

COMPANHIA DE SANEAMENTO BASICO DO ESTADO DE SAO PAULO-SABESP

Form 6-K

September 08, 2009

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**SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549**

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**FORM 6-K**

**REPORT OF FOREIGN ISSUER  
PURSUANT TO RULE 13a-16 OR 15d-16 OF THE  
SECURITIES EXCHANGE ACT OF 1934**

**For August 28, 2009**

**(Commission File No. 1-31317)**

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**Companhia de Saneamento Básico do Estado de São Paulo - SABESP**  
*(Exact name of registrant as specified in its charter)*

**Basic Sanitation Company of the State of Sao Paulo - SABESP**  
*(Translation of Registrant's name into English)*

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**Rua Costa Carvalho, 300  
São Paulo, S.P., 05429-900  
Federative Republic of Brazil**  
*(Address of Registrant's principal executive offices)*

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Indicate by check mark whether the registrant files or will file  
annual reports under cover Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K  
in paper as permitted by Regulation S-T Rule 101(b)(1).

Indicate by check mark if the registrant is submitting the Form 6-K  
in paper as permitted by Regulation S-T Rule 101(b)(7).

Indicate by check mark whether the registrant by furnishing the  
information contained in this Form is also thereby furnishing the  
information to the Commission pursuant to Rule 12g3-2(b) under  
the Securities Exchange Act of 1934.

Yes  No

If "Yes" is marked, indicated below the file number assigned to the  
registrant in connection with Rule 12g3-2(b):

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**CIA. DE SANEAMENTO BÁSICO DO ESTADO DE SÃO PAULO - SABESP**

Rui de Britto Álvares Affonso  
Chief Financial Officer and Investor Relations Officer  
Mario Azevedo de Arruda Sampaio  
Head of Capital Markets and Investor Relations

**SABESP announces 2Q09 results**

São Paulo, August 7, 2009 - **Companhia de Saneamento Básico do Estado de São Paulo SABESP** (BM&FBovespa: SBSP3; NYSE: SBS), one of the largest water and sewage services providers in the world based on the number of customers, announces today its **results for the second quarter of 2009 (2Q09)**. The Company's operating and financial information, except when indicated otherwise, is presented in Brazilian Reals, in accordance with the Brazilian Corporate Law. All comparisons in this release, unless otherwise stated, refer to the same period of 2008.

SBSP3: R\$ 32.02 / share  
SBS US\$ 35.30 (ADR=2  
shares)  
Total shares: 227,836,623  
Market value: R\$ 7.3 billion  
Closing price: August 7, 2009

## 1. Net Operating Revenue

	<i>R\$ million</i>							
	Change				Change			
	2Q08	2Q09	R\$	%	1H08	1H09	R\$	%
(+) Gross operating revenue	1,627.3	1,743.6	116.3	7.1	3,285.9	3,523.0	237.1	7.2
(-) COFINS and PASEP taxes	114.0	120.0	6.0	5.3	232.5	246.0	13.5	5.8
(=) Net operating revenue	1,513.3	1,623.6	110.3	7.3	3,053.4	3,277.0	223.6	7.3
(-) Costs and expenses	1,032.2	1,118.3	86.1	8.3	1,948.1	2,309.7	361.6	18.6
(=) Earnings before financial expenses (EBIT*)	481.1	505.3	24.2	5.0	1,105.3	967.3	(138.0)	(12.5)
(+) Depreciation and amortization	154.9	161.5	6.6	4.3	305.1	323.2	18.1	5.9
(=) EBITDA**	636.0	666.8	30.8	4.8	1,410.4	1,290.5	(119.9)	(8.5)
(%) EBITDA margin	42.0	41.1	-	-	46.2	39.4	-	-
Net income	360.0	464.7	104.7	29.1	663.7	720.9	57.2	8.6
Earnings per share (R\$)	1.58	2.04	-	-	2.91	3.16	-	-

(\* Earnings before interest and taxes)

(\*\* Earnings before interest, taxes, depreciation and amortization)

In 2Q09, net operating revenue totaled R\$ 1.6 billion, a 7.3% increase compared to 2Q08. Costs and expenses, stood at R\$ 1.1 billion, 8.3% higher than in 2Q08. EBITDA grew 4.8%, from R\$ 636.0 million in 2Q08 to R\$ 666.8 million in 2Q09.

