Conference Call 2017

March/2018

sabesp

Economic-Financial Office and Investor Relations Office

SBS LISTED NYSE

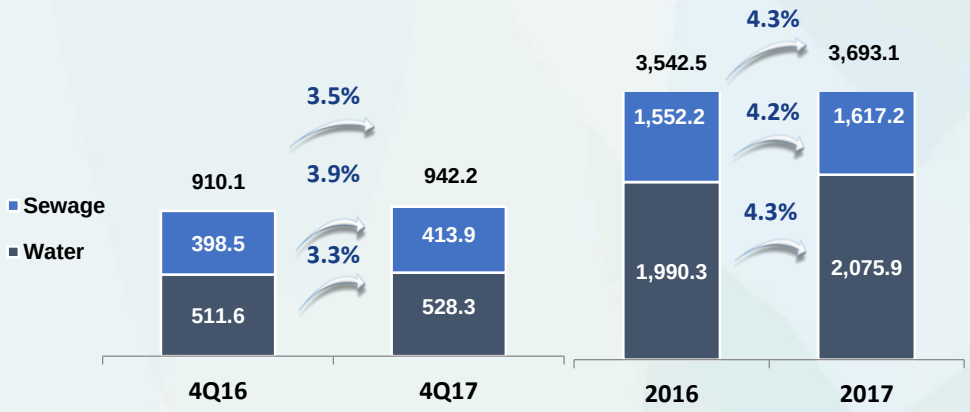
SBSP3 NOVO MERCADO BM&FBOVESPA

LEGAL NOTICE

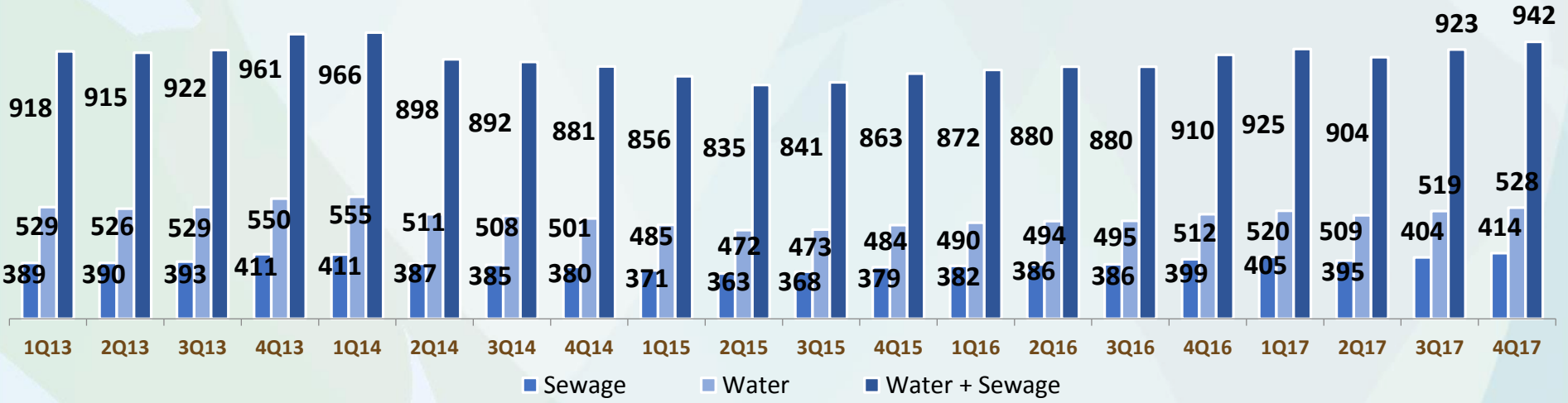
This presentation may contain forward-looking statements referring to SABESP's business outlook, operating and financial results estimates, and growth prospects. These are only projections, and as such, they are exclusively based on SABESP's management expectation in relation to the future of business and its continuous access to capital to finance the Company's business plan. These forward-looking statements largely depend on changes in market conditions, governmental rules, industry performance and the Brazilian economy, amongst other factors, in addition to risks exhibited in disclosure documents filed by SABESP. Therefore, they are subject to changes without prior notice.

