

COMISIÓN NACIONAL DEL MERCADO DE VALORES
Paseo de la Castellana, nº 19
28046 – MADRID

Barcelona, 19th July 2006

SOCIEDAD GENERAL DE AGUAS DE BARCELONA, S.A., pursuant to the provisions set forth in section 82 of the Law 24/1988, of 28th July, regulating the Spanish Stock Market, and supplementary provisions, and in accordance with the provisions set forth in section 112 of the abovementioned law, informs of the following

RELEVANT FACT

That, as expressed in the statement received by SOCIEDAD GENERAL DE AGUAS DE BARCELONA, S.A., (hereafter referred to as "AGBAR"), on July 18th 2006, CAJA DE AHORROS Y PENSIONES DE BARCELONA, S.A. ("LA CAIXA") and SUEZ have signed a para-social pact regarding their participation (49% and 51% respectively) in HISUSA, HOLDING DE INFRAESTRUCTURAS Y SERVICIOS URBANOS, S.A. that is in possession of 47.19% of the capital stock of AGBAR. Attached is a copy of the signed pact.

José Vila Bassas,
General Secretary – General Manager

Barcelona, 18th July 2006

PACT BETWEEN

SUEZ, (hereafter referred to as “**SUEZ**”).

CAJA DE AHORROS Y PENSIONES DE BARCELONA, (hereafter referred to as “**la Caixa**”).

Hereafter, SUEZ and “la Caixa” can be referred to, individually, as a “**Parent Company**”, and, jointly, as “**Parent Companies**”.

SUEZ ENVIRONEMENT (hereafter referred to as “**SE**”).

Suez Environement España, S.L.U (hereafter referred to as “**SEE**”).

Caixa Holding, S.A., Sociedad Unipersonal (hereafter referred to as “**CDH**”).

Hereafter, the Mother Companies and the Partners, together with SE, can be referred to, individually, as a “**Party**”, and, jointly, as the “**Parties**”.

DO HEREBY STATE

- I. That, on December 27th 1991, LYONNAISE DES EAUX DUMEZ and “la Caixa” signed a series of agreements (hereafter referred to as “**AGREEMENTS**”) relating to the participation of “la Caixa” in the capital of LYONNAISE ESPAÑA, S.A., which would later on become HISUSA Holding de Infraestructuras y Servicios Urbanos, S.A. (hereafter “**HISUSA**”) and in which LYONNAISE DES EAUX DUMEZ had a stake of 51% and “la Caixa” had a stake of 49%.

- II. That, since then, LYONNAISE DES EAUX DUMEZ has gone through many changes with the merger with COMPAGNIE FINANCIERE DE SUEZ and, later on, with various splits, of which “la Caixa” declares it is aware of.

As for the matters relevant for this Agreement, SUEZ is in possession of the whole share capital of SE who, at the same time, is the holder of the whole share capital on SEE, a company holding possession of 51% of the share capital of HISUSA.

At the same time, currently, the stake of “la Caixa” in HISUSA is indirect, through CHD, a company that is participated in its whole by “la Caixa”; SUEZ declares it is aware of this fact.

- III. That, furthermore, part of the AGREEMENTS have, in actual fact, been modified consensually and, therefore, the Parties deem it appropriate to consider the AGREEMENTS settled and, starting from the current situation, to enter into a new agreement that provides for and regulates their relations for the future as shareholders of HISUSA (hereafter referred to as the “**Agreement**”).
- IV. That, the agreements have not yet had to be made public, pursuant to the first chapter of the transitory section of the Law 26/2003, of 17th July.

The parties,

DO HEREBY AGREE

- I. The Mother Companies, that acknowledge each other as Parties and legal heirs in the AGREEMENTS, even when the participation they hold in HISUSA is indirect, agree to declare the AGREEMENTS void in successive events, and with effects as of the execution of this pact.
- II. The Mother Companies agree to maintain their historic and current participation in the share capital of HISUSA, 51% for SUEZ and 49% for “la Caixa”.
- III. The Board of Directors of HISUSA is formed by four partners designated jointly. The post of Chairman is annual and will rotate between each of the Parties. The Chairman shall not have deciding vote if there should be a draw.
- IV. The Parties recognise Sociedad General de Aguas de Barcelona, S.A., through HISUSA, as a working partner of SE and, therefore, shall promote exchanges in technical cooperation, good practices, and research and development policies between both companies in the area of water.
- V. The Mother Companies agree that the Partners shall not transfer, in whole nor in part, their current holding of shares in HISUSA, nor any future participation, without previous written agreement from the other Partner.

Should a conflict arise between the Parties, any such Party shall be entitled to ask for the dissolution and settlement of HISUSA, in accordance with the procedure described in the Pact VII of this Agreement.

VI. Should there be a change in the control in any of the Parties (except a reshuffling in the share structure deriving, if necessary, from the merger between SUEZ and Gaz de France), in a maximum of 3 months as of the moment at which this change effectively takes place, the Partner of the group that is not affected by this change in the control shall be entitled, but not obliged, to ask for the dissolution and settlement of HISUSA, following the principles (without having to comply with deadlines) described in the Pact VIII of this Agreement.

