,348
Remuneration of net sectorial assets and liabilities (Note 9.2)	-	-	20,799	6,882
Interest on R&D and EEP (Note 27.2)	-	-	12,201	19,516
Interest and monetary variation of CRC transfer	-	46,831	-	46,831
Other financial expenses	(1,900)	1,173	85,532	75,610
	94,056	**165,163**	**634,956**	**717,078**
Net	**105,666**	**(92,658)**	**(174,578)**	**(418,262)**

	Parent company		Consolidated	
	04.01.2018 to 06.30.2018	04.01.2017 to 06.30.2017	04.01.2018 to 06.30.2018	04.01.2017 to 06.30.2017
Financial income				
Interest and monetary variation of CRC transfer (Note 8.1)	82,586	24,360	82,586	24,360
Arrears charges on bills	-	-	46,158	43,252
Return on financial investments	4,535	1,297	28,068	21,069
Remuneration of net sectorial assets and liabilities (Note 9.2)	-	-	8,119	9,507
Monetary variation over the Itaipu power purchase	-	-	733	-
Monetary variation and adjust to present value of accounts payable related to the concession	-	-	-	14,001
Other financial income	4,210	4,986	89,319	23,040
	91,331	**30,643**	**254,983**	**135,229**
(-) Financial expenses				
Monetary and cambial variation and debt charges	47,041	53,337	222,852	254,922
Monetary variation and adjust to present value of accounts payable related to the concession (Note 28.2)	-	-	33,595	14,522
Monetary variation over the Itaipu power purchase	-	-	23,423	8,348
Remuneration of net sectorial assets and liabilities (Note 9.2)	-	-	10,036	6,882
Interest on R&D and EEP (Note 27.2)	-	-	6,094	8,924
Interest and monetary variation of CRC transfer	-	41,052	-	41,052
Other financial expenses	10	1,134	63,894	62,820
	47,051	**95,523**	**359,894**	**397,470**
Net	**44,280**	**(64,880)**	**(104,911)**	**(262,241)**

34.1 Recognition of tax credit

On February 14, 2018 the Brazilian Federal Revenue Office recognized tax credit for the restated amount of R$80,226 in favor of the Company regarding the discussion of tax levy on Pasep from July 1988 to July 1995, in connection with the effects of Federal Senate Resolution 49, of October 9, 1995, which suspended the effects of Decree-Laws 2,445/1988 and 2,449/1988, deemed to be unconstitutional by the Federal Supreme Court. From the total amount recognized, R$55,096 were recorded in finance income and R$25,129 in other operating income.

35 Operating Segments

Operating segments are business activities that generate revenues and incur expenses, whose operating results are regularly reviewed by the executive boards of the Parent Company and subsidiaries and by key strategic decision makers responsible for allocating funds and assessing performance.

35.1 Products and services from which we generate revenues from the reportable segments

The Company operates in reportable segments identified by management, through the chief officers of each business area, taking into consideration the regulatory environments, the strategic business units, and the different products and services. These segments are managed separately, since each business and each company requires different technologies and strategies.

In the first half of 2018, all sales have been to customers within Brazilian territory, as well as all noncurrent assets are located in national territory.

The Company and its subsidiaries did not identify any customer who individually accounts for more than 10% of total net revenues in the first half of 2018.

The Company evaluates the performance of each segment based on information derived from accounting records.

The accounting policies of the operating segments are the same as those described in Note 4.

35.2 Company's reportable segments

The reportable segments of the Company, in accordance with CPC 22/IFRS 8, are:

Power generation and transmission (GET) - this segment comprises the generation of electric energy from hydraulic, wind, and thermal projects (GER) and the transport and transformation of the power generated by the Company, and the construction, operation, and maintenance of all power transmission substations and lines (TRA). For managers, the assets and liabilities of the generation and transmission segments are shown on an aggregate basis while their result is shown separately;

Power distribution (DIS) - this segment comprises the distribution of electric energy, the operation and maintenance of the distribution infrastructure, and related services.

Telecommunications (TEL) - this segment comprises telecommunications and general communications services.

GAS - this segment comprises the public service of piped natural gas distribution**.**

Power sale (COM) - this segment comprises the sale of electric energy, and related services; and

Holding Company (HOL) - this segment comprises participation in other companies**.**

35.3 Assets per reportable segment

ASSETS	Electric Energy		TEL	GAS	COM	HOL	Intersegment operations	Consolidated
06.30.2018	GET	DIS						
TOTAL ASSETS	**18,012,182**	**11,798,514**	**1,149,986**	**686,179**	**245,324**	**3,370,394**	**(782,579)**	**34,480,000**
CURRENT ASSETS	**1,649,546**	**3,684,152**	**93,010**	**181,897**	**210,599**	**1,248,627**	**(995,036)**	**6,072,795**
NON-CURRENT ASSETS	**16,362,636**	**8,114,362**	**1,056,976**	**504,282**	**34,725**	**2,121,767**	**212,457**	**28,407,205**
Long term assets	4,199,017	2,318,147	71,686	470,592	32,031	1,932,739	(156,777)	8,867,435
Investments	2,477,842	1,345	-	-	2,454	148,490	-	2,630,131
Property, plant and equipment	9,427,531	-	969,756	-	52	38,180	-	10,435,519
Intangible assets	258,246	5,794,870	15,534	33,690	188	2,358	369,234	6,474,120

ASSETS	Electric Energy		TEL	GAS	COM	HOL	Intersegment operations	Consolidated
12.31.2017	GET	DIS						
TOTAL ASSETS	**17,110,518**	**11,529,588**	**1,054,741**	**632,910**	**208,369**	**3,211,162**	**(584,911)**	**33,162,377**
CURRENT ASSETS	**1,461,512**	**3,609,663**	**102,002**	**151,966**	**187,966**	**1,035,545**	**(846,820)**	**5,701,834**
NON-CURRENT ASSETS	**15,649,006**	**7,919,925**	**952,739**	**480,944**	**20,403**	**2,175,617**	**261,909**	**27,460,543**
Long term assets	4,037,312	2,167,690	69,543	437,056	17,703	2,019,192	(140,870)	8,607,626
Investments	2,424,081	1,362	-	-	2,457	115,765	26,978	2,570,643
Property, plant and equipment	8,924,508	-	866,489	-	57	38,396	-	9,829,450
Intangible assets	263,105	5,750,873	16,707	43,888	186	2,264	375,801	6,452,824

35.4 Statement of income per reportable segment

STATEMENT OF INCOME	Electric Energy			TEL	GAS	COM	HOL	Intersegment operations	Consolidated
	GET								
06.30.2018	GER	TRA	DIS						
NET OPERATING REVENUES	**1,472,090**	**430,738**	**4,684,615**	**212,018**	**245,488**	**528,721**	**-**	**(619,159)**	**6,954,511**
Net operating revenues - third-parties	1,052,681	287,980	4,665,345	174,296	245,488	528,721	-	-	6,954,511
Net operating revenues - between segments	419,409	142,758	19,270	37,722	-	-	-	(619,159)	-
OPERATING COSTS AND EXPENSES	**(693,218)**	**(295,993)**	**(4,469,866)**	**(165,536)**	**(213,750)**	**(544,888)**	**(20,393)**	**619,159**	**(5,784,485)**
Energy purchased for resale	(93,550)	-	(2,458,394)	-	-	(535,415)	-	419,478	(2,667,881)
Charges for use of the main transmission grid	(187,292)	-	(588,465)	-	-	-	-	151,478	(624,279)
Personnel and management	(115,242)	(69,524)	(413,050)	(52,909)	(18,030)	(6,814)	(12,639)	-	(688,208)
Pension and healthcare plans	(18,734)	(11,698)	(78,894)	(7,552)	(1,758)	(677)	(1,147)	-	(120,460)
Materials and supplies	(5,398)	(2,266)	(27,437)	(821)	(556)	(20)	(287)	-	(36,785)
Raw materials and supplies for generation	(18,336)	-	-	-	-	-	-	-	(18,336)
Natural gas and supplies for gas business	-	-	-	-	(159,436)	-	-	-	(159,436)
Third party services	(65,252)	(14,759)	(177,547)	(42,318)	(9,871)	(889)	(9,640)	39,779	(280,497)
Depreciation and amortization	(179,053)	(3,489)	(147,936)	(24,233)	(11,808)	(5)	(640)	-	(367,164)
Provision/reversal for litigations	(23,816)	(15,280)	(128,723)	(8,666)	(13)	43	(3,030)	-	(179,485)
Impairment of assets	15,378	-	-	-	-	-	(272)	-	15,106
Other estimated losses, provisions and reversals	19,216	(21,083)	(42,055)	(4,493)	(2,891)	-	-	-	(51,306)
Construction cost	-	(149,416)	(323,437)	-	(5,968)	-	-	-	(478,821)
Other operating costs and expenses, net	(21,139)	(8,478)	(83,928)	(24,544)	(3,419)	(1,111)	7,262	8,424	(126,933)
EQUITY IN EARNINGS OF INVESTEES	**4,900**	**58,779**	**-**	**-**	**-**	**(3)**	**208**	**-**	**63,884**
PROFIT (LOSS) BEFORE FINANCIAL INCOME AND TAX	**783,772**	**193,524**	**214,749**	**46,482**	**31,738**	**(16,170)**	**(20,185)**	**-**	**1,233,910**
Financial income	83,169	7,202	151,667	8,503	19,429	3,639	201,461	(14,692)	460,378
Financial expenses	(281,944)	(58,614)	(173,619)	(21,534)	(19,504)	(76)	(94,357)	14,692	(634,956)
OPERATING PROFIT (LOSS)	**584,997**	**142,112**	**192,797**	**33,451**	**31,663**	**(12,607)**	**86,919**	**-**	**1,059,332**
Income tax and social contribution	(227,957)	(28,013)	(68,150)	(10,863)	(6,172)	4,333	(30,327)	-	(367,149)
NET INCOME (LOSS)	**357,040**	**114,099**	**124,647**	**22,588**	**25,491**	**(8,274)**	**56,592**	**-**	**692,183**

