Conference Call – 2Q17

August /2017

Economic-Financial Office and Investor Relations Office

SBS LISTED NYSE

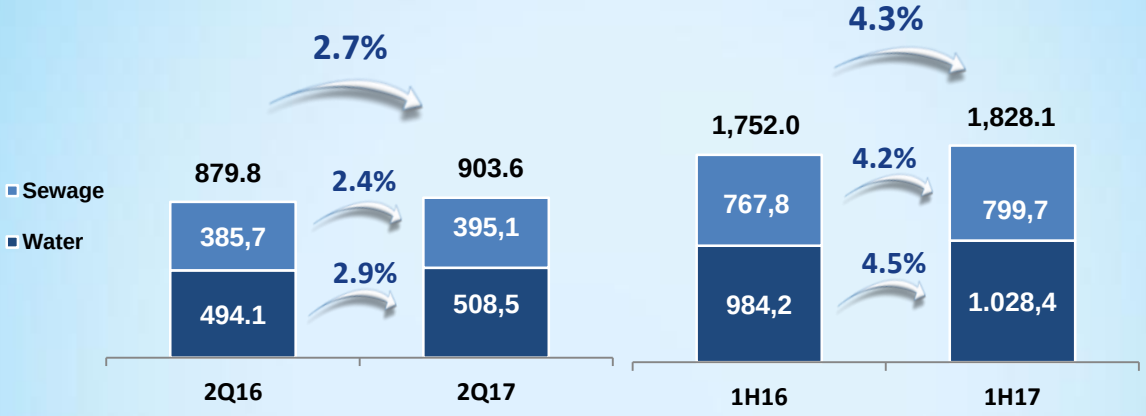
SBSP3 NOVO MERCADO BM&FBOVESPA

Notice

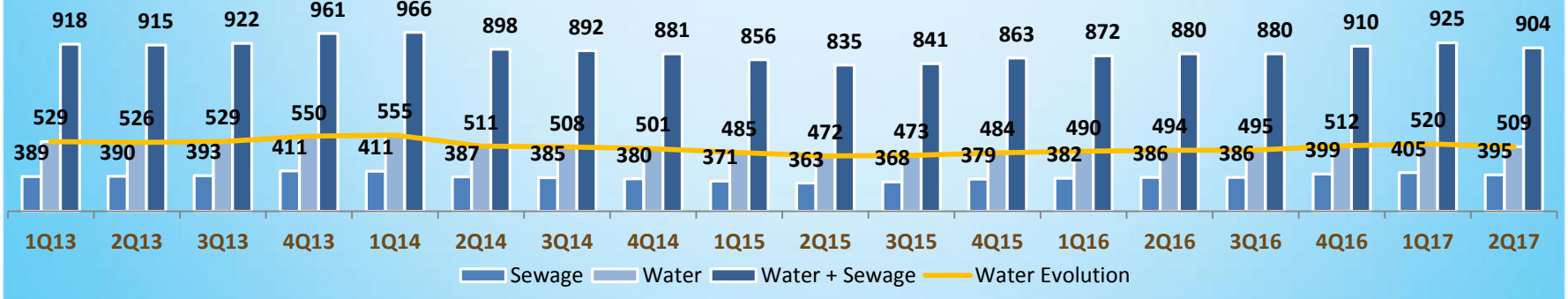
This presentation may contain forward-looking statements referring to SABESP's business outlook. operating and financial results estimates. and growth prospects. These are only projections. and as such. they are exclusively based on SABESP's management expectation in relation to the future of business 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)

