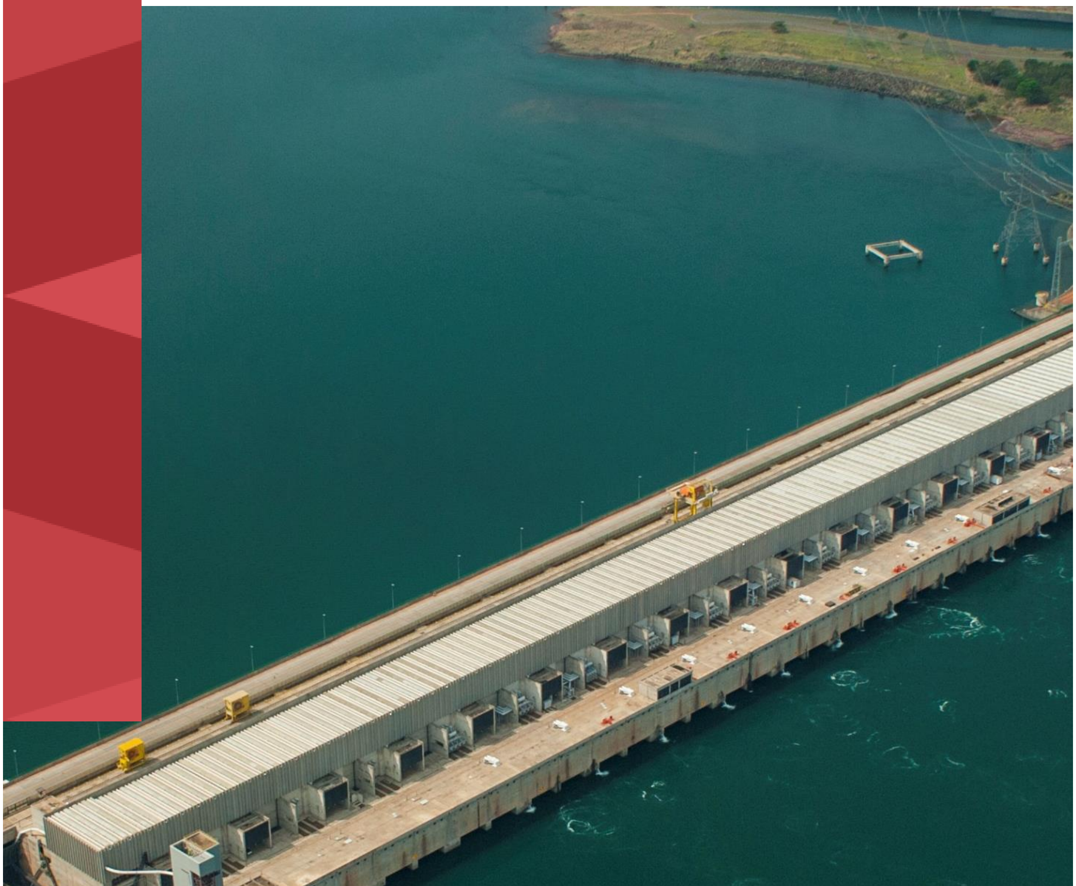

EARNINGS 2Q20

Videoconference
July 30, 2020
(In Portuguese, with simultaneous translation into English)
11 a.m. (Brasília time)
10 a.m. (NY time - EDT)
3 p.m. (London time)
Phone: + 55 (11) 3181-8565
International participants:
Phone: + 1 (412) 717-9627 | + 1 (844) 204-8942

São Paulo, July 29, 2020: CESP - Companhia Energética de São Paulo ("CESP"), (B3: CESP3, CESP5 and CESP6) discloses its earnings for the second quarter and the first half of 2020. The information was prepared according to the International Financial Reporting Standards (IFRS) and the accounting practices adopted in Brazil, and compared to the same period of 2019, except where indicated otherwise

EARNINGS RELEASE 2Q20

DECREASE OF BRL1.0 BILLION (1) IN TOTAL CONTINGENT LIABILITIES, OF WHICH BRL154 MILLION REFERS TO PROBABLE CONTINGENCIES

Consolidated Financial Highlights BRL thousand	**2Q20**	**2Q19**	**Chg. (%)**	**1H20**	**1H19**	**Chg. (%)**
Gross operating revenue	544,905	435,104	25%	1,085,767	857,265	27%
Net operating revenue	485,532	368,377	32%	946,072	723,995	31%
Gross operating result	204,476	156,630	31%	438,681	162,366	170%
Cost and expenses	(187,608)	(268,253)	-30%	(439,351)	(726,981)	-40%
EBITDA	397,800	192,654	106%	706,992	168,145	n.m.
Adjusted EBITDA[1]	287,276	218,796	31%	623,447	260,189	140%
Adjusted EBITDA margin[1]	59%	59%	0p.p.	66%	36%	30p.p.
Net income	137,798	(4,002)	n.m.	191,611	(162,245)	n.m.
Net debt	1,220,615	1,405,235	-13%	1,220,615	1,405,235	-13%
Net debt/EBITDA LTM	0.9x	5.1x	-0.8x	0.9x	5.1x	-
Net debt/ adjusted EBITDA[1] **LTM**	1.1x	4.0x	-0.7x	1.1x	4.0x	-

HIGHLIGHTS

- Net revenues up by 32%, to BRL486 million, in 2Q20 against 2Q19, basically due to the seasonality of the energy sold; startup of trading operations of CESP Trading Company; and the adjustment of USD-indexed contracts.
- Adjusted EBITDA was BRL287 million, with a margin of 59% in 2Q20, 31% higher than in 2Q19.
- BRL263-million operating cash flow generation after debt service, with a cash conversion ratio[3] of 92% in 2Q20.
- Decrease of BRL1.0 billion[1] in total contingent liabilities, of which BRL154 million refers to probable contingencies.
- Granting of certification to issue International Renewable Energy Certificates (I-RECs), which ratify the origin of renewable energy and ensure tracking of the environmental attributes of the energy.
- FITCH assigned a corporate rating BB on the international scale, with a negative outlook and AAA (bra) on the national scale, with a stable outlook

(1) Before monetary adjustment and interest | (2) Adjusted EBITDA excludes the provision for litigation, write-off of judicial deposits, and PDV | (3) Considers cash conversion = (OCF after Debt Service/ EBITDA). Includes the amount of BRL39 million in PIS/COFINS, postponed to the second semester according to the ordinances of the Ministry of Economy. Excluding this effect, the cash conversion ratio would be 78%.

CESP

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MESSAGE FROM THE MANAGEMENT

The first half of 2020, particularly the second quarter of the year, was marked by the novel Coronavirus (COVID-19) pandemic, and its consequences on our lives and on economy. We reacted promptly to this situation by adopting appropriate and preventive measures to preserve the health and safety of our people and guaranteeing the continuous provision of energy generation services with excellence. The resilience of our customer portfolio, the agility of reaction to the new environment and the strength of our capital structure were crucial in reducing the impacts of the COVID-19 in the first half of the year.

The second quarter of 2020 saw expressive results in all our management fronts, in line with the achievements made in the first year after privatization of CESP. In this half-year, we took important steps towards automation of data processes and analysis, which should take the Company to new operational efficiency levels. We are also advancing in the preparation of our sustainability strategy, since we believe that we are part of the solution to the current challenges of our society. We were granted the certification to issue International Renewable Energy Certificates (I-RECs), which ratify the origin of renewable energy and ensure the tracking of the environmental attributes.

In terms of our operations, one of our most significant indicators, the average availability index of our plants, reached 94.5% in 2Q20, consistently higher than the reference levels established by ANEEL, showing ongoing good maintenance management and, consequently, greater efficiency in the availability of our plants.

The strategy designed to manage the energy balance, together with a planned determination of seasonality of our physical guarantees, provided stability to the energy balance in 2020. With regard to the commercialization, despite the economic impacts of the pandemic, there was no default on the part of any of our customers andthe renegotiation of just a few contracts should not have a material impact on our results and was structured with to preserve the present value of the original contracts.

Additionally, the Company continues to record consistent results in the reduction of manageable costs and operating expenses, as a result of the adjustments and changes implemented in 2019. Compared to the same period in the previous year, the reduction of 26% and 42% in expenses with Personnel/Administration and Materials/Third-party Services/Rents, respectively, in 2Q20 is an example of this transformation.

With respect to contingent liabilities, we continued with our case management strategy. In the second quarter of 2020, we recorded a reduction of BRL1.0 billion in total contingent liabilities, before monetary adjustments, compared to the balance recorded in March 2020, mainly due to: court rulings favorable to CESP, and judicious review of the balance of strategic cases, also arising from the procedural evolution of these cases in the judiciary branch. These results are in line with our increasingly assertive and balanced approach to reducing this risk.

Our financial results reflect our diligence in executing our strategies. We recorded consolidated Adjusted EBITDA[1] of BRL287 million in 2Q20, up by BRL68 million over the same period in 2019, with Adjusted EBITDA margin of 59%.

Our strong cash generation capacity places us in a prominent remarkable position in this context. In 2Q20, we generated BRL263-million operating cash flow after debt service, which corresponds to a cash conversion ratio[1] of 92%.

Finally, we highlight our continuous monitoring of developments relating to COVID-19, and we ratify our commitment to our shareholders, employees, customers, partners and the community. We believe that we are prepared for this delicate period and will maintain our focus on our 'derisking' agenda, on the continuity of our diligent management of contingencies, and on the search for creating value to our stakeholders. We are confident that, despite all difficulties posed by this moment, we will be stronger after this crisis, with no material impact on our operations and results.

Mario Bertoncini

Chief Executive and Investor Relations Officer

Marcelo de Jesus

Chief Financial Officer

(1) Cash Conversion Ratio = Operating Cash Flow after Debt Service/Adjusted EBITDA. Includes the amount of BRL39 million in PIS/COFINS, postponed to the second semester according to the ordinances of the Ministry of Economy. Excluding this effect, the cash conversion ratio would be 78%.

EFFECTS OF THE NEW CORONAVIRUS (COVID-19) PANDEMIC

In March 2020, the World Health Organization (WHO) declared a global pandemic caused by the novel Coronavirus (COVID-19). As a result, the Company informs that has been taking the preventive and risk mitigation measures set forth in the guidelines established by national and international health authorities, so as to reduce as much as possible any impacts on the health and safety of our employees, their families, our partners, communities and the continuity of our operations and business.

Given that energy generation is an essential activity, CESP adopted contingency protocols in order to maintain the full operation of its 3 hydroelectric power plants, and preserve the health of its professionals, their safe access to workplaces, an environment that preserves the physical distancing of employees, hygiene and access to protective equipment. Moreover, 82% of our employees are now working from home.

A potentially material risk to CESP in the emergence of COVID-19 relates to the default of its customers and other counterparties to energy purchase and sale contracts. In this scenario, CESP maintains regular contact with its main commercial partners. The position of the Company's accounts receivable as of June 30, 2020, as well as the provisions for improbable recovery of doubtful accounts, reflect in a timely manner our best analysis at this time about the quality and solvency of the rights in question. Despite the economic impacts of the pandemic, there was no default on the part of our customers, and the renegotiation of just a few contracts should not have a material impact on our results and was structured with a view to preserve the present value of the original contracts.

The Company also assessed its main supply and supplier contracts, and concluded that, despite the impacts caused by the pandemic, the contractual obligations are still being fulfilled and there is no evidence or formalization of insolvency or any discontinuance.

