

QUARTERLY ADVANCE OF RESULTS CORRESPONDING TO THE:

QUARTER

FIRST

YEAR

2005

Company name:

SOCIEDAD GENERAL DE AGUAS DE BARCELONA, S.A.

Registered office:

Passeig de Sant Joan, 39 (Barcelona)

Fiscal Identity Number:

A-08000234

Persons assuming the responsibility of this information, position and identification of powers or faculties by virtue of which they hold the representation of the Company:

Mr José Vila Bassas
Secretary General - General Manager
Powers: Notary Ms M^a Isabel Gabarró Miquel
May 27, 2003 No Protocol 1,485

Signature:

A) QUARTERLY ADVANCE OF RESULTS

(Concerning the consolidated information, only the applicable column according to the regulations in force will be completed).

Units: Thousands of euros

		INDIVIDUAL		CONSOLIDATED NATIONAL REGULATIONS		CONSOLIDATED NIIF ADOPTED	
		Current year	Previous year	Current year	Previous year	Current year	Previous year
NET SALES (1)	0800	56.014	55.338			692.713	587.763
RESULT BEFORE TAX / RESULT BEFORE TAX OF CONTINUED ACTIVITIES (2)	1040	13.408	24.766			80.742	55.384
RESULT FOR THE YEAR OF CONTINUED ACTIVITIES (3)	4700					62.672	39.163
RESULT FOR THE YEAR (4)	1044	13.654	24.185			62.672	39.163
Result attributed to minority interests/Result for the year attributed to minority interests	2050					-25.166	-12.008
RESULT FOR THE YEAR ATTRIBUTED TO PARENT COMPANY / RESULT FOR THE YEAR ATTRIBUTED TO HOLDERS OF NET WEALTH INSTRUMENTS OF THE PARENT COMPANY	2060					37.506	27.155
CAPITAL STOCK	0500	147.020	145.866				
AVERAGE NUMBER OF PERSONS EMPLOYED	3000	1,067	1,187			23,308	19,280

B) EVOLUTION OF THE BUSINESS

(Even though in a summarized way due to the synthetic character of this quarterly information, the comments to be included in this section should allow investors to form a sufficient opinion on the activity developed by the company and the results obtained during the period covered by this quarterly information, and also its net worth and financial situation and other essential data on the general evolution of businesses in the company.)

See Annex



Grupo Agbar

Results 1st quarter 2005



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1.- MAIN MAGNITUDES AND MOST SIGNIFICANT EVENTS

THE NET INCOME OF THE AGBAR GROUP REACHES €37,506 THOUSAND IN THE FIRST QUARTER OF 2005
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thousands of euros	March 2005 NIIF	March 2004 NIIF	Var. (%)
Operating revenues	705,232	598,733	17.8%
Operating result	66,364	49,091	35.2%
Result before taxes	80,742	55,384	45.8%
Net result part Group	37,506	27,155	38.1%

- Consolidated net result attributed to the Agbar Group amounts to €37,506 thousand, with an increase of 38.1% compared to the same period of 2004. The result includes the capital gain obtained from the disposal of the investment held on the company of the Inspection and Certification sector Iteuve Portugal, Ltda. The consolidated net result of March 2004 included the capital gain obtained in the disposal of Trasa, Tratamiento de Residuos, S.A.U.
- Operating revenues reach €705,232 thousand thus increasing by 17.8% over March 2004. The main variations over the previous year are the proportional consolidation at 80.1% of Inversiones Aguas Metropolitanas Limitada (IAM), society holding 51.2% of Aguas Andinas, S.A. (50% of consolidation of the company IAM in March 2004); the proportional consolidation of the Emte Group at 50% (35% of consolidation in March 2004) and the entry during the first quarter of 2005 of the companies of the ACYMA Group in the Inspection and Certification sector as a result of the consolidation of Soluziona Calidad y Medio Ambiente, S.L. (renamed Applus Calidad y Medioambiente, S.L.; ACYMA) into Applus Servicios Tecnológicos, S.L.
- Operating result amounts to €66,364 thousand with an increase of 35.2% and includes the same variations in the scope of consolidation than operating revenues.
- The activities of the Water and Wastewater sector and those of the Health sector display a strong seasonal variation during the summer. Therefore, the results of the first quarter are not a representative basis of the result of the operations as a whole in one year of activity.
- As indicated in section "C) Bases of presentation and valuation criteria", the data concerning the consolidated closing both of the year 2005 and the year 2004 are presented under international regulations (NIIF).

