Presentation results
September 2008

12 November 2008

Agbar

Contents

Bases of presentation

Consolidated closing of the Agbar Group

On preparing the Consolidated Financial Statements, both for this financial year and for the previous comparative period, the International Financial Reporting Standards (IFRS) were applied, understood as those that the European Commission has adopted in accordance with the procedure established by Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002.

The Agbar Group chose to homogenize the formats of the consolidated financial statements with the formats of the standardized models of Circular 1/2008 of 30 January of the CNMV, which are inspired by the models proposed in the Spanish New General Accounting Plan and which likewise fulfil the requirements of IAS 1 and IAS 34.

Individual closing of Sociedad General de Aguas de Barcelona, S.A.

The individual financial information of Sociedad General de Aguas de Barcelona, S.A. referring to the financial year 2008 was prepared in application of the accounting principles, criteria and policies established in the Spanish New General Accounting Plan, in force since 1 January 2008.

The company chose not to reformulate the financial statements for the financial year 2007 under the New General Accounting Plan, an option allowed by this rule. Comparative data are not therefore presented with the previous year.

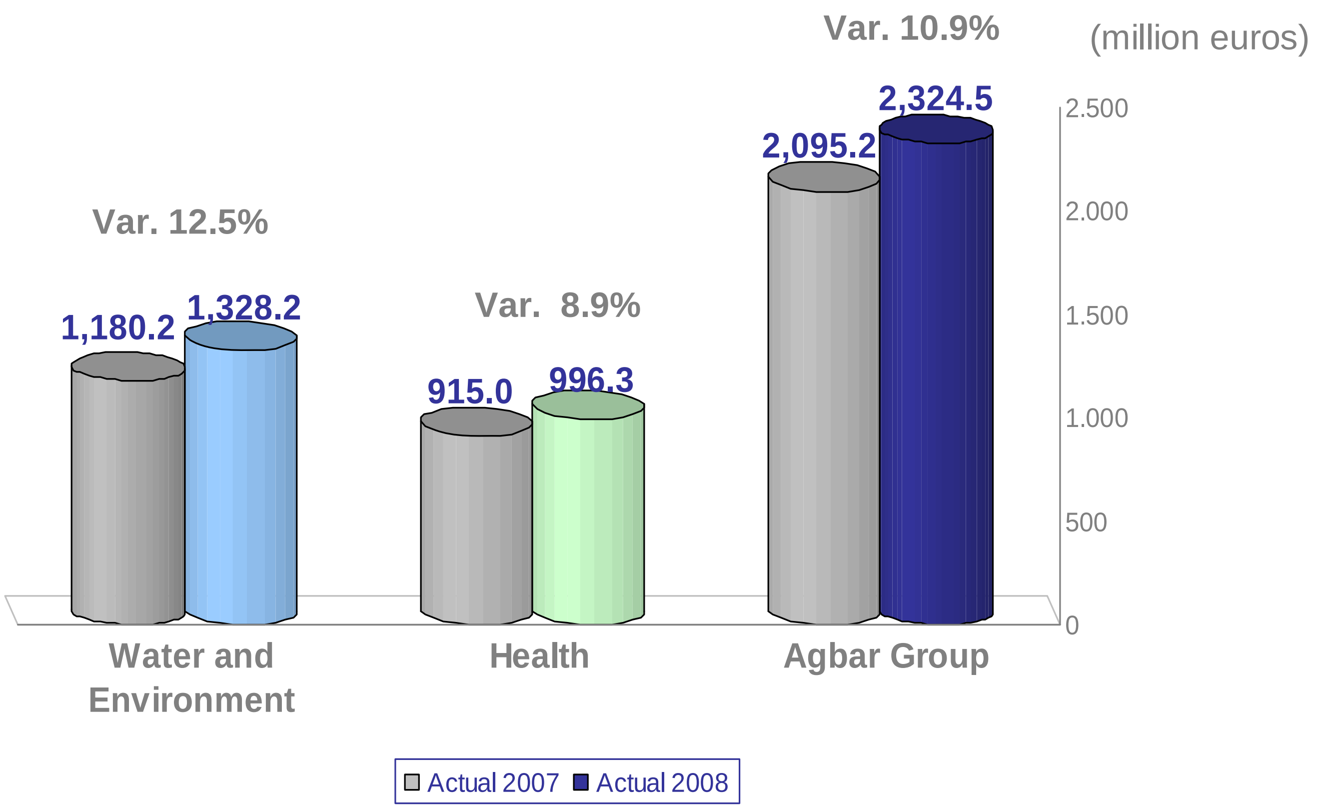
Main magnitudes

millions of euros	September 2008	September 2007	Var. %
Operating income	2,324.5	2,095.2	10.9%
Operating cash flow	467.8	436.3	7.2%
% Operating cash flow margin	*20.1%*	*20.8%*	
Profit from operations before deterioration, disposal assets and other results	330.4	295.3	11.9%
% Profit from operations before deterioration, disposal assets and other results margin	*14.2%*	*14.1%*	
Profit from operations	329.4	323.5	1.8%
% Profit from operations margin	*14.2%*	*15.4%*	
Net profit	294.8	254.6	15.8%
% Net profit margin	*12.7%*	*12.2%*	
Net profit attributable to the parent	202.3	153.0	32.2%

