

COMPANHIA DE SANEAMENTO BASICO DO ESTADO DE SAO PAULO-SABESP

Form 6-K

September 05, 2013

SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 6-K

REPORT OF FOREIGN ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF THE
SECURITIES EXCHANGE ACT OF 1934

For September 5, 2013
(Commission File No. 1-31317)

Companhia de Saneamento Básico do Estado de São Paulo - SABESP
(Exact name of registrant as specified in its charter)

Basic Sanitation Company of the State of Sao Paulo - SABESP
(Translation of Registrant's name into English)

Rua Costa Carvalho, 300
São Paulo, S.P., 05429-900
Federative Republic of Brazil
(Address of Registrant's principal executive offices)

Indicate by check mark whether the registrant files or will file
annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K
in paper as permitted by Regulation S-T Rule 101(b)(1) .

Indicate by check mark if the registrant is submitting the Form 6-K
in paper as permitted by Regulation S-T Rule 101(b)(7) .

Indicate by check mark whether the registrant by furnishing the
information contained in this Form is also thereby furnishing the
information to the Commission pursuant to Rule 12g3-2(b) under
the Securities Exchange Act of 1934.

Yes No

If "Yes" is marked, indicated below the file number assigned to the
registrant in connection with Rule 12g3-2(b):

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

ITR - Quarterly Information Form – June 30, 2013 – CIA SANEAMENTO BÁSICO ESTADO SÃO PAULO **Version:**
1

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**Version:
1**

Company Information / Capital Breakdown

Number of Shares	Current Quarter
(Units)	6/30/2013
Paid-in Capital	
Common	683,509,869
Preferred	0
Total	683,509,869
Treasury Shares	
Common	0
Preferred	0
Total	0

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

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Company Information / Cash Proceeds

Event	Approval	Proceeds	Date of	Type of	Class of	Earnings per Share
			Payment	Share	Share	(Reais / Share)
Board of Directors' Meeting	3/21/2013	Others	6/21/2013	Common		2.34500

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ITR - Quarterly Information Form – June 30, 2013 – CIA SANEAMENTO BÁSICO ESTADO SÃO PAULO

**Version:
1****Parent Company's Financial Statements/Statement of Financial Position - Assets****(R\$ thousand)**

Code	Description	Current Quarter	Previous Year
		6/30/2013	12/31/2012
1	Total Assets	26,983,475	26,476,097
1.01	Current Assets	2,968,862	3,330,598
1.01.01	Cash and Cash Equivalents	1,669,087	1,915,974
1.01.03	Accounts Receivable	1,148,854	1,148,218
1.01.03.01	Trade Accounts Receivable	1,033,698	1,038,945
1.01.03.02	Other Accounts Receivable	115,156	109,273
1.01.03.02.01	Balances with Related Parties	115,156	109,273
1.01.04	Inventories	52,307	53,028
1.01.06	Recoverable Taxes	17,663	118,421
1.01.06.01	Current Recoverable Taxes	17,663	118,421
1.01.08	Other Current Assets	80,951	94,957
1.01.08.03	Other	80,951	94,957
1.01.08.03.01	Restricted Cash	12,488	64,977
1.01.08.03.20	Other Accounts Receivable	68,463	29,980
1.02	Noncurrent Assets	24,014,613	23,145,499
1.02.01	Long-Term Assets	856,602	906,391
1.02.01.03	Accounts Receivable	335,769	335,687
1.02.01.03.01	Trade Accounts Receivable	335,769	335,687
1.02.01.06	Deferred Taxes	135,672	145,302
1.02.01.06.01	Deferred Income Tax and Social Contribution	135,672	145,302
1.02.01.08	Receivables from Related Parties	135,233	153,098
1.02.01.08.03	Receivables from with Controlling Shareholders	135,233	153,098
1.02.01.09	Other Noncurrent Assets	249,928	272,304
1.02.01.09.04	Escrow Deposits	51,955	53,158
1.02.01.09.05	ANA – National Water Agency	103,195	108,099
1.02.01.09.20	Other Accounts Receivable	94,778	111,047
1.02.02	Investments	74,961	74,872
1.02.02.01	Shareholdings	20,922	20,826
1.02.02.01.04	Other Shareholdings	20,922	20,826
1.02.02.02	Investment Properties	54,039	54,046