VII. The Parties shall have the power to transfer their rights and obligations that may arise from this Agreement to: (i) one of its subsidiary companies fully participated, sufficiently creditworthy to take on the transferred obligations, or (ii) a company that were a Mother Company holding 100% of its respective Party, sufficiently creditworthy to take on the transferred obligations.

A subsidiary of a mother company holding 100% of the Party shall have to remain so during the whole period in which this Agreement is in force; otherwise, the Mother company of the transferring Party shall respond jointly and severally for the breach in this Agreement.

In all other cases of rights and obligations transferral, the Mother companies shall have to give their written consent to the operation and shall be entitled to deny this transferral without offering any reason.

Any transferral of rights or obligations shall require any new Party to enter into this Agreement in writing and simultaneously.

VIII. Any of the Partners is entitled to ask, at any moment, for the dissolution and settling of HISUSA, and shall have to request this to the other Partner in writing.

Should this request be made, each of the Partners shall have to forward this request to their Chairmen within 30 days as of the date at which the request for the dissolution was issued or received.

The Chairmen of the Partners shall have three months upon reception of the initial requirement to examine the situation and, if each of the partners considers it appropriate, to decide whether it is convenient to maintain the current Agreement.

If the Chairmen of the Partners should fail to reach an agreement within the deadline abovementioned, each of the partners shall submit the issue to the Chairman of their Mother companies, who shall have three more months, in addition the three previous months, to examine the situation.

In any case, except if there is an agreement with a different sense as a consequence of the conversations held between the Chairmen of the Mother companies, which shall have to be formalized in writing within six months, the dissolution shall have to be agreed upon before nine months pass from the date of the initial dissolution requirement.

If HISUSA is dissolved and settled, the Parties agree to abstain from making agreements with third parties in relation to Sociedad General de Aguas de Barcelona, S.A., within one year as of the date on which the shares and portfolio of HISUSA are transferred, except in the case that there is a written consent by the Mother companies.

The dissolution and settling of HISUSA shall be carried out in accordance with the following principles:

1. Assets in general shall be valued following the generally accepted valuation standards in Spain and the assets of companies listed on the stock exchange shall be valued at the average rate value of the last three months previous to the dissolution and settlement is agreed.

For this purpose, a Joint Valuation Committee shall be created and, if it fails to reach an agreement, the Chamber of Commerce and Industry of Geneva (Switzerland) shall appoint an arbitrator (independent from the Parties) who, upon petition by any of the parties, shall evaluate the bases abovementioned.

2. Upon the settling, the shares and, if necessary, the treasury belonging to HISUSA shall be distributed among the Partners according to their stake in HISUSA at the moment when the settling is produced. For clarifying purposes, should HISUSA be in possession of shares from more than one company, the shares of each different company shall be allocated to the Partners according to their stake in HISUSA at that moment.
3. The dissolution and settlement may be substituted by another procedure, as long as the Partners agree to it.
4. In any case, what shall be taken into account is what is established in the following Pact IX of this Agreement.

- IX. The Parties agree that the tax costs produced from the Pact VIII of this Agreement shall be charged to each of the Partners proportionally to their stake in HISUSA. The dissolution and settlement can be substituted by another procedure that is less costly, as long as both Parties agree to it. Particularly, there is the option of maintaining HISUSA, if it were deemed necessary, in

order to maintain the total or partial participation of one or both partners, as long as this doesn't imply a higher cost for any of the Partners. In any case, this shall have to follow what is stated in the following paragraph.

The tax costs corresponding to the latent capital gain in the Securities Portfolio of LYONNAISE ESPAÑA, S.A. (currently HISUSA) existing on 27th December 1991 shall be taken on by SUEZ, directly or indirectly, upon the date when the abovementioned capital gains are issued or when they can be fiscally allocated, independently from the rest of HISUSA's results.

This latent capital gain will be calculated by multiplying the total number of shares of Sociedad General de Aguas de Barcelona, S.A., which were part of the portfolio of LYONNAISE ESPAÑA, S.A. (currently HISUSA) on 27th December 1991, by the differential between (i) the value of each share of Sociedad General de Aguas de Barcelona, S.A., agreed by the Parties on the date abovementioned; that is to say, €20.735, and (ii) the tax cost per share of the abovementioned portfolio on 27th December 1991.

- X. Any litigation, conflict or controversy that may arise between the Parties on the validity, interpretation, execution or compliance of this Agreement will be solved through an arbitrator from the Chamber of Commerce and Industry of Geneva (Switzerland), following the Swiss International Arbitration Code of Conduct in force the day when the notification about the arbitration is presented, in accordance with this Code, and the Parties agree to accept the Arbitrator's decision.
- XI. The Parties agree to establish an indefinite duration for this Agreement.
- XII. The communication and publicity regime for this Agreement is that established by Spanish legislation, which the Parties are obliged to know.

This document is signed in seven (7) counterparts, each of equal tenor and validity; one for each of the Parties and two for whichever necessary legal purposes.

Mr. Ricardo Fornesa Ribó
"la Caixa"

Mr. J.L. Chaussade
Suez

Mr. Ricardo Fornesa Ribó
Caixa Holding S.A.U

Mr. J.L. Chaussade
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