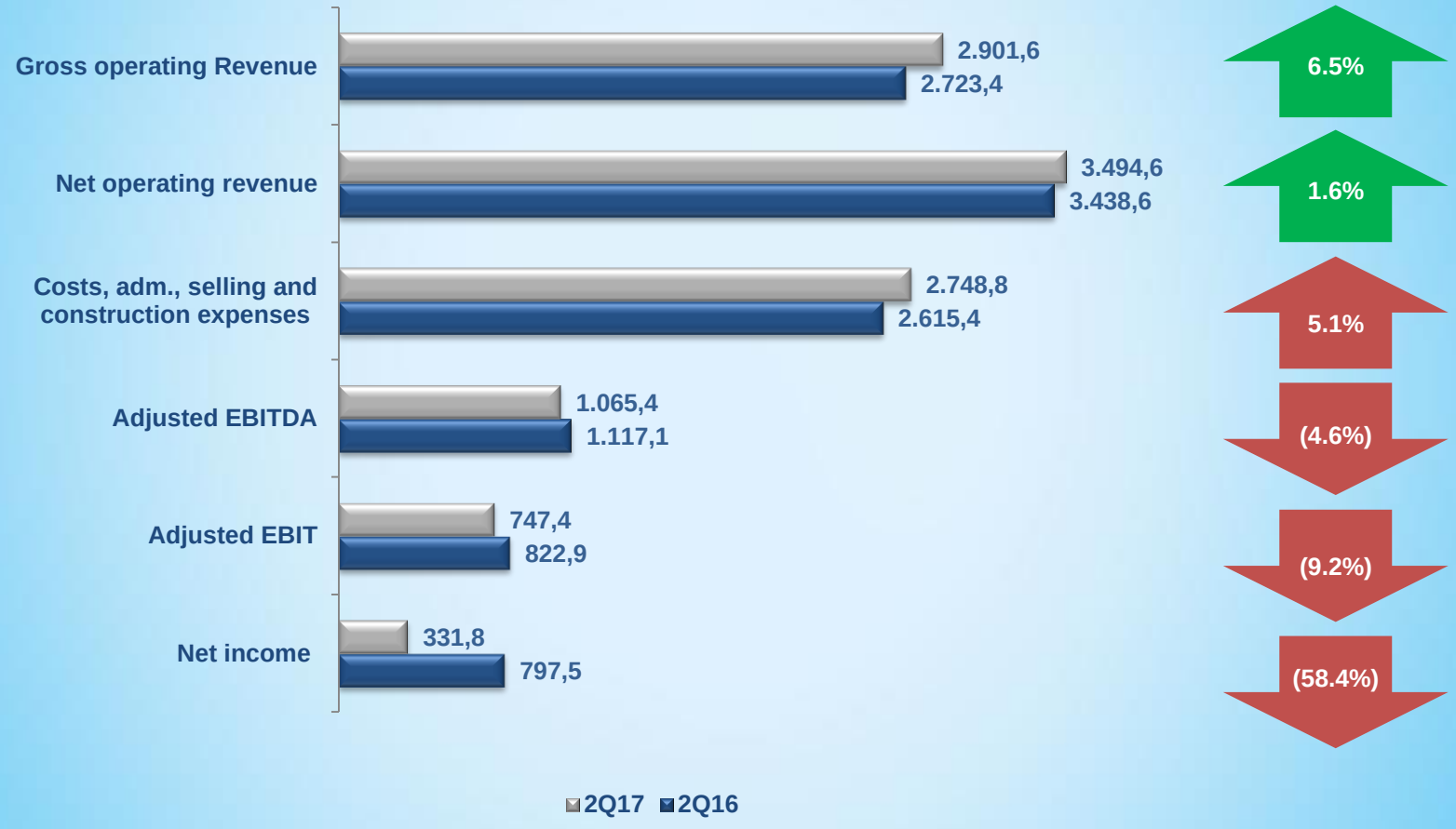
Total water and sewage billed volume, including wholesale



Historical Billed Volume



Financial Highlights (R$ million)