1.02.03	Property, Plant and Equipment	190,865	196,710
1.02.04	Intangible Assets	22,892,185	21,967,526
1.02.04.01	Intangible Assets	22,892,185	21,967,526
1.02.04.01.01	Concession Contracts	8,036,280	8,006,130
1.02.04.01.02	Program Contracts	4,933,354	4,390,263
1.02.04.01.03	Service Contracts	9,829,831	9,568,487
1.02.04.01.04	Software License	92,720	2,646

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ITR - Quarterly Information Form – June 30, 2013 – CIA SANEAMENTO BÁSICO ESTADO SÃO PAULO

**Version:
1****Parent Company's Financial Statements/Statement of Financial Position – Liabilities****(R\$ thousand)**

Code	Description	Current Quarter	Previous Year
		6/30/2013	12/31/2012
2	Total Liabilities	26,983,475	26,476,097
2.01	Current Liabilities	2,703,029	3,758,189
2.01.01	Labor and Pension Plan Liabilities	312,419	267,332
2.01.01.01	Pension Plan Liabilities	24,425	35,188
2.01.01.02	Labor Liabilities	287,994	232,144
2.01.02	Trade Accounts Payable	239,393	295,392
2.01.02.01	Domestic Suppliers	239,393	295,392
2.01.03	Tax Liabilities	86,713	152,710
2.01.03.01	Federal Tax Liabilities	81,550	147,013
	PIS-PASEP and COFINS (taxes on revenue)		
2.01.03.01.02	Payable	36,213	46,576
2.01.03.01.03	INSS (social security contribution) Payable	32,176	29,401
2.01.03.01.04	Installment Program - Law 10684/03	0	19,011
2.01.03.01.20	Other Federal Taxes	13,161	52,025
2.01.03.03	Municipal Taxes Liabilities	5,163	5,697
2.01.04	Loans and Financing	766,323	1,342,594
2.01.04.01	Loans and Financing	721,832	833,635
2.01.04.01.01	In Domestic Currency	516,091	635,968
2.01.04.01.02	In Foreign Currency	205,741	197,667
2.01.04.02	Debentures	44,491	508,959
2.01.05	Other Liabilities	703,725	1,135,078
2.01.05.01	Payables to Related Parties	2,466	958
2.01.05.01.03	Payables to Controlling Shareholders	2,466	958
2.01.05.02	Other	701,259	1,134,120
2.01.05.02.01	Dividends and Interest on Equity Payable	151	414,355
2.01.05.02.04	Services Payable	404,710	389,091
2.01.05.02.05	Refundable Amounts	37,678	42,479
2.01.05.02.06	Program Contract Commitments	155,931	148,220
2.01.05.02.07	Private Public Partnership – PPP	13,759	24,357
2.01.05.02.09	Indemnities	17,872	8,697

2.01.05.02.20	Other Payables	71,158	106,921
2.01.06	Provisions	594,456	565,083
2.01.06.01	Tax, Social Security, Labor and Civil Provisions	108,004	112,119
2.01.06.01.01	Tax Provisions	6,552	9,912
2.01.06.01.02	Social Security and Labor Provisions	61,968	59,868
2.01.06.01.04	Civil Provisions	39,484	42,339
2.01.06.02	Other Provisions	486,452	452,964
2.01.06.02.03	Provisions for Environmental	42,261	11,586
2.01.06.02.04			
	Provisions for Customers	350,808	355,520
2.01.06.02.05			
	Provisions for Suppliers	93,383	85,858
2.02	Non-current Liabilities	12,246,014	11,461,146
2.02.01	Loans and Financing	8,260,155	7,532,661
2.02.01.01	Loans and Financing	4,912,720	4,669,478

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**Version:
1****Parent Company's Financial Statements/Statement of Financial Position – Liabilities****(R\$ thousand)**