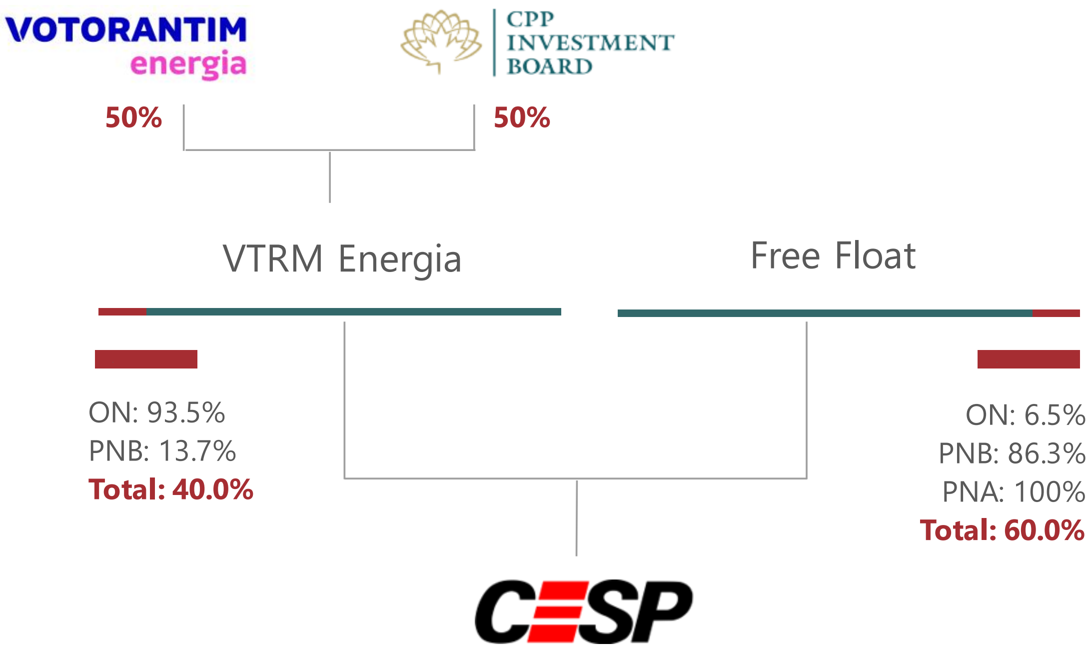
The management of the Company's energy balance for this year was adjusted, and we are well positioned to face potential adverse variations in GSF (generation scalling factor) and relevant changes in energy market prices.

Additionally, CESP currently holds a considerable cash position, and reiterates that there are no important financial obligations falling due in the next 2 years.

Finally, we inform that, as of this date, CESP registered no material impacts on its operations and settlement of rights and obligations due to COVID-19. However, considering that we are exposed to operational risks arising from the health of our employees and third parties, and that we are subject to legal and market restrictions that may be imposed as a result of COVID-19, we cannot assure that there will be no impacts on our operations, or whether our results will be affected by any future effects of the pandemic.

COMPANY PROFILE

CESP was incorporated in 1966 by the São Paulo State Government, and in December 2018 shareholding control passed to VTRM Energia Participações S.A. (“VTRM”), with the sale at auction of the state government’s common shares (“ON”).



GENERATING COMPLEX

CESP holds the concession of two hydroelectric power plants that operate under concession agreements (HPP Porto Primavera – independent energy production, and HPP Paraibuna), and one hydroelectric power plant (HPP Jaguari) that operates under a regime of shares of physical guarantee, where CESP is a temporary operator, with a total of 18 generating units, capacity of 1,655 MW and physical guarantee of 948 average MW.

These plants are located in the basins of the Paraná river, in the west of the state of São Paulo, and of the Paraíba do Sul river, in the east of the State. They make up the following generation complex:

Operating assets

Porto Primavera

Capacity: 1,540 MW

Physical guarantee: 887 average MW

Concession until Apr/49 (Contract renewed in April 2019)

Location: Rosana (State of São Paulo)

Reservoir area: 2,040 km^2

Extension of dam: 10.2 km

Generating units: 14

Start-up of operations: 1999

Paraibuna

Capacity: 87 MW

Physical guarantee: 48 average MW

Concession until Mar/21

Location: Paraibuna (State of São Paulo)

Reservoir area: 177 km^2

Extension of dam: 0.5 km

Generating units: 2

Start-up of operations: 1978

Jaguari

Capacity: 28 MW

Physical guarantee: 13 average MW

Concession until May/20

Location: São José dos Campos (State of São Paulo)

Reservoir area: 56 km^2

Extension of dam: 1.0 km

Generating units: 2

Start-up of operations: 1972

On May 19, 2020, the Ministry of Mines and Energy published Ordinance No. 218/2020, through which CESP became the temporary operator of HPP Jaguari as from May 21, 2020, until the arrival of the new concessionaire that will win the bidding process to be held by the federal government. The Annual Initial Generation Revenues (Initial RAG) for the period ended June 30, 2020 was approved, resulting in annual net revenues of BRL9.0 million, adjusted on a yearly basis by the inflation rate, after the closing of each cycle.

We highlight that in the meeting of the Board of Directors held on June 28, 2019, CESP management resolved that it was not of interest to renew the concession of HPP Jaguari, which accounts for less than 1% of the energy produced by CESP.

Additionally, in compliance with the obligation provided for in the new Concession Agreement of HPP Porto Primavera, which was signed in April 2019 under an independent energy production regime, CESP conducted a technical and economic feasibility survey on the installation of another 4 generating units at the plant. Currently, HPP Porto Primavera operates with installed capacity of 1,540 MW and 14 generating units, and it has 4 empty wells where 4 additional generating units may be installed, as analyzed in the study.

CESP has conducted the survey with the support of renowned consulting companies specializing in the electricity sector. However, the technical and economic assessment of an optimal performance of HPP Porto Primavera did not indicate favorable economic conditions for additional implementations in the development considering the current regulatory framework, given that revenues expected from the marginal addition of physical guarantee regarding additional implementations are not sufficient to cover the additional costs arising from the expansion of the plant.

CESP forwarded the results of said survey to ANEEL in May 2020 and is awaiting the agency's decision on this topic.

ELECTRICITY PRODUCTION

Generation (average MW)

Hydroelectric Power Plants	2Q20	2Q19	Var. (%)	1H20	1H19	Var. (%)
Porto Primavera	923	920	0%	1.008	993	2%
Paraibuna	34	26	32%	22	18	23%
Jaguari	9	3	190%	5	2	-
Total	**966**	**949**	**2%**	**1,036**	**1,013**	**2%**

Electricity production at the plants operated by CESP in 2Q20 reached 966 average MW, up by 2% against 2Q19, when the was 949 average MW. This increase in production was due to systemic factors relating to the dispatch policy applied by the National System Operator ("ONS") for the National Interconnected Grid (SIN).

In 1H20, offtake from the basins in the southeastern region was 8% higher than in 1H19, enabling good recovery of reservoirs in this region in the rainy season. Additionally, the COVID-19 pandemic caused a strong reduction in SIN's load and, as a result, in energy generation. On the other hand, the water crisis in the southern region is requiring more energy originated from the southeastern region. For this reason, ONS implemented a policy of higher dispatch for HPP Porto Primavera.

Generation by HPPs Paraibuna and Jaguari is based on control of the outflow in the Paraíba do Sul river basin, whereby the ONS establishes the released flow so as to preserve the minimum level of the Funil HPP reservoir and meet the target outflow at the Santa Cecilia pumping station.

In the end of 2Q20, ONS increased the generation at these plants so that the increased flow could offset the decreased flow of the Paraíba do Sul river due the end of the rainy season and beginning of the dry season. We highlight that, although the generation at HPP Jaguari is included in CESP generation, the concession of this plant ended on May 20, 2020, and CESP is operating the plant on a temporary basis, until the arrival of the new concessionaire that will be defined in the bidding process to be held by the federal government.

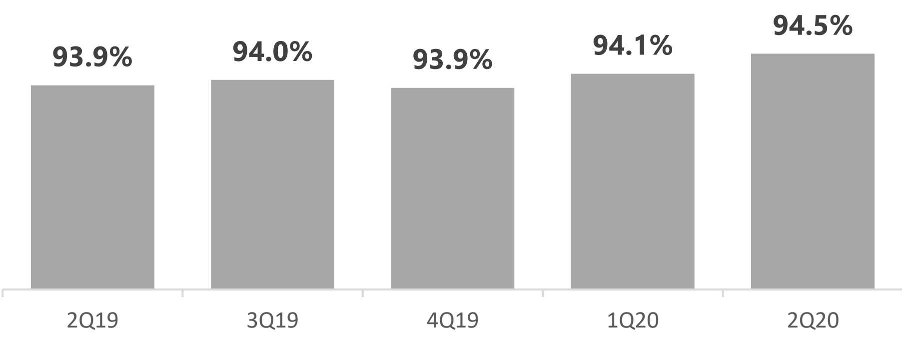
AVAILABILITY

In 2Q20, the plants operated by CESP reached an average availability index of 94.5%, up against 93.9% 2Q19, continuing with a consistent upward trajectory that indicates good maintenance management of the plants in 2020.

According to ANEEL Resolution No. 614/2014, if the availability index of a hydroelectric power plant participating in the Energy Reallocation Mechanism ("MRE") is below the reference availability index used for calculating its physical guarantee level, the plant will be subject to the application of a physical guarantee reduction mechanism. Based on these assumptions, this indicator becomes the key marker for assessing the performance of hydroelectric power plants and the principal tool for reducing the risk of operating impacts on commercial commitments.

The availability index of CESP plants is consistently higher than the reference values defined by ANEEL, evidencing the efficient management of operation and maintenance of the plants.

Avalability Index[1]
Moving Average of 60 months (%)



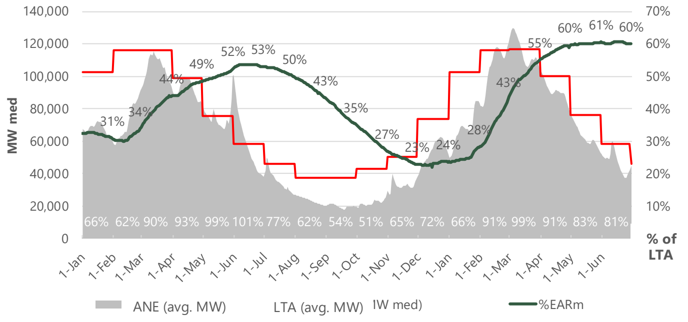
(1) The availability index is calculated using the Equivalent Rate for Forced Non-availability Calculated ("TEIFa") and the Equivalent Rate for Scheduled Non-availability ("TEIP"), defined by ANEEL.

ENERGY MARKET

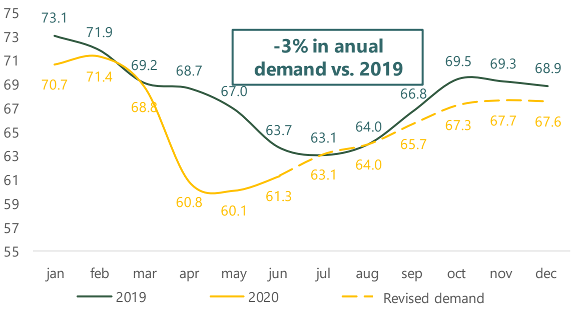
The effects of the measures to contain COVID-19 had a significant impact on the system load in 2Q20. In a direct or indirect manner, several sectors reduced consumption, resulting in a 9% drop in the system load against the same period in 2019. The effects should still be noticed in the coming months, according to ONS.