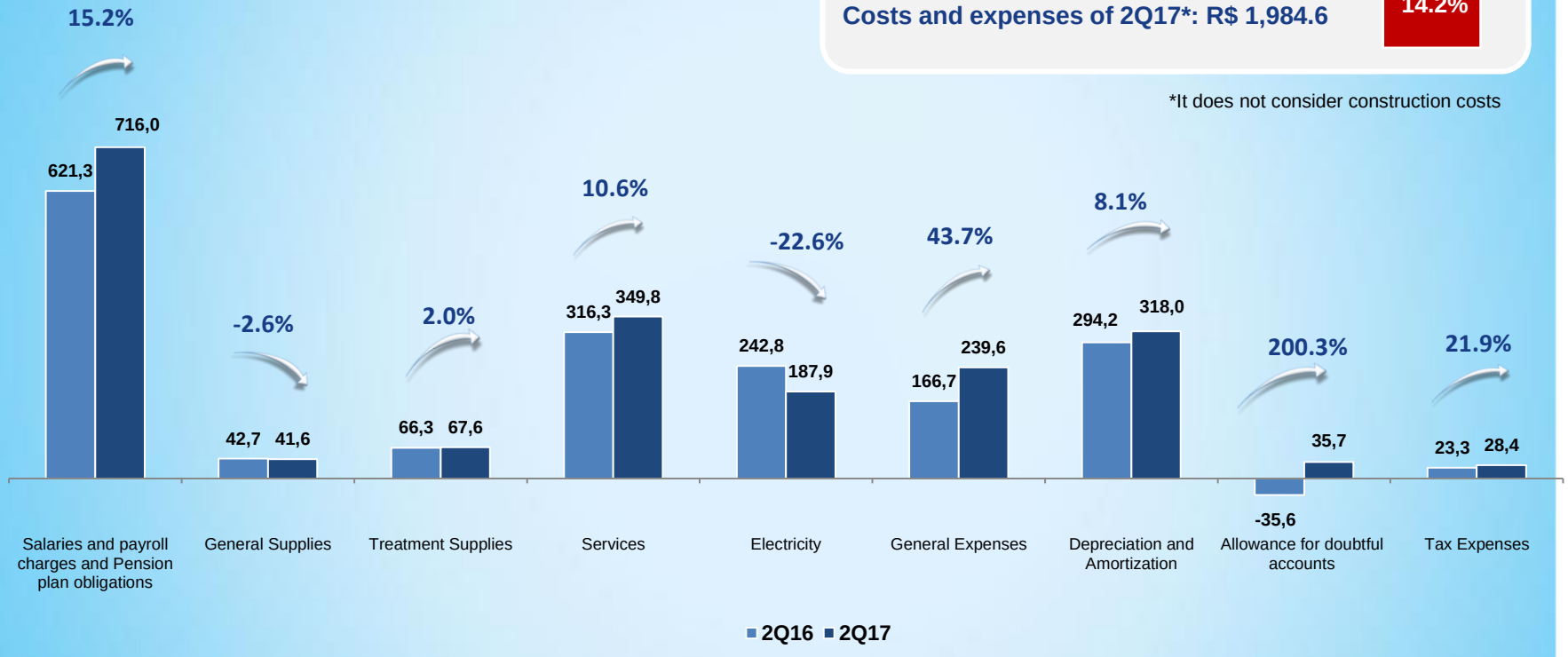
Costs and Expenses (R$ million)