STATEMENT OF INCOME	Electric Energy			TEL	GAS	HOL	Intersegment operations	Consolidated
	GET							
06.30.2017	GER	TRA	DIS					
NET OPERATING REVENUES	**1,567,269**	**499,709**	**4,165,015**	**180,815**	**249,709**	**63,828**	**(256,105)**	**6,470,240**
Net operating revenues - third-parties	1,408,108	456,157	4,148,771	143,667	249,709	63,828	-	6,470,240
Net operating revenues - between segments	159,161	43,552	16,244	37,148	-	-	(256,105)	-
OPERATING COSTS AND EXPENSES	**(716,797)**	**(299,833)**	**(3,980,149)**	**(131,462)**	**(217,748)**	**(117,221)**	**256,105**	**(5,207,105)**
Energy purchased for resale	(29,414)	-	(2,480,485)	-	-	(65,542)	160,462	(2,414,979)
Charges for use of the main transmission grid	(172,358)	-	(188,329)	-	-	-	51,497	(309,190)
Personnel and management	(89,675)	(54,644)	(379,829)	(50,328)	(15,784)	(34,980)	-	(625,240)
Pension and healthcare plans	(17,567)	(11,051)	(76,221)	(7,344)	(1,467)	(3,504)	-	(117,154)
Materials and supplies	(5,929)	(2,317)	(27,873)	(1,172)	(1,185)	(483)	-	(38,959)
Raw materials and supplies for generation	(13,488)	-	-	-	-	-	-	(13,488)
Natural gas and supplies for gas business	-	-	-	-	(169,835)	-	-	(169,835)
Third party services	(55,464)	(11,027)	(170,214)	(30,385)	(11,730)	(10,205)	38,439	(250,586)
Depreciation and amortization	(187,669)	(2,359)	(143,243)	(18,998)	(14,296)	(629)	-	(367,194)
Provision/reversal for litigations	5,790	(20,488)	(65,641)	(3,056)	774	(3,215)	-	(85,836)
Impairment of assets	(56,402)	-	-	-	-	(4,609)	-	(61,011)
Other estimated losses, provisions and reversals	780	406	(47,430)	(3,020)	(1,114)	-	-	(50,378)
Construction cost	-	(191,145)	(318,030)	-	(7,924)	-	-	(517,099)
Other operating costs and expenses, net	(95,401)	(7,208)	(82,854)	(17,159)	4,813	5,946	5,707	(186,156)
EQUITY IN EARNINGS OF INVESTEES	**-**	**73,789**	**-**	**-**	**-**	**9,209**	**-**	**82,998**
PROFIT (LOSS) BEFORE FINANCIAL INCOME AND TAX	**850,472**	**273,665**	**184,866**	**49,353**	**31,961**	**(44,184)**	**-**	**1,346,133**
Financial income	48,728	6,315	153,175	4,539	10,516	81,169	(5,626)	298,816
Financial expenses	(295,446)	(63,748)	(176,845)	(13,411)	(7,675)	(165,579)	5,626	(717,078)
OPERATING PROFIT (LOSS)	**603,754**	**216,232**	**161,196**	**40,481**	**34,802**	**(128,594)**	**-**	**927,871**
Income tax and social contribution	(242,882)	(48,164)	(81,961)	(13,315)	(11,786)	38,488	-	(359,620)
NET INCOME (LOSS)	**360,872**	**168,068**	**79,235**	**27,166**	**23,016**	**(90,106)**	**-**	**568,251**

35.5 Additions to noncurrent assets by reportable segment

06.30.2018	Electric Energy		TEL	GAS	COM	HOL	Consolidated
	GET	DIS					
Property, plant and equipment							
Additions	661,485	-	128,490	-	-	85	790,060
Intangible assets							
Additions	5,071	293,738	551	6,263	2	114	305,739

06.30.2017	Electric Energy		TEL	GAS	COM	HOL	Consolidated
	GET	DIS					
Property, plant and equipment							
Additions	399,885	-	101,940	-	-	293	502,118
Intangible assets							
Additions	1,753	336,793	1,104	7,576	253	851	348,330

36 Risk Management and Financial Instruments

36.1 Categories and determination of fair value of financial instruments

Consolidated	Note	Level	06.30.2018		12.31.2017	
			Book value	Fair value	Book value	Fair value
Financial assets						
Fair value through profit or loss						
Cash and cash equivalents (a)	5	1	1,704,148	1,704,148	1,040,075	1,040,075
Bonds and securities (b)	6	1	43,253	43,253	687	687
Bonds and securities (b)	6	2	190,618	190,618	218,976	218,976
Accounts receivable related to the distribution concession (c)	10.1 e 10.5	3	1,035,675	1,035,675	987,874	987,874
Accounts receivable related to the transmission concession (c)	10.3	1	103,435	103,435	99,969	99,969
Accounts receivable related to the concession compensation (d)	11	3	72,893	72,893	68,859	68,859
Other temporary investments (e)	16	1	8,668	8,668	8,958	8,958
Other temporary investments (e)	16	2	10,234	10,234	9,769	9,769
			3,168,924	**3,168,924**	**2,435,167**	**2,435,167**
Amortized cost						
Pledges and restricted deposits linked (a)		1	42,200	42,200	59,372	59,372
Collaterals and escrow accounts STN (f)	23.1	2	87,046	65,211	75,665	57,188
Trade accounts receivable (a)	7	1	2,827,255	2,827,255	2,994,322	2,994,322
CRC Transferred to the State Government of Paraná (g)	8	2	1,512,294	1,574,250	1,516,362	1,620,212
Sectorial financial assets (a)	9	1	635,019	635,019	343,218	343,218
Accounts receivable related to the transmission concession (c)	10.3	1	1,562,631	1,562,631	1,397,430	1,397,430
Accounts receivable related to the concession - RBSE (c)	10.4	1	1,386,536	1,386,536	1,418,370	1,418,370
Accounts receivable related to the concession - bonus from the grant (h)	10.2	2	621,662	710,973	606,479	694,463
State of Paraná - Government Programs (a)	15.1	1	14,668	14,668	130,417	130,417
			8,689,311	**8,818,743**	**8,541,635**	**8,714,992**
Total financial assets			**11,858,235**	**11,987,667**	**10,976,802**	**11,150,159**
Financial liabilities						
Amortized cost						
Sectorial financial liabilities (a)	9	1	93,583	93,583	283,519	283,519
Ordinary financing of taxes with the federal tax authorities (f)	13.3	2	118,540	115,126	148,845	142,702
Special Tax Regularization Program - Pert (f)	13.3	2	526,292	437,680	533,671	431,036
Suppliers (a)	22	1	1,723,298	1,723,298	1,727,046	1,727,046
Loans and financing (f)	23	2	4,162,934	4,005,207	3,759,505	3,569,856
Debentures (i)	24	1	6,021,645	6,021,645	6,070,978	6,070,978
Payable related to concession (h)	28	3	577,795	664,915	554,954	645,904
Total financial liabilities			**13,224,087**	**13,061,454**	**13,078,518**	**12,871,041**

Different levels are defined as follows:
Level 1: Obtained from quoted prices (not adjusted) in active markets for identical assets and liabilities;
Level 2: obtained through other variables in addition to quoted prices included in Level 1, which are observable for the assets or liabilities;
Level 3: obtained through assessment techniques which include variables for the assets or liabilities, which however are not based on observable market data.

Determining fair values

a) Equivalent to their respective carrying values due to their nature and terms of realization.

b) For assets classified as level 1 or level 2, calculated according to information made available by the financial agents and to the market values of the bonds issued by the Brazilian government.

c) The criteria are disclosed in Note 4.1.1 to this quarterly information.

d) The fair values of generation assets approximate their book values, according to Note 11 to this quarterly information.

e) Calculated according to the price quotations published in an active market, for assets classified as level 1, and determined in view of the comparative assessment model for assets classified as level 2.

f) Calculated based on the cost of the last issue by the Company, 120.0% of the CDI for discount of the expected payment flows.

g) The Company based its calculation on the comparison with a long-term and post-fixed National Treasury Bond (NTN-B) maturing on August 15, 2024, which yields approximately 5.34% p.y. plus the IPCA inflation index.

h) Receivables related to the concession agreement for providing electricity generation services under quota arrangements at their fair value calculated by expected cash inflows discounted at the rate established in ANEEL auction notice 12/2015 (9.04%).

i) Calculated from the Unit Price quotation (PU) for 6/29/2018, obtained from the Brazilian Association of Financial and Capital Markets (Anbima), net of financial cost to amortize.

j) Real net discount rate of 8.11% p.y., in line with the Company's estimated rate for long-term projects.

36.2 Financial risk management

The Company's business activities are exposed to the following risks arising from financial instruments:

36.2.1 Credit risk

Credit risk is the risk of the Company and its subsidiaries incurring losses due to a customer or financial instrument counterparty, resulting from failure in complying with contract obligations.

Consolidated **Exposure to credit risk**	**06.30.2018**	**12.31.2017**
Cash and cash equivalents (a)	1,704,148	1,040,075
Bonds and securities (a)	233,871	219,663
Pledges and restricted deposits linked (a)	129,246	135,037
Trade accounts receivable (b)	2,827,255	2,994,322
CRC Transferred to the State Government of Paraná (c)	1,512,294	1,516,362
Sectorial financial assets (d)	635,019	343,218
Accounts receivable related to the concession (e)	4,088,277	3,903,643
Accounts receivable related to the concession - Bonus from the grant (f)	621,662	606,479
Accounts receivable related to the concession compensation (g)	72,893	68,859
State of Paraná - Government Programs (h)	14,668	130,417
Other temporary investments (i)	18,902	18,727
	11,858,235	**10,976,802**

a) The Company's Management manages the credit risk of its assets in accordance with the Group's policy of investing virtually all of its funds in federal banking institutions. As a result of legal and/or regulatory requirements, in exceptional circumstances the Company may invest funds in prime private banks.

b) The risk arises from the possibility that the Company might incur in losses resulting from difficulties to receive its billings to customers. This risk is closely related to internal and external factors of Copel. To mitigate this type of risk, the Company manages its accounts receivable, detecting default consumers, implementing specific collection policies and suspending the supply and/or recording of energy and the provision of service, , as established in the agreement.

c) Management believes this credit risk is low because repayments are secured by funds from dividends.

d) Management believes this risk is very low because these contracts assure an unconditional right to be paid in cash by the concession Granting Authority at the end of the concession period for any infrastructure investments not recovered through tariffs.

e) Management believes this risk is very low because these contracts assure an unconditional right to be paid in cash by the concession Granting Authority at the end of the concession period for any infrastructure investments not recovered through tariffs by the end of the period, specifically for the transmission business, since RAP is guaranteed revenue that does not involve demand risk.

For investments made in infrastructure and that were not recovered through tariff until the end of the concession, the agreements assure the right to receive cash until the end of the concession to be paid by the Granting Authority.

