





Disclaimer

This presentation may contain forward-looking statements regarding Sanepar's business prospects, estimates of operating and financial results, and growth prospects. These are only projections and, as such, are based solely on Sanepar management's expectations regarding the future of the business and its continued access to capitals in order to finance the Company's business plan. Forward-looking statements are no guarantee of performance. Such forward-looking statements substantially depend on changes in market conditions, governmental rules, the performance of the industry and the Brazilian economy, among other factors, in addition to the risks presented in the disclosure documents filed by Sanepar and are therefore subject to change without prior notice.



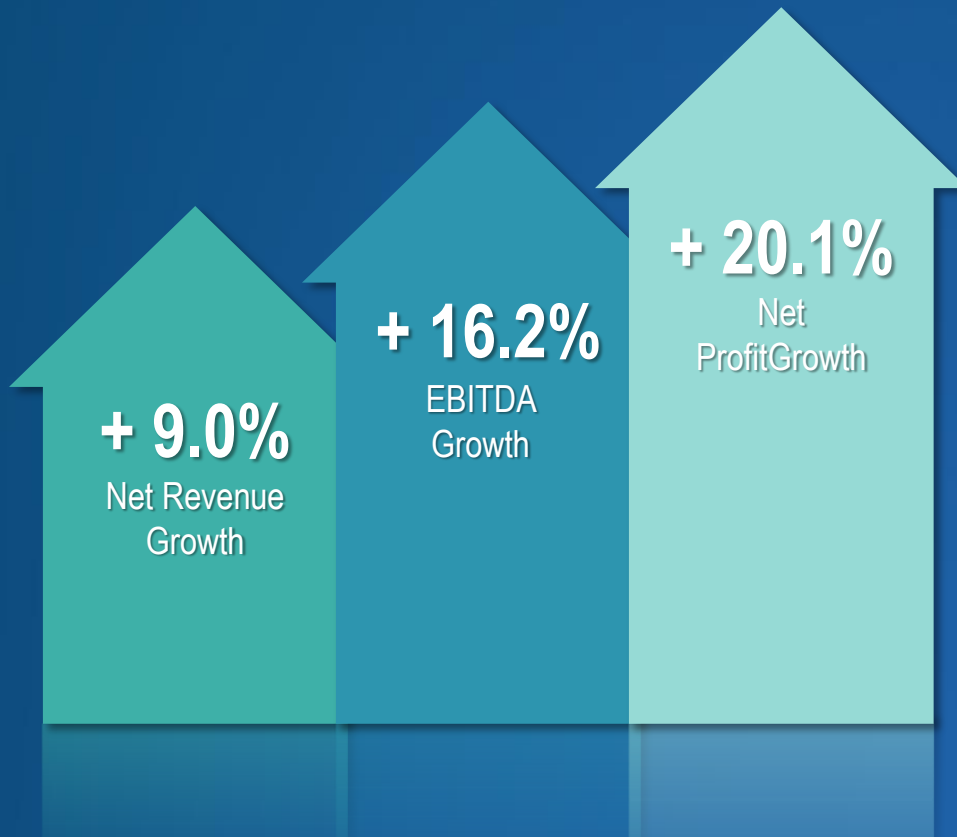
Results Presentation

2nd quarter of 2020

Accumulated until June 2020

Highlights

Comparing the first half of 2020 to the first half of 2019, the financial indicators presented the following growths:



Billed Volume Growth

Water + 0.2%



Billed Volume Growth

Sewage + 1.6%



Service Index

Water 100% | Sewage 74.6%



EBITDA Margin Increase

2Q19 \Rightarrow 36.6% | 2Q20 \Rightarrow 41.1%

6M19 \Rightarrow 39.8% | 6M20 \Rightarrow 41.4%



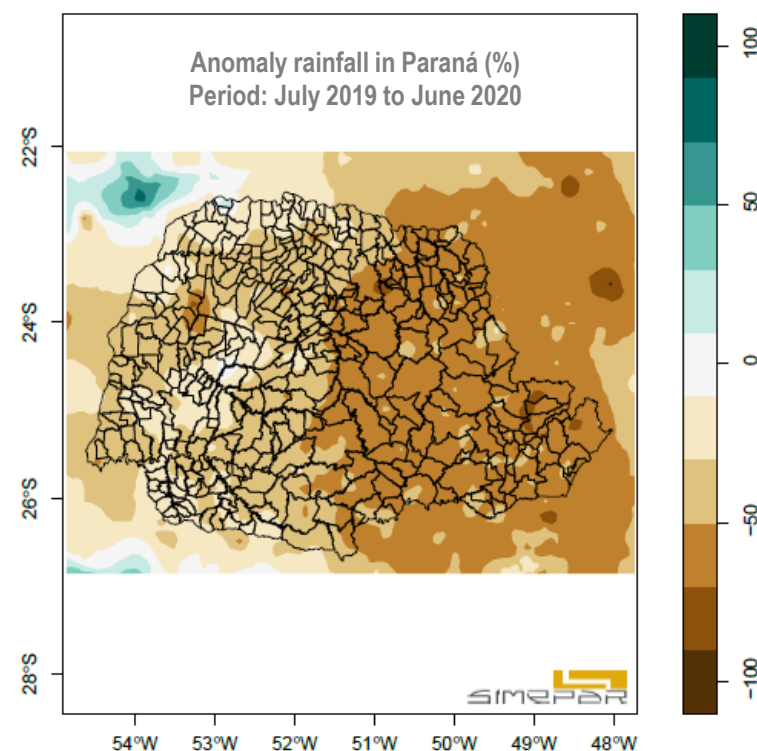
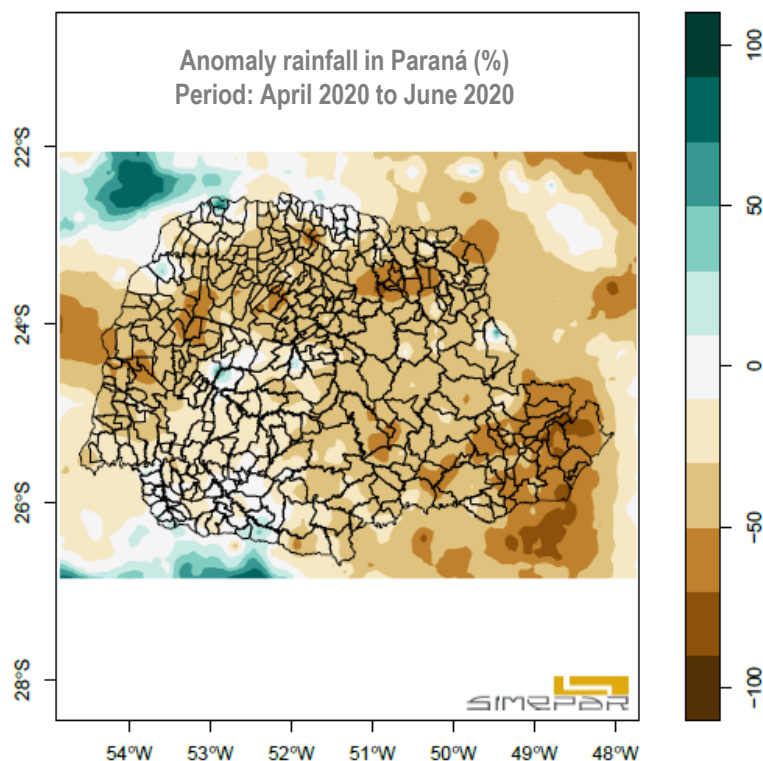
Bank Credit Notes "CCB" - BRL 200 million

Operating Result



	6M18	6M19	Var %	6M20	Var %
WATER					
Measured Volume ('000)	248,697	254,474	2.3	254,755	0.1
Billed Volume ('000)	258,477	264,971	2.5	265,611	0.2
Connections Increase	25,779	26,315	2.1	30,605	16.3
Total Connections	3,112,939	3,164,075	1.6	3,225,142	1.9
Economic Units Increase	38,331	33,546	(12.5)	36,236	8.0
Total Economic Units	3,886,782	3,956,974	1.8	4,037,310	2.0
SEWAGE					
Measured Volume ('000)	181,114	188,975	4.3	191,397	1.3
Billed Volume ('000)	189,098	197,425	4.4	200,562	1.6
Connections Increase	39,135	33,217	(15.1)	28,426	(14.4)
Total Connections	2,079,427	2,174,267	4.6	2,259,553	3.9
Economic Units Increase	54,462	43,664	(19.8)	39,360	(9.9)
Total Economic Units	2,815,678	2,940,247	4.4	3,058,663	4.0
DEFAULT	1.5%	1.7%	0.2 p.p	3.7%	2,0 p.p
OP. EFFICIENCY (Liters/Connections/Day)	232.3	232.6	0.1	230.6	(0.9)