2.- ANALYSIS OF THE CONSOLIDATED STATEMENT OF INCOME

2.1.- Consolidated statement of income

thousands of euros	March 2005 NIIF	March 2004 NIIF	Var. (%)
Operating revenues	705,232	598,733	17.8%
OPERATING RESULT	66,364	49,091	35.2%
Financial result	(6,853)	(8,471)	-19.1%
Share in results accounted for by the equity method	1,879	2,294	-18.1%
Other results	19,352	12,470	55.2%
RESULT BEFORE TAXES	80,742	55,384	45.8%
Income tax	(18,070)	(16,221)	11.4%
NET RESULT	62,672	39,163	60.0%
Result attributed to minority interests	(25,166)	(12,008)	109.6%
NET RESULT PART GROUP	37,506	27,155	38.1%

2.2.- Operating revenues

Consolidated operating revenues of the Agbar Group reached the figure of €705,232 thousand compared to €598,733 thousand in the same period of 2004, with an increase of 17.8%. The main variations in the scope over the previous year are the proportional consolidation, at 80.1%, of Inversiones Aguas Metropolitanas Limitada (IAM), society holding 51.2% of Aguas Andinas, S.A. compared to the 50% consolidation of the company IAM in the same period of 2004; the proportional consolidation, at 50%, of the Emte Group compared to the 35% consolidation of the previous year, and the consolidation of the ACYMA Group.

Without taking into consideration the impact of the main incorporations to the scope of consolidation and the impact of the evolution in the exchange rates, the organic growth in the activity of the Agbar Group amounts around 5%.

2.3.- Operating result

Operating result reaches €66,364 thousand compared to €49,091 thousand in the previous year, with an increase of 35.2%. The organic growth, after excluding both the incorporations to the scope of consolidation and the effect of the exchange rate, amounts to 6.5%.

2.4.- Other results

Other results amount to €19,352 thousand and include, mainly, the capital gain obtained from the disposal of Iteuve Portugal, Ltda. (€14,553 thousand) and reversions of provisions for contingencies and expenses (€2,580 thousand). In the same period of the year 2004, this item amounted to €12,470 thousand, and included the capital gain for the sale of Trasa, Tratamiento de Residuos, S.A.U.

2.5.- Result attributed to minority interests

The result attributed to minority interests amounts to €-25,166 thousand over €-12,008 thousand in 2004. The increase in this item is mainly due to the proportional consolidation at 80.1% of the IAM Group, compared to 50% of the year 2004. This has meant the incorporation of higher results from minority interests of its subsidiary Aguas Andinas, S.A., in which IAM participates by 51.2%. Moreover, the disposal of 10% of Compañía de Seguros Adeslas, S.A, during the last half of 2004, has increased from 25.2% to 35.2% the participation of minority interests.

The first quarter of 2005 saw the formalisation of the definitive agreements according to which Unión Fenosa, S.A. has assumed a capital increase in Applus Servicios Tecnológicos, S.L. After the capital increase, consisting in the non-cash contribution of 100% of Soluziona Calidad y Medio Ambiente, S.L. (renamed Applus Calidad y Medioambiente, S.L.), the investment of the Agbar Group in Applus Servicios Tecnológicos, S.L, which amounted to 100% in 2004, is 75.01%.

With this, the main results attributed to minority interests correspond to those attributable to Aguas Andinas, S.A. (company participated at 41.0%), to Applus Servicios Tecnológicos, S.L. (company participated at 75.01%) and to Compañía de Seguros Adeslas, S.A. (company participated at 64.8%).

2.6.- Net result (part Group)

Consolidated net result attributed to the Agbar Group, after tax and minority interests, amounts to €37,506 thousand, with an increase of 38.1% over the year 2004.

3.- INVESTMENTS OF THE AGBAR GROUP IN ARGENTINA

The remaining provisions at 31 March 2005 continue covering the responsibilities taken on for any kind of guarantee awarded to businesses in Argentina.

4.- WORKFORCE

The average consolidated staff in the first quarter of 2005 has been of 23,308 persons. The evolution of the average aggregate workforce, excluding the consolidation method used and the integration percentage applied, is the following:

	March 2005	March 2004	Difference
Fully consolidated companies	21,138	17,954	3,184
Proportionally consolidated companies	3,500	3,176	324
Companies accounted for by the equity method	10,281	15,384	(5,103)
TOTAL	34,919	36,514	(1,595)

In fully consolidated companies the increase is mainly due to the integration of the ACYMA Group societies in the Inspection and Certification sector.

In companies accounted for by the equity method, the variation is mainly due to the retirement of the Ormas Ambiental Group in Argentina.