BILLED VOLUME (million m³)

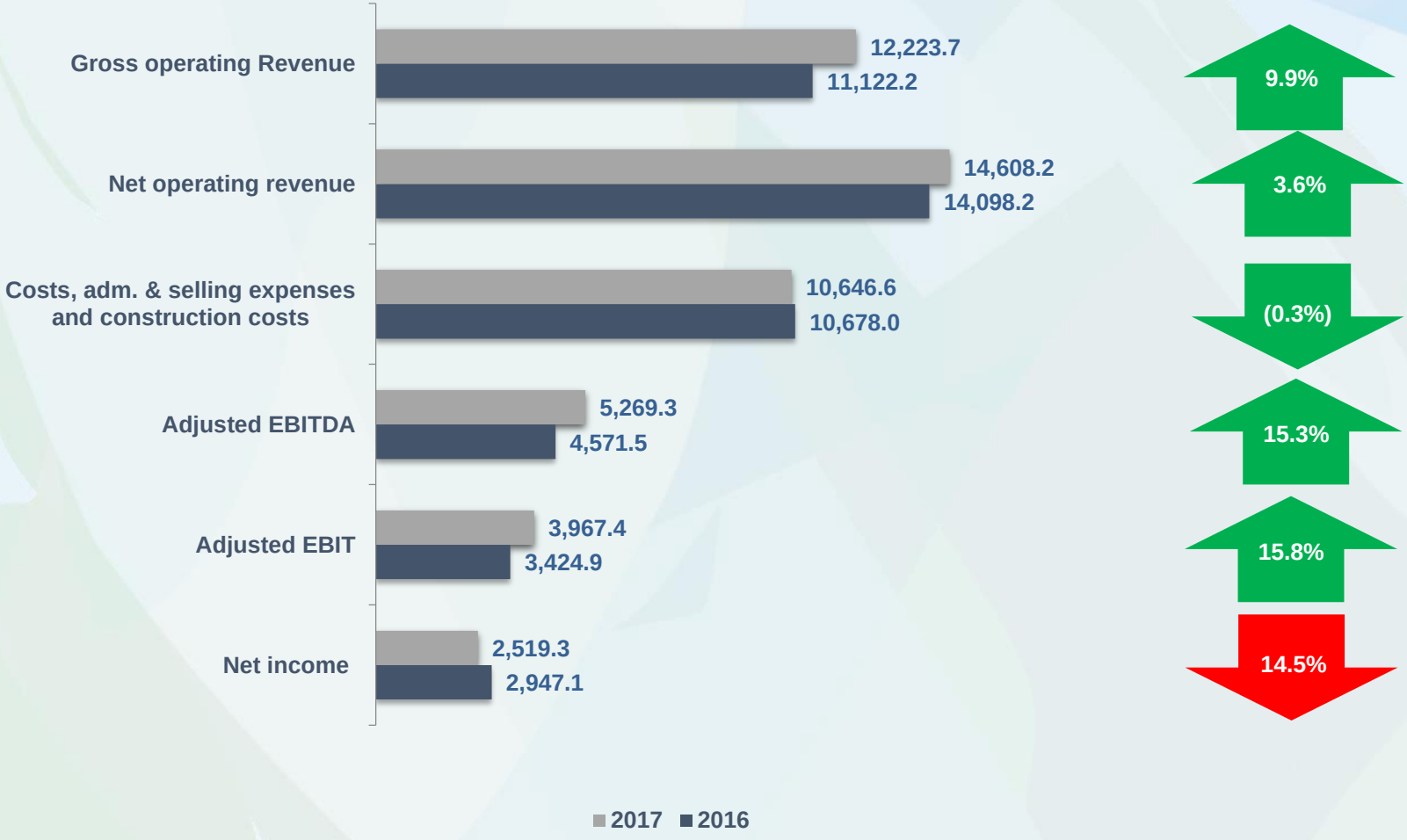
Total water and sewage billed volume, including wholesale



Historical Billed Volume



FINANCIAL HIGHLIGTHS (R$ million)