The reduction in the load enabled energy stored to be maintained at 60% in the end of the period (against 53% in 2Q19), despite the lower-than-the average offtake in 2Q20. The ONS reviewed the load forecast, estimating a drop of 1% in 3Q20, and of 3% in 4Q20 against the same periods in 2019, while CCEE (Electricity Trading Chamber) reviewed the GSF estimated for 2020 from 81% in April 2020, to 80% in the end of June 2020.

Daily ANE - SIN (Avg. MW and %) & Storage Level Evolution - SIN (%)[1]



Demand Evolution and Projections of ONS/EPE (Avg.GW)[3]



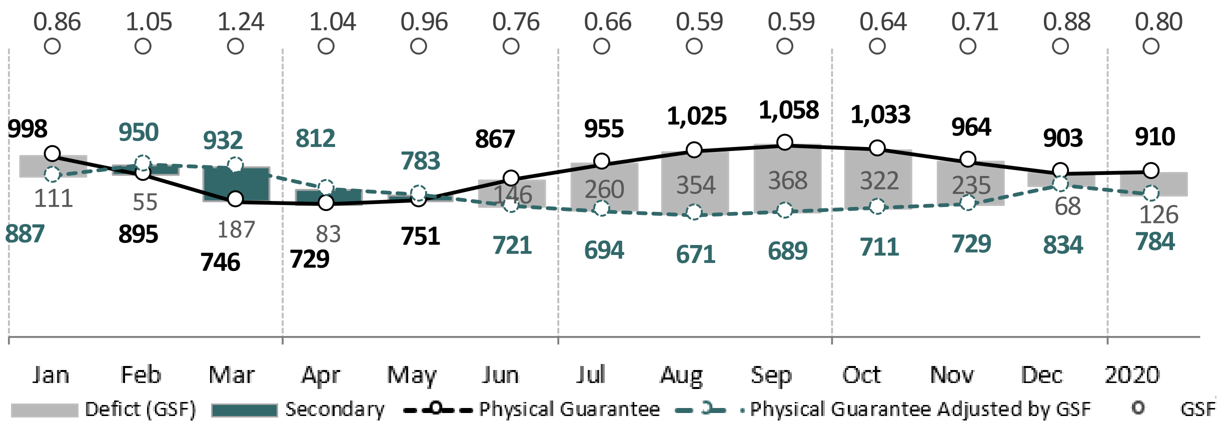
(1) Source: CCEE | MLT: Long term average; EAR: Stored energy; SIN: National Grid

COMMERCIAL STRATEGY

The Company's energy trading strategy is based on detailed planning and proactive management of electricity sales and energy balance, in order to create value and minimize the hydrological risk.

In the chart below, we show our seasonality curve for physical guarantee in 2020 and the same curve adjusted for the GSF, as projected by CCEE.

Gross Physical Guarantee and Adjusted Physical Guarantee (average MW)



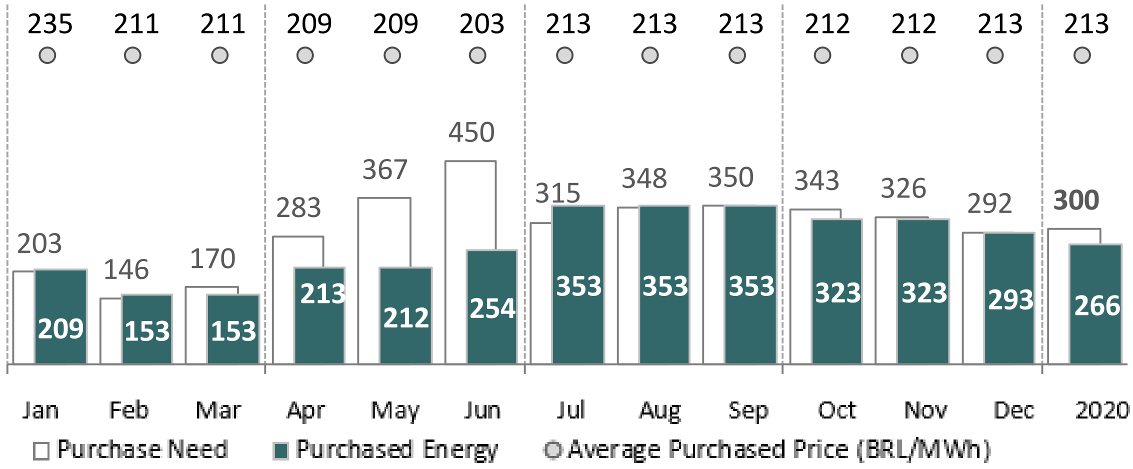
In view of the revised physical guarantees and the negative GSF effect, CESP records energy balance deficit in the beginning of 2020. To equalize its balance, the Company applies strategic actions in order to optimize its results and reduce its exposure to hydrological risk.

As of the end of 2Q20, 266 average MW were purchased for 2020 at an average price of BRL213/MWh (not including the energy settled in CCEE at the spot prices (PLD) in 2Q20), or 42% above the volume purchased until the end of 2Q19, when 187 average MW at an average price 18% below 2019 (BRL259/MWh).

For 2021, the Company purchased approximately 83% of the energy required to cover the energy deficit, or 241 average MW.

The strategy for optimizing the energy balance takes into account the best market opportunities, so as to minimize spot price risk (PLD) and avoid exposure in the CCEE due to systemic default. Accordingly, the higher purchasing need in 2Q20, compared to the other quarters of the year, is the result of this strategy to avoid default at the CCEE.

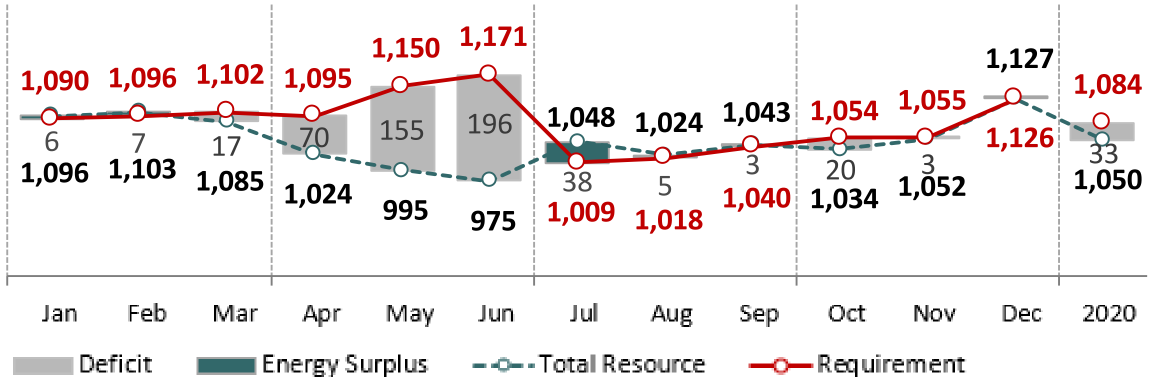
Energy deficit [1] vs. Energy purchase [2] (average MW)



(1) Includes energy sales to settle the balance at the CCEE in PLD operations + discount | (2) Difference between purchase requirements and energy purchased, settled at a PLD of BRL93/MWh.

The Company has deliberately forced a deficit of 75 average MW in the CCEE through energy sales at an average PLD of BRL93/MWh. This settlement offset BRL15 million, out of BRL21 million that CESP had to receive in the end of 2Q20. The balance receivable in the CCEE arises from accounting effects of previous months ("reaccounting"), particularly the prepayment of 2020 installments regarding renegotiation of an agent linked to the unavailability factor.

In the end of the second quarter, CESP energy balance for the whole year 2020 showed a deficit of 33 average MW, as illustrated below.



Considering the current scenario and seeking to preserve the best contractual and commercial relationships with its customers, CESP renegotiated contracts with an energy volume lower than 1% of total consolidated energy volume sold for the year 2020. Most effects of this negotiation are concentrated in 3Q20, and they result in a small reduction in the volume sold in this period.

It is important to note that, as a result of the negotiation, the financial effects undertaken by CESP in 2020 will be offset. In other words, there will be no economic loss.

New contractual renegotiations in the free market are not expected. With respect to the regulated market, considering that all CESP customers that are distribution companies adhered to the Covid Account[1], contractual renegotiations are not allowed under the law.

[1]ANEEL Normative Ruling No. 885/2020 and ANEEL Decree No. 10.350/2020: established the conditions for loans to distribution companies. Out of the 53 distribution concessionaires in the country, 50 have formalized a loan application in accordance with ANEEL criteria.

CESP TRADING COMPANY

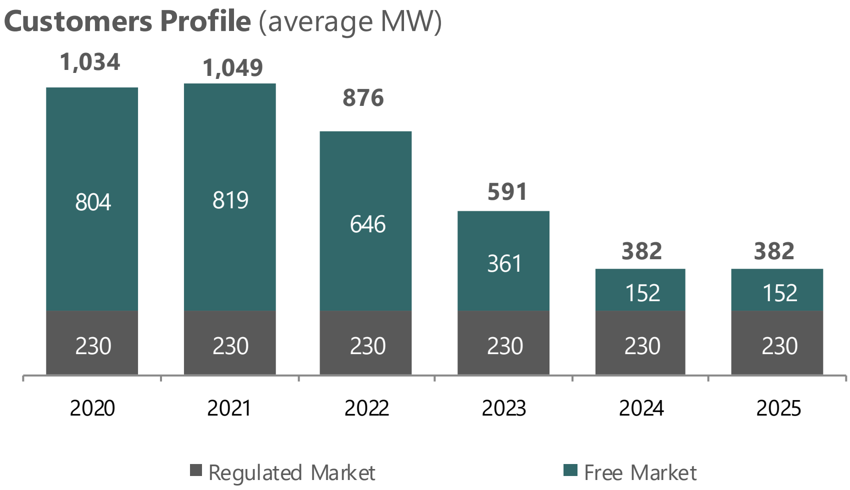
CESP Trading Company started to operate in January 2020, and the Company entered the electricity trading market within previously established risk limits. These operations are carried out on an active market, and they comply with the definition of “fair-value financial instruments” for accounting measurement purposes.

The purpose of CESP Trading Company is to foster a more optimized management of CESP’s energy balance, better management of hydrological risks, and enhancement of the Company’s commercial strategy, with the development of new customers, markets and opportunities.

CUSTOMERS

CESP’s sales contracts in the free market were mainly executed between 2003 and 2015, and they are adjusted for inflation and the US dollar exchange rate. Additionally, some contracts provide for flexibility clauses, that is, minimum and maximum limits are applied to the seasonalized monthly volumes and to the consolidated volume for the year.

Contracts in the regulated market began in 2009 and 2010, and mature in 2038 and 2039, with a volume of 230 average MW, adjusted for inflation. As from 2023, the volume of energy sold is substantially lower and, as from 2026, the Company has no energy sold in the free market.



Due to good market opportunities, and in line with its long-term strategy, CESP signed new energy sales contracts for the period from 2023 to 2025.

It is important to mention that the Company has introduced a hedging strategy in order to minimize currency exposure of revenues from energy sales contracts indexed to the US dollar, using Non-Deliverable Forwards ("NDF"). More details on this strategy can be found on page 15 of this document.