For the amount relating to RBSE assets existing on May 31, 2000, ANEEL published Normative Resolution 589/2013, which defines criteria for calculating the New Replacement Value (VNR). Given that on April 20, 2016, through MME Ordinance 120, the Granting Authority defined the means and period for receiving this asset regulated by. ANEEL Normative Resolution 762/2017, Management considers the risk of this credit to be low, even considering the injunctions that temporarily reduced the RAP receivable, regarding the cost of equity determined in RSBE's assets from January 2013 to June 2017, as described in Note 10.4.

f) Management considers the risk of this credit to be very low, as the contract for the sale of energy by quota guarantees the receipt of an Annual Generation Revenue - RAG guaranteed which includes the annual amortization of this amount during the concession term.

g) For the generation concession assets, ANEEL published Normative Resolution 596/2013, which defines criteria for calculating the New Replacement Value (VNR), for indemnity purposes. Although the Granting Authority has not yet disclosed the means of remunerating these assets and there are uncertainties as to approval or ratification of investments made in this respect, Management believes that compensation for these assets indicates the recoverability of the recorded balance.

h) Management believes this credit risk is very low because these are specific programs together with the State Government.

i) The risk arises from the possibility that the Company might incur losses resulting from the volatility on the stock market. This type of risk involves external factors and has been managed through periodic assessment of the variations occurred in the market.

36.2.2 Liquidity risk

The Company's liquidity risk consists of the possibility of insufficient funds, cash or other financial asset to settle obligations on scheduled dates.

The Company manages liquidity risk relying on a set of methodologies, procedures and instruments applied for a permanent control over financial processes to ensure a proper management of risks.

Investments are financed by incurring medium and long-term debt with financial institutions and capital markets.

Short-, medium- and long-term business projections are made and submitted to management bodies for evaluation. The budget for the next fiscal year is annually approved.

Medium and long-term business projections cover monthly periods over the next five years. Short-term projections consider daily periods covering only the next 90 days.

The Company permanently monitors the volume of funds to be settled by controlling cash flows to reduce funding costs, the risk involved in the renewal of loan agreements and compliance with the financial investment policy, while at the same time keeping minimum cash levels.

The following table shows the expected undiscounted settlement amounts in each time range. Projections were based on financial indicators linked to the related financial instruments and forecast according to average market expectations as disclosed on the Central Bank of Brazil's Focus Report, which provides the average expectations of market analysts for these indicators for the current year and the following year. From 2021, 2020 indicators are repeated through the forecast period.

Consolidated	Interest (a)	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Total liabilities
06.30.2018							
Loans and financing	Note 23	736,932	122,292	1,153,548	1,810,373	1,276,301	5,099,446
Debentures	Note 24	632,183	18,704	1,857,724	4,397,711	429,457	7,335,779
Payable related to concession use of public property	Rate of return + IGP-M and IPCA	5,480	10,809	52,377	308,063	1,431,227	1,807,956
Suppliers	-	1,268,750	227,864	176,169	50,515	-	1,723,298
Ordinary financing of taxes with the federal tax authorities	Selic	5,666	11,399	52,393	54,357	-	123,815
Special Tax Regularization Program - Pert	Selic	3,805	7,666	35,437	219,395	476,343	742,646
Sectorial financial liabilities	Selic	-	-	-	103,652	-	103,652
		2,652,816	**398,734**	**3,327,648**	**6,944,066**	**3,613,328**	**16,936,592**

(a) Effective interest rate - weighted average.

As disclosed in Notes 23.5 and 24.3, the Company and its subsidiaries have loans and financing agreements and debentures with covenants that if breached may have their payment accelerated.

As at June 30, 2018, Copel recorded a negative net working capital of R$234,160 in Parent Company and R$1,651,710 in the Consolidated. Management has been monitoring the liquidity and taking actions to balance the short-term financial capacity, preserving the Company's investment programs, as well as seeking debt extension.

36.2.3 Market risk

Market risk it is the risk that fair value or the future cash flows of a financial instrument shall oscillate due to changes in market prices, such as currency rates, interest rates and stock price. The purpose of managing this risk is to control exposures within acceptable limits, while optimizing return.

a) Foreign currency risk (US Dollar)

This risk comprises the possibility of losses due to fluctuations in exchange rates, which may reduce assets or increase liabilities denominated in foreign currencies.

The Company's foreign currency indebtedness is not significant and it is not exposed to foreign exchange derivatives. The Company monitors all relevant exchange rates.

The effect of the exchange rate variation resulting from the power purchase agreement with Eletrobras (Itaipu) is passed on to customers in Copel DIS's next tariff adjustment.

The exchange rate risk posed by the purchase of gas arises from the possibility of Compagas reporting losses on the fluctuations in exchange rates, increasing the amount in Reais of the accounts payable related to the gas acquired from Petrobras. This risk is mitigated by the monitoring and transfer of the price fluctuation through tariff, when possible. Compagas monitors these fluctuations on an ongoing basis.

Sensitivity analysis of foreign currency risk

The Company has developed a sensitivity analysis in order to measure the impact of the devaluation of the U.S. dollar on its loans and financing subject to exchange risk.

The baseline takes into account the existing balances in each account as of 6/30/2018 and the probable scenario assumes a variation in the exchange rate - end of period (R$/US$3.70) based on the median market expectation for 2018 reported in the Central Bank's Focus report of 7/27/2018. For the scenarios 1 and 2, deteriorations of 25% and 50%, respectively, were considered for the main risk factor for the financial instrument compared to the rate used in the probable scenario.

		Baseline	Projected scenarios - Dec.2018		
Foreign exchange risk	**Risk**	**06.30.2018**	**Probable**	**Scenario 1**	**Scenario 2**
Financial assets					
Collaterals and escrow accounts - STN	USD depreciation	87,046	(3,517)	(24,399)	(45,282)
		87,046	**(3,517)**	**(24,399)**	**(45,282)**
Financial liabilities					
Loans and financing - STN	USD appreciation	(104,157)	4,209	(20,778)	(45,766)
Suppliers					
Eletrobras (Itaipu)	USD appreciation	(258,257)	10,435	(51,520)	(113,476)
Acquisition of gas	USD appreciation	(58,069)	2,346	(11,584)	(25,515)
		(420,483)	**16,990**	**(83,882)**	**(184,757)**

In addition to the sensitivity analysis required by CVM Resolution No. 475/2008, the Company evaluates its financial instruments considering the possible effects on profit and loss and equity of the risks evaluated by Company management on the reporting date for the financial instruments, as recommended by CPC 40 (R1) Financial Instruments. Disclosure. Based on the equity position and the notional value of the financial instruments held as of 6/30/2018, it is estimated that these effects will approximate the amounts stated in the above table in the column for the forecast probable scenario, since the assumptions used by the Company are similar to those previously described.

b) Interest rate and monetary variation risk

This risk comprises the possibility of losses due to fluctuations in interest rates or other indicators, which may reduce financial income or financial expenses or increase the financial expenses related to the assets and liabilities raised in the market.

The Company has not engaged in transactions with derivatives to cover this risk, but it has continually monitored interest rates and market indicators, in order to assess the potential need for such transactions.

Sensitivity analysis of interest rate and monetary variation risk

The Company has developed a sensitivity analysis in order to measure the impact of variable interest rates and monetary variations on its financial assets and liabilities subject to these risks.

The baseline scenario takes into account the existing balances in each account as of 6/30/2018 while the ‘probable’ scenario assumes balances reflecting varying indicators as follows: CDI/Selic - 6.50%, IPCA - 4.11%, IGP DI - 7.69%, IGP-M - 7.67% and TJLP - 6.00%, estimated as market average projections for 2018 according to the Focus Report issued by the Central Bank of Brazil as of 7/27/2018, except TJLP that considers the Company’s internal projection.

For the scenarios 1 and 2, deteriorations of 25% and 50%, respectively, were considered for the main risk factor for the financial instrument compared to the rate used in the probable scenario.

Interest rate risk and monetary variation	Risk	Baseline 06.30.2018	Projected scenarios - Dec.2018 Probable	Scenario 1	Scenario 2
Financial assets					
Bonds and securities	Low CDI/SELIC	233,871	7,480	5,638	3,770
Collaterals and escrow accounts	Low CDI/SELIC	42,200	1,350	1,017	680
CRC transferred to the State Government of Paraná	Low IGP-DI	1,512,294	57,071	42,999	28,800
Sectorial financial assets	Low Selic	635,019	20,313	15,294	10,237
Accounts receivable related to the concession	Low IPCA	4,709,939	95,815	72,041	48,149
Accounts receivable related to the concession compensation	Undefined (a)	72,893	-	-	-
State of Paraná - Government Programs	No risk	14,668	-	-	-
		7,220,884	**182,029**	**136,989**	**91,636**
Financial liabilities					
Loans and financing					
Banco do Brasil	High CDI	(979,295)	(31,326)	(39,007)	(46,630)
BNDES	High TJLP	(1,483,019)	(43,843)	(54,608)	(65,298)
BNDES	High IPCA	(11,342)	(231)	(288)	(344)
Promissory notes	High CDI	(1,154,210)	(36,921)	(45,974)	(54,959)
Banco do Brasil - Distribution of Funds from BNDES	High TJLP	(112,840)	(3,336)	(4,155)	(4,968)
Caixa Econômica Federal	High TJLP	(496)	(15)	(18)	(22)
Other	No risk	(317,575)	-	-	-
Debentures	High CDI/SELIC	(5,315,186)	(170,024)	(211,713)	(253,090)
Debentures	High IPCA	(553,889)	(11,268)	(14,050)	(16,818)
Debentures	High TJLP	(152,570)	(4,510)	(5,618)	(6,718)
Suppliers - renegotiation of gas	High IGP-M	(70,226)	(2,643)	(3,289)	(3,930)
Sectorial financial liabilities	High Selic	(93,583)	(2,994)	(3,728)	(4,456)
Ordinary financing of taxes with the federal tax authorities	High Selic	(118,540)	(3,792)	(4,722)	(5,644)
Special Tax Regularization Program - Pert	High Selic	(526,292)	(16,835)	(20,963)	(25,060)
Payable related to concession	High IGP-M	(530,273)	(19,960)	(24,838)	(29,674)
Payable related to concession	High IPCA	(47,522)	(967)	(1,205)	(1,443)
		(11,466,858)	**(348,665)**	**(434,176)**	**(519,054)**

(a) Risk assessment still requires ruling by the Granting Authority.

In addition to the sensitivity analysis required by CVM Resolution No. 475/2008, the Company evaluates its financial instruments considering the possible effects on profit and loss and equity of the risks evaluated by Company management on the reporting date for the financial instruments, as recommended by CPC 40 (R1) Financial Instruments. Based on the equity position and the notional value of the financial instruments held as of 6/30/2018, it is estimated that these effects will approximate the amounts stated in the above table in the column for the forecast probable scenario, since the assumptions used by the Company are similar to those previously described.