Earnings before financial expenses (EBIT) increased 5.0%, from R\$ 481.1 million in 2Q08 to R\$ 505.3 million in 2Q09.

## 2. Gross operating revenue

In 2Q09, gross operating revenue grew R\$ 116.3 million, or 7.1%, from R\$ 1.6 billion in 2Q08 to R\$ 1.7 billion in 2Q09. The main reasons for this increase were:

- The 5.1% tariff adjustment as of September 2008; and
- The 3.0% growth in total billed volume, 2.7% of which corresponded to water and 3.4% to sewage.

## 3. Billed volume

The following tables show billed water and sewage volume per customer category and region in 2Q08, 2Q09, 1H08 and 1H09.

### BILLED WATER AND SEWAGE VOLUME <sup>(1)</sup> PER CUSTOMER CATEGORY - million m<sup>3</sup>

Category	Water			Sewage			Water + Sewage		
	2Q08	2Q09	%	2Q08	2Q09	%	2Q08	2Q09	%
Residential	333.9	344.3	3.1	267.6	278.2	4.0	601.5	622.5	3.5

Commercial	38.1	38.6	1.3	35.3	35.9	1.7	73.4	74.5	1.5
Industrial	8.8	8.5	(3.4)	8.5	8.7	2.4	17.3	17.2	(0.6)
Public	12.1	12.4	2.5	9.7	10.1	4.1	21.8	22.5	3.2
<b>Total retail</b>	<b>392.9</b>	<b>403.8</b>	<b>2.8</b>	<b>321.1</b>	<b>332.9</b>	<b>3.7</b>	<b>714.0</b>	<b>736.7</b>	<b>3.2</b>
Wholesale	70.3	71.7	2.0	7.4	6.9	-	77.7	78.6	1.2
Reused water	0.1	0.1	-	-	-	-	0.1	0.1	-
<b>Total</b>	<b>463.3</b>	<b>475.6</b>	<b>2.7</b>	<b>328.5</b>	<b>339.8</b>	<b>3.4</b>	<b>791.8</b>	<b>815.4</b>	<b>3.0</b>

**BILLED WATER AND SEWAGE VOLUME <sup>(1)</sup> PER CUSTOMER CATEGORY - million m<sup>3</sup>**

Category	Water			Sewage			Water + Sewage		
	1H08	1H09	%	1H08	1H09	%	1H08	1H09	%
Residential	674.7	696.3	3.2	538.7	560.1	4.0	1,213.4	1,256.4	3.5
Commercial	76.1	77.2	1.4	70.0	71.3	1.9	146.1	148.5	1.6
Industrial	17.6	16.8	(4.5)	16.8	16.8	-	34.4	33.6	(2.3)
Public	23.0	23.3	1.3	18.4	19.1	3.8	41.4	42.4	2.4
<b>Total retail</b>	<b>791.4</b>	<b>813.6</b>	<b>2.8</b>	<b>643.9</b>	<b>667.3</b>	<b>3.6</b>	<b>1,435.3</b>	<b>1,480.9</b>	<b>3.2</b>
Wholesale	140.9	143.5	1.8	14.7	14.6	-	155.6	158.1	1.6
Reused water	0.1	0.1	-	-	-	-	0.1	0.1	-
<b>Total</b>	<b>932.4</b>	<b>957.2</b>	<b>2.7</b>	<b>658.6</b>	<b>681.9</b>	<b>3.5</b>	<b>1,591.0</b>	<b>1,639.1</b>	<b>3.0</b>