Costs and expenses of 2Q16*: R$ 1,738.0

Costs and expenses of 2Q17*: R$ 1,984.6

14.2%

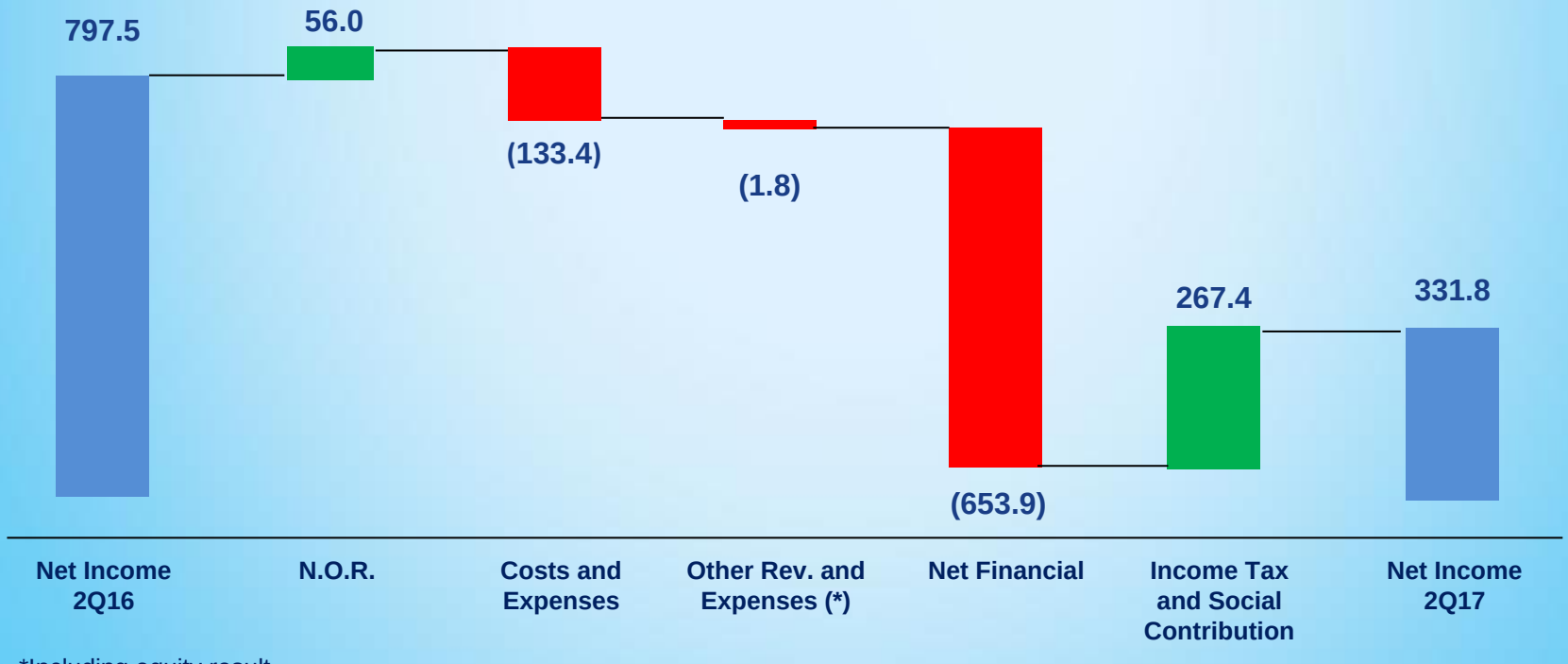
*It does not consider construction costs



% Net Revenue in 2Q16								
18.1%	1.2%	1.9%	9.2%	7.1%	4.8%	8.6%	-1.0%	0.7%
% Net Revenue in 2Q17								
20.5%	1.2%	1.9%	10.0%	5.4%	6.9%	9.1%	1.0%	0.8%

Net income – Main variations (R$ million)

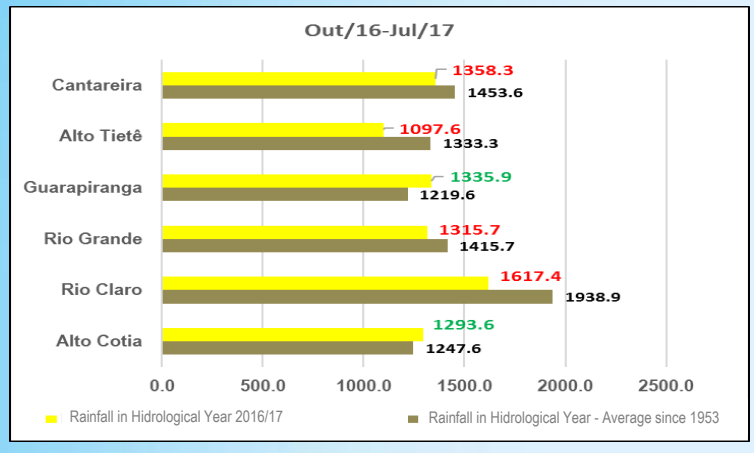
	2Q17	2Q16	Chng.
Net Income 2Q16: 797.5			
Net Operating Revenue	3,494.6	3,438.6	**56.0**
Costs and Expenses	(2,748.8)	(2,615.4)	**(133.4)**
Other Revenues and Expenses*	14.1	15.9	**(1.8)**
Net Financial	(281.2)	372.7	**(653.9)**
Income Tax and Social Contrib.	(146.9)	(414.3)	**267.4**
Net Income 2Q17: 331.8			