36.2.4 Electricity shortage risk

Approximately 64% of installed capacity in the country currently comes from hydroelectric generation, as informed by the Generation Information Bank of ANEEL, which makes Brazil and the geographic region in which we operate subject to hydrological conditions that are unpredictable, due to non-cyclical deviations of mean precipitation. Unsatisfactory hydrological conditions may cause, among other things, the implementation of comprehensive programs of electricity savings, such as rationalization or even a mandatory reduction of consumption, which is the case of rationing.

From 2014, the reservoirs of the Southeast/Midwest, North and Northeast regions have been subject to adverse climate situations, leading agencies responsible for this industry to adopt water resources optimization measures to guarantee full compliance with load.

The economic crisis that the country is going through has had a significant impact on the consumption of electricity, practically stagnating its growth in the last 4 years, being decisive to avoid a greater difficulty in the full service of the market.

Regarding short-term risk, the Electric Power Industry Monitoring Committee - CMSE has been reporting a balance between energy supply and demand, and indices have been kept within safety margins. The same position is adopted by ONS regarding the risk of deficit in the medium term, as stated in the 2018-2022 Energy Operation Plan.

Although dam storage levels are not ideal, from the standpoint of regulatory agencies, when combined with other variables they are sufficient to keep the risk of deficit within the safety margin established by the National Energy Policy Council - CNPE (maximum risk of 5%) in all subsystems.

36.2.5 Risk of GSF impacts

The Energy Reallocation Mechanism (MRE) is a system of redistribution of electric power generated, characteristic of the Brazilian electric sector, which has its existence by the understanding, at the time, of the need for a centralized operation associated with a centrally calculated optimum price known as PLD. Since generators have no control over their production, each plant receives a certain amount of virtual energy which can be compromised through contracts. This value, which enables the registration of bilateral contracts, is known as Physical Guarantee - GF and is also calculated centrally. Unlike PLD, which is calculated on a weekly basis, GF, as required by Law, is recalculated every five years, with a limit of increase or decrease, restricted to 5% by revision or 10% in the concession period.

The contracts need to be backed. This is done, especially, through the allocation of power generated received from the MRE or purchase. The GSF is the ratio of the entire hydroelectric generation of the MRE participants to the GF sum of all the MRE plants. Basically, the GSF is used to calculate how much each plant will receive from generation to back up its GF. Thus, knowing the GSF of a given month the company will be able to know if it will need to back up its contracts through purchases.

Whenever GF multiplied by GF is less than the sum of contracts, the company will need to buy the difference in the spot market. However, whenever GSF multiplied by GF is greater than the total contracts, the company will receive the difference to the PLD.

The low inflows recorded since 2014 as well as problems with delays in the expansion of the transmission system have resulted in low GSF values, resulting in heavy losses for the companies holding MRE participating hydroelectric projects.

For plants with contracts in the Free Contracting Environment - ACL, the main way to manage the low GSF risk is not to compromise the entire GF with contracts, approach currently adopted by Copel.

For the contracts in the ACR, Law 13,203/2015, allowed the generators to contract insurance of the load, by means of payment of a risk premium. Copel adopted this approach to protect contracts related to energy produced by Mauá, Santa Clara, Fundão, Baixo Iguaçu and Cavernoso II Thermoelectric Plants.

For the distribution segment, the effects of the GSF are perceived in the costs of the contracts for availability, as well as in the costs associated with quota of Itaipu, of Angra and the plants whose concessions were renewed in accordance with Law 12,783/2013. This is a financial risk, however, since it guarantees the neutrality of energy purchase expenses through a tariff transfer.

36.2.6 Risk of non-renewal of concessions - generation and transmission

Currently, the extension of generation, transmission and distribution concessions covered by Articles 17, 19 and 22 of Law No. 9,074/1995 is governed by Law 12,783/2013. However, extension is permitted after express acceptance of conditions of that Law, such as: i) distribution and transmission revenue determined according to criteria established by ANEEL; ii) submission to service quality standards defined by ANEEL; (iii) change from price remuneration to tariff calculated by ANEEL for each plant; and (v) allocation of plant energy and capacity physical guarantee shares to concessionaires and permission holders of distribution public utilities.

Concessions of hydroelectric power generation, electric power transmission and distribution may be extended at the discretion of the Concession Grantor, one single time, for a period of up to 30 years. However, for concessions of thermoelectric power generation, extension period is limited to 20 years. Decree 9,187 of November 1, 2017 regulates the extension of the thermoelectric power generation concessions set forth in Law 12,783.

Current regulation also defines that the concessionaire should request extension of concession at least 60 months before the final contract date or after granting of concessions to hydroelectric power generation and electric power transmission and distribution plants, and of up to 24 months for thermoelectric plants.

It was also defined that, if the concessionaire opts to extend its concession, the Concession Grantor may advance effects of extension by up to 60 months counted as of contract or grant date, and may also define initial tariff or revenue.

On March 24, 2017 Copel GeT filed with ANEEL its intention to extend the granting of the Figueira Hydroelectric Plant generation concession, emphasizing, however, that it will sign the necessary contracts and / or amendments only after knowing and accepting the contractual terms and the rules that will govern any process related to the extension of the grant. For the other plants of Copel GeT with concessions ending within a term of ten years, the deadlines for the Company to inform about the extension or not of the generation concessions are shown below:

Plant	Deadline for manifestation
HPP Gov. Bento Munhoz da Rocha Neto (Foz do Areia)	09.17.2018
HPP Apucaraninha	10.12.2020
HPP Chaminé	08.16.2021
HPP Guaricana	08.16.2021

These five plants represent a Physical Guarantee of an average 620.69 MW.

The Company will make analyses in the future to decide on whether or not concessions should be extended in view of conditions imposed by the Concession Grantor, aiming at preserving its profitability levels.

In case extension is not brought forward, the Concession Grantor will open a tender bid process for concessions of the auction or competition type, considering for tender bid judgment, the lowest tariff value and the highest offer to pay grant bonus.

Copel GeT does not have any transmission concession ending in the next ten years.

36.2.7 Risk of non-renewal of concessions - distribution of electricity

On December 9, 2015, pursuant to the term of Concession Agreement amendment No. 46/1999 of Copel DIS, concession was extended, provided that quality and efficiency parameters for provision of distribution services are met, measured by indicators that consider duration and frequency of service interruptions (DECi and FECi) and efficiency in the Company's economic and financial management.

The fifth amendment to the concession agreement imposes indexes of economic and financial efficiency and quality. Failure to comply with the indexes for two consecutive years or any limits at the end of the first five years will result in the termination of the concession (clause 18, subclause 1), observing the agreement terms, specifically the right to full defense and reconsideration. Non-compliance with the global electricity supply quality indicators (DEC and FEC) for two consecutive years or three times in five years, depending on ANEEL's regulation, may limit the payment of dividends or interest on capital (clause 2, subclause 8), while the breach of the economic and financial sustainability indicators may require a capital contribution from the controlling shareholders (clause 13, subclause 4). From the sixth year following the signing of the agreement, the breach of quality criteria for three consecutive years or of economic and financial management criteria for two consecutive years will result in the opening of an expiration process (clause 12, subclause 14), causing the end of the concession.

The following table sets out the targets set for Copel DIS in the first five years of the renewal:

		Quality (Limit Established) (a)		Quality (Performed)	
Year	Economic and Financial Management	DECi (b)	FECi (b)	DECi (c)	FECi (c)
2016		13.61	9.24	10.80	7.14
2017	EBITDA ≥ 0	12.54	8.74	10.41	6.79
2018	EBITDA (-) QRR ≥ 0 (d)	11.23	8.24	-	-
2019	{Net Debt / [EBITDA (-) QRR]} ≤ 1 / (0.8 * SELIC) (d) (e)	10.12	7.74	-	-
2020	{Net Debt / [EBITDA (-) QRR]} ≤ 1 / (1.11 * SELIC) (d) (e)	9.83	7.24	-	-

(a) According to Aneel's Technical Note No. 0335/2015.

(b) DECi - Equivalent Time of Interruption Caused by Internal Source per Consumer Unit; and FECi - Equivalent Frequency of Interruption Caused by Internal Source per Consumer Unit.

(c) The DECi and FECi indicators are calculated by ANEEL and the performed data were not officially released for the year 2017

(d) QRR: Regulatory Reintegration Quota or Regulatory Depreciation Expense. This is the value defined in the most recent Periodical Tariff Review (RTP), plus the General Market Price Index (IGP-M) between the month preceding the RTP and the month preceding the twelve-month period of the economic and financial sustainability measurement.

(e) Selic: limited to 12.87% p.y.

36.2.8 Risk of non-extension of the gas distribution concession

As presented in Note 2.1.1, the expiration date of the gas distribution concession of the subsidiary Compagás is under discussion with the concession grantor.

In the event of non-extension of the concession, Compagás will be entitled to compensation for investments made in the last 10 years prior to the end of the concession at their depreciated replacement value, according to the contractual clause.

36.2.9 Risk of overcontracting and undercontracting of electricity

In the current regulatory model, the agreement for purchase of electric power by distributors is regulated by Law No. 10,484/2014 and Decree No. 5,163/2004, which determine that distributors must purchase the volume required to serve 100% of their market through auctions on the Regulated Contacting Environment - ACR.

The contracting of the total output available in the market is verified by observing the period comprising the calendar year, and the difference between the costs remunerated by the tariff and those actually incurred on the power purchase are fully passed on to captive consumers as long as the Distributor presents a contracting level between 100% and 105% of its market. However, if distributors determine contracting levels lower or higher than the regulatory limits, there is the assurance of neutrality if it is identified that such violation derives from extraordinary and unforeseen events that are not manageable by the buyer.

In the last years, the distribution segment has been exposed to a general overcontracting scenario, as most companies determined contracting levels higher than 105%. Considering that several factors that have contributed to this situation are extraordinary and unavoidable by the distributors, such as the involuntary allocation of physical guarantee quotas and the broad migration of consumers to the free market, the ANEEL and the MME implemented a series of measures aiming at the migration of overcontracting. Between the years 2015 and 2017, we highlight:

• Normative Resolution No. 700/2016, which regulated the recognition of involuntary overcontracting arising from the reallocation of assured power quota of plants renewed pursuant Law 12,783/2013;

• Normative Resolutions No. 693/2015 and 727/2016, which regulated the New Energy and Decrease Clearing Facility (“Mecanismo de Compensação de Sobras e Déficits - MCSD-EN”), for the contracts arising from new generation projects, which enabled the reallocation of energy between distributors and generators;

• Normative Resolution No. 711/2016, which established criteria and conditions for bilateral agreements between distributors and generators, under the temporary, total or partial reduction in the contracted power, permanent reduction, however partial, and also the contractual restriction.