5.- EVOLUTION SOCIEDAD GENERAL DE AGUAS DE BARCELONA, S.A. (individual closing under General Accounting Plan)

Net sales in the first quarter of 2005 amount to €56,014 thousand, which represents an increase of 1.2% over the same period of the previous year.

Water consumption reaches 45.33 hm³ compared to 47.43 hm³ of the same period of the previous year.

Ordinary result amounts to €11,358 thousand. The extraordinary result amounts to €1,669 thousand, and mainly comprises the reversions of provisions for contingencies and expenses (€1,602 thousand). In the same period of 2004, this result reached €10,504 thousand, and the capital gain obtained from the disposal of Trasa, Tratamiento de Residuos, S.A.U. (€10,352 thousand) was the most important item.

Net result at March 31, 2005 amounts to €13,654 thousand.

C) BASES OF PRESENTATION AND VALUATION CRITERIA

(In the elaboration of financial and accounting data included in this periodical public information, we must apply the principles and criteria of recognition and valuation included in the current guidelines for the elaboration of financial and accounting information in the annual accounts corresponding to the annual period to which the displayed periodical public information refers to. If, exceptionally, the accounting principles and criteria generally accepted and required by the corresponding guidelines in force had not been applied to the data and information attached, it should be adequately indicated and justified. The influence its nonapplication might have on wealth, the financial situation and the results of the company or its consolidated group must be explained. Additionally, and to a similar extent, the modifications that, where appropriate and in relation to the last annual accounts audited, may have taken place in the accounting criteria used in the elaboration of the information attached, must be mentioned and commented. If the same accounting principles, criteria and policies of the last annual accounts have been applied, and in case they respond to what is established in the current accounting guidelines to be applied to the entity, please indicate it expressly. When, according to the applicable regulations, there have been adjustments and/or reclassifications in the previous period, due to changes in accounting policies, corrections of mistakes or changes in the classification of items, the quantitative and qualitative information necessary to understand the adjustments and/or reclassifications will be included in this section.)

For Sociedad General de Aguas de Barcelona, S.A. (individual closing) the same accounting principles, criteria and policies as the previous financial year have been applied, according to the accounting regulations in force applicable to the company.

In the elaboration of the consolidated financial statements, both for the present year and for the previous comparative period, the International Standards of Financial Information (NIIF) have been applied, understood as those that the European Commission has adopted according to the procedure established by the Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002.

D) DIVIDENDS DISTRIBUTED DURING THE PERIOD*(The dividends mentioned will be those distributed from the beginning of the financial year.)*

		% on par value	Euros per share	Amount
			(x.xx)	(thou of euros)
1. Ordinary shares	3100	16	0.16	23,052
2. Preferred stocks	3110			
3. Redeemable shares	3115	16	0.16	238
4. Non-voting stocks	3120			

Additional information on dividend distribution (interim, supplementary, etc.)

See annex on following page

E) SIGNIFICANT EVENTS (*)

	YES	NO
1. Acquisitions or transmissions of holdings in the capital of companies quoted on the stock exchange determinant of the obligation of communicating provided for by article 53 of the Securities Market Law (5 per 100 and multiples)	3200	X
2. Treasury stock acquisitions determinant of the obligation of communicating according to additional disposition 1st of the Company Law (1 per 100)	3210	X
3. Other significant increases or decreases in the fixed and other noncurrent assets (holdings over 10% in nonquoted companies, investments or relevant material divestments, etc.)	3220	X
4. Increases and reductions in the share capital or the securities value	3230	X
5. Issues, reimbursements or cancellations of debentures	3240	X
6. Changes of Administrators or the Board of Directors	3250	X
7. Modifications of Articles of Association	3260	X
8. Transformations, mergers or splits	3270	X
9. Changes in the institutional regulation of the sector with a significant incidence on the economic or financial situation of the company or the Group	3280	X
10. Lawsuits, litigations or disputes that may significantly affect the net worth of the company or Group	3290	X
11. Tendering situations, suspensions of payments, etc.	3310	X
12. Special agreements of limitation, cession or total or partial renunciation of the political and economic rights of the company's shares	3320	X
13. Strategic agreements with national or international groups (exchange of shareholdings, etc.)	3330	X
14. Other significant events	3340	X

(*) Please place a tick in the corresponding box, attaching if "yes" an explicative annex detailing the communication date to the Spanish Securities and Exchange Commission and the Stock Exchange Operating Company.

Additional information on dividend distribution (interim, supplementary, etc.)