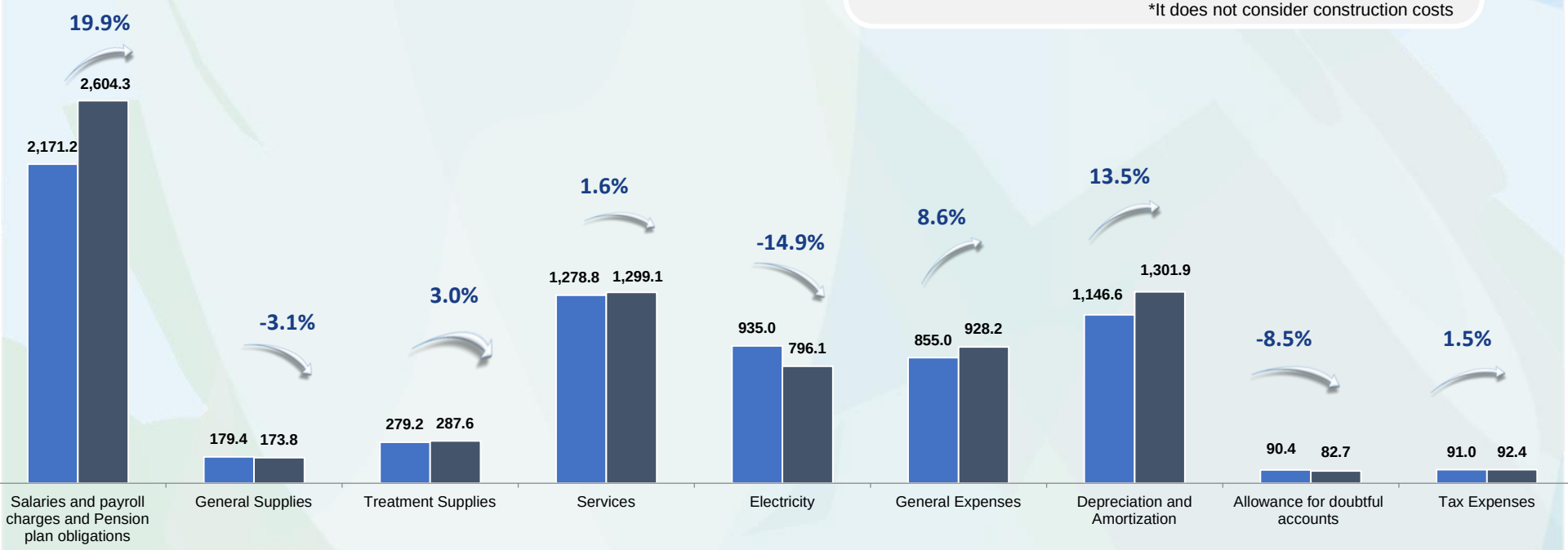
COSTS AND EXPENSES (R$ million)