• Decree 9,143/2017 was published, which, among other measures, changes Decree 5,163/2014, recognizing: i) the involuntary contractual exposures arising from the migration of special consumers to the free market, provided that the evaluation of the maximum effort by distributors is considered by ANEEL; and ii) the contractual right to the reduction of existing power auctions, by the amounts related to the migration of special consumers to the free market. Eligible contracts are those arising from power auctions held after June 2016, pursuant to Normative Resolution No. 726/2016

Also in 2017, ANEEL initiated Public Hearing 70/2017, aiming at obtaining support for the regulation of mechanism for sale of contractual surplus, by free market distributors, pursuant to Law 13,360/2016, specifically to free consumers, sellers, generators and self-producers. The discussions will continue in 2018, but there is already an expectation that the mechanism can be used as an important tool for managing contracting by distributors.

Regarding Copel DIS contracting for 2018, the indicators pointed preliminarily to an overcontracting scenario, where mitigating actions would be required. All tools available were used to manage the contracting, seeking to meet the requirement to put forth its maximum effort to adjust its contracting level to regulatory limits. In this context, the distributor:

a) reported its surpluses, in Free Changes and New Energy MCSD, related to exceeding amounts of energy of physical guarantee quotas and not contracted by special consumers;

b) returned fully, in MCSD 4%, related to the market fluctuations of up to 4% of the contracted amounts of existing electricity;

c) returned fully, in monthly MCSD, the amounts of energy not contracted by potential free consumers; and

d) established agreements with generators for contract reduction, entering into bilateral agreements in accordance with Normative Resolution No. 711/2016;

In accordance with current market data, Copel DIS projects to end 2018 with a contracting level of 100% to 105%, without impairing the ongoing monitoring of indicators throughout the year, mainly in relation to the adoption of any mitigating actions.

36.2.10 Gas shortage risk

This risk involves potential periods of shortage of natural gas supply to meet the Company's gas distribution and thermal generation business requirements.

Long periods of gas shortage could result in losses due to lower revenues by subsidiaries Compagas and UEG Araucária.

The natural gas supply contract between Brazil and Bolivia is effective for twenty years, ending in 2019. In the event of non-renewal of this contract, currently centralized at Petrobras, the direct consumers or state distributors shall negotiate directly with Transportadora Brasileira Gasoduto Bolívia-Brasil (TBG).

On the other hand, the volume of natural gas produced in the pre-salt has increased. The Brazilian's current net output is 67 million m^3/day and with growing trend.

In addition to the gas from Bolivia and from the pre-salt, there is the alternative of importing the Liquified Natural Gas (LNG). Currently Petrobras has tree regasification stations with total capacity of 41 million m³/day.

There are still projects of new regasification stations in all Brazilian regions, and the stations located in the South have capacity to meet the consumption of this region of the country.

In the international market, the natural gas price has remained stable, indicating a balance between supply and demand.

In this scenario, the natural gas shortage risk can be considered low.

36.3 Capital management

The Company seeks to maintain a strong capital base to maintain the trust of investors, creditors and market and ensure the future development of the business. Management also strives to maintain a balance between the highest possible returns with more adequate levels of loans and the advantages and the assurance afforded by a healthy capital position. Thus, it maximizes the return for all interested parties in its operations, optimizing the balance of debts and equity.

The Company monitors capital by using an index represented by adjusted consolidated net debt divided by adjusted consolidated EBITDA (Earnings before interest, taxes, depreciation and amortization), for the last twelve months. Corporate goal established in strategic planning provides for maintenance of index below 3.5 while any expectation of failing to meet this target will prompt Management to take steps to correct its course by the end of each reporting period.

36.3.1 The equity indebtedness is shown below:

	Parent company		Consolidated	
Indebtedness	**06.30.2018**	**12.31.2017**	**06.30.2018**	**12.31.2017**
Loans and financing	891,863	986,112	4,162,934	3,759,505
Debentures	1,515,422	1,215,481	6,021,645	6,070,978
(-) Cash and cash equivalents	134,309	56,833	1,704,148	1,040,075
(-) Bonds and securities (current)	92	90	1,381	1,341
Net debt	**2,272,884**	**2,144,670**	**8,479,050**	**8,789,067**
Equity	15,871,151	15,207,842	16,180,850	15,510,503
Equity indebtedness	**0.14**	**0.14**	**0.52**	**0.57**

37 Related Party Transactions

Consolidated	Assets		Liabilities		Revenue		Cost / Expense	
Related parties / Nature of operation	06.30.2018	12.31.2017	06.30.2018	12.31.2017	06.30.2018	06.30.2017	06.30.2018	06.30.2017
Controlling shareholder								
State of Paraná - dividends payable	-	-	85,710	85,710	-	-	-	-
CRC Transfer (Note 8)	1,512,294	1,516,362	-	-	125,991	9,726	-	-
"Luz Fraterna" Program (a)	8,325	168,405	-	-	-	-	-	-
2014 World Cup construction work (Note 15.1.2)	14,266	14,266	-	-	-	-	-	-
Morar Bem Paraná Program (Note 15.1.3)	402	261	-	-	-	-	-	-
Remuneration and employ social security charges assigned (b)	444	56	-	-	-	-	-	-
Telecommunication services (c)	20,739	28,750	-	-	20,393	19,814	-	-
Sistema Meteorológico do Paraná - Simepar (d)	-	-	171	-	-	-	(517)	(939)
Entities with significant influence								
BNDES and BNDESPAR - dividends payable (e)	-	-	59,366	59,366	-	-	-	-
Financing (Note 23)	-	-	1,541,383	1,576,660	-	-	(62,628)	(72,001)
Debentures - Compagás (Note 24)	-	-	30,197	42,675	-	-	(1,583)	(2,918)
Debentures - wind farms (f)	-	-	275,416	281,448	-	-	(15,603)	(15,554)
State of Paraná investee								
Sanepar (c) (g)	25	24	291	-	2,041	1,795	(2,557)	(824)
Dividends	-	12,095	-	-	-	-	-	-
Joint ventures								
Voltalia São Miguel do Gostoso (Note 15.4)	-	38,169	-	-	294	1,863	-	-
Dividends	1,032	1,032	-	-	-	-	-	-
Costa Oeste Transmissora de Energia (h) (i) (j) (n)	104	206	60	59	441	452	(465)	(1,131)
Marumbi Transmissora de Energia (h) (j) (n)	339	500	40	37	1,862	1,712	(148)	(459)
Caiuá Transmissora de Energia (h) (i) (j)	327	320	273	271	1,935	1,883	(1,848)	(8,299)
Dividends	1,991	1,991	-	-	-	-	-	-
Integração Maranhense Transmissora (h) (j)	-	-	45	43	-	-	(295)	(876)
Dividends	4,012	4,012	-	-	-	-	-	-
Matrinchã Transmissora de Energia (h) (j)	-	-	246	220	-	-	(1,667)	(3,929)
Dividends	36,840	36,840	-	-	-	-	-	-
Transmissora Sul Brasileira (h) (j)	-	-	78	72	-	-	(514)	(1,562)
Guaraciaba Transmissora de Energia (h) (j)	-	-	113	74	-	-	(702)	(1,980)
Dividends	11,541	11,541	-	-	-	-	-	-
Paranaíba Transmissora de Energia (j)	-	-	157	159	-	-	(1,112)	(514)
Dividends	7,093	7,093	-	-	-	-	-	-
Cantareira Transmissora de Energia (h)	-	-	138	-	-	-	(614)	-
Dividends	2,146	2,146	-	-	-	-	-	-
Mata de Santa Genebra Transmissão (h)	279	78	-	-	872	1,720	-	-
Dividends	3,264	3,264	-	-	-	-	-	-
Associates								
Dona Francisca Energética S.A. (k)	-	-	1,389	1,436	-	-	(8,384)	(8,384)
Foz do Chopim Energética Ltda. (c) (h)	166	163	-	-	1,294	1,312	-	-
Sercomtel S.A. Telecomunicações (c) (l)	2,675	3,778	-	-	3,994	4,164	(2)	-
Key management staff								
Fees and social security charges (Note 33.2)	-	-	-	-	-	-	(13,128)	(13,678)
Pension and healthcare plans (Note 25)	-	-	-	-	-	-	(711)	(743)
Other related parties								
Fundação Copel (c)	33	38	-	-	156	158	-	-
Administrative property rental	-	-	304	349	-	-	(8,598)	(9,445)
Pension and healthcare plans (Note 25)	-	-	887,549	866,103	-	-	-	-
Lactec (m)	-	-	2,675	1,762	-	-	(8,881)	(8,890)

a) The Luz Fraterna Program, created under Law No. 491/ 2013 and No. 17,639/2013, allows the State Government to pay for the electricity bills of low income families in Paraná - which have duly applied for the program - provided their consumption does not exceed 120 kWh a month. This benefit is available to residential customers with single-phase connections, rural customers with single-phase connections or two-phase connections with circuit breakers of up to 50 amperes. Applicants must not have more than one electricity bill under their names and must not have any pending debts to the Company.

In March 2018 the amount of R$159,274 was settled. The principal amount was subject to interest, fine and inflation adjustment amounting to R$155,282 as at June 30, 2018. We highlight that, in spite of the actions taken by Management to balance this debt, there are still uncertainties as to the realization of this asset and therefore, in view of such condition, this amount was not recorded, in compliance with the provisions of current accounting standards. Considering the tax treatment to be applied, according to the provisions of Normative Instruction No. 1,753/2017 of the Brazilian Federal Revenue, the Company subjected this revenue to taxation.