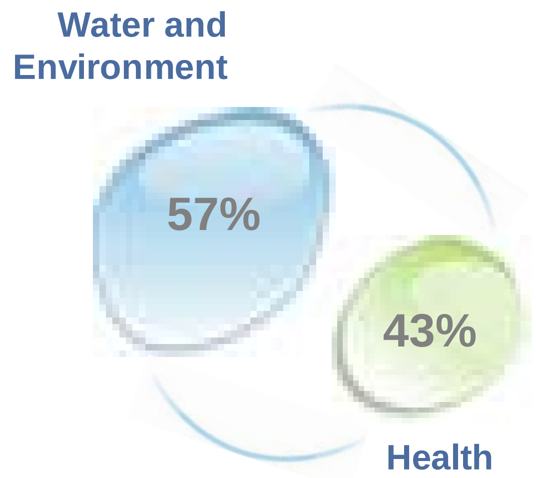
The **net profit attributable to the parent amounts to 202.3 million euros, 32% above the previous year**, mainly as a result of the 81.2 million euro gain obtained on the disposal, during the first half of 2008, of the interest held in Suez, S.A. In addition, the good organic behaviour of the businesses has favoured the growth, in relation to the previous year, of 10.9% in the revenues figure and of 11.9% in that of the profit from operations (before “deterioration and result from disposals of fixed assets” and “other results”). The recurrent net profit attributable to the Agbar Group is 134.8 million euros, around 17% above the preceding year.