**BILLED WATER AND SEWAGE VOLUME <sup>(1)</sup> PER REGION - million m<sup>3</sup>**

Region	Water			Sewage			Water + Sewage		
	2Q08	2Q09	%	2Q08	2Q09	%	2Q08	2Q09	%
Metropolitan	263.9	269.2	2.0	220.1	226.7	3.0	484.0	495.9	2.5
Regional <sup>(2)</sup>	129.0	134.6	4.3	101.0	106.2	5.1	230.0	240.8	4.7
<b>Total retail</b>	<b>392.9</b>	<b>403.8</b>	<b>2.8</b>	<b>321.1</b>	<b>332.9</b>	<b>3.7</b>	<b>714.0</b>	<b>736.7</b>	<b>3.2</b>
Wholesale	70.3	71.7	2.0	7.4	6.9	(6.8)	77.7	78.6	1.2
Reused water	0.1	0.1	-	-	-	-	0.1	0.1	-
<b>Total</b>	<b>463.3</b>	<b>475.6</b>	<b>2.7</b>	<b>328.5</b>	<b>339.8</b>	<b>3.4</b>	<b>791.8</b>	<b>815.4</b>	<b>3.0</b>

**BILLED WATER AND SEWAGE VOLUME <sup>(1)</sup> PER REGION - million m<sup>3</sup>**

Region	Water			Sewage			Water + Sewage		
	1H08	1H09	%	1H08	1H09	%	1H08	1H09	%
Metropolitan	527.5	539.0	2.2	438.2	451.7	3.1	965.7	990.7	2.6
Regional <sup>(2)</sup>	263.9	274.6	4.1	205.7	215.6	4.8	469.6	490.2	4.4
<b>Total retail</b>	<b>791.4</b>	<b>813.6</b>	<b>2.8</b>	<b>643.9</b>	<b>667.3</b>	<b>3.6</b>	<b>1,435.3</b>	<b>1,480.9</b>	<b>3.2</b>
Wholesale	140.9	143.5	1.8	14.7	14.6	(0.7)	155.6	158.1	1.6
Reused water	0.1	0.1	-	-	-	-	0.1	0.1	-
<b>Total</b>	<b>932.4</b>	<b>957.2</b>	<b>2.7</b>	<b>658.6</b>	<b>681.9</b>	<b>3.5</b>	<b>1,591.0</b>	<b>1,639.1</b>	<b>3.0</b>

(1) Not revised by the Independent Auditors

(2) Including coastal and interior regions

**4. Costs, administrative and selling expenses**

In 2Q09, costs of products and services, administrative and selling expenses increased R\$ 86.1 million, or 8.3% . Costs and expenses, as a percentage of net revenue, remained flat.

R\$ million									
	Change				Change				
	2Q08	2Q09	R\$	%	1H08	1H09	R\$	%	

Payroll and benefits	343.6	360.9	17.3	5.0	662.6	848.9	186.3	28.1
Supplies	35.5	36.8	1.3	3.7	66.3	71.6	5.3	8.0
Treatment supplies	27.9	33.1	5.2	18.6	67.9	71.9	4.0	5.9
Services	152.5	276.3	123.8	81.2	280.9	457.9	177.0	63.0
Electric power	115.5	121.7	6.2	5.4	229.1	238.8	9.7	4.2
General expenses	61.4	42.3	(19.1)	(31.1)	129.7	100.3	(29.4)	(22.7)
Tax expenses	6.6	10.0	3.4	51.5	14.7	34.0	19.3	131.3
<b>Sub-total</b>	<b>743.0</b>	<b>881.1</b>	<b>138.1</b>	<b>18.6</b>	<b>1,451.2</b>	<b>1,823.4</b>	<b>372.2</b>	<b>25.6</b>
Depreciation and amortization	154.9	161.5	6.6	4.3	305.1	323.2	18.1	5.9
Credit write-offs	134.3	75.7	(58.6)	(43.6)	191.8	163.1	(28.7)	(15.0)
<b>Costs, administrative and selling expenses</b>	<b>1,032.2</b>	<b>1,118.3</b>	<b>86.1</b>	<b>8.3</b>	<b>1,948.1</b>	<b>2,309.7</b>	<b>361.6</b>	<b>18.6</b>
% over net revenue	68.2	<b>68.9</b>	-	-	63.8	<b>70.5</b>	-	-

#### 4.1. Payroll and benefits

In 2Q09 payroll and benefits grew R\$ 17.3 million or 5.0%, from R\$ 343.6 million to R\$ 360.9 million, due to the 5.03% increase in wages as of May 2008 and of 6.69% as of May 2009.

