



COMPANHIA DE SANEAMENTO DO PARANÁ – SANEPAR
A Publicly-Held Company

CVM Code No. 01862-7

CNPJ No. 76.484.013/0001-45

MATERIAL FACT

Companhia de Saneamento do Paraná – Sanepar (“Company”), in compliance with the provisions of article 157, §4th, of Law No. 6,404, of December 15, 1976, as amended and currently in force, and Brazilian Securities Exchange Commission (“CVM”) Rule No. 358, of January 03, 2002, as amended and currently in force, hereby publicly informs to its shareholders, investors and the public in general that the Company’s Board of Directors, during a meeting held on April 17, 2018, approved the structuring of the Restricted Offering (as described below) and on May 23, 2018, approved the terms and conditions of the eighth (8th) issuance, by the Company, of debentures not convertible into shares, in two series, with restricted placement efforts (“Issuance” and “Debentures”, respectively), in the amount of two hundred and fifty million reais (R\$250,000,000.00), under the terms of CVM Instruction No. 476, of January 16, 2009, as amended (“Restricted Offering” and “CVM Instruction 476”, respectively).

The Restricted Offering is exclusively reserved for Professional Investors, as defined in article 9-A of CVM Instruction No. 539, of November 13, 2013, as amended, and it is automatically exempt from registration of public distribution in the CVM.

Shall be issued twenty five thousands (25.000) Debentures, given that the quantity of Debentures to be allocated in each series will be defined as demanded by the Bookbuilding Process (as described below). The nominal value per Debenture shall be ten thousand reais (R\$10,000.00), on the Date of Issuance (as described below). For all legal purposes and effects, the date of issuance of the Debentures shall be on June 21, 2018 (“Date of Issuance”).

The Issuance shall be implemented in up to two series. The procedure for collecting the investment intentions of the potential investors in the Debentures, organized by the contracted underwriter, without receiving advance reservations, without minimum or maximum lots, in compliance with the provisions of article 3 of CVM Instruction 476, shall be adopted, to define: (i) the remuneration of the Debentures; and (ii) the quantity of Debentures to be allocated in each series

(“Bookbuilding Process”), considering that the allocation of the Debentures between the series will occur in the system of “*vasos comunicantes*”, being certain that any series may not be issued, in which case all Debentures will be issued in a single series, depending on the results of the Bookbuilding Process. The result of the Bookbuilding Process shall be ratified by amending to the Debentures Deed, which shall be registered before the Board of Trade of the State of Paraná, without the need for new corporate approval by the Company.

The final maturity of the First Series Debentures, if issued, shall occur at the end of the term of three (3) years as of the Date of Issuance, therefore, with maturity on June 21, 2021. The final maturity of the Second Series Debentures, if issued, shall occur at the end of the term of five (5) years as of the Date of Issuance, therefore, with maturity on June 21, 2023.

The Debentures shall be deposited for: (a) public distribution in the primary market by the MDA – Assets Distribution Module (MDA), managed and operated by B3 S.A. – Brasil, Bolsa, Balcão (“B3”); and (ii) trading in the secondary market with CETIP21 – Organized Markets (CETIP21), managed and operated by B3, with the negotiations settled financially and the Debentures electronically guarded in B3.

The net resources obtained by the Company as a result of the Issuance shall be destined: (i) in addition to the investment plan of the Company; and (ii) to the working capital to be used by the Company.

This Material Fact is only for information purposes, under the terms of the currently legislation, and shall not be interpreted or considered, for all legal purposes, as a material for the sale and / or disclosure of the Debentures.

Curitiba, May 23, 2018.

Paulo Rogério Bragatto Battiston
Investor Relations Executive Officer