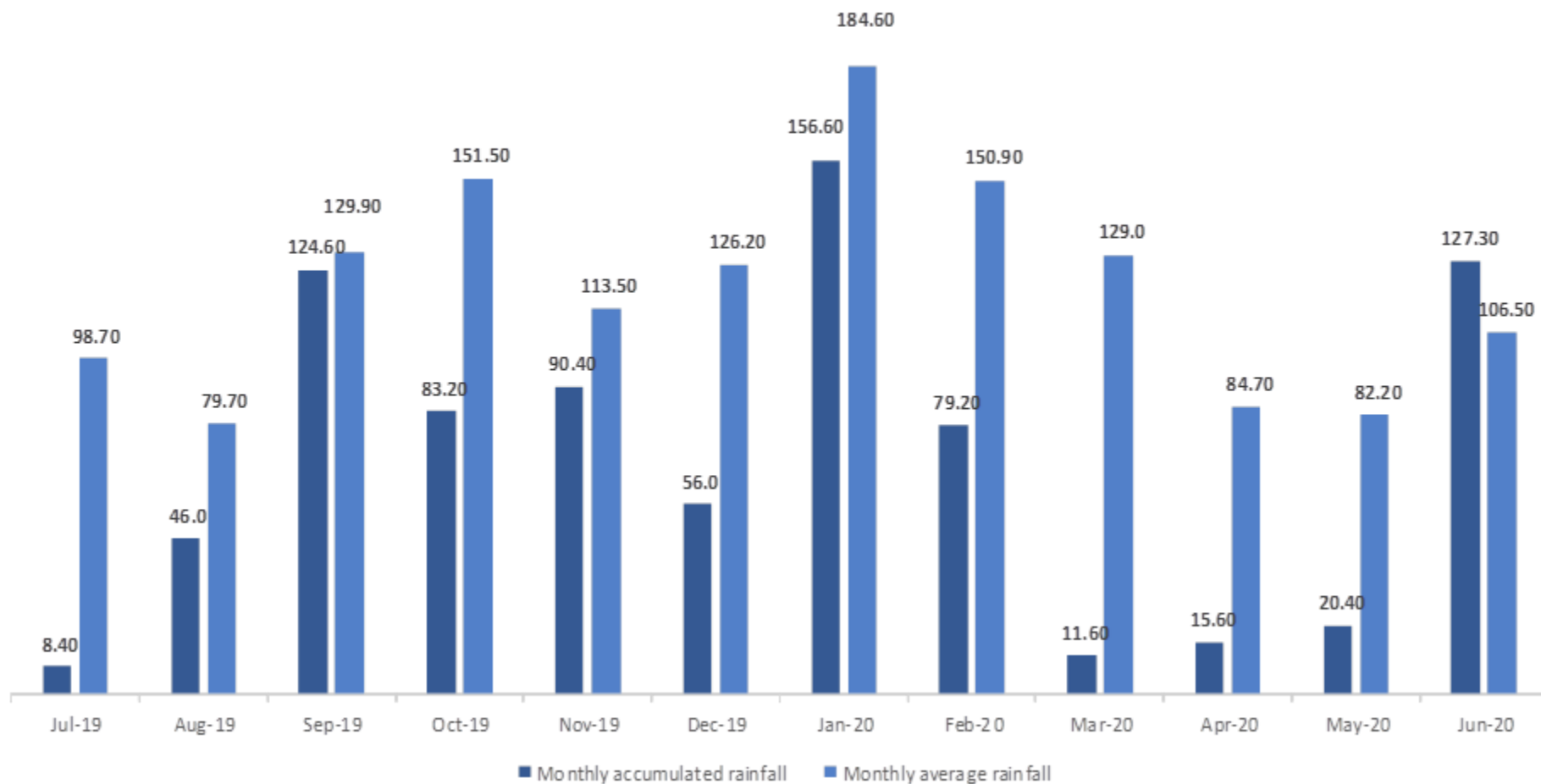
Draught in Paraná



- Rainfall observed below the historical average;
- Low rainfall accumulated from February to June 2020;
- Several regions where the record for the lowest accumulated monthly rainfall was broken this year, such as Curitiba, Guarapuava and Guaratuba;
- The southern region of Brazil has been experiencing water scarcity since 2019.

Rainfall precipitation (mm)