ADDITIONAL INFORMATION ON DIVIDEND DISTRIBUTION

The dividends distributed during the first quarter of 2005, with regard to distribution, would be the following:

2004 interim dividend (January 11, 2005): 16.00% equivalent to 0.1600 gross euros per share

Additional information on interim dividend distribution for the 2004 financial year:

The Board of Directors, in its meeting held on December 17, 2004, resolved the payment to holders of shares identifiable with codes ISIN ESO141330C19 (type A ordinary shares) and ISIN ESO141330F16 (type B redeemable shares) of an interim dividend for the 2004 income that was paid from January 11, 2005, according to the following details:

ISIN ESO141330C19 (type A ordinary shares)	0.1600	*144,077,608 shares	23,052,417 euros
(*) ISIN ESO141330F16 (type B redeemable shares)	0.1600	*1,488,539 shares	238,166 euros
		TOTAL	23,290,583 euros

(*) Issued as a coverage of the commitments undertaken by virtue of the Stock Option Plan of Sociedad General de Aguas de Barcelona, S.A. intended for Agbar Group employees.

F) ANNEX EXPLAINING SIGNIFICANT EVENTS

See Annex

ANNEX EXPLAINING SIGNIFICANT EVENTS

3.- Other increases or decreases relating to wealth

During the first quarter of 2005 the following movements took place in the consolidated group:

Company	CONSTITUTIONS	
	% shareholding (shareholding company)	% shareholding Agbar at 31/03/05
Applus Deutschland, GmbH	90% Applus Servicios Tecnológicos, S.L.	68%
Applus Automotive Services, S.L.	100% Applus Servicios Tecnológicos, S.L.	75%
S.C. Intermodal La Cisterna	92% Acsa Agbar Construcción, S.A.	92%
S.C. Intermodal Quinta Normal	92% Acsa Agbar Construcción, S.A.	92%
Urcobar, S.L.	50% Acsa Agbar Construcción, S.A.	50%
Grupo Iquimesa, S.L., Sociedad Unipersonal	100% Cía. de Seguros Adeslas, S.A.	65%

Company	ACQUISITIONS	
	% acquisition (acquiring company)	% shareholding Agbar at 31/03/05
Klimacal	33% Emte, S.A.	46%
Applus Danmark, A/S	100% Applus Iteuve Technology, S.L.	75%
Agbar Certificación S.L.	7% Applus Cert, S.A Sdad Unipersonal	57%
Applus Construcción Técnica, S.A.	1% LGAI Technological Center, S.A.	57%
Iteuve Euskadi, S.A.	28% Applus Iteuve Technology, S.L.	75%
Applus Control Textil, S.A.	60% Applus Servicios Tecnológicos, S.L.	45%
Cayacea, Centro de Anál, Asesor., y Control de Calidad, S.A.	10% LGAI Technological Center, S.A	59%

Company	INCORPORATIONS	
	% shareholding (shareholding company)	% shareholding Agbar at 31/03/05
Applus Calidad y Medioambiente, S.L.	100% Applus Servicios Tecnológicos, S.L.	75%
Norcontrol, S.A.	100% Applus Calidad y Medioambiente, S.L.	75%
Novotec Consultores, S.A.	100% Applus Calidad y Medioambiente, S.L	75%
Norcontrol – Sweet, S.A.	60% Applus Calidad y Medioambiente, S.L.	45%
Applus V.I., S.A.S.	73% LGAI Technological Center, S.A	42%

		SALES
Company	% shareholding (shareholding company)	% shareholding Agbar at 31/03/05
Iteuve Portugal, Ltda.	100% Applus Iteuve Technology, S.L.	--

		LIQUIDATIONS
Company	% shareholding (shareholding company)	% shareholding Agbar at 31/03/05
Agbar Colombia E.U.	100% Agbar	--

7.- Modifications of the Articles of Association

On March 3, 2005, public deeds were granted for the conversion of a total of 67,358 redeemable type B shares into 67,358 ordinary type A shares. The number of shares converted coincides with the number of options exercised by beneficiaries of the Stock Option Plan May 2001 within the seventh period of communication of this Plan. As a result of this conversion, the share capital consists of 145,599,298 ordinary shares, type A, and 1,421,181 redeemable shares, type B.

8.- Transformations, mergers or splits

During the first quarter of 2005 the following variations took place:

8.1.- Changes of name

Aprob, S.A.S. is now called Applus V.I., S.A.S.

I A/S PSE 17 nr 1513 is now called Applus Danmark A/S

Soluziona Calidad y Medioambiente, S.L. is now called Applus Calidad y Medioambiente, S.L.