Code	Description	Current Quarter	Previous Year
		06/30/2013	12/31/2012
2.02.01.01.01	In Domestic Currency	1,645,303	1,651,384
2.02.01.01.02	In Foreign Currency	3,267,417	3,018,094
2.02.01.02	Debentures	3,347,435	2,863,183
2.02.02	Other Payables	3,369,698	3,304,414
2.02.02.02	Other	3,369,698	3,304,414
2.02.02.02.04	Pension Plan Liabilities	2,652,990	2,592,550
2.02.02.02.05	Program Contract Commitments	98,502	87,407
2.02.02.02.06	Private Public Partnership – PPP	335,789	331,960
2.02.02.02.07	Indemnities	9,304	17,577
2.02.02.02.08	TAC – Retirees	36,804	36,804
2.02.02.02.09	Deferred COFINS and PASEP	127,812	123,731
2.02.02.02.20	Other Payables	108,497	114,385
2.02.04	Provisions	616,161	624,071
2.02.04.01	Tax, Pension Plan, Labor and Civil Provisions	252,146	292,198
2.02.04.01.01	Tax Provisions	56,522	58,173
2.02.04.01.02	Pension Plan and Labor Provisions	94,877	111,830
2.02.04.01.04	Civil Provisions	100,747	122,195
2.02.04.02	Other Provisions	364,015	331,873
2.02.04.02.03	Provisions for Environmental	154,504	136,839
2.02.04.02.04	Provisions for Customers	180,564	165,735
2.02.04.02.05	Provisions for Suppliers	28,947	29,299
2.03	Equity	12,034,432	11,256,762

2.03.01	Paid-Up Capital	6,203,688	6,203,688
2.03.02	Capital Reserves	124,255	124,255
2.03.02.07	Projects Support	108,475	108,475
2.03.02.08	Incentive Reserves	15,780	15,780
2.03.04	Profit Reserve	5,307,433	5,387,634
2.03.04.01	Legal Reserve	616,814	616,814
2.03.04.08	Additional Dividend Proposed	0	80,201
2.03.04.10	Reserve for Investments	4,690,619	4,690,619
2.03.05	Retained Earnings/Accumulated Losses	857,871	0
2.03.08	Other Comprehensive Income	-458,815	-458,815

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**Version:
1****Parent Company's Financial Statements/Statement of Income****(R\$ thousand)**

Code	Description	Current	YTD Current	Same Quarter	YTD Previous
		Quarter	Year	Previous Year	Year
		4/1/2013 to 6/30/2013	1/1/2013 to 6/30/2013	4/1/2012 to 6/30/2012	1/1/2012 to 6/30/2012
	Revenue from Sales and/or				
3.01	Services	2,796,278	5,441,322	2,475,049	5,052,731
3.02	Cost of Sales and/or Services	-1,731,945	-3,268,811	-1,567,770	-3,064,208
3.02.01	Cost of Sales and/or Services	-1,088,716	-2,139,620	-1,002,279	-1,959,335
3.02.02	Construction Cost	-643,229	-1,129,191	-565,491	-1,104,873
3.03	Gross Profit	1,064,333	2,172,511	907,279	1,988,523
3.04	Operating Income/Expenses	-348,169	-721,204	-267,452	-638,518
3.04.01	Selling Expenses	-164,722	-306,005	-168,512	-339,290
	General and Administrative				
3.04.02	Expenses	-184,843	-425,280	-116,040	-323,031
3.04.04	Other Operating Income	13,581	24,218	22,875	33,482
3.04.04.01	Other Operating Income	15,289	27,018	25,321	37,227
3.04.04.02	COFINS and PASEP	-1,708	-2,800	-2,446	-3,745
3.04.05	Other Operating Expenses	-12,074	-13,876	-4,478	-6,622
	Loss on Write-off of Property,				
3.04.05.01	Plant and Equipment Items	-3,768	-5,433	-869	-1,808
3.04.05.03	Tax Incentives	-8,151	-8,286	-3,499	-4,688
3.04.05.20	Other	-155	-157	-110	-126
	Equity in the Earnings				
3.04.06	(Losses) of Subsidiaries	-111	-261	-1,297	-3,057
	Income Before Financial				
3.05	Result and Taxes	716,164	1,451,307	639,827	1,350,005
3.06	Financial Result	-207,256	-179,948	-331,375	-286,365
3.06.01	Finance Income	101,290	194,657	71,054	158,412
3.06.01.01	Finance Income	101,040	194,442	70,860	158,467
3.06.01.02	Foreign Exchange Gains	250	215	194	-55
3.06.02	Finance Expenses	-308,546	-374,605	-402,429	-444,777
3.06.02.01	Finance Expenses	-106,863	-302,524	-120,750	-322,310