Management stresses that it is making all necessary efforts and taking all appropriate measures to preserve the Company's interests.

b) Reimbursement of wages and social charges for employees transferred to the Paraná State Government. The balances shown are net of expected credit losses in the amount of R$911 as of 6/30/2018 (R$1,193 as of 12/31/2017).

c) Revenue of Copel TEL from telecommunications services and lease of equipment and infrastructure.

d) The Meteorological System of Paraná - Simepar is a supplementary unit of the Independent Social Service Paraná Technology, linked to the State Department of Science, Technology and Higher Education. Simepar has contracts with Copel, effective until 2/22/2019, for services of weather forecast, meteorological reports, ampacity analysis, mapping and analyses of winds and atmospheric discharges.

e) BNDES is the parent company of BNDES Participações S.A. - - BNDESPAR, which has significant influence over Copel (Note 31.1).

f) BNDES and BNDESPAR acquired all the debentures issued by the subsidiaries Nova Asa Branca I, Nova Asa Branca II, Nova Asa Branca III, Nova Eurus IV and Ventos de Santo Uriel (Note 24).

g) Basic sanitation provided by Sanepar.

h) Charges for the use of the Transmission System and revenue from operating and maintenance contracts, engineering services and sharing of facilities with Copel GeT.

i) Copel DIS has transmission system connection contracts (CCT) with two companies - Costa Oeste Transmissora de Energia and Caiuá Transmissora de Energia - expiring upon the termination of the distribution or transmission concession, whichever occurs first.

j) Copel DIS maintains a Contract for the Use of Transmission System (Cust) with ONS and power transmission concessionaires whose object is the contracting of Transmission System Use Amount (Must). Contracting is permanent and is regulated by ANEEL Normative Resolution No. 666/2015. Amounts are defined for four subsequent years, with annual reviews.

k) Power purchase and sale agreement signed by Dona Francisca Energética and Copel GeT, expiring on March 31, 2025.

l) Light pole sharing agreement, signed between Sercomtel S.A. Telecomunicações and Copel DIS, expiring on December 28, 2018.

m) The Institute of Technology for Development (Lactec) is a Public Interest Civil Society Organization (OSCIP), in which Copel is an associated. Lactec has service and R&D contracts with Copel GeT and Copel DIS, which are subject to prior or later control and approval by ANEEL. The asset balances refer to Energy Efficiency and R&D programs, recorded under current assets, in service in progress, until the respective projects are concluded, pursuant to ANEEL.

n) Personnel cost-sharing agreement entered into with Copel and its subsidiaries.

The values resulting from operating activities of Copel DIS with related parties are billed at the rates approved by ANEEL.

37.1 Guarantees and endorsements awarded to related parties

Sureties and guarantees granted by Copel to its subsidiaries for financing and debentures are informed in Notes 23 and 24.

Copel provided financial guarantees, in the form of corporate bond, for power purchase agreements made by Copel GeT, in the total amount of R$3,633 and made by Copel Energia, in the amount of R$79,358.

Sureties and guarantees granted by Copel and Copel GeT for financing, debentures and insurance contracts of joint ventures are shown below:

	Company	Operation	Date issued	Final maturity	Amount approved	Balance 06.30.2018	Interest %	Amount endorsement/ security
(1)	Caiuá Transmissora	Financing	12.23.2013	02.15.2029	84,600	68,112	49.0	33,375
(2)	Guaraciaba Transmissora	Financing	09.28.2016	01.15.2031	440,000	406,523	49.0	199,196
(3)	Integração Maranhense	Financing	12.30.2013	02.15.2029	142,150	110,768	49.0	54,276
(4)	Mata de Santa Genebra	Financing	11.30.2017	07.15.2033	1,018,500	842,443	50.1	422,064
(5)	Matrinchã Transmissora	Financing	12.27.2013	05.15.2029	691,440	542,747	49.0	265,946
(6)	Matrinchã Transmissora	Debentures	05.15.2016	06.15.2029	180,000	205,462	49.0	100,676
(7)	Paranaíba Transmissora	Financing	10.21.2015	10.15.2030	606,241	571,066	24.5	139,911
(8)	Paranaíba Transmissora	Debentures	01.15.2017	03.15.2028	120,000	109,430	24.5	26,810
(9)	Voltalia São Miguel do Gostoso Part. S.A. (a)	Debentures	01.15.2016	12.15.2028	57,000	48,932	49.0	23,977
(10)	Usina de Energia Eólica Carnaúba S.A. (a)	Financing	08.24.2015	11.15.2031	74,000	62,186	49.0	30,471
(11)	Usina de Energia Eólica Reduto S.A. (a)	Financing	08.24.2015	11.15.2031	70,000	58,249	49.0	28,542
(12)	Usina de Energia Eólica Santo Cristo S.A. (a)	Financing	08.24.2015	11.15.2031	74,000	61,117	49.0	29,947
(13)	Usina de Energia Eólica São João S.A. (a)	Financing	08.24.2015	11.15.2031	68,000	56,752	49.0	27,808
(14)	Cantareira Transmissora de Energia	Financing	12.28.2016	09.15.2032	426,834	462,776	49.0	226,760
(15)	Cantareira Transmissora de Energia	Debentures	01.09.2018	08.15.2032	100,000	104,544	49.0	51,227
								1,660,986

(a) Subsidiaries of Voltália São Miguel do Gostoso I Participações S.A.

Financial institution (fund provider):
BNDES: (1) (2) (3) (4) (5) (7) (10) (11) (12) (13) (14)

Allocation:
Investment Program and/or Working capital.

Endorsement/Security:
Provided by Copel Geração e Transmissão: (1) (3);
Provided by Copel: (2) (4) (5) (6) (7) (8) (9) (10) (11) (12) (13) (14) (15)

Securities offered for the transaction:
Pledge of shares of Copel Geração e Transmissão proportional to the interest in projects.

Performance bond Company	Final maturity	Amount Insured	% endorsement Copel GeT	Amount endorsement
Matrinchã Transmissora	03.31.2019	90,000	49.0	44,100
Guaraciaba Transmissora	04.30.2019	47,000	49.0	23,030
Paranaíba Transmissora (a)	07.26.2018	48,000	24.5	11,760
Mata de Santa Genebra	02.14.2019	78,300	50.1	39,228
Cantareira Transmissora	11.30.2018	31,200	49.0	15,288
				133,406

(a) Issuance of new policy without collateral from shareholders.

38 Commitments

Commitments related to long-term contracts not yet incurred, and therefore not recognized in the financial statements, are as follows:

Consolidated	06.30.2018
Energy purchase and transportation contracts	146,322,725
Additions to property, plant and equipment	
Construção de linhas de transmissão e subestações	325,435
Construction of HPP Colíder power plant	32,919
Construction of HPP Baixo Iguaçu	217,641
Construction of Cutia wind farm	300,610
Telecommunications works	148,351
Additions to intangible assets	315,890
Gas purchase contracts	48,024

39 Insurance

Details by risk type and effectiveness date of the main policies can be seen below.

Consolidated Policy	End of term	Insured amount
Nominated Risks	08.24.2018	2,172,442
Operational risks - HPP Governador Jayme Canet Junior	11.23.2018	799,290
Operational risks - UEG Araucária (a)	11.30.2019	845,392
Operational risks - Brisa Potiguar	06.27.2019	852,784
Fire - owned and rented facilities	08.24.2018	597,716
Operational risks - São Bento	06.27.2019	542,505
Operational risks - Elejor	03.11.2019	395,100
Legal guarantee - Office of the General Counsel to the National Treasury	05.10.2020	326,712
D&O Insurance (a)	03.28.2019	96,395
Aviation insurance (hull and civil liability) (a)	01.30.2019	93,477

(a) The values of the insured of operating risks - UEG Araucária and Seguro Aeronáutico have been translated from USD into BRL, with the current rate R$3.8558 as of June 29, 2018.

In addition to the related insurance, the Company and its subsidiaries contract other insurance policies with lower values, such as: general civil liability, payment guarantee, several risks, national and international transportation and life insurance.

The guarantee insurance contracted by the subsidiaries, joint ventures and associates have Copel and/or Copel GeT as guarantor, within the limits of their participation in each project.

40 Additional Information to the Statement of Cash Flows

40.1 Non-cash transactions

Among the changes in the investments group, described in Note 18.1, the amount of capital contributions was R$171,414. This amount includes R$36,224, corresponding to the capital increase in joint venture Voltalia São Miguel do Gostoso I, made through the conversion and settlement of the loan agreement existing between the Parent Company Copel and the mentioned investee.

As presented in Note 19.2, the additions to property, plant and equipment reached R$778,043. Of this amount, R$60,094 represent the portion of installment purchases not settled through the end of the first six-month period.

In turn, as mentioned in Notes 20.1, 20.3 and 20.4, the additions to intangible assets totaled R$305,739. Of this amount, R$47,216 is equivalent to the installment purchases not settled through the end of the six-month period.

The mentioned transactions did not involve cash and, for this reason, are not being presented in the statement of cash flows.

41 Subsequent Events

41.1 Araraquara II – Taubaté transmission line

On July 19, 2018, the transmission line Araraquara II - Taubaté entered commercial operation, this project is related to Copel GeT, with an extension of 334 kilometers and crossing 28 cities of the State of São Paulo to connect the Araraquara II substation located in the city of Araraquara to the Taubaté substation located in the city of Taubaté. The project has a concession until October 2040 and adds R$29,800 to the RAP of Copel GeT. The new line allows the full transportation of energy from the Madeira river (Jirau and Santo Antônio plant) and will improve the quality of the energy supply to the Southeast region of Brazil, enhancing the reliability of the National Interlinked System.

41.2 Debentures

On July 31, 2018, Copel GeT completed the 4th issue of simple non-convertible unsecured debentures, with additional personal guarantee, in a single series, for public distribution, pursuant to CVM Ruling 476/2009, in the total amount of R$1,000,000. The Company issued 1,000,000 debentures, with par value of R$1 each, maturing within five years from the issue date and amortization in three annual instalments, with maturity dates on July 23, 2021, July 23, 2022 and on July 23, 2023. The debentures will earn interest corresponding to the accumulated variation of 126.0% of the daily average rates of the Interbank Deposits - DI. Copel's corporate guarantee was provided for this transaction. The funds raised were intended for the total early redemption of the 4th issue of Promissory Notes in the amount of R$600,000 on July 31, 2018 and the partial restore of the issuer's cash, due to the payment of the 1st installment of amortization of its 2nd issue of debentures, in the amount of R$500,000 on July 13, 2018.

1 Distribution Lines

Compact-Design Distribution Lines - Copel Distribuição S.A. has implemented compact-design distribution lines in urban areas with a high concentration of trees surrounding 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**.** The total length of compact-design distribution lines installed at the end of June 2018 was 9,949 km (against 9,211 km in June 2017), up by 738 km year-over- year, a variation of 8.0%.

Secondary Isolated Lines – Copel Distribuição is also investing in low-voltage (127/220V) secondary isolated lines, which offer substantial advantages over regular overhead lines, including: improvement inDEC - Equivalent Time of Interruption per Consumer Unit and FEC - Equivalent Frequency of Interruption per Consumer Unit 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 secondary isolated lines as of the end of June 2018 was 17,821 km (against 16,789 km in June 2017), up by 1,032 km year-over-year, a variation of 6.1%.