Operating income

Evolution by sector

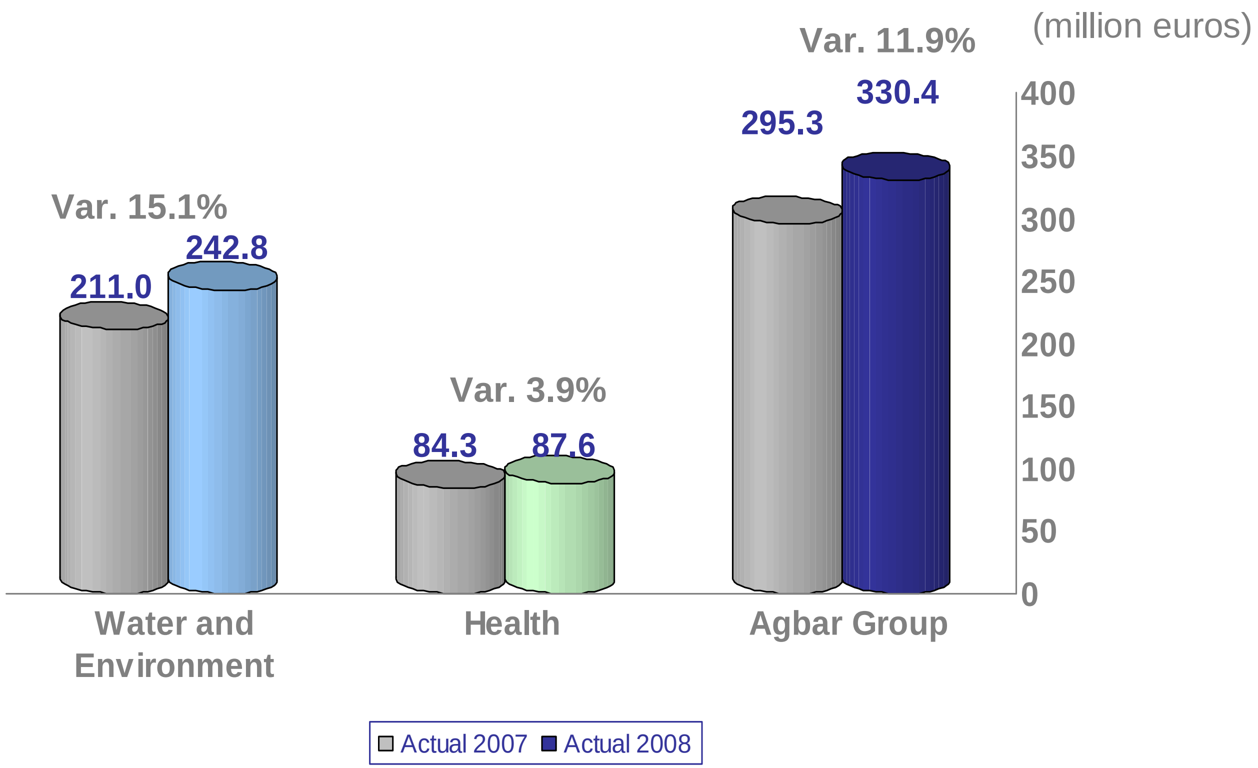


Contribution by sector in 2008

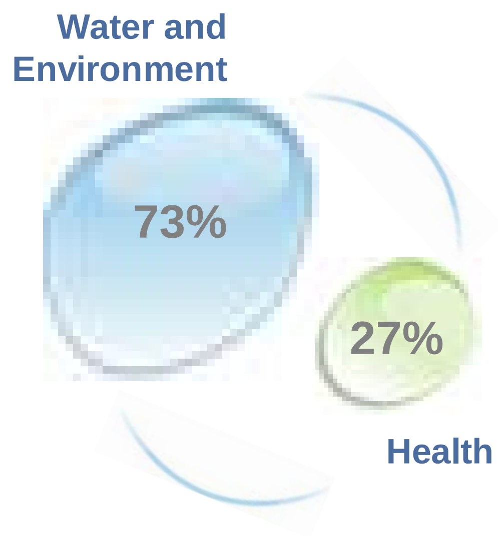


Profit from operations
(before deterioration & disposal fixed assets & other results)

Evolution by sector



Contribution by sector in 2008



Consolidated income statement Agbar Group

millions of euros	September 2008	September 2007	Abs. Var.	Var. %
Operating income	**2,324.5**	**2,095.2**	**229.3**	**10.9%**
Operating expenses	(1,856.7)	(1,658.9)	(197.8)	11.9%
Operating cash flow	**467.8**	**436.3**	**31.5**	**7.2%**
% Operating cash flow margin	***20.1%***	***20.8%***		
Amortizations	(137.4)	(141.0)	3.5	(2.5%)
Profit from operations before deterioration, disposal assets and other results	**330.4**	**295.3**	**35.1**	**11.9%**
% Profit from operations before deterioration, disposal assets and other results margin	***14.2%***	***14.1%***		
Deterioration and result from disposals of fixed assets	1.2	29.5	(28.3)	(95.9%)
Other results	(2.2)	(1.3)	(0.9)	n/a
Profit from operations	**329.4**	**323.5**	**5.8**	**1.8%**
% Profit from operations margin	***14.2%***	***15.4%***		
Financial income and expenses	(52.6)	(59.6)	7.0	(11.8%)
Deterioration and result from disposals of financial instruments	81.5	10.5	70.9	n/a
Financial Profit /Loss	**28.9**	**(49.1)**	**78.0**	**n/a**
Profit from investments accounted for by the equity method	18.2	16.2	2.0	12.0%
Profit from continuing operations before tax	**376.4**	**290.7**	**85.7**	**29.5%**
% Profit before tax margin	***16.2%***	***13.9%***		
Income tax	(81.6)	(57.5)	(24.1)	42.0%
Net profit from continuing operations	**294.8**	**233.2**	**61.6**	**26.4%**
% Net profit from continuing operations margin	***12.7%***	***11.1%***		
Profit from discontinued operations after tax	-	21.4	(21.4)	n/a
Net profit	**294.8**	**254.6**	**40.2**	**15.8%**
% Net profit margin	***12.7%***	***12.2%***		
Net profit attributable to minority interests	(92.5)	(101.6)	9.1	(9.0%)
Net profit attributable to the parent	**202.3**	**153.0**	**49.3**	**32.2%**

Agbar

Operating income and profit from operations

The factors driving the growth of these magnitudes are shown below:

millions of euros	September 2007	Scope effect: Inflows	Scope effect: Outflows	Rate effect	Organic growth	September 2008	% Org. Growth
Operating income	2,095.2	22.9	(28.8)	(24.2)	259.4	2,324.5	12.6%
Profit from operations before deterioration, disposal assets and other results	295.3	5.9	0.8	(9.2)	37.5	330.4	12.7%
Profit from operations margin	*14.1%*					*14.2%*	

The **scope effect** includes the impact of the incorporation of new companies into the Agbar Group or departures due to disinvestment, as appropriate. The main entries into the scope in 2008 correspond to the acquisition by SGAB of 58.72% of Labaqua, S.A., a laboratory devoted to environmental analysis, diagnosis and certification, for a sum of 63.2 million euros and to the acquisition by Aguas Andinas, S.A. of 53.5% of ESSAL for a sum of 108.5 million euros. The departures include the sale in the first quarter of 2008 of the interest in the transport company Agencia Servicios Mensajería, S.A. (ASM) and the disposal of Aguas Filtradas in 2007.