#### 4.2. Supplies

In 2Q09, supplies grew R\$ 1.3 million, or 3.7%, when compared to the previous year, from R\$ 35.5 million to R\$ 36.8 million. The main factors explaining this increase were: data processing expenses in the amount of R\$ 0.8 million, due to equipments replacement and modernization; and buildings and installations maintenance in the amount of R\$ 0.4 million.

#### 4.3. Treatment supplies

In 2Q09, expenses with chemical products grew R\$ 5.2 million, or 18.6%, from R\$ 27.9 million in 2Q08 to R\$ 33.1 million in 2Q09, mainly due to:

- R\$ 3.9 million growth due to the increase in iron chloride and aluminum polychloride consumption products enabling a more efficient water treatment process, replacing products such as aluminum and iron sulphate, the latter deriving from ferric sulphate, causer of environmental damages; and
- R\$ 0.7 million growth with chlorine expenses. Although we noticed a drop in consumption, the price of this product increased 9.9%.

#### 4.4. Services

In the 2Q09, this item grew R\$ 123.8 million, or 81.2%, from R\$ 152.5 million to R\$ 276.3 million. The main factors leading to this increase were:

- Provision of R\$ 62.2 million for future disbursements, already committed, related to initiatives determined by the partnership between Sabesp and the São Paulo Municipal Government;
- Preventive and corrective maintenance at the water treatment systems in the amount of R\$ 9.3 million, due to the following factors: i) R\$ 12.1 million related to Public-Private Partnership (PPP) Taiaçupeba; ii) initiatives regarding urbanization, landscaping, lighting, sports equipment and leisure, construction of community foundations at the *Parque da Integração*, as part of the agreement with the São Paulo Municipal Government, in the amount of R\$ 4.5 million; and iii) R\$ 6.1 million decrease related to the repair of large-diameter sewage network interceptor, which was broken in 2Q08;
- Expenses with advertising campaigns focused on social-environmental initiatives, such as *Projeto Verão*, *Onda Limpa*, *Soluções Ambientais*, Program for the Rational Use of Water (PURA), among others, in the amount of R\$ 7.9 million, which will be recurring for the coming quarters;
- Expenses with risk contracts for the recovery of credits, in the amount of R\$ 7.7 million, due to the intensification of collection operations, which led to a R\$ 99.0 million increase in the quarter's revenue;
- Residential connection and sewage network maintenance in the amount of R\$ 12.8 million, due to the start up of services hired through the Global Sourcing at the Santos coastal region, and the acceleration of the execution of service contracts in the São Paulo Metropolitan Region. Other factors that influenced: i) greater allocation of resources in Water Loss Reduction Program; and ii) intensification of the operations to meet the demands of the *Córrego Limpo* Program with the São Paulo Municipal Government;

- Expenses of R\$ 4.2 million with the implementation of Program for the Rational Use of Water at municipal schools, as a result of the partnership established between Sabesp and the São Paulo Municipal Government, with higher disbursements since July/08;
- Expenses of R\$ 2.7 million with treatment and disposal of sludge related to services provided by the Public-Private Partnership, recurring for the coming quarters;
- Car rental expenses started in the second half of 2008, due to the replacement of the Company's own fleet, in the amount of R\$ 2.7 million;



- Higher expenses with paving and pavement replacing services in the amount of R\$ 1.7 million, due to: i) better quality of the material used for asphalt replacing, to meet the municipality's quality demand, recurring for the coming quarters; and ii) acceleration of the execution of service contracts in the São Paulo Metropolitan Region;
- Recruitment of interns in the amount of R\$ 1.6 million, to meet the demand from the Customer Services Code;
- Buildings and installation maintenance in the amount of R\$ 1.4 million, due to the modernization and revitalization of facilities to allocate the employees from the buildings that were sold, and execution of a new external sidewalk at the Costa Carvalho headquarter;
- Hydrometer reading and bill delivery in the amount of R\$ 1.3 million, due to the increase in the number of connections and the use of new technologies, allowing an increase in security and a more agile system for reading and issuing bills; and
- Software maintenance in the amount of R\$ 1.3 million to update the technical registration of the geographical information system SIGNOS (distribution network, adduction, collection and treatment inventory) in the São Paulo Metropolitan Region.