Curitiba



Performance Indicators



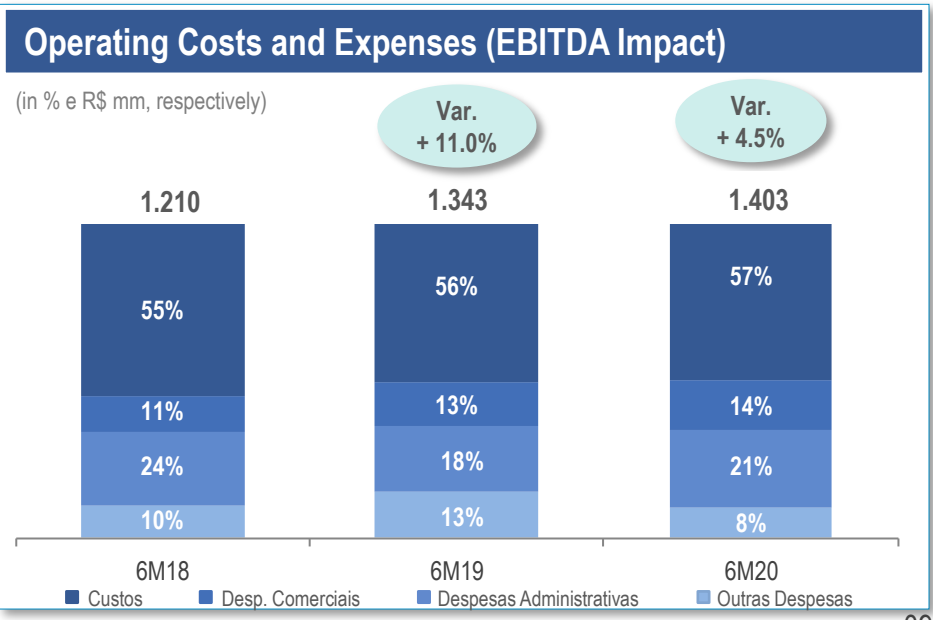
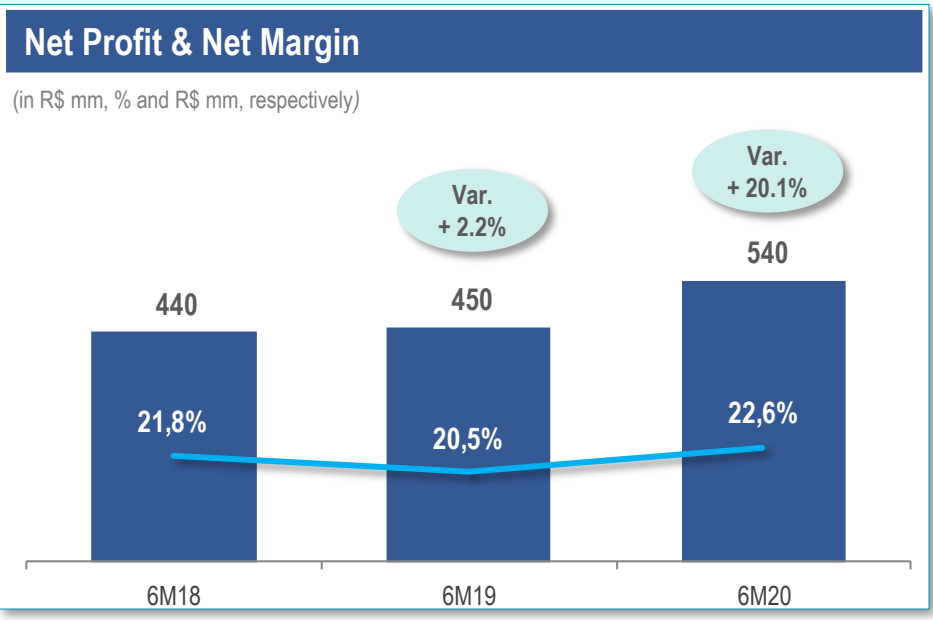
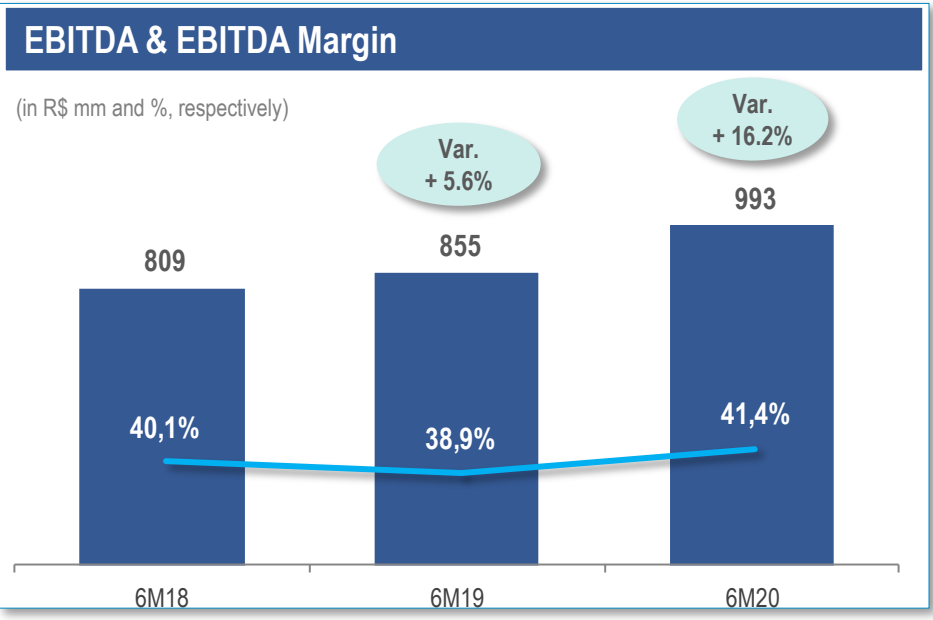
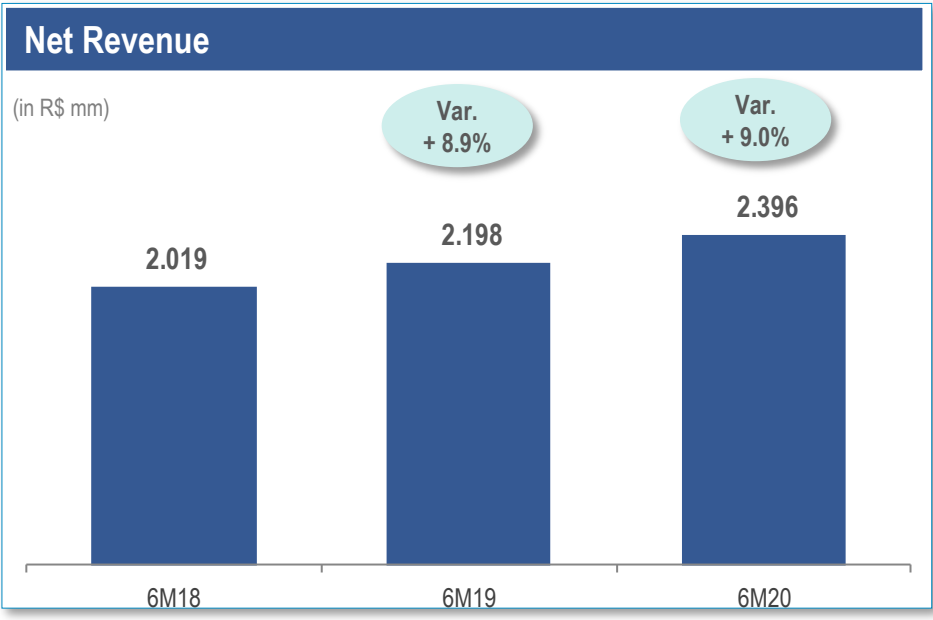
COVENANTS		6M18	6M19	6M20
Debentures 3rd, 8th, 9th & 10th issues & Bank Credit Notes				
Net Bank Debt / Adjusted EBITDA	≤ 3.0	1.51	1.65	1.26
Net Financial Expense Coverage Index	≥ 1.5	6.79	8.42	12.61
BNDES / Debentures 2nd, 4th and 7th issues				
Net Bank Debt / EBITDA	≤ 3.0	1.58	1.70	1.32
Service Coverage Debt Index - EBITDA	≥ 1.5	2.26	2.72	2.84
Other Onerous Debts / EBITDA	≤ 1.0	0.64	0.58	0.60
CAIXA Contracts				
Net Financial Expense Coverage Index	≥ 1.5	6.79	8.42	12.61
Net Bank Debt / Adjusted EBITDA	≤ 3.0	1.51	1.65	1.26
Other Payable Debts / Adjusted EBITDA	≤ 1.0	0.61	0.56	0.58

