

SOCIEDAD GENERAL DE AGUAS DE BARCELONA, S.A.

Proposed modification of Sections 5 and 6 of the Articles of Association

Proposed modification of Sections 5 and 6 of the Articles of Association, which the Board submits to the Ordinary General Meeting, called for the 29 June 2007 at the first notice and for the following day 30 June at the second notice.

The Board of Directors unanimously agrees to propose to the Ordinary General Meeting of Shareholders, called for the 29 June at the first notice and for the following day 30 June at the second notice, the modification of Sections 5 and 6 of the Articles of Association, in order to adapt them to the capital decrease, to be drafted as follows in the future:

“Section 5.- Capital stock

The capital stock is of ONE HUNDRED AND FORTY-NINE MILLION, SIX HUNDRED AND FORTY-ONE THOUSAND, SEVEN HUNDRED AND SEVEN (149,641,707) EUROS and is completely subscribed and disbursed.”

“Section 6.- Shares

The capital stock is formed by 149,641,707 shares, of one euro of par value each one, represented through account entries.

The shares which are representative of the capital stock have the feature of bearer securities and are governed pursuant to what is set forth in the regulatory policy of the Stock Market.

The shares are indivisible. The rules of joint ownership and the establishing of rights in rem on shares, or their attachment, shall be set up in Sections 66 to 73 of the Modified Text of the Company Law.”