#### 4.5. Electric power

In 2Q09, electric power expenses grew R\$ 6.2 million or 5.4%, from R\$ 115.5 million to R\$ 121.7 million, due to the 7.4% increase in the tariff from the captive market and the 10.4% increase from the free market.

	Participation (%)	Average Price Change (%)	Weighted Average (%)
Free market	23.0	10.4	2.4
Captive market	77.0	7.4	5.7
			8.1

#### 4.6. General expenses

In 2Q09, general expenses dropped R\$ 19.1 million or 31.1%, from R\$ 61.4 million to R\$ 42.3 million, mainly due to the decline of R\$ 24.6 million in provisions for judicial contingencies.

#### 4.7. Credit write-offs

In 2Q09 credit write-offs dropped R\$ 58.6 million or 43.6%, from R\$ 134.3 million to R\$ 75.7 million, mainly due to the need to complement the write-off of overdue debt in 2Q08 related to the municipalities that are served by the Company in the wholesale.

#### 4.8. Tax expenses

In 2Q09 tax expenses grew R\$ 3.4 million or 51.5%, due to:

- Payment of the TRCF (Regulation, Control and Oversight Fee) to ARSESP (São Paulo State Sanitation and Energy Regulatory Agency) in the amount of R\$ 8.0 million, initiated in 3Q08; and

- R\$ 2.3 million drop in the tax on Financial Operations (IOF), as a result of the settlement of the 2008 Eurobonds and AB LOAN funding in 2Q08.

## **5. Other operating revenues and expenses**

### **5.1. Other operating revenues**

In 2Q09 other operating revenues increased R\$ 5.4 million in accordance to the new accounting practices, mainly due to network donation.

## 5.2. Other operating expenses

Operating expenses grew R\$ 3.4 million or 70.8%, mainly a result of the allocation of fiscal incentives to audiovisual and cultural projects.

## 6. Financial revenues and expenses

	2Q08	2Q09	Var.	<i>R\$ million</i> %
Financial expenses				
Interest and charges on domestic loans and financing	103.4	94.8	(8.6)	(8.3)
Interest and charges on international loans and financing	13.4	15.2	1.8	13.4
Interest rate over foreign remittance	1.4	1.1	(0.3)	(21.4)
Interest rate over lawsuit indemnity, net of provisions	56.5	33.9	(22.6)	(40.0)
Other financial expenses	(60.7)	7.5	68.2	(112.4)
<b>Total financial expenses</b>	<b>114.0</b>	<b>152.5</b>	<b>38.5</b>	<b>33.8</b>
Financial revenues	27.4	42.5	15.1	55.1
<b>Financial expenses net of revenues</b>	<b>86.6</b>	<b>110.0</b>	<b>23.4</b>	<b>27.0</b>

### 6.1. Financial expenses

In 2Q09, financial expenses increased R\$ 38.5 million or 33.8%, as described below:

- R\$ 4.5 million increase in interest in foreign financing, due to the AB LOAN funding, in June 2008, in the amount of US\$ 250.0 million, and by the US dollar depreciation versus the Brazilian Real in the period, increasing the balance of loans in foreign currency;
- This increase was partially offset by the settlement of the 2008 Eurobonds, in June 2008, in the amount of US\$ 98.0 million, with a R\$ 2.7 million variation;
- Decrease in interest and charges for domestic financing, as a result of a drop in the payable balance due to the settlement held in the amount of R\$ 8.6 million;
- Interest reversal over lawsuits in the amount of R\$ 22.6 million; and
- A R\$ 68.2 million increase in other financial expenses, as a result of the:

Adjustment in the interest calculation regarding the special installment program (PAES) in the amount of R\$ 67.6 million in 2Q08, non-recurring in 2Q09;

Expenses contracted in order to formalize the agreements with the municipalities for the program contracts in the amount of R\$ 4.6 million; and

Banking fees in the amount of R\$ 3.9 million due to AB LOAN funding in June 2008, non- recurring in 2Q09.