14.- Other significant events

Applus+, a subsidiary of the AGBAR Group, acquires the state network of vehicle testing stations in Denmark and becomes the first private operator in the liberalised vehicle inspection market in this country. (Communicated as a significant event on January 17, 2005)

With an investment of about €64 million (DKr480 million), Applus+, a company of the AGBAR Group, leader in inspection, certification and technological services, has acquired the state network of vehicle testing stations in Denmark, thus becoming the first private operator of the sector in this country, which is operating under a liberalisation system since January 1, 2005. The operation is to be ratified by the Danish Parliament.

Following the liberalisation trend of the vehicle inspection sector in Europe, the Danish Ministry of Transport has proceeded to liberalise the sector, which since January has been operating by the administrative authorisation system. According to the Danish regulations, like the Spanish ones, it is compulsory to go through a first vehicle inspection after 4 years, and following that, every second year.

Today an agreement has been signed in Copenhagen according to which Applus+ obtains the administrative authorisation from the Ministry of Transport and becomes the owner and manager of the state network of vehicle testing stations in Denmark, consisting of 113 stations carrying out a total of 1,300,000 inspections a year on a fleet of 3.3 million vehicles. It will come to operate under the name Applus+ Denmark.

The network, managed by a state company to this date, produces annual sales reaching €56 million (Dkr416 million), EBITDA of €10 million (DKr74 million) and has a workforce of 614 professionals and technicians.

This operation, which is framed under the strategy of international expansion of Applus+, confirms the firm commitment and worldwide leadership position of Applus+ in the vehicle inspection sector, irrespective of the model (liberalisation/concession).

Signing of the definitive agreements for the integration of Soluziona Quality and Environment into Applus+. (Informed as a significant event on February 3, 2005)

The definitive agreements according to which Unión Fenosa S.A. has assumed a capital increase in Applus Servicios Tecnológicos, S.L. have been signed. The consideration of the capital increase consists in the non-cash contribution of the share capital of the company Soluziona Calidad y Medio Ambiente, S.L. (renamed Applus Calidad y Medioambiente, S.L.). After this capital increase, the company Applus Servicios Tecnológicos, S.L. is participated at 75.01% by the Agbar Group and at 24.99% by Unión Fenosa, S.A.

The Agbar Group and Unicaja and Caja Granada have concluded the negotiations concerning the acquisition by both savings banks, strongly established in the autonomous community of Andalusia, of 50% of the capital of Aquagest Sur, S.A., which is presently a 100% subsidiary of the Agbar Group. (Informed as a significant event on February 21, 2005)

The agreement to be formalised will strengthen the presence of the Agbar Group's subsidiary in the Andalusian market and also the services offered there.

The operation, for a total amount of about €77 million, will be carried out through Hidrocartera, S.L., in which both Unicaja and Caja Granada have investments. As a result of the operation, the investments in Aquagest Sur, S.A. will be the following: Hidrocartera, S.L. (50%) and Agbar Group (50%).

This operation is subject to the suspensive conditions agreed by the parties, so it will be materialised once the above-mentioned conditions are fulfilled.

Notice of General Shareholders' Meeting of Sociedad General de Aguas de Barcelona, S.A. and proposed distribution of a supplementary dividend. (Informed as a significant event on March 31, 2005)

The Board of Directors of Sociedad General de Aguas de Barcelona, S.A., in its meeting held on March 31, 2005, has resolved to summon the General Shareholders' Meeting, to be held on May 20, 2005, at 12:30 p.m. in Barcelona, at Palau de la Música Catalana (and, within this one, at the Petit Palau), at the first notice of meeting, and on May 21, 2005, at the same place and at the same time, at the second notice of meeting, if necessary.

In the same meeting, the Board of Directors of Sociedad General de Aguas de Barcelona, S.A., in view of the positive results of the year 2004, resolved to propose to the General Shareholders' Meeting to be held on May 20, 2005, at first notice, the following distribution: both to type A ordinary shares and to type B redeemable shares, a gross supplementary dividend of 0.2480 euros per share (24.80% on the par value of the share) which, together with the gross interim dividend of 0.1600 euros per share, agreed by the Board of Directors in December of 2004, represent a total gross dividend of 0.4080 euros per share (40.80% on its par value).

The total payment to shares is 28.22% higher compared to the year 2003.

The Board of Directors of Sociedad General de Aguas de Barcelona, S.A., in its meeting held on March 31, 2005, resolved to formulate the financial statements and the management report, both individual and consolidated, corresponding to the year 2004. Verified by the company's auditor, these will be submitted for approval of the General Shareholders' Meeting convened for May 20, 2005, at first call, and May 21, 2005, at second call, if necessary.

The Board of Directors, in the same meeting of March 31, formulated the Corporate Governance Annual Report for the year 2004. (Informed as a significant event on April 1, 2005)