The impact due to variation in the **exchange rates** includes both the depreciation of the pound sterling by 13.8% (average exchange rate to September 0.782 GBP/EUR in 2008 compared with 0.674 GBP/EUR in 2007) and the depreciation of the Chilean peso by 3.9% (average exchange rate to September: 736.8 CLP/EUR in 2008 compared with 708.0 CLP/EUR in 2007).

The evolution of the **organic growth** figures, which exceed 12% in operating income and in profit from operations is mainly based on the good operating behaviour of the Water and Environment sector.

Consolidated income statement
Agbar Group

Deterioration and result from disposals of fixed assets

The reduction in this item is because on closing September 2007 gains were included on disposals of elements of property, plant and equipment for a sum of 30.2 million euros.

Financial loss

Financial income and expenses

The reduction in the financial burden by 7.0 million euros is mainly due to the returns on the surplus cash of the parent company caused, to a large extent, by the collection of the price of the sale of the Applus Group at the end of 2007.

Deterioration and result from disposals of financial instruments

This item includes, on closing September 2008, the 81.2 million euro gain on the sale of the interest that Agbarex, S.L.U. (a company in which Agbar has a 100% direct interest) held in Suez, S.A. (2,088,356 shares representing 0.16% of its share capital).

Profit from discontinued operations after tax

This item presents in discontinuation, on application of IFRS 5, the contribution on closing September 2007 of the "Inspection and Certification" sector, disposed of at the end of 2007 (21.4 million euros).

Agbar

Consolidated income statement
Agbar Group

Net profit attributable to minority interests

The net profit attributable to minority interests amounts to 92.5 million euros compared with 101.6 million euros in September 2007 and mainly corresponds to the minority shareholders of the IAM Group (in which Agbar has a 56.6% holding and which is the owner of 50.1% of Aguas Andinas, S.A.), and of Compañía de Seguros Adeslas, S.A. (in which Agbar has a holding of 54.8%). The lower amount of 2008 is mainly due to the fact that, in September 2007, the minority interests were included for a sum of 12.1 million euros from the Applus Group, disposed of at the end of last year.

Net profit attributable to the parent

The net profit attributable to the parent amounts to 202.3 million euros, 32% above the previous year, mainly as a result of the 81.2 million euro gain obtained on the disposal, during the first half of 2008, of the interest held in Suez, S.A. In addition, the good organic behaviour of the businesses has favoured the growth, in relation to the previous year, of 10.9% in the revenues figure and of 11.9% in that of the profit from operations (before "deterioration and result from disposals of fixed assets" and "other results"). The recurrent net profit attributable to the Agbar Group is 134.8 million euros, around 17% above the preceding year.

Income statement
Water and Environment

millions of euros	September 2008	September 2007	Abs.Var.	Var. %
Operating income	1,328.2	1,180.2	148.0	12.5%
Operating cash flow	365.6	337.2	28.5	8.4%
% Operating cash flow margin	*27.5%*	*28.6%*		
Profit from operations before deterioration, disposal assets and other results	242.8	211.0	31.8	15.1%
% Profit from operations before deterioration, disposal assets and other results margin	*18.3%*	*17.9%*		
Profit from operations	241.3	239.2	2.1	0.9%
% Profit from operations margin	*18.2%*	*20.3%*		
m3 invoiced (thousands) (consolidated data)	991,297	1,005,651	(14,354)	(1.4%)

Agbar

Income statement
Water and Environment

Operating income and profit from operations

The factors driving the growth of these magnitudes are analyzed below:

millions of euros	September 2007	Scope effect: Inflows	Scope effect: Outflows	Rate effect	Organic growth	September 2008	% Org. Growth
Operating income	1,180.2	22.9	(28.8)	(24.2)	178.2	1,328.3	15.5%
Profit from operations before deterioration, disposal assets and other results	211.0	5.9	0.8	(9.2)	34.2	242.8	16.2%
Profit from operations margin	*17.9%*					*18.3%*	

The scope and exchange rate effects, as previously explained in the analysis of the income statement of the Agbar Group, are basically due to the acquisitions of 58.72% of Labaqua, S.A. and of 53.5% of ESSAL and to the depreciation of the pound sterling and of the Chilean peso by 13.8% and 3.9%, respectively.

In National Water, the reduction of the m^3 consumed stands out, as a result of the severe episode of drought experienced in the first half of the year in Catalonia. Despite this, there is an increase in the operating Income due, in part, to the execution of hydraulic infrastructure works aimed at guaranteeing and improving the water supply. The operating margins are at the same levels as the same period of the previous year.