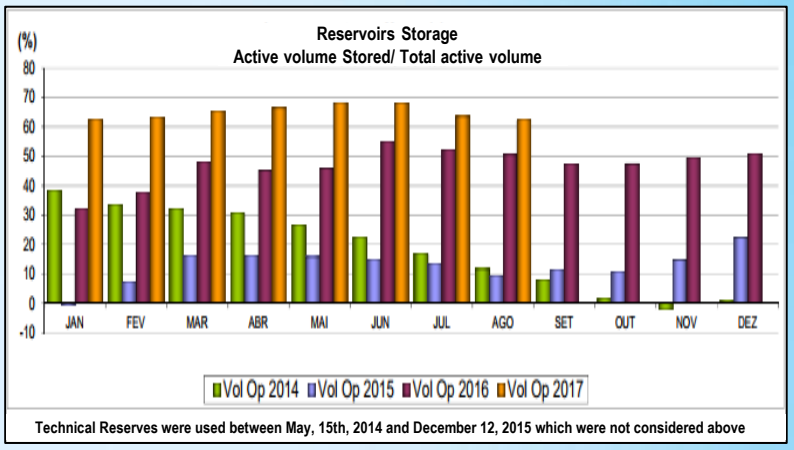
*Including equity result

Hidrological Status in SPMR

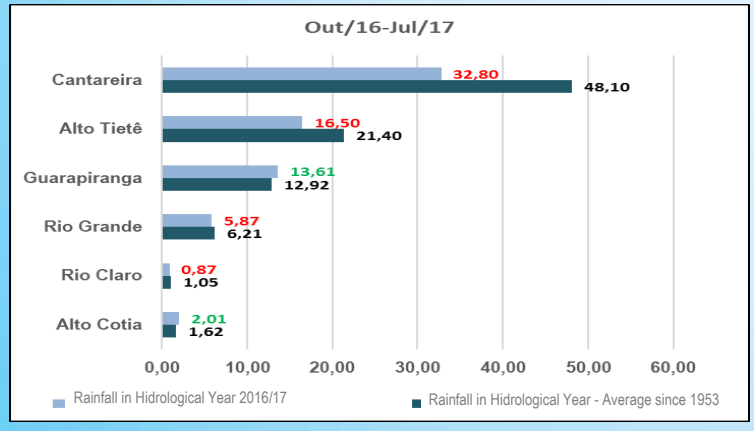
Rainfall (mm)



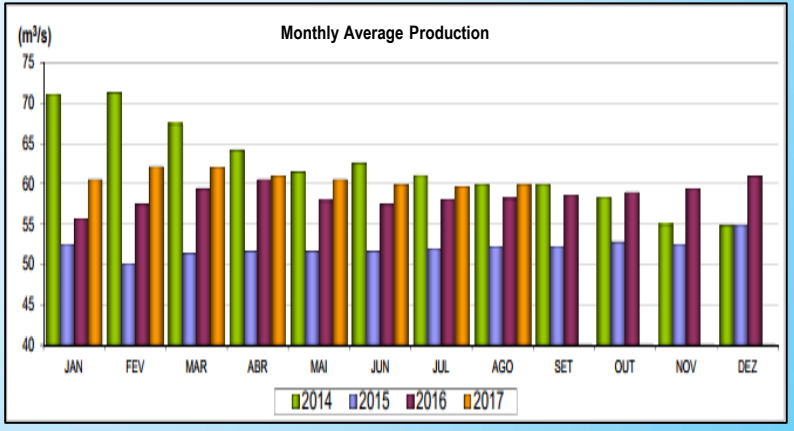
Reservoirs' Storage



Water Inflow (m³/s)



Monthly Average Production



2nd Ordinary Tariff Revision

- **08/11/2017** - ARSESP opens a Public Consultation no. 01/2017 referring to the initial stage of the Second Ordinary Tariff Revision (2nd OTR) of Sabesp, and released the Preliminary Technical Note NT/F/003/2017

Initial Regulatory Asset Base	**R$ 40.3 billion**
WACC	**8.01%**
Preliminary P0	**R$ 3.62652/m³**
Tariff Repositioning Index	**4.37%**

Capitalization

Main Events:

- **05/12/2017** - The State Privatization Program's Board approved the development of studies for the Capitalization of Sabesp
- **07/07/2017** – Hiring of IFC
- **08/02/2017** – The Government of the State of São Paulo sent to the Legislative Chamber a Bill 659 (LB) that provides for Sabesp's corporate reorganization
  - This LB has been conducted under urgency and will be appreciated by 5 Commissions: Constitution and Justice, Infrastructure, Finance and Planning
  - Expected to be approved within 45 days

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