## **6.2. Financial revenues**

Financial revenues presented an increase of R\$ 15.1 million due to financial investments, interest from the Gesp Agreement and Customer installment agreements.

## 7. Foreign exchange and indexation

	2Q08	2Q09	Var.	<i>R\$ million</i> %
Monetary variation over loans and financing	46.8	0.8	(46.0)	(98.3)
Currency exchange variation over loans and financing	(104.4)	(237.8)	(133.4)	127.8
Other variations	7.7	5.8	(1.9)	(24.7)
<b>Variation on liabilities</b>	<b>(49.9)</b>	<b>(231.2)</b>	<b>(181.3)</b>	<b>363.3</b>
<b>Variation on assets</b>	<b>16.4</b>	<b>14.0</b>	<b>(2.4)</b>	<b>(14.6)</b>
<b>Net Variation</b>	<b>(66.3)</b>	<b>(245.2)</b>	<b>(178.9)</b>	<b>269.8</b>

### 7.1. Variation on liabilities

The net effect of the variation on liabilities in 2Q09 was R\$ 181.3 million, when compared to 2Q08, due to the:

- R\$ 133.4 million profit from the 15.7% US Dollar depreciation in 2Q09 versus a 9% depreciation in 2Q08;
- R\$ 46.0 million decrease in monetary variation over loans and financing due to: i) negative variation of 0.32% in the IGPM (General Market Price Index) in 2Q09 versus a positive variation in 2Q08 (4.34%); and ii) R\$ 3.2 million reduction over financing related to the TR rate, which had a lower variation in 2Q09 (0.16%) in comparison to 2Q08 (0.28%); and
- R\$ 1.9 million drop in other monetary variation, regarding lawsuits.

### 7.2. Variation on assets

Variation on assets declined R\$ 2.4 million, due to a lower variation of the index used to update Customer installment agreement.

## 8. Operating indicators

Sabesp continues to work on reducing water loss, which dropped 5.9% in 2Q09. As a result, despite the maintenance of the volume of water produced, the Company recorded a 0.4% increase in the population served.

<b>Operating indicators*</b>	<b>2Q08</b>	<b>2Q09</b>	<b>%</b>
Water connections <sup>(1)</sup>	6,846	7,037	2.8
Sewage connections <sup>(1)</sup>	5,237	5,427	3.6
Population directly served - water <sup>(2)</sup>	23.1	23.2	0.4
Population directly served - sewage <sup>(2)</sup>	19.0	19.3	1.6
Number of employees	16,757	15,834	(5.5)
Water volume produced <sup>(3)</sup>	1,424.6	1,424.5	(0.0)
Water losses (%)	28.6	26.9	(5.9)

(1) In thousand units at the end of the period.

(2) In thousand inhabitants at the end of the period, not including wholesale.

(3) In million m<sup>3</sup> at the end of the period.

\* Not revised by the Independent Auditors

**9. Loans and financing**

In June 2009, Sabesp raised R\$ 600 million through promissory notes in the domestic market for a term of 180 days. A portion of the funds, amounting to R\$ 350 million, was used to pay the debentures of the 1st series of the 8th issue, and another portion of around R\$ 250 million will be used to amortize the debentures of the 2nd series of the 6th issue with maturity term for September 2009.