Within the international sphere, in Chile the increase in the operating income stands out, due to the upwards reindexations of the rates and to the increase in the m^3 consumed, while in the United Kingdom there is a reduction in the income caused by the depreciation of the pound, although the operating margin improves slightly.

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Income statement
Health

millions of euros	September 2008	September 2007	Abs.Var.	Var. %
Operating income	996.3	915.0	81.3	8.9%
Operating cash flow	102.2	99.1	3.1	3.1%
% Operating cash flow margin	*10.3%*	*10.8%*		
Profit from operations before deterioration, disposal assets and other results	87.6	84.3	3.3	3.9%
% Profit from operations before deterioration, disposal assets and other results margin	*8.8%*	*9.2%*		
Profit from operations	88.0	84.3	3.7	4.4%
% Profit from operations margin	*8.8%*	*9.2%*		
No. insured	2,787,561	2,579,978	207,583	8.0%

Income statement
Health

Operating income and profit from operations

The factors driving the growth of these magnitudes are analyzed below :

millions of euros	September 2007	Scope effect: Inflows	Scope effect: Outflows	Organic growth	September 2008	% Org. Growth
Operating income	915.0	0.0	0.0	81.3	996.3	8.9%
Profit from operations before deterioration, disposal assets and other results	84.3	0.0	0.0	3.3	87.6	3.9%
Profit from operations margin	*9.2%*				*8.8%*	

The 81.3 million euro increase in the operating income is a result of the organic growth at levels of 9%. In the insurance business, the improvement in income (+74.7 million euros) is a result of the 8% increase in the number of policyholders.

The profit from operations increases by 3.3 million euros despite the slight reduction in the percentage operating margin, due to the increase in the claims levels and in the costs of the services provided by the hospitals.

Consolidated balance sheet Agbar Group

The main magnitudes of the consolidated balance sheet of the Agbar Group on closing September 2008 are as follows:

millions of euros	September 2008	December 2007	Var. 2008/2007
Non-current assets (*)	3,582.2	3,451.8	130.4
Goodwill	449.6	464.3	(14.7)
Net current assets	(200.4)	(275.7)	75.3
Non-current provisions	(154.1)	(196.0)	42.0
Other non-current assets/liabilities	(238.7)	(216.3)	(22.4)
Net assets	**3,438.6**	**3,228.0**	**210.6**
Equity Parent	2,032.8	1,970.9	61.9
Equity minority interests	696.7	724.3	(27.6)
Net borrowings	709.2	532.8	176.3
Net liabilities	**3,438.6**	**3,228.0**	**210.6**

(*) The “Non-current assets” do not include the “L-T derivatives” on being presented deducted form the net borrowings, or the goodwill, which is detailed on a specific line.

Consolidated balance sheet
Agbar Group

The main variations in the different items of the consolidated balance sheet in relation to the closing of 2007 are explained below:

The increase in the **non-current assets** mainly includes, as positive aspects, the investments in property, plant and equipment and intangible fixed assets made in 2008 to date (+213.0 million euros) and the entry into the scope of ESSAL (+228.6 million euros) and, as negative aspects, the sale of the block of shares of Suez in the hands of Agbarex (-97.2 million euros), the effect of the depreciation on closing dates of the Chilean peso by 7.2% (-85.0 million euros) and of the pound sterling by 7.5% (-33.0 million euros) and the depreciations of property, plant and equipment and intangible fixed assets on closing September (-137.4 million euros).

The reduction in the **goodwill** item includes the already mentioned depreciation of the Chilean peso (-13.1 million euros) and of the pound sterling (-16.1 million euros) and in the other direction the incorporation of the goodwill generated by the acquisition of Labaqua (+13.4 million euros).

The growth in the **equity attributable to the parent** basically consists of the result on closing September 2008 (+202.3 million euros), the distribution of the supplementary dividend for the financial year 2007 (-55.5 million euros) and the reclassification to results of the market value of the shares in Suez (-81.4 million euros).

The evolution of the **equity of minority interests** includes, in addition to the result of September 2008 (+92.5 million euros), the payment of dividends to minority interests of Adeslas and of Chile (-118.0 million euros), the entry of minority interests of ESSAL (+36.6 million euros) and the effect of the depreciation of the Chilean peso (-36.8 million euros).