Costs and expenses of 2016*: R$ 7,026.6

Costs and expenses of 2017*: R$ 7,566.1

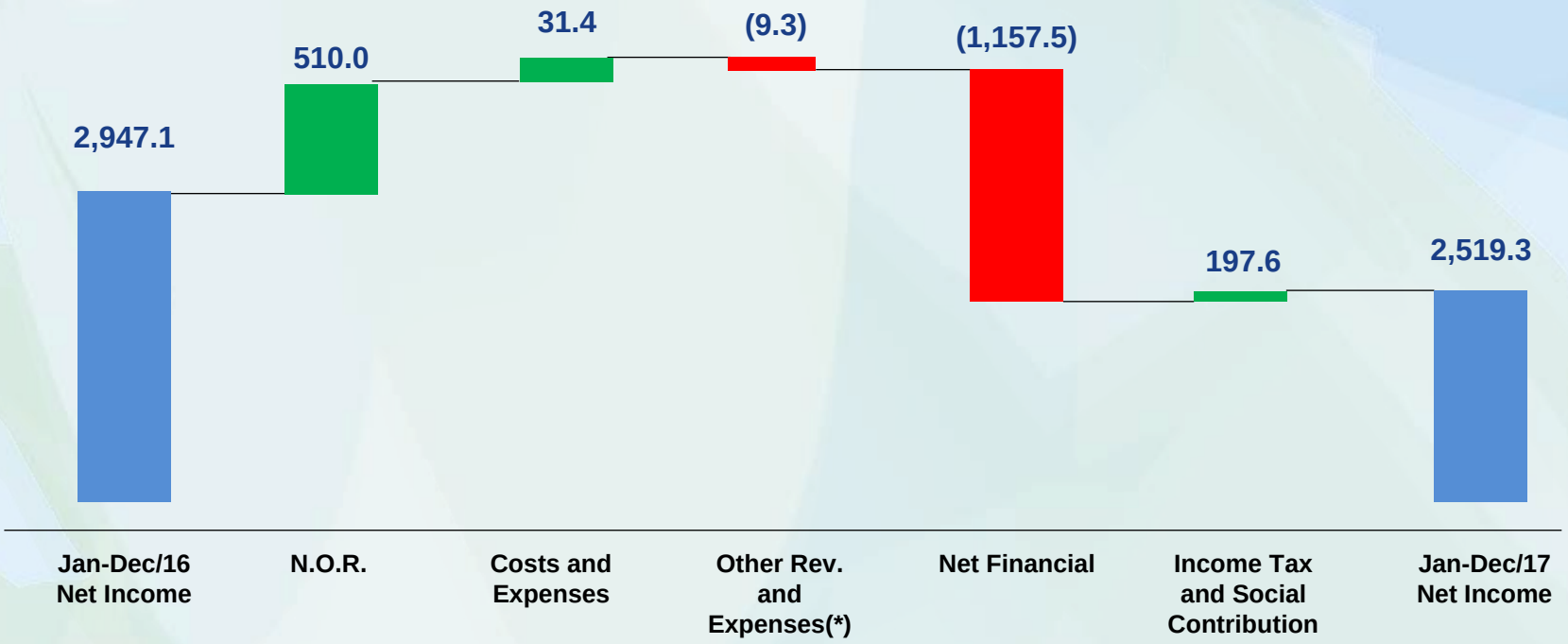
7.7%

*It does not consider construction costs



% Net Revenue in 2016								
15.0%	1.0%	2.0%	9.0%	7.0%	6.0%	8.0%	1.0%	1.0%
% Net Revenue in 2017								
18.0%	1.0%	2.0%	9.0%	6.0%	6.0%	9.0%	1.0%	1.0%

NET INCOME – MAIN VARIATIONS (R$ million)

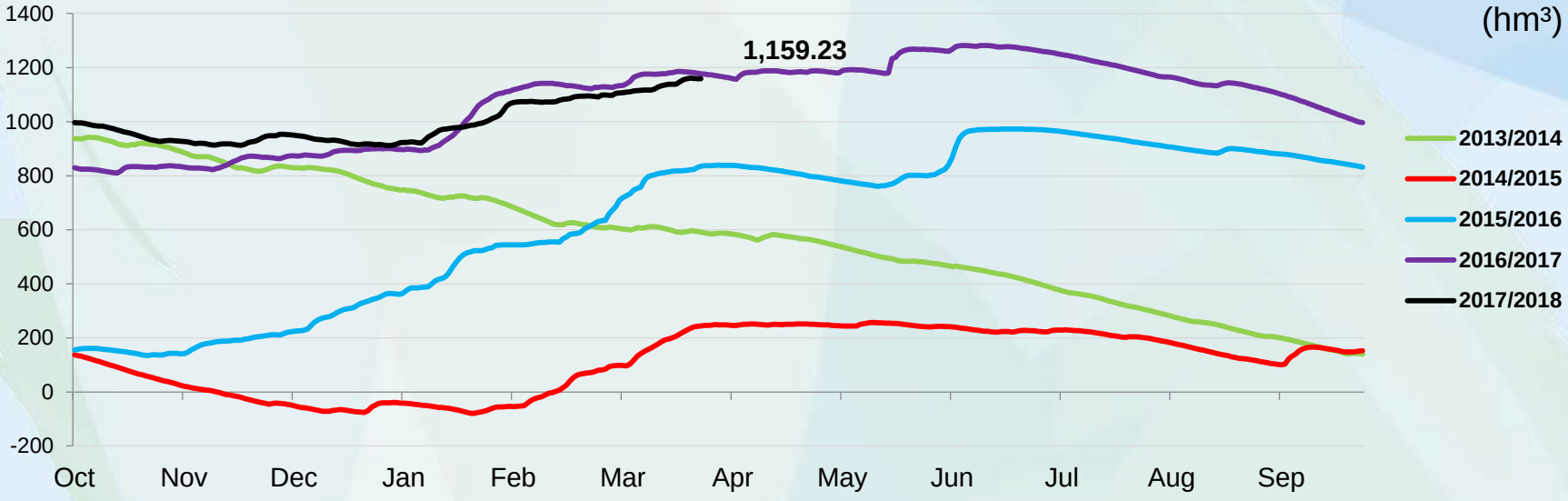


	Jan-Dec/2017	Jan-Dec/2016	Change
Net Income Jan-Dec/16			**2,947.1**
Net Operating Revenue	14,608.2	14,098.2	**510.0**
Costs and Expenses	(10,646.6)	(10,678.0)	**31.4**
Other Revenue and Expenses (*)	0.1	9.4	**(9.3)**
Net Financial	(458.1)	699.4	**(1,157.5)**
Income Tax and Social Contribution	(984.3)	(1,181.9)	**197.6**
Net Income Jan-Dec/17			**2,519.3**