	<i>R\$ million</i>							
<b>INSTITUTION</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015 and onwards</b>	<b>Total</b>
<b>Local market</b>								
Banco do Brasil	135.3	288.3	313.8	341.6	371.8	97.9	-	1,548.7
Caixa Econômica Federal	36.3	77.0	83.4	90.1	91.0	52.2	235.1	665.1
Debentures	237.4	348.8	453.4	32.9	73.8	40.9	40.9	1,228.1
FIDC - SABESP I	27.8	55.6	13.9	-	-	-	-	97.3
BNDES	21.4	42.9	42.9	36.9	4.1	-	-	148.2
BNDES BX SANTISTA	-	-	-	6.3	6.2	6.3	31.4	50.2
BNDES PAC	-	-	0.3	0.5	0.6	0.6	4.6	6.6
Promissory Notes	598.7	-	-	-	-	-	-	598.7
Others	1.9	5.9	7.6	0.4	0.5	0.5	2.4	19.2
Interest and charges	90.6	38.2	7.0	-	-	-	-	135.8
<b>Local market total</b>	<b>1,149.4</b>	<b>856.7</b>	<b>922.3</b>	<b>508.7</b>	<b>548.0</b>	<b>198.4</b>	<b>314.4</b>	<b>4,497.9</b>
<b>International market</b>								
IDB	35.6	71.3	71.3	71.2	71.3	71.2	368.9	760.8
Eurobonds	-	-	-	-	-	-	273.2	273.2
JICA	-	-	11.6	23.3	23.3	23.3	349.7	431.2
IDB (AB LOAN)	-	-	46.4	46.4	46.4	46.4	298.8	484.4
Interest and charges	17.7	-	-	-	-	-	-	17.7
<b>International market total</b>	<b>53.3</b>	<b>71.3</b>	<b>129.3</b>	<b>140.9</b>	<b>141.0</b>	<b>140.9</b>	<b>1,290.6</b>	<b>1,967.3</b>
<b>Total</b>	<b>1,202.7</b>	<b>928.0</b>	<b>1,051.6</b>	<b>649.6</b>	<b>689.0</b>	<b>339.3</b>	<b>1,605.0</b>	<b>6,465.2</b>

## 10. Conference Calls

### in Portuguese

August 13, 2009  
2:00PM (Brasília) / 1:00PM (US EST)  
Dial-in access: (55 11) 2188-0188  
Conference ID: Sabesp

Replay available until 08/19/2009  
Dial-in access: (55 11) 2188 0188  
Replay ID: Sabesp

### in English

August 13, 2009  
4:00PM (Brasília) / 3:00PM (US EST)  
Dial-in access: (1 412) 858-4600  
Conference ID: Sabesp

Replay available until 08/21/2009  
Dial-in access: (1 412) 317-0088  
Replay ID: 432805#

Live webcast at [www.sabesp.com.br](http://www.sabesp.com.br)

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**Income Statement**

<b>Corporate Law Method (Law No. 6,404/76)</b>	<b>PARENT COMPANY</b>		<b>R\$ '000</b>
	<b>6/30/2009</b>	<b>6/30/2008</b>	<b>CONSOLIDATED 6/30/2009</b>
<b>Gross Revenue from Sales and Services</b>	<b>1,743,652</b>	<b>1,627,339</b>	<b>1,743,652</b>
Water Supply - Retail	888,380	830,665	888,380
Water Supply - Wholesale	81,056	77,017	81,056
Sewage Collection and Treatment	739,604	689,955	739,604
Sewage Collection and Treatment - Wholesale	4,387	4,102	4,387
Other Services	30,225	25,600	30,225
Taxes on Sales and Services - COFINS and PASEP	(120,029)	(113,987)	(120,029)
<b>Net Revenue from Sales and Services</b>	<b>1,623,623</b>	<b>1,513,352</b>	<b>1,623,623</b>
Costs of Sales and Services	(830,083)	(702,737)	(830,083)
<b>Gross Profit</b>	<b>793,540</b>	<b>810,615</b>	<b>793,540</b>
<b>Operating Expenses</b>			
Sales	(187,307)	(224,970)	(187,307)
Administrative	(100,884)	(104,543)	(101,048)
Other Operating Revenue (Expenses)	2,345	(194)	2,345
<b>Operating Result Before Equity Interest</b>	<b>507,694</b>	<b>480,908</b>	<b>507,530</b>
Equity Results	(79)	-	-
<b>Earnings Before Net Financial Result</b>	<b>507,615</b>	<b>480,908</b>	<b>507,530</b>