Net borrowings

millions of euros	September 2008	December 2007	Var.
+ Non-current financial liabilities	1,677.2	1,581.8	95.3
+ Current financial liabilities	214.6	142.6	72.1
- Current financial assets	(587.0)	(159.1)	(427.9)
- Cash and Cash Equivalents	(580.6)	(1,009.6)	429.0
- L-T Derivatives (Financial Assets)	(21.5)	(31.7)	10.1
+ Provisions Risks Argentina	6.5	8.8	(2.3)
Net Borrowings	**709.2**	**532.8**	**176.3**
Gearing Net Borrowings / Equity	**26.0%**	**19.8%**	
Leverage Net Borrowings / (Equity + Net Borrowings)	**20.6%**	**16.5%**	

Contribution by sector

millions of euros	September 2008	December 2007	Var.
Water and Environment	870.7	722.9	147.8
Health	(161.5)	(190.0)	28.5
Agbar Group	**709.2**	**532.8**	**176.3**

Rating

Institution	Long-term debt	Latest review
Moody's	A2 Outlook stable	15 Sept. 2008
Standard & Poor's	A Outlook stable	15 Oct. 2008

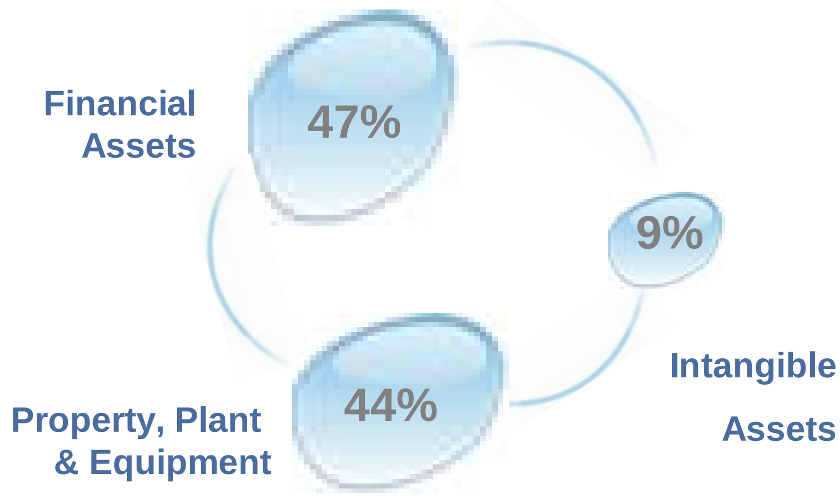
Agbar

Consolidated investments

Detail by nature

millions of euros	September 2008	September 2007
Intangible Assets	35.0	23.5
Property, plant and equipment	178.0	178.7
Financial assets	189.8	14.8
Consolidated investments	**402.8**	**217.0**

Contribution by nature in 2008



The investments in **intangible assets** correspond basically to those made by the Water and Environment sector in administrative concessions.

In **property, plant and equipment** the investments are mainly due to the regular maintenance needs and to the expansion and improvement of infrastructures associated with the both national and international water operations.

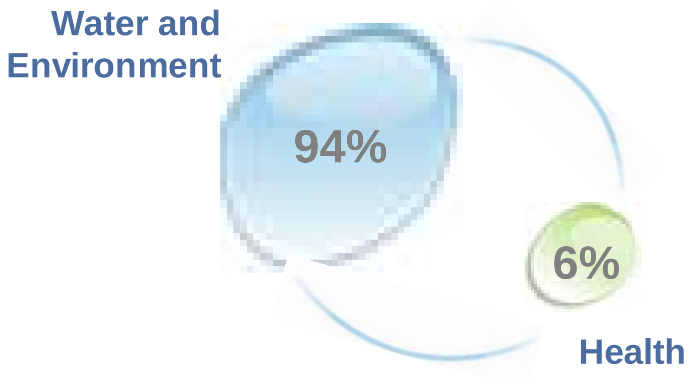
The **financial investments** on closing September 2008 include, among others, the acquisitions of 58.72% of Labaqua and of 53.5% of ESSAL for a sum of 63.2 and 108.5 million euros, respectively.

Consolidated investments

Detail by sector

millions of euros	September 2008	September 2007
Water and Environment	380.2	185.0
Health	22.6	32.0
Agbar Group	**402.8**	**217.0**