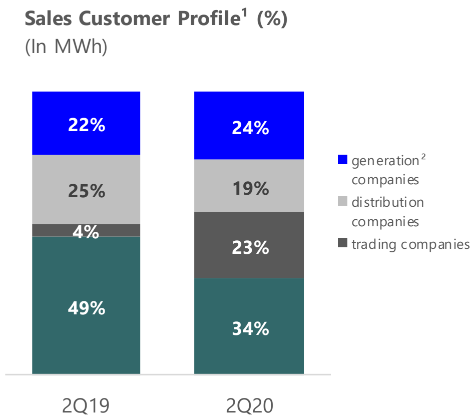
The average price in the regulated market (distribution companies) in 2Q20 was BRL246/MWh, a rise of approximately 3% against 2Q19, mainly due to the adjustments provided for in the contracts, as detailed below:

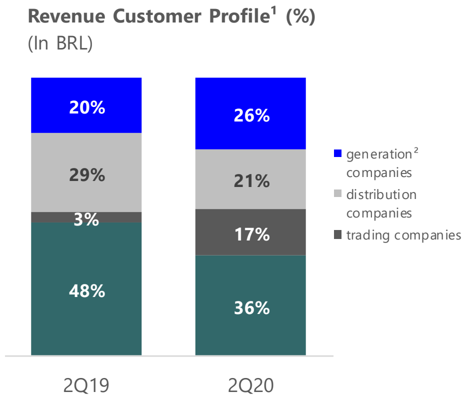
Start date	End date	Volume (average MW)	Starting gross price (BRL/MWh)	Gross price 2Q20 (BRL/MWh) (1)
01/01/2009	12/31/2038	82	125 (2)	255
01/01/2010	12/31/2039	148	116 (3)	240
Total		**230**	**119**	**246**

(1) Prices adjusted by the IPCA inflation index. || (2) Base date for start: June 29, 2006. | (3) Base date for start: December 16, 2005

In order to mitigate its exposure to hydrological risk, CESP renegotiated a total of 230 average MW contracted up to 2028 in the regulated market. Thus, this portion of its physical guarantee is fully protected against fluctuations in the GSF.

Free customers (manufacturers, trading companies and generation companies) accounted for 81% of the sales volume in 2Q20 and 75% in 2Q19, as a result of the higher volume of sale to trading companies, in line with the Company's strategy to equalize its energy balance.





(1) Excludes results associated with CCEE | (2) Considers generating companies with integrated trading companies.

The adjusted average price of free market contracts (manufacturers, trading companies and generation companies) was BRL207/MWh, an increase of 5% compared to 2Q19 (BRL197 MWh), due to price adjustments in contracts, monetary adjustments, and contractual terms that enable flexibility in the allocation of energy.

OPERATING REVENUES

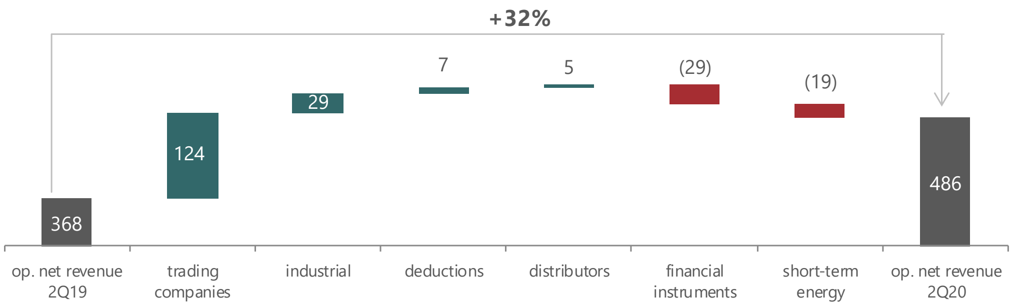
Net Operating Revenues in 2Q20 amounted to BRL486 million, up by BRL118 million (+32%) against BRL368 million in 2Q19, mainly due to:

- **Trading Companies:** Increase of BRL124 million, mainly from: (i) contractual conditions previously agreed with the counterparties (seasonality of the energy sold); (ii) start-up of operations of CESP Trading Company, with revenues of BRL27 million in 2Q20; (iii) settlement of the balance in the CCEE, in the amount of approximately BRL15 million; and (iv) adjustments of contracts indexed to the US dollar.
- **Manufacturing:** Increase of BRL29 million in sales volume, due to contractual conditions previously agreed with the counterparties (flexibility and seasonality).
- **Distribution companies:** Increase of BRL5 million due to contractual adjustment clause.

These effects were partially offset by:

- **Derivative Instruments:** Decrease of BRL29 million as a result of the settlement of derivative financial instruments contracted to hedge exchange rate exposure of free market contracts, which are indexed to the US dollar.
- **Short-term energy:** Decrease of BRL19 million due to the new strategy for equalizing the Company’s energy balance, combined with optimum management of CCEE receivables in view of systemic default.

Net Operating Revenues 2Q19 vs. 2Q20 (BRL millions)



Derivative Financial Instruments

CESP has energy sales contracts that are indexed to the US dollar. In order to minimize the currency risk from these contracts, the Company introduced a hedging strategy using Non-Deliverable Forwards ("NDFs") that are shown in the books as hedge accounting. The aim is to hedge approximately 95% of the currency exposure for the period. The table below reflects the position of derivative instruments as of June 30, 2020:

NDFs	Notional (US$ millions)	Average forward exchange rate (BRL)	Fair value (BRL millions)
2020	75	4,26	(89)
2021	111	4,36	(125)
Total	**186**	**4,32**	**(213)**

The fair value of hedging instruments will be recognized in shareholders' equity until the proposed transaction takes place or is settled. After their settlement, gains or losses will be recognized in income. For more details, see note 24.5 to 2Q20 Financial Statements.

OPERATING COSTS AND EXPENSES

Operating costs and expenses amounted to BRL188 million in 2Q20, against BRL268 million in 2Q19.

In both quarters, there were non-recurring and non-cash effects, as follows:

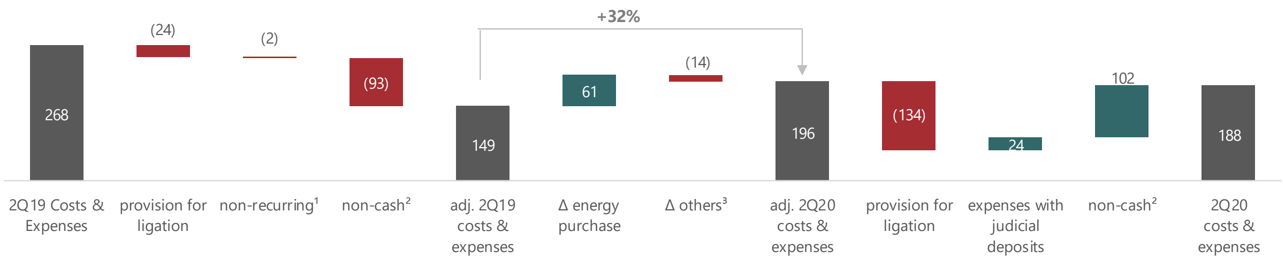
- **Reversal of provision for litigation:** A provision of BRL134 million was reversed in 2Q20, in line with our strategy to continuously review risk forecasts for court cases and amounts under discussion, to supplement the procedural strategy for reducing contingent liabilities. A provision of BRL24 million was set up in 2Q19, plus expenses of BRL2 million with the Voluntary Dismissal Plan (PDV).
- **Write-off of judicial deposits:** In 2Q20, expenses of BRL24 million were recognized regarding the write-off of court deposits to counterparties. These expenses were not recorded at that time, and they were identified upon reconciliation of court deposits. It is

important to note that the recording of these deposits was the result of improvements in the analysis of contingent liabilities and court deposits corresponding to the proceedings.

- **Non-cash effects:** Include depreciation/amortization, inventory provisions and marking-to-market of energy futures. In 2Q20, non-cash amount totaled BRL102 million, due to increased depreciation and amortization expenses in the amount of BRL100 million, arising from changes in useful lives of the assets of Porto Primavera, and from the amortization of UBP and grant, plus marking-to-market of trading contracts in the amount of BRL3 million. In 2Q19, cash effects amounted to BRL93 million, due to depreciation and amortization in the period.

Excluding non-recurring and non-cash effects, operating costs and expenses in 2Q20 totaled BRL196 million, up by 32% against BRL149 million in 2Q19.

Costs and Expenses 2Q20 vs. 2Q19 (BRL millions)



(1) Considering expenses for PDV / (2) Considering depreciation/amortization and provision (reversal) for impairment of warehouses, provision for PIS/COFINS on court deposits and marking-to-market of energy futures contracts. | (3) Excludes costs and expenses for energy purchases.

- **Energy purchases:** Increase of 80% against 2Q19, as a result of seasonality strategy with less allocation of physical guarantee in 2Q20 vs. 2Q19 and increased sales volume allocated in 2Q20 vs. 2Q19, in line with the energy balance strategy. In the 2Q20, 225 average MW were acquired, 44% above the volume of 2Q19 at an average price of BRL207/MWh, 8% lower than last year's price.

It is important to note that the Company took various measures to gain operating efficiency and rationalize its costs and expenses.

- **Personnel and Management:** Reduction of 26%, due to a fall of approximately 50% in staff, and changes in professional profiles, as well as reformulation of targets, performance assessment, development and professional training, management recognized by the Great Place to Work – GPTW seal.

- **Third-party services, materials and rents:** Fall of 42% due to renegotiation of contracts and review of processes, enabling efficiency gains in costs and operations.

EBITDA

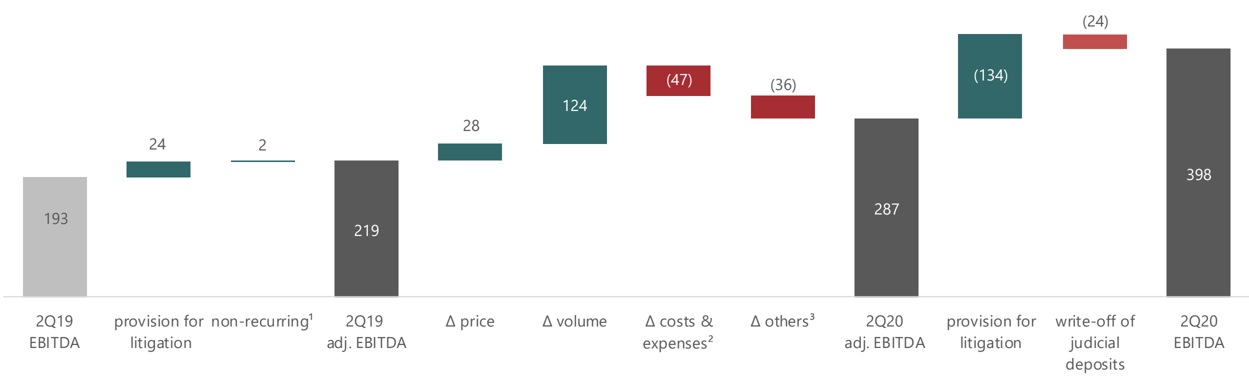
CONSOLIDATED EBIT / EBITDA BRL thousand	2Q20	2Q19	Chg.(%)	1H20	1H19	Chg.(%)
Net Income	**137,798**	**(4,002)**	**n.m.**	**191,611**	**(162,245)**	**n.m.**
Net IR/CSLL[1]	65,800	4,152	n.m.	111,574	7,623	n.m.
Financial Result	94,326	99,974	-6%	203,536	151,636	34%
= EBIT	**297,924**	**100,124**	**198%**	**506,721**	**(2,986)**	**n.m.**
Depreciation / amortization	99,876	92,530	8%	200,271	171,131	17%
EBITDA	**397,800**	**192,654**	**106%**	**706,992**	**168,145**	**n.m.**
VDP - Voluntary Dismissal Program	-	2,287	n.m.	-	104,791	n.m.
Reversal of provision for litigation	(134,167)	23,855	n.m.	(107,188)	(12,747)	n.m.
Write-off of judicial deposits	23,643	-	n.m.	23,643	-	n.m.
Ajusted EBITDA	**287,276**	**218,796**	**31%**	**623,447**	**260,189**	**140%**
Ajusted EBITDA margin	59%	59%	0p.p.	66%	36%	30p.p.