3.06.02.02	Foreign Exchange Losses	-201,683	-72,081	-281,679	-122,467
3.07	Earnings Before Income Tax	508,908	1,271,359	308,452	1,063,640
	Income Tax and Social				
3.08	Contribution	-147,239	-413,488	-15,640	-278,916

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ITR - Quarterly Information Form – June 30, 2013 – CIA SANEAMENTO BÁSICO ESTADO SÃO PAULO

**Version:
1****Parent Company's Financial Statements / Statement of Income****(R\$ thousand)**

Code	Description	Current Quarter 4/1/2013 to 6/30/2013	YTD Current	Same Quarter	YTD Previous
			Year 1/1/2013 to 6/30/2013	Previous Year 4/1/2012 to 6/30/2012	Year 1/1/2012 to 6/30/2012
3.08.01	Current	-116,317	-403,858	24,541	-239,454
3.08.02	Deferred	-30,922	-9,630	-40,181	-39,462
	Net Result from Continued				
3.09	Operations	361,669	857,871	292,812	784,724
3.11	Profit/Loss for the Period	361,669	857,871	292,812	784,724
	Earnings per Share - (Reais /				
3.99	Share)				
3.99.01	Basic Earnings per Share				
3.99.01.01	Common Share	0.52914	1.25510	0.42840	1.14808
3.99.02	Diluted Earnings per Share				
3.99.02.01	Common Share	0.52914	1.25510	0.42840	1.14808

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**Version:
1**

Parent Company’s Financial Statements / Statement of Comprehensive Income

(R\$ thousand)

Code	Description	Current Quarter 4/1/2013 to 6/30/2013	YTD Current		YTD Previous
			Year	Same Quarter Previous Year 4/1/2012 to 6/30/2012	Year 1/1/2012 to 6/30/2012
4.01	Net Income for the Period	361,669	857,871	292,812	784,724
4.03	Comprehensive Income for the Period	361,669	857,871	292,812	784,724

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

ITR - Quarterly Information Form – June 30, 2013 – CIA SANEAMENTO BÁSICO ESTADO SÃO PAULO

**Version:
1****Parent Company's Financial Statements/Statement of Cash Flows – Indirect Method****(R\$ thousand)**

Code	Description	YTD Current Year 1/1/2013 to 6/30/2013	YTD Previous Year 1/1/2012 to 6/30/2012
6.01	Net Cash from Operating Activities	1,404,860	1,289,330
6.01.01	Cash from Operations	2,278,483	1,920,958
	Net Income Before Income Tax and Social		
6.01.01.01	Contribution	1,271,359	1,063,640
	Provision and Inflation Adjustments on		
6.01.01.02	Provisions	157,834	-6
6.01.01.04	Financial Charges from Customers	-118,983	-76,551
	Residual Value of Written-off Property, Plant and		
6.01.01.05	Equipment	5,433	2,056
6.01.01.06	Depreciation and Amortization	391,924	363,511
6.01.01.07	Interest on Loans and Financing Payable	192,352	204,957
6.01.01.08	Monetary and Foreign Exchange Variation on		
	Loans and Financing	112,612	139,890
6.01.01.09	Interest and Monetary Variation on Liabilities	12,974	863
6.01.01.10	Interest and Monetary Variation in Assets	-8,736	-5,182
6.01.01.11	Allowance for Doubtful Accounts	165,304	183,738
6.01.01.12	Provision for Consent Decree (TAC)	10,228	20,315
6.01.01.13	Equity in the Earnings of Subsidiaries	261	3,057
6.01.01.14	Provision for Sabesprev Mais	4,849	-5,147
6.01.01.15	Other Provisions/Reversals	-21,512	3,668
	Transfer of Funds to São Paulo Municipal		
6.01.01.16	Government	-5,007	-2,638
6.01.01.17	Gross Margin over Intangible Assets Resulting		
	from Concession Contracts	-23,262	-23,862
6.01.01.18	Pension Plan Liabilities	130,853	48,649
6.01.02	Changes in Assets and Liabilities	-301,029	-126,068
6.01.02.01	Trade Accounts Receivable	-40,196	53,196
6.01.02.02	Balances and Transactions with Related Parties	19,758	28,946
6.01.02.03	Inventories	455	10,443
6.01.02.04	Recoverable Taxes	-21,226	-20,715