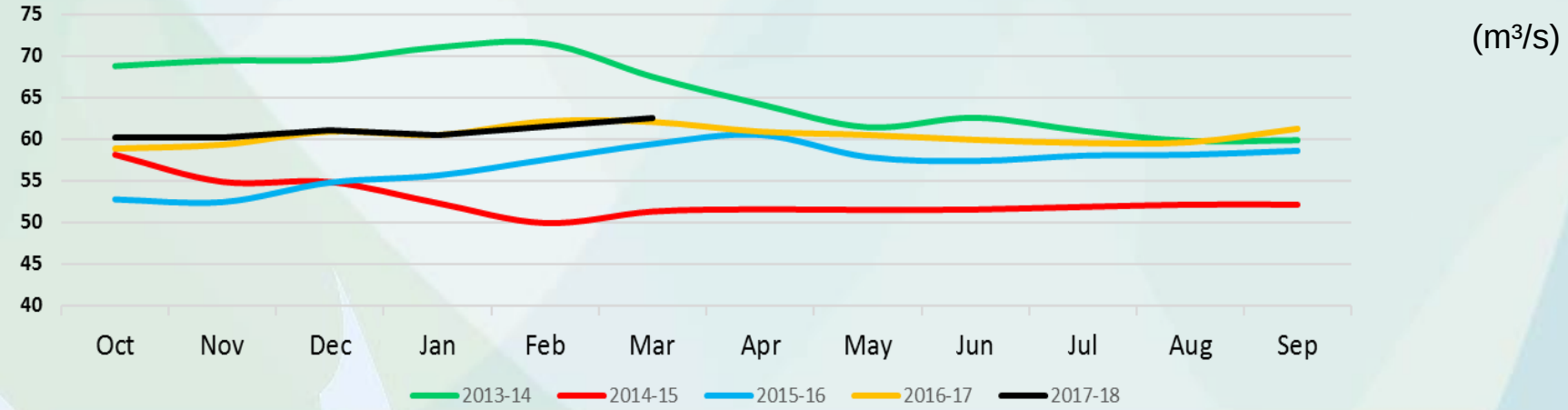
(*) Including equity result

SPMR – WATER SITUATION

ACTIVE VOLUME AVALIABLE (daily)



WATER PRODUCTION IN HYDROLOGICAL YEAR



SPMR – WATER SITUATION

MAIN WORKS THAT WILL BRING WATER TO SPMR

São Lourenço Production System

- New production System
- 100% concluded → Beginning of assisted operation planned for April, 2018
- Production of 6.4 m³/s
- It will supply water for 2 million people

Interconnection of Jaguari and Atibainha Reservoirs

- 100% concluded → Assisted operation since March, 2018
- Transfer of 5.13 m³/s from Jaguarí reservoir of Bacia do Paraíba do Sul to the Atibainha reservoir and vice-versa. The latter integrates the Cantareira System

INVESTMENTS (R$ million)

INVESTMENTS IN 2017

INVESTIMENTS PER SEGMENT	WATER	SEWAGE	TOTAL
Metropolitan Region	1,816.9	769.5	2,586.4
Regional Systems	408.5	393.0	801.5
Total	2,225.4	1,162.5	3,387.9

CAPEX PLAN 2018 - 2022

	2018	2019	2020	2021	2022	Total
Water	1,446	1,520	1,445	1,368	1,341	7,120
Sewage Collection	1,200	1,460	1,398	1,799	1,875	7,732
Sewage Treatment	254	394	657	596	541	2,442
Total	2,900	3,374	3,500	3,763	3,757	17,294

2nd Ordinary Tariff Revision

- **26/03/2018 -** ARSESP discloses the Preliminary Technical Note NT/F/0004/2018
- **From 27/03/2018 to 17/04/2018** - Period of Public Consultation and Hearing

	1st Preliminary Stage - October/17	Proposal for the Final Stage - May/18
Initial Regulatory Asset Base – RAB	R$ 40.3 billion	R$ 38.4 billion
WACC	8.11%	8.11%
X Factor		0.9287%
Tariff Repositioning Index	7.8888%	4.7744%

ITEM	R$ 1,000
(+) Initial Fixed RAB	39,703,922
(+) Working Capital	624,786
(=) Intial RAB – Total	40,328,708
(+) Additional on the previous value	388,268
(+) Capitalizable Expenditures	84,809
(-) Several Methodological Adjustments	127,286
(-) Disallawances	121,040
(-) PPP's	432,484
(-) New Municipalities	394,397
(-) Gap between disbursement and immobilization	515,604
(-) Write off	136,310
(-) Working Capital	624,786
(=) Total Final RAB	38,449,878

VARIATION FACTOR	CONTRIBUTION
(+) Additional on the previous value	-20.7%
(+) Capitalizable Expenditures	-4.5%
(-) Several Methodological Adjustments	6.8%
(-) Disallowances	6.4%
(-) PPP's	23.0%
(-) New Municipalities	21.0%
(-) Gap between Disbursements and Immobilization	27.4%
(-) Write off	7.3%
(-) Working Capital	33.3%
TOTAL	100.0%

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