(1) It considers BRL67 million in current tax, (BRL32 million out of cash) and BRL45 million deferred.

Adjusted EBITDA totaled BRL287 million in 2Q20, with margin of 59%, up by BRL68 million over the same period in 2019.

The increase in Adjusted EBITDA in the quarterly comparison is mainly due to the increase in revenues and reduction in manageable costs and expenses.

EBITDA 2Q19 vs. 2Q20 (BRL millions)



(1) Includes PDV expenses / (2) Excludes non-cash items: PIS/COFINS provision, court deposits and marking-to-market of energy futures contracts. / (3) Others are mostly derivative financial instruments

FINANCIAL RESULT

Financial Results – BRL thousand	2Q20	2Q19	Chg.(%)	1H20	1H19	Chg.(%)
Financial revenues	**7,941**	**20,986**	**-62%**	**18,454**	**54,088**	**-66%**
Financial expenses	**(102,267)**	**(123,220)**	**-17%**	**(221,990)**	**(208,664)**	**6%**
Debt charges	(20,763)	(39,179)	-47%	(46,367)	(74,566)	-38%
Provision for litigation	(46,707)	(80,023)	-42%	(115,792)	(129,473)	-11%
Write-off of judicial deposits	(13,527)	-	n.m.	(16,033)	-	n.m.
Monetary variation	-	2,260	n.m.	-	2,940	n.m.
Other finance costs	(21,270)	(4,018)	n.m.	(43,798)	(4,625)	n.m.
Financial results	**(94,326)**	**(99,974)**	**-6%**	**(203,536)**	**(151,636)**	**34%**

Net financial result for 2Q20 included an expense of BRL94 million compared to an expense of BRL100 million in 2Q19. This 6% reduction in the quarterly comparison was mainly due to:

- **Adjustment in the balance of provision for litigation:** Reduction of BRL33 million, due to a smaller adjustment in the balance of the provision for litigation.

- **Debt charges:** Reduction of BRL18 million due to lower interbank deposit (CDI) rates in the period, as the remuneration of debentures, in the amount of BRL1,8 billion, is indexed to that rate, and the settlement of BNDES Brady loans in the last quarter of 2019.

The items above were partially offset by:

- **Other financial expenses:** Increase of BRL17 million, mainly due to the adjustment of the balance of actuarial liabilities (CPC 33), in the amount of BRL14 million.
- **Write-off of judicial deposits:** Expense of BRL13 million on the reversal of monetary adjustments of court deposits received by the counterparties.
- **Financial revenues:** Reduction of BRL14 million as a result of lower levels of CDI, to which the Company's investments are indexed.

INCOME TAX (IR) AND SOCIAL CONTRIBUTION (CSLL)

IR and CSLL ("taxes") amounts for the year include current and deferred taxes. Taxes are calculated on an accrual basis, according to the legislation in effect. The Company adopts the annual taxable income regime, with payments based on monthly estimates, which may result in a mismatch between the payment and the calculation of the taxes, being adjusted in the annual calculations of IR and CSLL.

Deferred tax assets arising from tax losses and deductible temporary differences are recorded based on the probability that future taxable income will be available and may be used. Their recognition is based on an impairment test, as provided for in CVM Instruction 371/2002.

IR and CSLL expenses in 2Q20 amounted to BRL66 million, of which BRL30 million refers to current IR and CSLL, and BRL36 million corresponds to deferred amounts. Taxes paid in 2Q20, which were based on estimates, amounted to BRL21 million (cash), and the effective tax rate for the period was 32%.

It is important to highlight that CESP has a tax loss to be offset in the amount of BRL3,007 million, of which BRL394 million has already been recorded in the Company's balance sheet as a deferred tax at a rate of 34%, which can be offset through the realization of results.

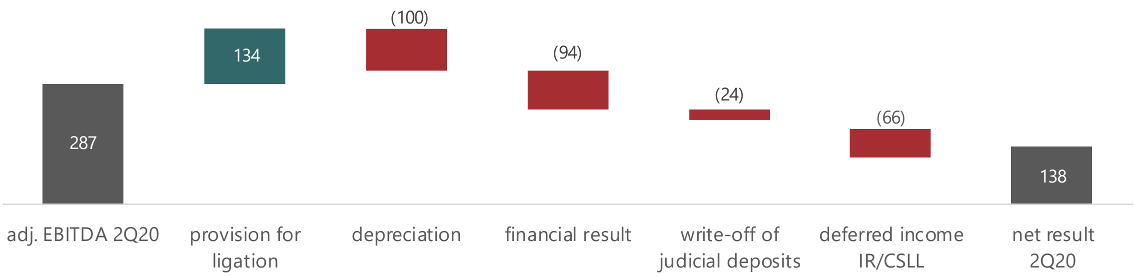
There is also a BRL2,613 million tax loss, not recorded in the financial statements (off-balance), which may be recognized as deferred tax to be offset, as soon as its realization is envisaged.

Additionally, tax losses may be offset in each reporting period at the limit of 30% of the actual or taxable income = EBT (earnings before taxes) +/- temporary and permanent adjustments.

NET RESULT

Net income for 2Q20 was BRL138 million, against a loss of BRL4 million in 2T19. The growth in net result was mainly due to the increase of 32% in net revenues, due to increased revenues and lower manageable costs and expenses.

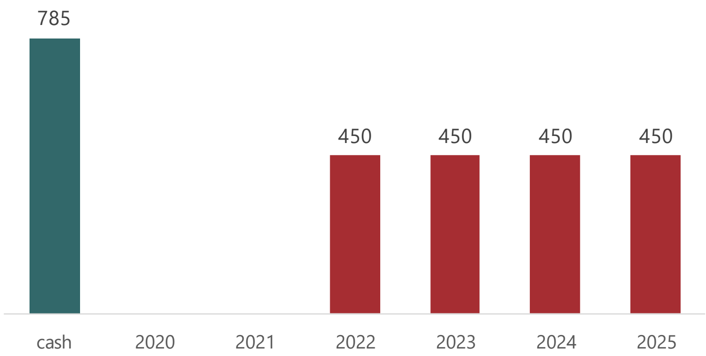
The chart below shows the key factors that influenced net result in 2Q20, based on the adjusted EBITDA for this period (BRL millions):



DEBT

Gross debt as of June 30, 2019 was BRL2,005 million, compared to BRL1,791 million in the end of 2019. CESP’s main debt refers to a debenture in the amount of BRL1,800 million at the cost of CDI + 1.64% p.a., with payment of semiannual interest and maturity in 2025. Funding was intended to cover the grant for renewal of HPP Porto Primavera concession. As of June 30, 2020, the average maturity of the debt was 4 years.

Amortization Schedule (BRL millions)



Consolidated cash and cash equivalents in the end of June 2020 amounted to BRL785 million against BRL741 million in December 2019. Net debt as of June 30, 2020 was BRL1,220 million.

RATING

As a result of the review of the sovereign rating in April 2020, Standard & Poor's ("S&P") reviewed CESP's outlook from positive to stable, and, simultaneously, confirmed a 'BB-' rating on the global scale, and 'brAAA'

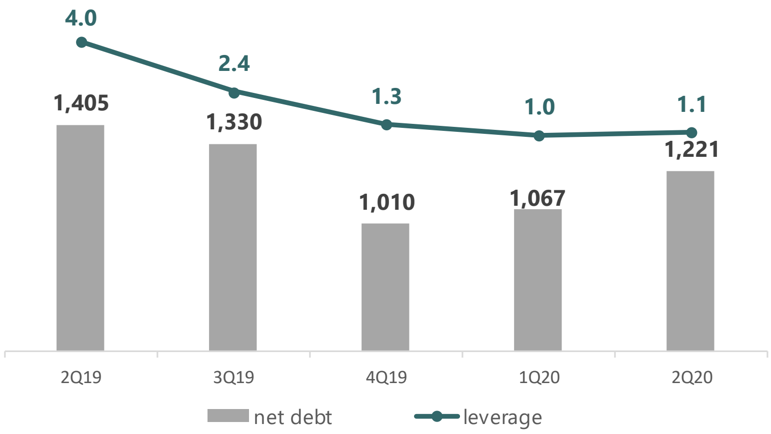
On July 29, 2020, Fitch released a report communicating the assignment of CESP's corporate rating of 'BB' on the international scale, with a negative outlook and 'AAA (bra)' on the national scale, with a stable outlook, as shown below:

	Rating	Outlook	Revised
FitchRatings	BB | AAA(br)	Negative	Jul/2020
STANDARD &POOR'S	BB- | br.AAA	Stable	Jul/2020

LEVERAGE

CESP's leverage, which is measured as net debt/adjusted EBITDA, reached a peak of 4.0x in the second quarter of 2019, and 1.1x in 2Q20.

Net Debt (BRL millions) and Leverage (x)



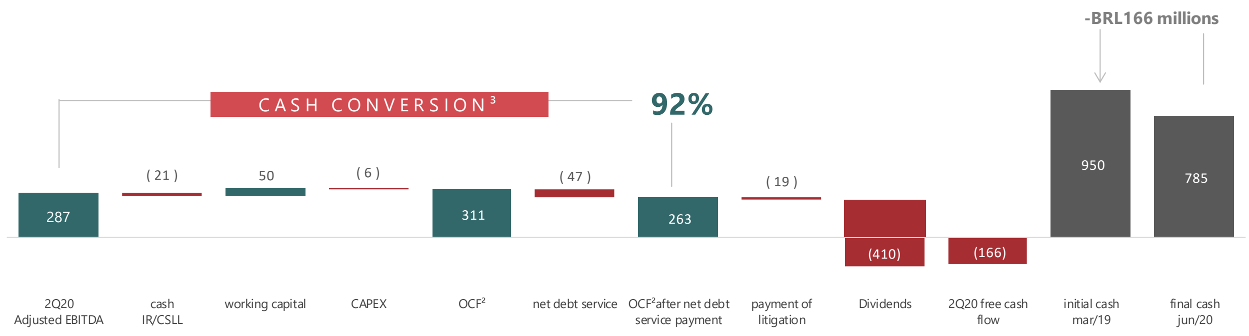
FREE CASH FLOW

Cash flow - BRL thousand	**2Q20**	**2Q19**	**Chg.(%)**	**1H20**	**1H19**	**Chg.(%)**
Adjusted EBITDA	287,276	218,592	31%	623,447	260,189	140%
Cash IR/CSLL	(21,246)	-	n.m.			
Working capital	50,440	(27,553)	n.m.	(43,107)	(31,441)	37%
CAPEX	(5,809)	(3,046)	91%	(8,153)	(3,629)	125%
Operating cash flow	**310,661**	**187,993**	**65%**			
Debt service	(47,455)	(44,870)	6%	(47,458)	(47,458)	0%
Operating cash flow after debt service	**263,206**	**143,123**	**84%**	**492,821**	**177,661**	**177%**
Payment of litigation	(19,356)	(57,561)	4%	(40,136)	(80,380)	-50%
Funding	-	-	n.m.	-	1,777,982	n.m.
Amortization	(11)	(84,413)	n.m.	(22)	(124,576)	-100%
Payment of concession fee	-	(1,398,703)	n.m.	-	(1,398,703)	n.m.
Dividends	(409,473)	(297,164)	38%	(409,558)	(297,164)	38%
Free cash flow	**(165,634)**	**(1,694,718)**	**-90%**	**43,105**	**54,820**	**-21%**
Initial cash balance	950,183	2,160,424	-56%	741,444	410,886	80%
Final cash balance	784,549	465,706	69%	784,549	465,706	68%

In 2Q20, the Company generated operating cash flow of BRL263 million after debt service, which corresponds to a cash conversion ratio[2] of approximately 92%. The increase in working capital was mainly due to: (i) extension of the term for collection of federal taxes (PIS and CONFINS), in the amount of BRL39 million, as established by Ordinances No. 139 and 245 of the Ministry of Economy, due to the Covid-19 pandemic and (ii) the monetization of the credit balance at the CCEE. It is worth noting that the amount not paid during 1H20 will be paid during the second half of the year.