6.01.02.05	Other Accounts Receivable	-17,310	-54,003
6.01.02.06	Escrow Deposits	1,203	-36,306
6.01.02.08	Contractors and Suppliers	-22,834	-71,735
6.01.02.09	Payroll, Provisions and Social Contribution	45,087	18,800
6.01.02.10	Pension Plan Liabilities	-70,413	-5,022
6.01.02.11	Taxes and Contributions Payable	-66,150	-78,891
6.01.02.12	Services Received	15,619	-7,619
6.01.02.13	Other Liabilities	-12,732	147,351
6.01.02.14	Provisions	-136,371	-111,920
6.01.02.15	Deferred COFINS/PASEP	4,081	1,407
6.01.03	Other	-572,594	-505,560

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ITR - Quarterly Information Form – June 30, 2013 – CIA SANEAMENTO BÁSICO ESTADO SÃO PAULO

**Version:
1****Parent Company's Financial Statements/Statement of Cash Flows – Indirect Method****(R\$ thousand)**

Code	Description	YTD Current Year	YTD Previous Year
		01/01/2013 to 06/30/2013	01/01/2012 to 06/30/2012
6.01.03.01	Interest Paid	-294,990	-320,951
6.01.03.02	Income Tax and Social Contribution Paid	-277,604	-184,609
6.02	Net Cash from Investing Activities	-955,580	-864,239
6.02.01	Acquisition of Property, Plant and Equipment	-7,947	-9,198
6.02.02	Increase in Intangible Assets	-999,765	-858,859
6.02.03	Increase (Decrease) in Investment	-357	-5,064
6.02.04	Restricted Cash	52,489	8,882
6.03	Net Cash from Financing Activities	-696,167	-823,723
6.03.01	Funding – Loans	1,262,709	888,842
6.03.02	Amortization of Loans	-1,409,371	-1,174,793
6.03.03	Payment of Interest on Equity	-498,648	-537,772
6.03.04	Public-Private Partnership – PPP	-20,963	0
6.03.05	Program Contract - Commitments	-29,894	0
6.05	Increase (Decrease) in Cash and Cash Equivalents	-246,887	-398,632
6.05.01	Opening Cash and Cash Equivalents	1,915,974	2,142,079
6.05.02	Closing Cash and Cash Equivalents	1,669,087	1,743,447

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ITR - Quarterly Information Form – June 30, 2013 – CIA SANEAMENTO BÁSICO ESTADO SÃO PAULO

**Version:
1****Parent Company's Financial Statements/Statement of Changes in Equity – 1/1/2013 to 6/30/2013****(R\$ thousand)**

Code	Description	Paid-up Capital	Capital Reserves, Options Granted and Treasury Shares	Profit Reserves	Retained Earnings/ Accumulated Losses	Other Comprehensive Income	Total Equity
5.01	Opening Balances	6,203,688	124,255	5,387,634	0	-458,815	11,256,762
5.03	Restated Opening Balances	6,203,688	124,255	5,387,634	0	-458,815	11,256,762
5.04	Capital Transactions with Partners	0	0	-80,201	0	0	-80,201
5.04.08	Additional Dividends Approved	0	0	-80,201	0	0	-80,201
5.05	Total Comprehensive Income	0	0	0	857,871	0	857,871
5.05.01	Net income for the Period	0	0	0	857,871	0	857,871
5.07	Closing Balances	6,203,688	124,255	5,307,433	857,871	-458,815	12,034,432

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**Version:
1****Parent Company's Financial Statements/Statement of Changes in Equity– 1/1/2012 to 6/30/2012****(R\$ thousand)**

Code	Description	Paid-up Capital	Capital Reserves, Options Granted and Treasury Shares	Profit Reserves	Retained Earnings/ Accumulated Losses	Other Comprehensive Income	Total Equity
5.01	Opening Balances	6,203,688	124,255	4,217,953	0	-953	10,544,943
5.03	Restated Opening Balances	6,203,688	124,255	4,217,953	0	-953	10,544,943
5.04	Capital Transactions with Partners	0	0	-288,143	0	0	-288,143
5.04.08	Additional Dividends Approved	0	0	-288,143	0	0	-288,143
5.05	Total Comprehensive Income	0	0	0	784,724	0	784,724
5.05.01	Net income for the Period	0	0	0	784,724	0	784,724
5.07	Closing Balances	6,203,688	124,255	3,929,810	784,724	-953	11,041,524

