

Agbar obtains a 36.8 million euro profit in the first quarter of 2009

- The net profit attributable to the parent decreases by 2.9% due to the fall in consumption in the national sphere, the effect of the exchange rates and lower results in the Health sector, all partially offset by the improvement in the financial loss
- Agbar has 7% organic growth in the period in relation to operating income

Agbar recorded 7% organic growth in relation to operating income in the first quarter of the financial year 2009. The net profit attributable to the parent was affected by the impact of the fall in consumption in the Water and Environment activity in the national sphere, by the effect of the exchange rates, and by the lower results of the Health activity. All of this was partially offset by the improvement in the financial loss. The results of the Health sector were affected by an increase in the claims rate. The net profit attributable to the parent amounted to 36.8 million euros.

The evolution of the main economic magnitudes in comparison with the same period of the previous year is as follows: the operating income grows by 5.1% and goes from 753.9 to 792.1 million euros; the operating cash flow reaches 156.4 million euros (158.4 in the first quarter of 2008) and decreases by 1.3%; the net profit before minority interests is 86.3 million euros (82.5 in the same period of the previous year) and rises by 4.7%; and, finally, the net profit attributable to the parent is 36.8 million euros (37.9 in the same period of the previous financial year) and decreases by 2.9%.

Organic growth

The operating income in Water and Environment is 434.8 million euros and increases by 3.1% in relation to the same period of the previous financial year (421.7 million euros). The profit from operations goes from 87.6 to 87.9 million euros (+0.3%). This sector had organic growth of 6.6% in operating income and of 4.4% in relation to profit from operations.

In the Health sector, the operating income was 357.3 million euros (332.2 million euros in the same period of the previous year), thus increasing by 7.6%. Despite registering 7.4% organic

growth in the operating income, the profit from operations goes from 25 to 21.1 million euros (-15.7%), because this year the “Easter calendar effect” (the reduction in the provision of services during the holiday period) did not take place during the first quarter, as this festivity was held during the first fortnight of April, unlike last year, when it was in March.

Broadly speaking, the Health sector continues to grow. The number of insured of Adeslas — Agbar’s Health brand — increases by 210,602 people and reaches a total of 2,883,951.

Essal (Chile), Jianguo Water (China) and STC (Spain) are consolidated in Agbar’s results

In the first quarter of 2009, the activity of Essal, S.A. was consolidated in Agbar’s results, following its acquisition in July 2008, when Agbar, through Aguas Andinas, S.A., acquired 53.5% of the company.

In December 2008 Agbar increased by 22.5% its interest in Jianguo Water Company Limited (parent company of the Jianguo Water Group, which operates in China), reaching 71.5%. This increase represents the incorporation of the results of the Jianguo Water group by full consolidation in the first quarter of 2009, compared with the consolidation of 49% of results by the equity method in the same period of the previous year.

Also in December 2008, 100% of Sistemas de Transferencia de Calor (STC) was acquired, a specialist in the drying of sewage sludge, so its activity is consolidated in the first quarter of 2009.

The departures from the scope include especially the sale of Agencia Servicios Mensajería (ASM), at the end of March 2008, and of Tribugest, in December 2008.

Low debt level

The net borrowings go from 539.6 to 700.7 million euros (+29.9%) but continue to present low ratios: gearing of 24.7% — 19.9% in 2008 — and leverage of 19.8% — 16.6% in 2008 —, which allows Agbar to make investments should the opportunity arise and, at the same time, to maintain the credit ratings of the main agencies (Moody’s and Standard & Poor’s).

These figures for Agbar during the first quarter of 2009 show its positive evolution despite the adverse general economic conditions.