In the end of June 2020, free cash flow was negative by BRL166 million, mainly due to the payment of BRL410 million in dividends payed in April.

Cash Flow (BRL millions)



(1) Excludes, VDP, provision for litigation and expenses with judicial deposits/ (2) OCF = Operating Cash Flow | (3) cash conversion = (OCF after Debt Service/Adjusted EBITDA). Includes the amount of BRL39 million in PIS/COFINS, postponed to the second semester according to the ordinances of the Ministry of Economy. Excluding this effect, the cash conversion ratio would be 78%.

CAPEX

CESP Capex was BRL6 million in 2Q20, and it was mainly used in equipment purchases, in line with the plan for modernization of hydroelectric power plants.

EMPLOYEES PENSION PLAN ENTITY - VIVEST (formerly FUNCESP)

The Company sponsors a plan for retirement of its employees and former employees through VIVEST, entity responsible for managing the benefits plans sponsored by CESP. They can be "defined benefit" (BD) plans and "defined contribution" (CD) plans.

In the CD pension plan the Company makes fixed contributions to VIVEST and is not legally required to contribute with the fund when the latter does not have sufficient assets to pay all beneficiaries. BD plans establish a fixed lifetime income retirement benefit amount that the employee will receive upon retirement. CESP's most important BD benefits plan is the BSPS (Cleared Proportional Supplementary Benefit), which resulted from the negotiation between the São Paulo State Government (former controlling shareholder) and workers' unions, in order to enable the privatization of energy companies in 1997.

The amounts of contributions, costs, liabilities or assets of BD plans are calculated on a yearly basis by an independent actuary, at the closing of each fiscal year, and recorded as provided for in CPC 33(R)/IAS19 - Employees Benefits.

This calculation takes the following assumptions into account: (i) the discount rate for calculating the present value of actual and nominal actuarial liabilities; (ii) the estimated return of plan assets; (iii) salary growth rates; (iv) the long-term interest rate; (v) the turnover rate; and (vi) death and disability rates.

According to CPC 33, the discount rate used in estimating actuarial liabilities should represent a security with ample liquidity and a high degree of confidence, and the use of NTN-B (long-term public securities rate) as the main reference. Accordingly, as of December 31, 2019, CESP recorded an actuarial deficit of BRL837 million in Shareholders' Equity (other comprehensive income), calculated as follows:

Nominal rate - 7.16% Based on NTN-B as of 12/31/2019	BSPS	BD	CV	Total
Present value of obligations	(5,623)	(912)	(131)	(6,666)
Fair value of assets	4,818	949	99	5,866
(Liabilities)/Assets	(805)	38	(32)	(799)
Irrecoverable surplus (effect of asset limits)	-	(38)		(38)
(Liabilities)/Assets to be recognized	**(805)**	**(32)**	**(32)**	**(837)**

For transparency and comparison purposes, Management decided to calculate on the same base date above the impacts on the measurement of actuarial liabilities, by applying a discount rate based on the earnings of private securities of high liquidity and rating (debentures), as shown below:

Nominal rate - 9.087% Based on debentures	BSPS	BD	CV	Total
Present value of obligations	(4,732)	(725)	(106)	(5,563)
Fair value of assets	4,818	949	99	5,866
(Liabilities)/Assets	86	225	(7)	303
Irrecoverable surplus (effect of asset limits)	(86)	(225)	-	(311)
(Liabilities)/Assets to be recognized	**-**	**-**	**(7)**	**(7)**

In case of application of market rates on private securities, the actuarial deficit calculated according to CPC 33(R)/IAS 19, of approximately BRL7 million, would be closer to the result ascertained by the VIVEST, according to the PREVIC methodology. It is important to highlight that CESP's cash contributions will only be necessary if there is a deficit in this methodology.

The difference between the balances recorded as of December 31, 2019 was due to the differences between the methods used by CESP and VIVEST to assess the financial condition of the benefit plans.

In view of the foregoing, the Board of Directors approved on June 16, 2020, measures to adjust VIVEST Plans to current market practices, as well as measures to equalize and reduce the risks that are inherent to VIVEST Plans, according to all procedures and the applicable regulations in force. It is important to highlight that the measures still depend on approvals with VIVEST and PREVIC before their implementation.

CONTINGENCIES

Proceedings and Legal Liabilities

Currently, the Company is a party to legal proceedings representing total contingent liabilities of around BRL11 billion. It is important to note that the Company maintains procedures for an in-depth analysis of balances of contingent liabilities, also engaging legal and financial advisors to supplement the work of its own staff.

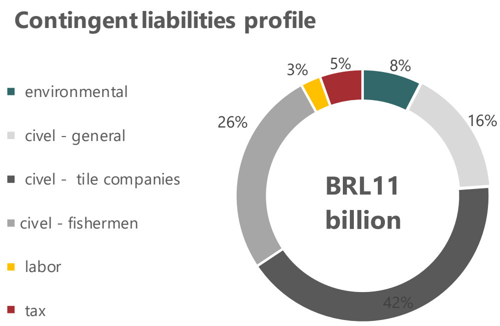
Given the importance of the Company's current contingent liabilities, the amounts discussed in court and the probability of loss in each case are constantly reviewed. Additionally, always seeking to improve the management of and reduce legal liability contingencies, the Company continues to classify, in a judicious manner, certain lawsuits as 'strategic', such lawsuits being monitored by the Company itself, and handled by renowned external counsels with high technical level. Equally careful attention is given to the rest of the litigation portfolio.

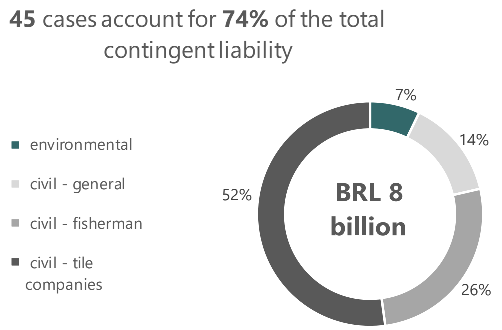
The Company makes it clear that the amount of contingent liabilities is constantly changing, precisely because measurement thereof depends on the progress of the court cases. Accordingly, the Company's policy is to reflect in the balance sheet, with as short a lapse of time as possible, the actual status of its liabilities portfolio (which justifies the changes in the quarterly balances disclosed).

As to contingencies for cases where the possibility of loss is remote, as informed in previous quarters, the Company still adopts its past practice of disclosing in its Financial Statements the total amount of such contingencies. However, although the Company believes that the disclosure of these amounts is adequate at the time, it reiterates that, among the various cases assessed remote, there are some where the amount claimed is out of proportion and by no means represents the financial value effectively discussed and that would be due by the Company in the event of a final unfavorable judgment.

Lastly, and without prejudice to the constant efforts of the Company to reduce its contingent liabilities, it highlights, for the sake of transparency, that its intention may be hampered in the event that new claims are filed against the Company, or if the amounts involved in its case portfolio increase. Thus, in addition to the Company's technical and procedural efforts to reduce legal liabilities, this process has also taken on a preventive role, in order to reduce the volume of new claims that may be filed against the Company.

Currently, the group of strategic cases consists of around 45 proceedings, representing approximately ~74% of the Company's contingent liabilities, as detailed below:





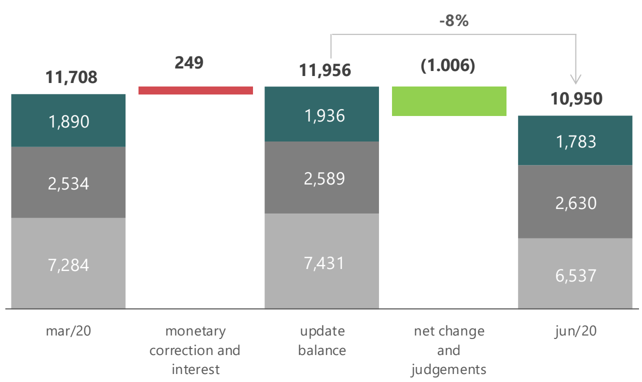
In 2Q20, the Company continued to manage and solve its strategic cases, which, combined with changes in the period, enabled a reduction of BRL1 billion (-8%) in total contingencies before monetary adjustments, compared to the balance of March 2020, of which BRL154 million (8%) corresponded to cases with probable chances of loss.

The fall in contingent liabilities in 2Q20 was mainly due to a combination of: (i) decisions favorable to CESP, such as the “Delza Rosa Ferreira Case”, in the amount of BRL183 million; (ii) review of the amounts attributed to strategic cases as a result of changes in the development of court cases in the period; and (iii) new lawsuits received by the Company.

For more details on the key cases, see item 4.3 of the CESP Reference Form.

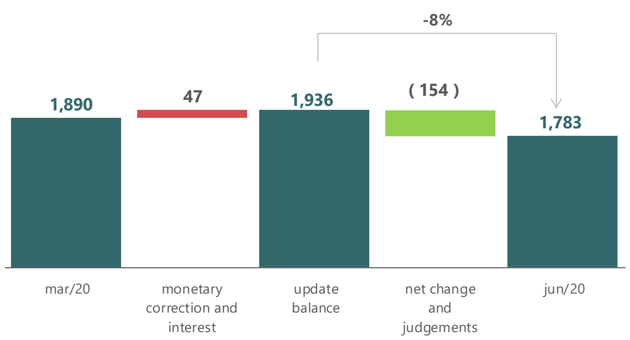
2Q20 Legal Proceedings - Liabilities

(BRL million)



Probable Variation - 2Q20

(BRL million)



probable possible remote

Court settlements and efforts to replace court deposits with other types of guarantees resulted in the release of court deposits worth approximately BRL3 million. This variation occurred primarily in labor claims closed in 2Q20.

Additionally, even during the pandemic, CESP continues to be attentive to opportunities of settlements and negotiations that may be attractive and feasible, aiming at reducing its contingent liabilities, always relying on technical criteria and financial discipline.

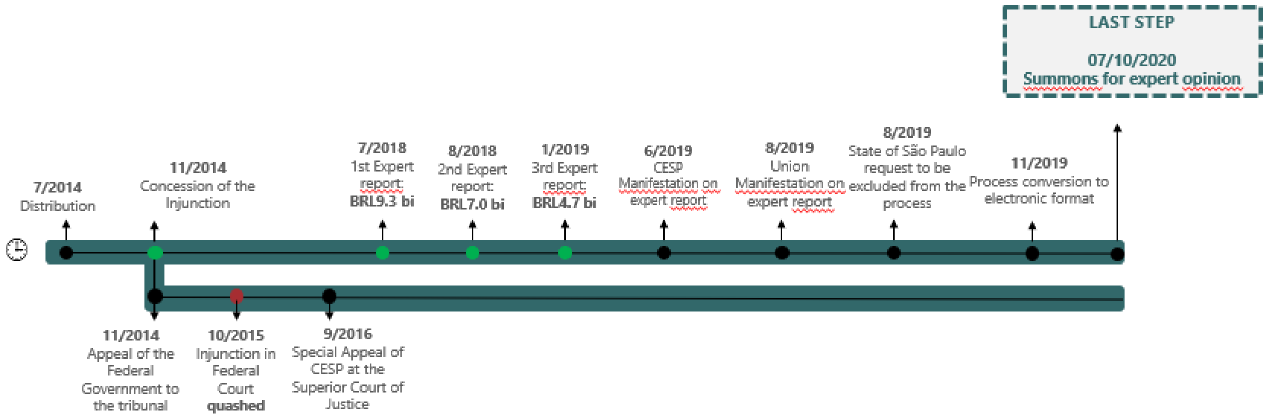
Três Irmãos Case

The indemnity proceeding for Três Irmãos (case No. 45939-32.2014.4.01.3400) is at the investigation stage, with discussions about the report of the legal expert, who valued the reversible assets at BRL4.7 billion (June/12 values). The valuation consists of: Plant: BRL1.9 bn; Floodgates and Canal: BRL1.0 bn; Land: BRL1.8 bn.