2 Power Market

Market behavior - Power generation by Copel Geração e Transmissão S.A. and wind farms totaled 9,907 GWh in the first six months of 2018 (against 10,300 GWh in the same period in 2017). The volume of energy purchased by Copel Distribuição by means of CCEARs (auctions) was 5,264 GWh (against 5,656 GWh in the same period in 2017), while the volume purchased from Itaipu was 2,840 GWh (against 2,945 GWh in the same period in 2017), as described below:

Energy Flow (GWh) (a) (b) — **January through June 2018**

Own generation	**9,907**	**40.1%**
Energy received	**14,824**	**59.9%**
CCEAR	5,264	
Itaipu	2,840	
Dona Francisca	70	
CCEE (MCP)	18	
Angra:	501	
CCGF:	3,266	
MRE:	581	
Elejor:	588	
Proinfa:	233	
Others (1)	1,463	

Availability 24,731

Captive Market	**9,979**	**40.4%**
Concessionaires	**115**	**0.5%**
Electricity sales to distributor CCEE	**48**	**0.2%**
Assignment MCSD EN[4]	**639**	**2.6%**
Free Customers	**2,804**	**11.3%**
Energy Supplied	**9,435**	**38.2%**
Bilateral Agreements	4,612	
CCEAR	829	
CER	177	
CCEE(MCP)	1,404	
MRE	2,413	
Losses and differences	**1,711**	**6.9%**
Basic Network Losses	235	
Distribution Losses	1,277	
CG Contracts	199	

CCEAR: Energy Purchase Agreements in the Regulated Market.
CER: Reserve Energy Agreements.
MRE: Energy Reallocation Mechanism.
CCEE (MCP): Electric Power Trade Chamber (Short-term market).
CG: Center of gravity of the Submarket (difference between billed and energy received from CG).
[1] Other: Energy purchased by Copel Comercialização
[2] Electricity sales to concessionaries and licensees with own market of less than 500GWh/year
[3] Eletricity sales to the agent distributor of CCEE through a Regulated Bilateral Contract - CBR
[4] Assignments MCSD EN - Contractual assignments to other distributors through the Mechanism for Compensation of Surpluses and Deficits (MCSD)
Don't consider the energy produced by TPP Araucária which was sold in the short-term market (MCP).

Energy sale - down by Copel Distribuição, Copel Geração e Transmissão, Copel Comercialização and wind farms:

Segment			GWh
	Jan - Jun 2018	Jan - Jun 2017	Variation
Copel Distribuição			
Captive Market	**9,979**	**10,149**	**-1.7%**
Residential	3,677	3,608	1.9%
Industrial	1,453	1,725	-15.7%
Commercial	2,394	2,406	-0.5%
Rural	1,222	1,188	2.9%
Other	1,233	1,222	0.9%
Concessionaries and Licensees	**163**	**257**	**-36.7%**
CCEE (MCP)	**297**	**1,424**	**-79.1%**
Total Copel Distribuição	**10,439**	**11,830**	**-11.8%**
Copel Geração e Transmissão			
CCEAR (Copel Distribuição)	43	42	2.4%
CCEAR (other concessionaries)	413	413	0.0%
Free Customers	1,860	1,865	-0.3%
Bilateral Agreements (Copel Distribuição)	1,359	-	
Bilateral Agreements[1]	2,743	3,964	-30.8%
CCEE (MCP)[2]	1,080	1,725	-37.4%
Total Copel Geração e Transmissão	**7,498**	**8,009**	**-6.4%**
Wind Farms Complex			
CCEAR (other concessionaries)	416	416	0.0%
CER (c)	177	177	0.0%
Total Wind Farms Complex	**593**	**593**	**0.0%**
Copel Comercialização			
Free Customers	944	254	405.7%
Bilateral Agreements	1,869	102	1476.8%
CCEE (MCP)[2]	9	1	-
Total Copel Comercialização	**2,822**	**357**	**690.2%**
Total	**21,352**	**20,789**	**2.7%**

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

[1] Includes Short Term Sales Agreements.

[2] Assured Power allocated in the period, does not consider the 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.

Captive Market of Copel Distribuição - Energy sales to Copel Distribuição's captive market totaled 9,979 GWh in the first half of 2018, down 1.7% against the same period in 2017**.** This result was influenced by the reduction of the consumption of the industrial and commercial segments, mainly due to the migration of clients to the free market recorded in the first quarter.

The residential segment consumed 3,677 GWh from January to June 2018, down 1.9%. This result was due to the good performance in the second quarter, when there was an increase of 2.3% in the number of clients and higher average monthly consumption, partially justified by the higher temperatures recorded in April. In the first half of 2018, the consumption of the residential segment was equivalent to 36.8% of the captive market, totaling 3,721,532 clients.

The consumption of the industrial segment decreased by 15.7% in the first half of 2018, to 1,453 GWh, mainly caused by the migration of captive clients to the free market. In addition, the truck driver's strike at the end of May impacted negatively the industrial activity, with consequences on the segment's consumption for the six-month period. By the end of June 2018, the industrial segment represented 14.6% of the captive market's consumption with 74,210 consumers.

The commercial segment consumed 2,394 GWh in the first half of 2018, down 0.5%, influenced by the migration of clients to the free market, which correspond to an average consumption of 12 GWh in the six-month period and due to the lower average consumption caused mainly by the lower temperatures at the beginning of 2018. At the end of June, this segment represented 24.0% of the captive market with 393,777 consumers.

The rural segment recorded a 2.9% increase in consumption in the first half of 2018, totaling 1,222 GWh. By the end of June 2018, the segment accounted for 12.2% of the Copel's captive market, totaling 353,461 consumers.

The consumption of other segments (public bodies, public lighting, public services and own consumption) totaled 1,233 GWh from January to June 2018, with an increase of 0.9%. Jointly, these segments accounted for 12.4% of the captive market, totaling 57,525 consumers at the end of June 2018.

Number of consumers - The number of end users (captive consumers of Copel Distribution and free consumers of Copel GeT, Copel Comercialização and other suppliers within the concession area of Copel Distribuição) billed in June 2018 was 4,601,538, up by 1.9% against the same month in 2017**.**

Segment	Jun 2018	Jun 2017	Variation
Residential	3,721,532	3,638,842	2.3%
Industrial	74,210	78,000	-4.9%
Commercial	393,777	384,949	2.3%
Rural	353,461	356,753	-0.9%
Others	57,525	57,394	0.2%
Total Captive Market	**4,600,505**	**4,515,938**	**1.9%**
Concessionaries and Licensees	6	6	-
Free Customers[1]	1,027	880	16.7%
Total geral	**4,601,538**	**4,516,824**	**1.9%**

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

3 Management

Headcount

Employees	Jun 2018	Jun 2017
Copel and subsidiaries		
Copel	78	79
Copel Geração e Transmissão	1,728	1,685
Copel Distribuição	5,622	5,914
Copel Telecomunicações	640	661
Copel Comercialização	36	40
Copel Renováveis	-	74
	8,104	**8,453**
Affiliated Company		
Compagás	160	162
Elejor	7	7
UEG Araucária	17	17
	184	**186**

4 Market Relations

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

The shares outstanding totaled 44.96% of the Company's capital stock. At the end of June 2018, Copel's market value was R$5,592,958, based on quotations of all markets.

Out of the 64 stocks that make up Ibovespa's theoretical portfolio Copel's PNB shares was 0.181%, with a 1.1955 Beta index.

Copel's share in the portfolio of the Electric Power Sector Index - IEE was 4.829%.

COPEL PNB's share in B3 - Corporate Sustainability Index (ISE) was 0.972%.

In B3, ON shares closed the period traded at R$19.21, a negative variation of 10.23%, while PNB shares closed at R$21.92, with negative variation of 12.14%. In the same period the IBOVESPA index recorded a negative variation of 4.76%.

On the New York Stock Exchange (NYSE), PNB shares are traded at "Level 3", in the form of ADSs, under ticker ELP, and were traded in 100% of the trading sessions, closing the period at US$5.58, with a negative variation of 26.87%. Also in this period the Dow Jones Index recorded a negative variation of 1.81%.

On the Latibex (the Euro market for Latin American Securities), which is connected to the Madrid Stock Exchange), the Company's PNB shares were traded under the ticker XCOP in 35% of trading sessions, closing the period at € 4.78, with a positive variation of 23.967%. In the same period, the Latibex All Shares index recorded a negative variation of 2,65%.

The table below is a summary of Copel's share trading between January and June 2018:

	ON		PNB	
Stock Performance (Jan - Jun/2018)	**Total**	**Daily average**	**Total**	**Daily average**
B3				
Number of Trades	32,238	260	482,781	3,893
Volume Traded	7,808,000	62,968	95,302,000	768,565
Trading Value (R$ thousand)	168,980	1,363	2,332,061	18,807
Presence in Trading Sessions	124	100%	124	100%
Nyse				
Volume Traded	294,375	3,099	61,675,430	493,403
Trading Value (US$ thousand)	1,895	20	444,475	3,556
Presence in Trading Sessions	95	76%	125	100%
Latibex				
Volume Traded	-	-	495,877	11,019
Trading Value (€ thousand)	-	-	84	2
Presence in Trading Sessions	-	-	45	35%

5 Tariffs

Power distribution tariffs

Retail distribution average rate (a) - R$/MWh	**Jun 2018**	**Jun 2017**	**Variation**
Residential	463.86	416.36	11.4%
Industrial (b)	416.89	378.13	10.3%
Commercial	451.57	412.13	9.6%
Rural	313.37	280.62	11.7%
Other	349.88	305.52	14.5%
	421.66	**379.77**	**11.0%**

(a) Without ICMS. Does not consider tariff flags.

(b) Free customers not included.

Power purchase tariffs

Tariff Supply* - R$/MWh	Jun 2018	Jun 2017	Variation
Itaipu (a)	258.62	208.10	24.3%
Auction 2010 - H30	219.34	211.77	3.6%
Auction 2010 - T15 (b)	261.87	129.57	102.1%
Auction 2011 - H30	226.43	219.94	3.0%
Auction 2011 - T15 (b)	188.56	190.57	-1.1%
Auction 2012 - T15 (b)	246.71	223.17	10.5%
Auction 2016 - T20 (b)	161.30	160.83	0.3%
Auction CCEAR 2014 - 2019 (c)	518.26	144.29	259.2%
Auction CCEAR 2014 - 2019 (d)	-	333.18	-100.0%
Auction 2014 - 18M	-	-	-
Auction 2014 - 36M	-	-	#DIV/0!
Bilaterais	245.06	240.53	1.9%
Angra	251.45	229.71	9.5%
CCGF (e)	83.44	60.16	38.7%
Santo Antonio	140.78	136.12	3.4%
Jirau	123.82	119.73	3.4%
Other auctions (f)	211.58	165.84	27.6%
Tariff Average Supply	**195.30**	**152.14**	**28.4%**

(a) Furnas transport charge not included.