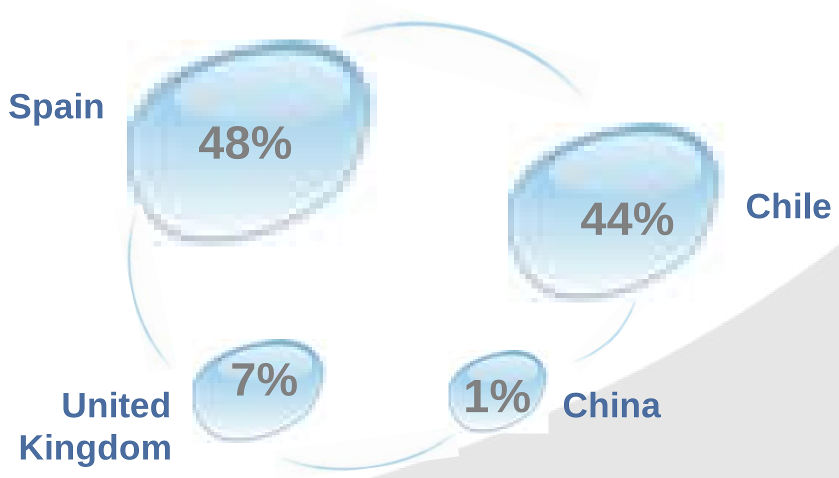
Contribution by sector in 2008



Detail by country

millions of euros	September 2008	September 2007
Spain	193.4	123.8
Chile	179.1	49.2
United Kingdom	26.3	44.0
China	4.0	0.0
Consolidated investments	402.8	217.0

Contribution by country in 2008

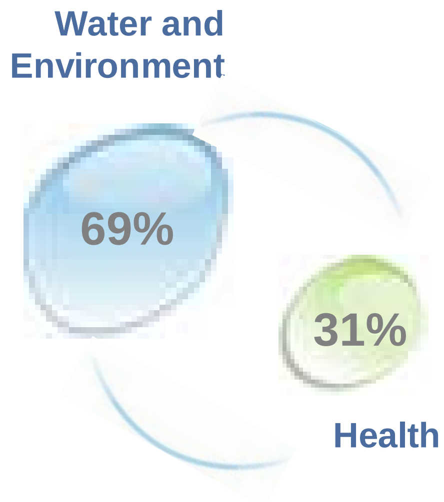


Headcount

	September 2008	September 2007	Var.
Fully consolidated companies	13,898	13,765	133
Proportionally consolidated companies	0	0	0
Consolidated average headcount	13,898	13,765	133

	September 2008	September 2007	Var.
Fully consolidated companies	14,114	13,624	490
Proportionally consolidated companies	0	0	0
Companies accounted for by the equity method	5,801	5,690	111
Aggregate headcount at closing	19,915	19,314	601

Average consolidated headcount by sector in 2008



The growth in the consolidated and aggregate headcount in the companies with full consolidation includes, among others, the entry into the scope in 2008 of Labaqua and ESSAL and the effect of the disposal of ASM in 2008 and of Aguas Filtradas at the end of 2007.

Shareholder payment

	% of Nominal	Euros gross per share	Amount (thousands of euros)
Interim dividend financial year 2007	17.5%	0.175	26,187
Proposed Supplementary Dividend financial year 2007	37.1%	0.371	55,517
	54.6%	0.546	81,704

On 28 December 2007, the Board of Directors of Sociedad General de Aguas de Barcelona, S.A. agreed to distribute, to the shares in circulation at that time with the right to receive it, an **interim dividend** for the account of the profit of the financial year 2007, of 0.175 euros gross per share, which was paid on 11 February 2008.

The Ordinary General Meeting of Shareholders of Sociedad General de Aguas de Barcelona, S.A., in its meeting of 30 May 2008, agreed to distribute a **supplementary dividend** of 0.371 euros gross per share, which was paid on 3 July 2008.

Sociedad General de Aguas de Barcelona, S.A.
(individual closing)

The evolution of the individual results of the leading company of the Agbar Group, Sociedad General de Aguas de Barcelona, S.A., under the Spanish New General Accounting Plan, was as follows on closing September 2008:

The net amount of the **revenue** to date at the third quarter of 2008 amounts to 222.4 million euros. The volume of water consumed in this period was 124.73 hm^3, compared with 137.60 hm^3 in the same period of the preceding year, due to the episode of severe drought already overcome with the rain in May. Despite this, there was an increase in the turnover due to the execution of hydraulic infrastructure works aimed at guaranteeing the water supply, and to the higher income contributed by the integration of the work carried out by the joint venture entrusted with building the Llobregat desalination plant.

The **financial loss** amounts to 105.0 million euros and includes the returns obtained on the investments of the surplus cash obtained from the disinvestments carried out in 2007 (sale of Applus) and the dividends received from subsidiaries.

In view of all this, the **net profit** on closing September 2008 amounted to 96.4 million euros.

The volume of **investments** made by the company in the third quarter of 2008 was of 100.9 million euros, of which 67.7 million euros correspond to investments in financial assets (acquisition of 58.72% of Labaqua for 63.2 million euros) and 33.2 million euros to investments in property, plant and equipment.

On closing September 2008, the **headcount** amounted to 1,028 people.