After statements by the Federal Government and CESP about the investigation report, an order issued on July 10, 2020 determined the statement of an expert within 15 business days (starting after the correction of the digitalization process), about the questions raised by the Federal Government.

In parallel with the hearing of the case by the lower court there in an appeal pending judgment (Special Appeal No. 1.643.760/SP) at the Superior Court of Justice (STJ), filed by CESP in December 2016 calling for immediate payment by the Federal Government of the uncontested figure of BRL1.7 billion (June/2012 values). We are currently waiting for this appeal to be put on the agenda for trial by the STJ [Superior Court of Justice].

The timeline below shows the latest important changes in the case:



SUBSEQUENT EVENT

TUST homologation

Homologatory Resolution No. 2,726 of July 14, 2020, established the value of the Tariffs for the Use of the Electricity Transmission System (TUST), components of the National Interconnected System (SIN) in force for the 2020 and 2021 cycle (from 1st of July 2020 to June 30, 2021). The new tariff applied to the Porto Primavera HPP is BRL8.721/kW, an increase of 13.4% in relation to the tariff of the previous cycle (BRL7.693/kW).

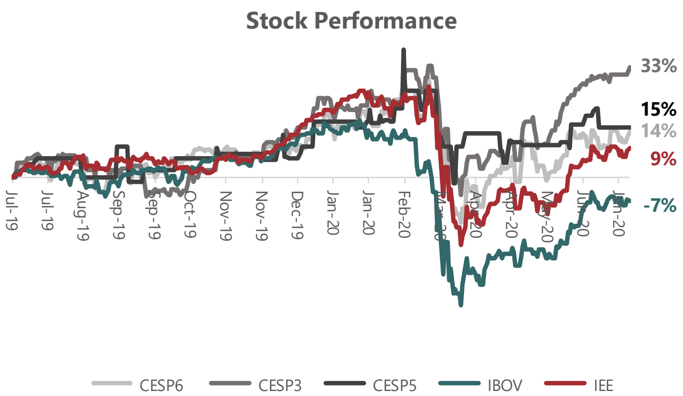
CAPITAL MARKETS

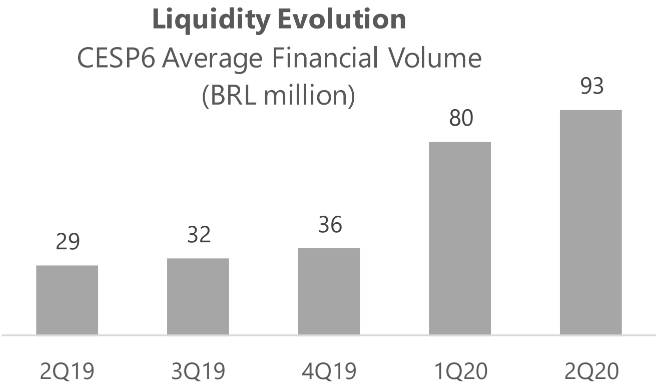
CESP's common shares ("CESP3") and class A and B preferred shares ("CESP5" and "CESP6", respectively) are listed and traded on the São Paulo Stock Exchange ("B3") on Level 1 of Corporate Governance, with ethics and transparency being upheld in relations with shareholders and other Company stakeholders. The Company shares are included in several indexes, among them the Corporate Governance Index, which includes companies with high standards of corporate governance, and the Brazil 100 Index, which consists of the most actively traded shares on B3.

On June 30, 2020, the Class B Preferred Shares (CESP6), which represent 64.4% of the Company's total capital, were quoted at BRL28.99. Since the beginning of this year, there has been a significant increase in the daily liquidity of average daily turnover of CESP6 shares was BRL93 million in 2Q20 (vs. BRL29 million traded in 2Q19).

The common shares (CESP3), which represent 33.3% of capital, were quoted at BRL32.50. The Class A Preferred Shares (CESP5), representing 2.3% of capital, were quoted at BRL29.60, on June 30, 2020.

CESP's market value on June 30, 2020, was BRL9.9 billion compared to BRL8.9 billion on June 30, 2019.





EXHIBITS - (BRL thousands)

Income Statement (Detailed) BRL thousand	Parent Company					
	2Q20	2Q19	Chg.(%)	1H20	1H19	Chg.(%)
Operating income	**421,291**	**435,104**	**-3%**	**882,176**	**857,265**	**3%**
Free market - Industrial	95,194	176,733	-46%	193,288	355,854	-46%
Trading companies	214,032	116,787	83%	439,085	214,764	104%
Energy auctions - Distributors	120,562	115,453	4%	247,339	236,338	5%
Short-term energy	6,129	25,483	-76%	22,011	49,030	-55%
Derivative financial instruments	(15,222)	-	n.m.	(20,890)	-	n.m.
Other income	596	648	-8%	1,343	1,279	5%
Deductions from operating revenues	**(57,739)**	**(66,727)**	**-13%**	**(119,415)**	**(133,270)**	**-10%**
Quota for the reversal of global reserves - RGR	(844)	(12,309)	-93%	(1,687)	(24,617)	-93%
Research and development - R&D	(4,011)	(3,678)	9%	(7,944)	(7,229)	10%
Taxes on services - ISS	(21)	(35)	-40%	(44)	(69)	-36%
COFINS on operating revenues	(32,773)	(31,791)	3%	(67,439)	(62,403)	8%
PIS on operating revenues	(7,115)	(6,901)	3%	(14,641)	(13,547)	8%
Financial compensation for use of water resources	(11,765)	(11,229)	5%	(25,221)	(23,837)	6%
Inspection fee of electricity services - TFSE	(1,210)	(784)	54%	(2,439)	(1,568)	56%
Net operating revenue	**363,552**	**368,377**	**-1%**	**762,761**	**723,995**	**5%**
Cost of energy service	**(187,220)**	**(211,747)**	**-12%**	**(360,915)**	**(561,629)**	**-36%**
Gross operating profit	**176,332**	**156,630**	**13%**	**401,846**	**162,366**	**147%**
Operating expenses	**97,744**	**(56,506)**	**n.m.**	**50,685**	**(165,352)**	**n.m.**
General and administrative expenses	(21,347)	(34,348)	-38%	(41,987)	(178,246)	-76%
Other operating expenses	119,091	(22,158)	n.m.	92,672	12,894	n.m.
Equity	16,012	-	n.m.	36,328	-	n.m.
Income (loss) operational before financial result	**290,088**	**100,124**	**190%**	**488,859**	**(2,986)**	**n.m.**
Financial income	7,520	20,986	-64%	17,571	54,088	-68%
Financial expenses	(102,240)	(123,220)	-17%	(221,932)	(208,664)	6%
Exchange variation	-	2,260	n.m.	-	2,940	n.m.
Financial result	**(94,720)**	**(99,974)**	**-5%**	**(204,361)**	**(151,636)**	**35%**
Income (loss) before tax and social contribution	**195,368**	**150**	**n.m.**	**284,498**	**(154,622)**	**n.m.**
Income tax and social contribution	(19,993)	-	n.m.	(54,000)	-	n.m.
Socail contribution - current	(37,577)	(4,152)	0%	(38,887)	(7,623)	0%
Net IR/CSLL	(57,570)	(4,152)	n.m.	(92,887)	(7,623)	n.m.
Net income (loss) for the period	**137,798**	**(4,002)**	**n.m.**	**191,611**	**(162,245)**	**n.m.**
Net income (loss) for the period per share	0.42	(0.01)	n.m.	0.59	(0.50)	n.m.

Income Statement (Detailed) BRL thousand	Consolidated					
	2Q20	**2Q19**	**Chg. (%)**	**1H20**	**1H19**	**Chg. (%)**
Operating income	**544,905**	**435,104**	**25%**	**1,085,767**	**857,265**	**27%**
Free market - Industrial	205,595	176,733	16%	413,388	355,854	16%
Trading companies	240,634	116,787	106%	439,934	214,764	105%
Energy auctions - Distributors	120,562	115,453	4%	247,339	236,338	5%
Short-term energy	6,129	25,483	-76%	22,011	49,030	-55%
Derivative financial instruments	(28,611)	-	n.m.	(38,248)	-	n.m.
Other income	596	648	-8%	1,343	1,279	5%
Deductions from operating revenues	**(59,373)**	**(66,727)**	**-11%**	**(139,695)**	**(133,270)**	**5%**
Quota for the reversal of global reserves - RGR	(844)	(12,309)	-93%	(1,687)	(24,617)	-93%
Research and development - R&D	(4,011)	(3,678)	9%	(7,944)	(7,229)	10%
Taxes on services - ISS	(21)	(35)	-40%	(44)	(69)	-36%
COFINS on operating revenues	(34,115)	(31,791)	7%	(84,101)	(62,403)	35%
PIS on operating revenues	(7,407)	(6,901)	7%	(18,259)	(13,547)	35%
Financial compensation for use of water resources	(11,765)	(11,229)	5%	(25,221)	(23,837)	6%
Inspection fee of electricity services - TFSE	(1,210)	(784)	54%	(2,439)	(1,568)	56%
Net operating revenue	**485,532**	**368,377**	**32%**	**946,072**	**723,995**	**31%**
Cost of energy service	**(281,056)**	**(211,747)**	**33%**	**(507,391)**	**(561,629)**	**-10%**
Gross operating profit	**204,476**	**156,630**	**31%**	**438,681**	**162,366**	**170%**
Operating expenses	**93,448**	**(56,506)**	**n.m.**	**68,040**	**(165,352)**	**n.m.**
General and administrative expenses	(23,036)	(34,348)	-33%	(46,864)	(178,246)	-74%
Other operating expenses	116,484	(22,158)	n.m.	114,904	12,894	n.m.
Equity	-	-	n.m.	-	-	n.m.
Income (loss) operational before financial result	**297,924**	**100,124**	**198%**	**506,721**	**(2,986)**	**n.m.**
Financial income	7,941	20,986	-62%	18,454	54,088	-66%
Financial expenses	(102,267)	(123,220)	-17%	(221,990)	(208,664)	6%
Exchange variation	-	2,260	n.m.	-	2,940	n.m.
Financial result	**(94,326)**	**(99,974)**	**-6%**	**(203,536)**	**(151,636)**	**34%**
Income (loss) before tax and social contribution	**203,598**	**150**	**n.m.**	**303,185**	**(154,622)**	**n.m.**
Income tax and social contribution	(29,855)	-	n.m.	(66,932)	-	n.m.
Socail contribution - current	(35,945)	(4,152)	0%	(44,642)	(7,623)	0%
Net IR/CSLL	(65,800)	(4,152)	n.m.	(111,574)	(7,623)	n.m.
Net income (loss) for the period	**137,798**	**(4,002)**	**n.m.**	**191,611**	**(162,245)**	**n.m.**