Performance Indicators

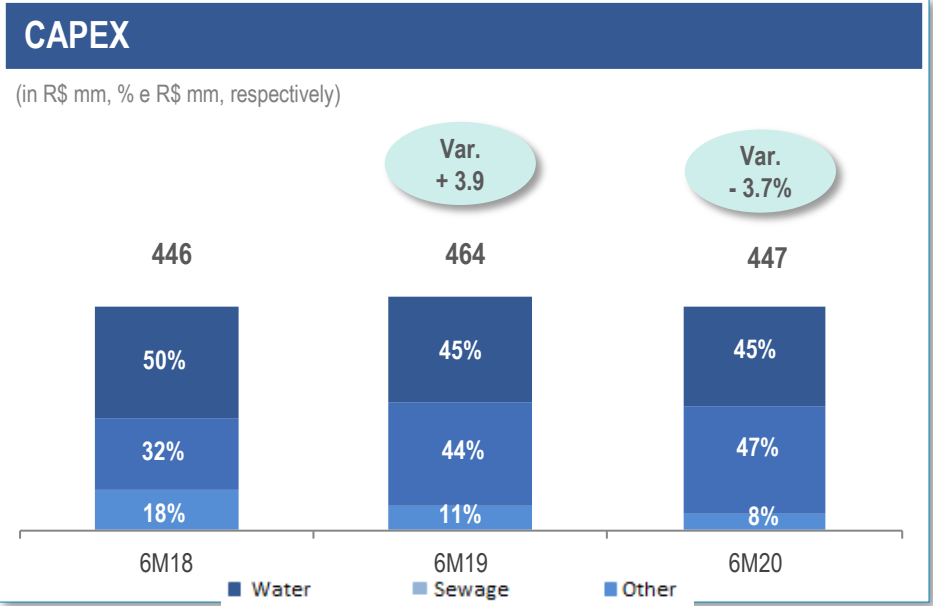
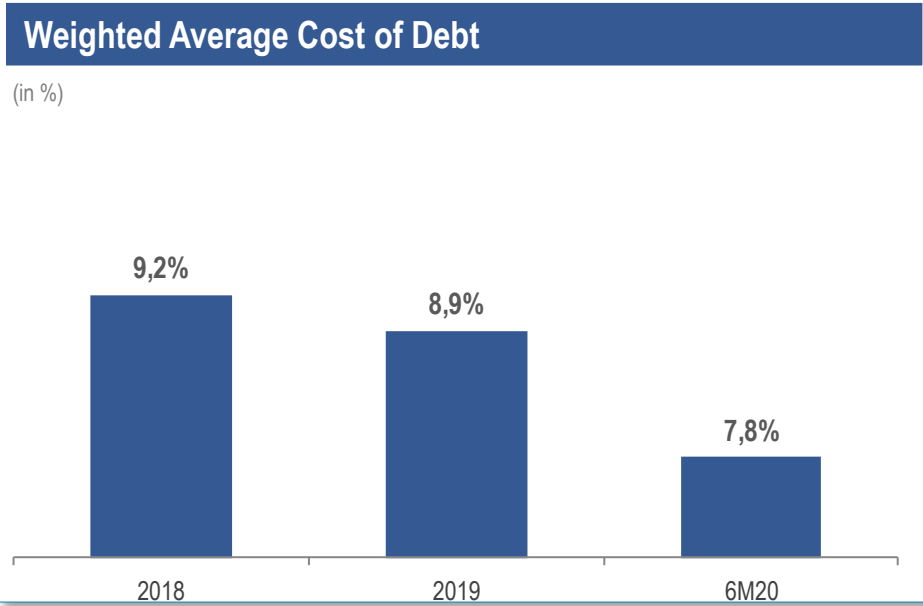
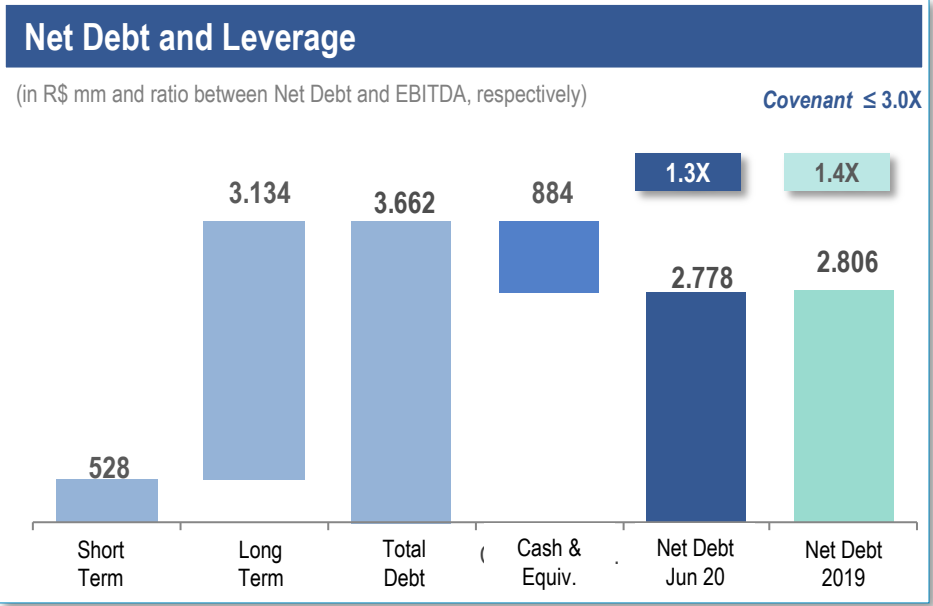
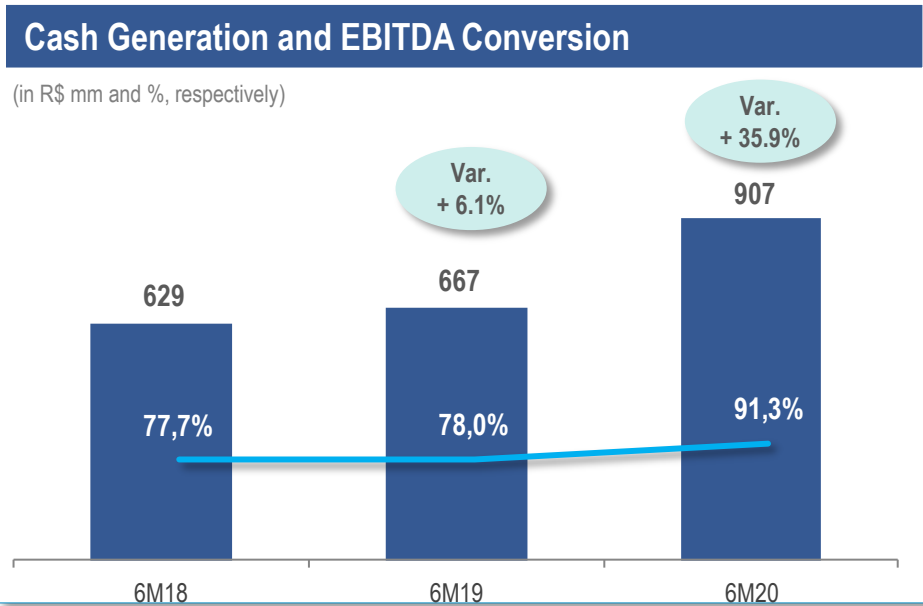