Significant events and other communications to the CNMV 2008

Significant events:

Significant event nos. 87988 and 87997 communicated on 9 January 2008

Report prepared by the Board of Directors of Sociedad General de Aguas de Barcelona, S.A. on the takeover bid.

Significant event no. 88252 issued on 18 January 2008

The CNMV communicates the result of the takeover bid for Sociedad General de Aguas de Barcelona, S.A.

Significant event no. 88344 issued on 18 January 2008

The “bidding companies” of the takeover bid for Sociedad General de Aguas de Barcelona, S.A. communicate the result of the takeover bid.

Significant event no. 89347 communicated on 15 February 2008

The company sends information on the results of the second half of 2007.

Significant event nos. 89349 and 89356 communicated on 15 February 2008

The company publicizes the changes on the Board of Directors and on other governing bodies. In its meeting of 15 February 2008 the Board of Directors agreed to appoint, by cooption, as directors until the next General Meeting of Shareholders, Mr Francisco Reynés Massanet and Mr Angel Simón Grimaldos, to cover the vacancies caused by the resignations of Mr Juan Antonio Samaranch Torelló and Mr Juan Rosell Lastortras, respectively, following a favourable report of the Appointment and Remuneration Commission.

Significant events and other communications to the CNMV 2008

Significant event no. 90172 issued on 3 March 2008

The "bidding companies" of the takeover bid for Sociedad General de Aguas de Barcelona, S.A. communicate the fulfilment of the commitment of the prospectus of the takeover bid on the share of capital in the hands of third parties.

Significant event nos. 91234 and 91236 communicated on 31 March 2008

Corporate Governance Annual Report for the financial year 2007 formulated by the Board of Directors.

Significant event no. 91238 communicated on 31 March 2008

Announcement of calling of General Meeting of Shareholders and proposed agreements. The Board of Directors, in its meeting of 28 March 2008, agreed to call the Ordinary General Meeting of Shareholders, to be held on 30 May at 12.30 h in the Agbar Tower at the first notice of meeting, or on 31 May in the same place and at the same time, at the second notice of meeting, if required.

Significant event no. 92360 communicated on 24 April 2008

The company sends information (proposed agreements, reports of the Board and other documentation) prior to the formal publication in the press of the announcement of calling of the General Meeting of Shareholders.

Significant event no. 92932 communicated on 7 May 2008

The company sends information on the first-quarter results for 2008.

Significant events and other communications to the CNMV 2008

Significant event no. 92949 communicated on 8 May 2008

The company communicates the proposed changes on the Board of Directors and on other governing bodies which will be presented for the approval of the General Meeting of Shareholders on 30 May 2008.

Significant event no. 94030 communicated on 30 May 2008

The company sends a press release on the occasion of the holding of the Ordinary General Meeting of Shareholders.

Significant event no. 94092 communicated on 30 May 2008

The company communicates the approval of all the proposed agreements that the Board of Directors has submitted to the vote of the shareholders in the General Meeting held on 30 May 2008. The Board has moreover agreed to fix the date of payment of the supplementary dividend for the financial year 2007 as 3 July 2008.

Significant event no. 94127 communicated on 2 June 2008

The company communicates that, through its subsidiary Agbarex, S.L.u., it has proceeded to sell the entire interest held in Suez, S.A. of 2,088,356 shares, representing 0.16% of its share capital. The operation amounts to 97 million euros and will generate a gain of 81 million euros.

Significant event no. 96326 communicated on 30 July 2008

The company sends information on the results for the first half of 2008.

Significant events and other communications to the CNMV 2008

Other communications:

Other communications no. 25563 communicated on 13 February 2008
Date publication results and meetings with analysts.

Other communications no. 25580 communicated on 15 February 2008
The company sends press release concerning the profits obtained in the financial year 2007.

Other communications no. 25992 communicated on 31 March 2008
Supplementary dividend for the financial year 2007.

Other communications no. 26210 communicated on 7 May 2008
The company sends a press release on the first-quarter results for 2008 of the Agbar Group.

Other communications no. 26637 communicated on 3 July 2008
The company sends an announcement of the payment of the supplementary dividend on the profit of the financial year 2007 of 0.3710 euros gross per share agreed on in the General Meeting of Shareholders held on 30 May 2008.

Other communications no. 26733 communicated on 18 July 2008
The company communicates that it will publish its results corresponding to the first half of 2008 on the coming 30 July. It will likewise hold a multiconference call with analysts and institutional investors on 31 July 2008.

Agbar

Significant events and other communications to the CNMV 2008

Other communications no. 26946 communicated on 30 July 2008
The company sends a press release on the results of the Agbar Group in the first half of 2008.

Other communications no. 26963 communicated on 31 July 2008
The company sends a presentation on the results of the Agbar Group in the first half of 2008.

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