Asset	Parent Company 06/30/2020	Parent Company 12/31/2019	Consolidated 06/30/2020	Consolidated 12/31/2019
Current	**1,008,183**	**1,020,620**	**1,160,785**	**1,071,788**
Cash and cash equivalents	709,708	690,276	784,549	741,444
Derivative financial instruments	-	18,718	-	18,718
Receivables	184,652	198,930	236,967	198,930
Taxes and contributions for offset	13,156	8,357	20,393	8,357
Contracts of future energy	-	-	18,686	-
Prepaid expenses	3,955	11,186	3,955	11,186
Other credits	96,712	93,153	96,235	93,153
Non-current	**11,649,906**	**11,909,068**	**11,635,777**	**11,857,966**
Derivative financial instruments	-	21,225	-	21,225
Contracts of future energy	-	-	3,555	-
Pledges and restricted deposits	292,940	343,979	292,940	343,979
Deferred IR/CSLL	1,895,167	1,877,412	1,915,075	1,877,412
Warehouse	6,170	7,611	6,170	7,611
Assets available for reversal	1,719,390	1,719,390	1,719,390	1,719,390
Investments	37,592	51,102	-	-
Intangible	1,548,484	1,575,300	1,548,484	1,575,300
Immobilized	6,143,150	6,305,943	6,143,150	6,305,943
Right of use over lease agreements	7,013	7,106	7,013	7,106
Total assets	**12,658,089**	**12,929,688**	**12,796,562**	**12,929,754**

Liabilities and Shareholders 'Equity	Parent Company 06/30/2020	Parent Company 12/31/2019	Consolidated 06/30/2020	Consolidated 12/31/2019
Current	**632,002**	**956,792**	**743,808**	**956,858**
Suppliers	8,529	8,824	10,711	8,849
Purchase energy for sale	21,333	35,755	56,773	35,755
Loans, financing and debentures	1,889	3,002	1,889	3,002
Lease	1,700	1,584	1,700	1,584
Derivative financial instruments	75,933	-	129,693	-
Estimated liabilities and payroll	16,784	21,497	17,373	21,497
Taxes and social contributions	78,572	23,494	98,404	23,535
Regulatory charges	115,420	115,673	115,420	115,673
Dividends and interest on capital	196,618	606,176	196,618	606,176
UBP - Use of public asset tax	45,811	29,275	45,811	29,275
Social and environmental obligations	31,369	23,474	31,369	23,474
Other obligations	38,044	88,038	38,047	88,038
Non-current	**4,849,340**	**4,827,991**	**4,876,007**	**4,827,991**
Loans, financing and debentures	1,782,696	1,781,123	1,782,696	1,781,123
Lease	5,419	5,624	5,419	5,624
Regulatory charges	12,014	12,014	12,014	12,014
UBP - Use of public asset tax	140,935	158,355	140,935	158,355
Derivative financial instruments	57,100	-	83,767	-
Provision for litigation	1,782,843	1,814,375	1,782,843	1,814,375
Social and environmental obligations	156,391	164,536	156,391	164,536
Employees pension	866,326	836,995	866,326	836,995
Other obligations	45,616	54,969	45,616	54,969
Shareholders' Equity	**7,176,747**	**7,144,905**	**7,176,747**	**7,144,905**
Capital stock	5,975,433	5,975,433	5,975,433	5,975,433
Capital reserves	1,929,098	1,929,098	1,929,098	1,929,098
Profit reserves	1,084,883	1,084,883	1,084,883	1,084,883
Equity valuation adjustments	(928,708)	(948,623)	(928,708)	(948,623)
Other comprehensive income	(1,055,655)	(895,886)	(1,055,655)	(895,886)
Retained earnings	171,696	-	171,696	-
Total Liabilities and Shareholders 'Equity	**12,658,089**	**12,929,688**	**12,796,562**	**12,929,754**

	Parent Company						
	2Q20			2Q19			
Costs & Expenses	**Costs**	**Expenses**	**Total**	**Costs**	**Expenses**	**Total**	**Var.(%)**
Purchased energy	(43,297)	-	(43,297)	(76,100)	-	(76,100)	-43%
Regulatory charges	(35,427)	-	(35,427)	(29,119)	-	(29,119)	22%
Personnel	(5,509)	(8,550)	(14,059)	(5,556)	(16,587)	(22,143)	-37%
VDP - voluntary dismissal program	-	-	-	(625)	(1,662)	(2,287)	n.m.
Administrators	-	(1,230)	(1,230)	-	(438)	(438)	181%
Social security entity	-	122	122	-	(3,380)	(3,380)	n.m.
Material	(60)	(55)	(115)	(830)	(136)	(966)	-88%
Third-party services	(2,290)	(5,446)	(7,736)	(4,375)	(8,244)	(12,619)	-39%
Insurance	-	(1,919)	(1,919)	-	(384)	(384)	n.m.
Depreciation/amortization	(97,848)	(1,981)	(99,829)	(90,722)	(1,808)	(92,530)	8%
Rents	(176)	(285)	(461)	-	(747)	(747)	-44%
Provision (reversal) to reduce the realizable value of warehouses	-	12	12	-	2,654	2,654	-100%
Provision for litigation	-	134,167	134,167	-	(23,855)	(23,855)	n.m.
Expenses with judicial deposits	-	(23,643)	(23,643)	-	-	-	n.m.
Provision for PIS / COFINS judicial deposits	-	315	315	-	(132)	(132)	n.m.
Provision for doubtful accounts	-	-	-	-	(617)	(617)	n.m.
Other (expenses) or income	(2,613)	6,237	3,624	(4,420)	(1,170)	(5,590)	n.m.
Total	**(187,220)**	**97,744**	**(89,476)**	**(211,747)**	**(56,506)**	**(268,253)**	**-67%**

	Consolidated						
	2Q20			2Q19			
Costs & Expenses	**Costs**	**Expenses**	**Total**	**Costs**	**Expenses**	**Total**	**Var.(%)**
Purchased energy	(137,133)	-	(137,133)	(76,100)	-	(76,100)	80%
Regulatory charges	(35,427)	-	(35,427)	(29,119)	-	(29,119)	22%
Personnel	(5,509)	(9,914)	(15,423)	(5,556)	(16,587)	(22,143)	-30%
VDP - voluntary dismissal program	-	-	-	(625)	(1,662)	(2,287)	n.m.
Administrators	-	(1,230)	(1,230)	-	(438)	(438)	181%
Social security entity	-	122	122	-	(3,380)	(3,380)	n.m.
Material	(60)	(435)	(495)	(830)	(136)	(966)	-49%
Third-party services	(2,290)	(5,111)	(7,401)	(4,375)	(8,244)	(12,619)	-41%
Insurance	-	(1,919)	(1,919)	-	(384)	(384)	n.m.
Depreciation/amortization	(97,848)	(2,028)	(99,876)	(90,722)	(1,808)	(92,530)	8%
Rents	(176)	(242)	(418)	-	(747)	(747)	-44%
Provision (reversal) to reduce the realizable value of warehouses	-	-	-	-	2,654	2,654	n.m.
Provision for litigation	-	134,167	134,167	-	(23,855)	(23,855)	n.m.
Expenses with judicial deposits	-	(23,643)	(23,643)	-	-	-	n.m.
Mark-to-market future energy contracts	-	(2,599)	(2,599)	-	-	-	n.m.
Provision for PIS / COFINS judicial deposits	-	315	315	-	(132)	(132)	n.m.
Provision for doubtful accounts	-	-	-	-	(617)	(617)	n.m.
Other (expenses) or income	(2,613)	5,965	3,352	(4,420)	(1,170)	(5,590)	n.m.
Total	**(281,056)**	**93,448**	**(187,608)**	**(211,747)**	**(56,506)**	**(268,253)**	**-30%**

	Parent Company						
	1H20			1H19			
Costs & Expenses	**Costs**	**Expenses**	**Total**	**Costs**	**Expenses**	**Total**	**Var.(%)**
Purchased energy	(72,993)	-	(72,993)	(299,098)	-	(299,098)	-76%
Regulatory charges	(69,358)	-	(69,358)	(57,357)	-	(57,357)	21%
Personnel	(13,002)	(18,855)	(31,857)	(11,060)	(50,091)	(61,151)	-48%
VDP - voluntary dismissal program	-	-	-	(8,816)	(95,975)	(104,791)	n.m.
Administrators	-	(2,470)	(2,470)	-	(804)	(804)	n.m.
Social security entity	-	244	244	-	(6,752)	(6,752)	n.m.
Material	(502)	(132)	(634)	(1,738)	(432)	(2,170)	-71%
Third-party services	(3,523)	(9,538)	(13,061)	(8,417)	(17,100)	(25,517)	-49%
Insurance	-	(4,169)	(4,169)	-	(690)	(690)	n.m.
Depreciation/amortization	(196,215)	(3,948)	(200,163)	(167,371)	(3,760)	(171,131)	17%
Rents	(292)	(789)	(1,081)	-	(1,461)	(1,461)	-29%
Provision (reversal) to reduce the realizable value of warehouses	-	66	66	-	7,450	7,450	-99%
Provision for litigation	-	107,188	107,188	-	12,747	12,747	n.m.
Expenses with judicial deposits	-	(23,643)	(23,643)	-	-	-	n.m.
Provision for PIS / COFINS judicial deposits	-	300	300	-	(213)	(213)	n.m.
Provision for doubtful accounts	-	-	-	-	(364)	(364)	n.m.
Other (expenses) or income	(5,030)	6,431	1,401	(7,772)	(7,907)	(15,679)	n.m.
Total	**(360,915)**	**50,685**	**(310,230)**	**(561,629)**	**(165,352)**	**(726,981)**	**-57%**

	Consolidated						
	1H20			1H19			
Costs & Expenses	**Costs**	**Expenses**	**Total**	**Costs**	**Expenses**	**Total**	**Var.(%)**
Purchased energy	(219,469)	-	(219,469)	(299,098)	-	(299,098)	-27%
Regulatory charges	(69,358)	-	(69,358)	(57,357)	-	(57,357)	21%
Personnel	(13,002)	(22,316)	(35,318)	(11,060)	(50,091)	(61,151)	-42%
VDP - voluntary dismissal program	-	-	-	(8,816)	(95,975)	(104,791)	n.m.
Administrators	-	(2,470)	(2,470)	-	(804)	(804)	n.m.
Social security entity	-	244	244	-	(6,752)	(6,752)	n.m.
Material	(502)	(510)	(1,012)	(1,738)	(432)	(2,170)	-53%
Third-party services	(3,523)	(10,064)	(13,587)	(8,417)	(17,100)	(25,517)	-47%
Insurance	-	(4,169)	(4,169)	-	(690)	(690)	n.m.
Depreciation/amortization	(196,215)	(4,056)	(200,271)	(167,371)	(3,760)	(171,131)	17%
Rents	(292)	(789)	(1,081)	-	(1,461)	(1,461)	-26%
Provision (reversal) to reduce the realizable value of warehouses	-	54	54	-	7,450	7,450	-99%
Provision for litigation	-	107,188	107,188	-	12,747	12,747	n.m.
Expenses with judicial deposits	-	(23,643)	(23,643)	-	-	-	n.m.
Mark-to-market future energy contracts	-	22,241	22,241	-	-	-	n.m.
Provision for PIS / COFINS judicial deposits	-	300	300	-	(213)	(213)	n.m.
Provision for doubtful accounts	-	-	-	-	(364)	(364)	n.m.
Other (expenses) or income	(5,030)	6,030	1,000	(7,772)	(7,907)	(15,679)	n.m.
Total	**(507,391)**	**68,040**	**(439,351)**	**(561,629)**	**(165,352)**	**(726,981)**	**-40%**