COVENANTS / INDICADORES		6M18	6M19	6M20
KfW Contracts				
Debt Service Coverage Ratio - EBITDA	≥ 1.5	2.26	2.72	2.84
Bank Net Debt / EBITDA	≤ 3.0	1.58	1.70	1.32
Other Onerous Debt / EBITDA	≤ 1.0	0.64	0.58	0.60
Indebtedness Level	≤ 0.60	49.3%	49.3%	49.4%
INDICATORS				
EBITDA Margin		40.1%	38.9%	41.4%
ROIC		12.3%	12.1%	14.0%
ROE		14.8%	15.7%	18.5%

Financial Performance



Financial Performance



Income Statement



Quarterly Results	2Q18	2Q19	Var %	2Q20	Var %
NET REVENUE	1,019,641	1,099,291	7.8	1,150,039	4.6
Personnel	269,740	279,182	3.5	295,388	5.8
PPR	23,738	27,197	14.6	13,391	(50.8)
Material	36,245	45,813	26.4	51,433	12.3
Electricity	93,694	112,897	20.5	116,160	2.9
Third Party Services	153,260	146,311	(4.5)	164,888	12.7
General and Tax	33,639	38,056	13.1	37,718	(0.9)
Civil, Work, Envir., Fiscal, Tax Provisions	(1,388)	22,505	(1,721.4)	(14,774)	(165.6)
Health Plan and Social Security Provisions	21,455	14,951	(30.3)	16,707	11.7
Financial Expenses (Revenue)	33,345	44,609	33.8	31,740	(28.8)
Other Costs and Expenses	55,561	94,001	69.2	86,474	(8.0)
TOTAL COSTS AND EXPENSES	719,289	825,522	14.8	799,125	(3.2)
Income Tax and Social Contribution	46,788	41,244	(11.8)	66,528	61.3
NET RESULT	253,564	232,525	(8.3)	284,386	22.3
Net Margin %	24.9%	21.2%	-3.7 p.p	24.7%	3.5 p.p
EBITDA	400,136	402,105	0.5	472,090	17.4
EBITDA Margin %	39.2%	36.6%	-2.6 p.p	41.1%	4.5 p.p
EBIT	333,697	318,378	(4.6)	382,654	20.2
EBIT Margin %	32.7%	29.0%	-3.7 p.p	33.3%	4.3 p.p

Income Statement



Accumulated Results	6M18	6M19	Var %	6M20	Var %
NET REVENUE	2,019,065	2,197,872	8.9	2,396,175	9.0
Personnel	508,882	524,576	3.1	556,538	6.1
PPR	41,230	50,137	21.6	38,762	(22.7)
Material	73,185	88,598	21.1	107,674	21.5
Electricity	188,127	227,387	20.9	237,309	4.4
Third Party Services	292,479	290,293	(0.7)	317,682	9.4
General and Tax	67,283	74,148	10.2	79,388	7.1
Civil, Work, Envir., Fiscal, Tax Provisions	27,452	63,286	130.5	5,484	(91.3)
Health Plan and Social Security Provisions	42,910	29,903	(30.3)	33,414	11.7
Financial Expenses (Revenue)	89,175	90,391	1.4	84,527	(6.5)
Other Costs and Expenses	100,372	160,929	60.3	203,222	26.3
TOTAL COSTS AND EXPENSES	1,431,095	1,599,648	11.8	1,664,000	4.0
Income Tax and Social Contribution	147,495	148,151	0.4	191,764	29.4
NET RESULT	440,475	450,073	2.2	540,411	20.1
Net Margin %	21.8%	20.5%	-1.3 p.p	22.6%	2.2 p.p
EBITDA	809,342	854,746	5.6	993,033	16.2
EBITDA Margin %	40.1%	38.9%	-1.2 p.p	41.4%	2.6 p.p
EBIT	677,145	688,615	1.7	816,702	18.6
EBIT Margin %	33.5%	31.3%	-2.2 p.p	34.1%	2.8 p.p