(b) Average auction price restated according t o the IPCA inflation index. The price comprises in fact three components: a fixed

(c) Energy Agreements.

(d) Capacity Agreements.

(e) Contract of quotas of assured pow er of those HPPs w hich concessions w ere extended pursuant the new rules of Law 12783/13.

(f) Products average price.

*The table has been updated for all periods as new calculation methodology for average prices, a result of the 4th phase of the Public Hearing 78/2011 Aneel approved on 03.28.2016.

Power supply tariffs

Tariff Weighted Average Supply - R$/MWh	Jun 2018	Jun 2017	Variation
Auction - CCEAR 2011-2040	212.99	207.14	2.8%
Auction - CCEAR 2013-2042	229.94	223.66	2.8%
Auction - CCEAR 2015 - 2045	162.98	158.68	2.7%
Concession holders in the State of Paraná	255.85	93.08	174.9%

With PIS/COFINS. Net of ICMS.

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

6 Economic and Financial Results

Revenues (Note 32)

Until June 2018, net operating revenues was R$6,954,511, or 7.5% up against R$6,470,240 recorded in the same period in 2017.

This variation was mainly explained by:

a) 17.7% increase in Revenues from Supply, mainly caused by the increase in energy sold by Copel Comercialização and the tariff adjustment of Copel DIS, effective as of June 24, 2017, which adjusted the energy tariff by 10.28%;

b) 19.9% decrease in Revenues from the Availability of the Energy, mainly caused by the decrease in sales settled in CCEE due to the lower allocation of energy in the spot market;

c) 16.2% decrease in Revenues from the Availability of the Power Grid, mainly caused by the recognition of adjustment of the final report on RBSE assets in 2017 of R$183,015, while in 2018 only the inflation adjustment of the asset was recognized;

d) a 21.3% increase in Revenues from Telecommunication, largely due to the increase in the number of clients, particularly in the retail market, with the Copel Fibra product; and

e) a 747.7% increase in Sectorial financial assets and liabilities result, mainly caused by the constitution of sectorial assets relating to electricity costs and the amortization of sectorial liabilities

Operating Costs and Expenses (Note 33)

Operating costs and expenses totaled R$5,784,485, up by 11.1% compared to R$5,207,105 recorded in the same period in 2017. The main highlights were as follows:

a) a 10.5% increase in electricity purchased for resale, especially given the variation in price;

b) 101.9% increase in Charges from the use of the power grid, mainly due to the indemnities to the transmission companies; and

c) a 10.1% increase compared to the same period in 2017 in the balance of the Personnel and Management account, mainly due to enrollments with the Incentive Termination Program (PDI) until March 2018.

Financial Result (Note 34)

The increase of R$243,684 in financial result, corresponding to 58.3% compared to the same period of 2017 is mainly due to a 54.1% increase in financial income, due to the adjustment for interest on taxes recoverable and the recognition of tax credit, plus the decrease of 11.5% in financial expenses, due to lower monetary and exchange variations and interest on debts.

Ebitda

Ebitda (earnings before interest, taxes, depreciation and amortization) is as follows:

Consolidated	**06.30.2018**	**06.30.2017**
Net income	692,183	568,251
Deferred IRPJ and CSLL	(74,228)	33,506
Provision for IRPJ and CSLL	441,377	326,114
Financial expenses (income), net	174,578	418,262
Ebit	**1,233,910**	**1,346,133**
Depreciation and amortization	367,164	367,194
Ebitda	**1,601,074**	**1,713,327**
Net operating revenues - ROL	6,954,511	6,470,240
Ebitda Margin% (Ebitda ÷ ROL)	**23.0%**	**26.5%**

The EBITDA is a non-accounting measure prepared by the Company, reconciled with its financial statements, pursuant to the provisions of Circular Letter/CVM/SNC/SEP No. 01/2007 and CVM Instruction No. 527/2012. It is not a measure recognized by accounting practices adopted in Brazil or international accounting standards, does not have a standard meaning and cannot be comparable to measures with similar titles provided by other companies. The Company discloses it because it is used to measure its performance.

The EBITDA cannot be considered separately or as a substitute of net income or operating income, as an indicator of operating performance or cash flow, or to measure the liquidity or the ability to pay debt.

COMPOSITION OF GROUPS RESPONSIBLE FOR GOVERNANCE

BOARD OF DIRECTORS	
Chairman	MAURICIO SCHULMAN
Members	JONEL NAZARENO IURK
	MAURO RICARDO MACHADO COSTA
	ROGÉRIO PERNA
	MARCO ANTÔNIO BARBOSA CÂNDIDO
	LEILA ABRAHAM LORIA
	OLGA STANKEVICIUS COLPO
	SÉRGIO ABU JAMRA MISAEL
	ADRIANA ANGELA ANTONIOLLI
STATUTORY AUDIT COMMITEE	
Chairman	MAURICIO SCHULMAN
Financial Expert	ROGÉRIO PERNA
Members	MARCO ANTÔNIO BARBOSA CÂNDIDO
	LEILA ABRAHAM LORIA
	OLGA STANKEVICIUS COLPO
SUPERVISORY BOARD	
Sitting members	ROBERTO LAMB
	LETÍCIA PEDERCINI ISSA MAIA
	DAVID ANTONIO BAGGIO BATISTA
	GEORGE HERMANN RODOLFO TORMIN
	CLEMENCEAU MERHEB CALIXTO
EXECUTIVE BOARD	
CEO	JONEL NAZARENO IURK
Enterprise Management Officer	ANA LETÍCIA FELLER
Chief Financial and Investor Relations Officer	ADRIANO RUDEK DE MOURA
Chief Business Development Officer	JOSÉ MARQUES FILHO
Chief Legal and Institutional Relations Officer	HARRY FRANÇÓIA JÚNIOR
Chief Governance, Risk and Compliance Officer	VICENTE LOIÁCONO NETO
Assistant Officer	PAULO CESAR KRAUSS
ACCOUNTANT	
CRC-PR-045809/O-2	ADRIANO FEDALTO

Information about this report

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(Convenience Translation into English from the Original Previously Issued in Portuguese)

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders and Management of
Companhia Paranaense de Energia - COPEL
Curitiba - PR

Introduction

We have reviewed the accompanying individual and consolidated interim financial information of Companhia Paranaense de Energia - COPEL (the "Company"), included in the Quarterly Information Form - ITR for the quarter ended June 30, 2018, which comprises the statement of financial position as at June 30, 2018 and the related statements of income and comprehensive income for the three and six-month periods then ended and the statements of changes in equity and cash flows for the six-month period then ended, including the explanatory notes.

The Company's Management is responsible for the preparation of the individual and consolidated interim financial information in accordance with technical pronouncement CPC 21 (R1) – Interim Financial Reporting and with international standard IAS 34– Interim Financial Reporting issued by the International Accounting Standards Board – IASB, as well as for the presentation of such information in accordance with the standards issued by the Brazilian Securities and Exchange Commission - CVM, applicable to the preparation of Quarterly Information - ITR. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with Brazilian and international standards on review of interim financial information (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the standards on auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the Interim Financial Information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated interim financial information included in the Quarterly Information - ITR referred to above has not been prepared, in all material respects, in accordance with technical pronouncement CPC 21 (R1) and international standard IAS 34 applicable to the preparation of Quarterly Information - ITR and presented in accordance with the standards issued by the Brazilian Securities and Exchange Commission - CVM.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

Other Matters

Statements of added value

We have also reviewed the individual and consolidated statements of added value ("DVA") for the six-month period ended June 30, 2018, prepared under the responsibility of the Company's Management, the presentation of which in the interim financial information is required by the standards issued by CVM applicable to the preparation of Quarterly Information - ITR, and considered supplemental information by International Financial Reporting Standards - IFRS, issued by the IASB, which do not require the presentation of a DVA. These statements were subject to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they have not been prepared, in all material respects, in relation to the individual and consolidated interim financial statements taken as a whole.

Curitiba, August 14, 2018

DELOITTE TOUCHE TOHMATSU
Auditores Independentes

Fernando de Souza Leite
Engagement Partner

COPEL
Companhia Paranaense de Energia

PARANÁ
GOVERNO DO ESTADO

SUPERVISORY BOARD'S OPINION ON THE INTERIM FINANCIAL INFORMATION FOR THE SECOND QUARTER OF 2018

The members of the Supervisory Board of Companhia Paranaense de Energia - Copel, undersigned, in accordance with their legal and statutory duties and responsibilities, have examined the Interim Financial Information for the 2nd quarter of 2018 approved by the Company's Board of Directors at the meeting held on this date. The minutes were received and assessed individually by the members prior to the meeting and were previously discussed with the Management and the independent auditors. Based on the work performed over the quarter, the analyses performed, the monitoring of discussions on internal controls and the clarifications provided by Management and the independent auditors and also considering the Limited Review Report of the Independent Auditors Deloitte Touche Tohmatsu Auditores Independentes, issued without qualifications, the members of the Supervisory Board declare that they are not aware of any facts or evidences that are not reflected in the Interim Financial Information for the quarter ended June 30, 2018 and conclude that this information may be disclosed.

Curitiba, August 14, 2018

/s/
ROBERTO LAMB
Chairman

/s/
CLEMENCEAU MERHEB CALIXTO

/s/
DAVID ANTONIO BAGGIO BATISTA

/s/
GEORGE HERMANN RODOLFO TORMIN

/s/
LETÍCIA PEDERCINI ISSA MAIA

S T A T E M E N T

By this document, the Officers of Companhia Paranaense de Energia - Copel, publicly-held mixed capital company, with its headquarters at Rua Coronel Dulcídio nº 800,- PR, Curitiba - PR, enrolled with the National Registry of Legal Entities (CNPJ) under No. 76.483.817/0001-20, for the purposes of the provisions in item II, paragraph 1 of article 29 of CVM Instruction 480/2009, state that:

(I) we have reviewed and discussed and agree with the opinions expressed in the audit report of Deloitte Touche Tohmatsu Auditores Independentes related to the interim financial information of Copel included in the Quarterly Information Form - ITR as of 6/30/2018; and

(II) we have reviewed and discussed and agree with the interim financial information of Copel included in the Quarterly Information Form - ITR as of 6/30/2018.

In witness whereof, we sign this document.

Curitiba, August 14, 2018

/s/
Jonel Nazareno Iurk
CEO

/s/
Adriano Rudek de Moura
Chief Financial and Investor Relations Officer

/s/
Harry Françóia Júnior
Chief Legal and Institutional Relations Officer

/s/
Ana Letícia Feller
Enterprise Management Officer

/s/
José Marques Filho
Chief Business Development Officer

/s/
Vicente Loiácono Neto
Chief Governance, Risk and Compliance Officer