Non-recurring effect



Non-recurring items	2Q19	2Q20	6M19	6M20
Net Profit	232,525	284,386	450,073	540,411
Retirement Program	-	13,964	-	16,449
APV over Contractual Financial Assets	-	-	-	11,057
Indemnity - DMWLFM/SEF Consortium	-	-	-	15,184
Indemnity - Municipality of Maringá	28,690	-	28,690	-
Tax Effects	(3,327)	(4,748)	(3,327)	(14,515)
Recurring Net Income	257,888	293,602	475,436	568,586
Realized Net Profit	232,525	284,386	450,073	540,411
Recurring Variation x Realized	10.9%	3.2%	5.6%	5.2%
Recurring Net Margin	23.5%	25.5%	21.6%	23.7%
Realized Net Margin	21.2%	24.7%	21.6%	22.9%
Recurring Variation x Realized	2.3 p.p	0.8 p.p	0,0 p.p	0.8 p.p
Recurring Adjusted EBITDA	430,816	486,056	883,456	1,035,725
Realized EBITDA	402,126	472,091	854,766	993,034
Recurring Variation x Realized	7.1%	3.0%	3.4%	4.3%
Recurring Adjusted EBITDA Margin	39.2%	42.3%	40.2%	43.2%
Realized EBITDA Margin	36.6%	41.1%	38.9%	41.4%
Recurring Variation x Realized	2.6 p.p	1.2 p.p	1.3 p.p	1.8 p.p

Adjusted EBITDA with Non-Manageable Items

(in R\$ MM)	6M20
EBITDA	993.0
(+) Non-manageable items	70.7
Electricity	14.8
Treatment material	28.7
Fees and Charges	27.2
(=) Adjusted EBITDA with non-manageable items	1,063.7
EBITDA Margin (non-manageable items adjusted)	44.4%

Balance Sheet



	2018	2019	Var %	06/30/2020	Var %
Net Debt	(2,628,372)	(3,035,713)	15.5	(2,912,007)	(4.1)
Cash and Cash Equivalent	35,003	16,878	(51.8)	13,899	(17.7)
Financial Investments	291,621	257,181	(11.8)	870,307	238.4
Loans, Financing and Debentures	(2,771,318)	(3,080,431)	11.2	(3,662,392)	18.9
Dividends and Interest on Equity	(183,678)	(229,341)	24.9	(133,821)	(41.6)
Operating Working Capital	270,159	448,388	66.0	362,723	(19.1)
Accounts Receivable from Customers, net	661,124	829,562	25.5	766,938	(7.5)
Stocks for Operation	39,120	46,146	18.0	47,540	3.0
Contractors and Suppliers	(190,742)	(214,445)	12.4	(190,247)	(11.3)
Salaries and Social Charges	(239,343)	(212,875)	(11.1)	(261,508)	22.8
Other Assets / Liabilities	594,405	804,754	35.4	740,492	(8.0)
Provisions	(461,797)	(546,672)	18.4	(552,156)	1.0
Retirement and Health Care Plans	(941,788)	(1,236,602)	31.3	(1,270,016)	2.7
Contract Assets	1,393,187	1,756,714	26.1	1,688,982	(3.9)
Other Assets / Liabilities	604,803	831,314	37.5	873,682	5.1
Fixed Assets	7,480,996	7,956,485	6.4	8,298,498	4.3
Net Equity	(5,717,188)	(6,173,914)	8.0	(6,489,706)	5.1
Operating Working Capital Turnover * Turnover days	24	35		27	

Note: Other assets / liabilities are considered recoverable and deferred taxes, restricted deposits and judicial deposits, other assets, concession contracts, contractual guarantees and retentions and other liabilities. Fixed assets are considered intangible assets, fixed assets, investments and contractual financial assets.

Cash Flow



	6M18	6M19	Var %	6M20	Var %
Operating Activities	628,885	667,100	6.1	906,793	35.9
Net Profit of the Adjusted Financial Year	748,106	792,079	5.9	888,377	12.2
Decrease (Increase) of Assets	(107,003)	(142,972)	33.6	6,268	(104.4)
Increase (Decrease) of Liabilities	(12,218)	17,993	(247.3)	12,148	(32.5)
Investment Activities	(447,470)	(463,984)	3.7	(447,768)	(3.5)
Financing Activities	(373,212)	(185,037)	(50.4)	151,122	(181.7)
Loans and Financing	321,413	439,187	36.6	694,682	58.2
Dividends / Interest on Equity Payment	(298,395)	(391,161)	31.1	(303,427)	(22.4)
Financing Payment	(389,126)	(191,927)	(50.7)	(187,577)	(2.3)
Leasing Payment	-	(40,936)	-	(39,082)	(100.0)
Other Variations	(7,104)	(200)	(97.2)	(13,474)	6,637.0
Increase (Decrease)	(191,797)	18,079	(109.4)	610,147	3,274.9
At the beginning of the period	533,888	326,624	(38.8)	274,059	(16.1)
At the end of the period	342,091	344,703	0.8	884,206	156.5

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