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

ITR - Quarterly Information Form – June 30, 2013 – CIA SANEAMENTO BÁSICO ESTADO SÃO PAULO

**Version:
1****Parent Company's Financial Statements/Statement of Value Added****(R\$ thousand)**

Code	Description	YTD Current	YTD Previous
		Year 1/1/2013 to 6/30/2013	Year 1/1/2012 to 6/30/2012
7.01	Revenue	5,749,507	5,328,509
7.01.01	Operating Revenue	4,626,275	4,237,934
7.01.02	Other Revenue	27,018	37,227
7.01.03	Revenue from the Construction	1,152,453	1,128,735
7.01.04	Allowance for/Reversal of Doubtful Accounts	-56,239	-75,387
7.02	Inputs Acquired from Third Parties	-2,278,969	-2,128,052
7.02.01	Costs of Sales and Services	-1,910,433	-1,816,708
7.02.02	Materials, Energy, Outsourced Services and Other	-354,660	-304,722
7.02.04	Other	-13,876	-6,622
7.03	Gross Value Added	3,470,538	3,200,457
7.04	Retentions	-391,924	-363,511
7.04.01	Depreciation, Amortization and Depletion	-391,924	-363,511
7.05	Net Value Added Produced	3,078,614	2,836,946
7.06	Value Added Received through Transfer	194,396	155,355
7.06.01	Equity in the Earnings (Losses) of Joint Ventures	-261	-3,057
7.06.02	Finance Income	194,657	158,412
7.07	Total Value Added to Distribute	3,273,010	2,992,301
7.08	Value Added Distribution	3,273,010	2,992,301
7.08.01	Personnel	862,952	763,609
7.08.01.01	Direct Compensation	580,793	514,632
7.08.01.02	Benefits	232,134	198,700
7.08.01.03	Government Severance Indemnity Fund for Employees (FGTS)	50,025	50,277
7.08.02	Taxes and Contributions	981,378	802,576
7.08.02.01	Federal	923,890	751,131
7.08.02.02	State	28,044	25,303

7.08.02.03	Municipal	29,444	26,142
7.08.03	Value Distributed to Providers of Capital	570,809	641,392
7.08.03.01	Interest	537,979	610,120
7.08.03.02	Rental	32,830	31,272
7.08.04	Value Distributed to Shareholders	857,871	784,724
7.08.04.03	Retained Earnings/Accumulated Loss for the Period	857,871	784,724

(CONVENIENCE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)

ITR — Quarterly Information Form — June 30, 2013 — CIA SANEAMENTO BÁSICO ESTADO SÃO PAULO

**Version:
1****Comments on the Company's Performance****1. Financial highlights**

	<i>R\$ million</i>							
	2Q12	2Q13	Chg. (R\$)	%	1S12	1S13	Chg. (R\$)	%
(+) Gross operating revenue	2,048.6	2,307.4	258.8	12.6	4,237.9	4,626.3	388.4	9.2
(+) Construction revenue	577.8	656.9	79.1	13.7	1,128.7	1,152.4	23.7	2.1
(-) COFINS and PASEP taxes	151.4	168.0	16.6	11.0	313.9	337.4	23.5	7.5
(=) Net operating revenue	2,475.0	2,796.3	321.3	13.0	5,052.7	5,441.3	388.6	7.7
(-) Costs and expenses	1,286.8	1,438.3	151.5	11.8	2,621.6	2,870.9	249.3	9.5
(-) Construction costs	565.5	643.2	77.7	13.7	1,104.9	1,129.2	24.3	2.2
(+) Equity result	(1.3)	(0.1)	1.2	(92.3)	(3.1)	(0.2)	2.9	(93.5)
(+) Other operating revenue/expenses	18.4	1.5	(16.9)	(91.8)	26.9	10.3	(16.6)	(61.7)
(=) Earnings before financial result, income tax and social contribution	639.8	716.2	76.4	11.9	1,350.0	1,451.3	101.3	7.5
(+) Net financial	(331.4)	(207.3)	124.1	(37.4)	(286.4)	(179.9)	106.5	(37.2)
(=) Earnings before income tax and social contribution	308.4	508.9	200.5	65.0	1,063.6	1,271.4	207.8	19.5
(+) Income tax and social contribution	(15.6)	(147.2)	(131.6)	843.6	(278.9)	(413.5)	(134.6)	48.3
Net Income	292.8	361.7	68.9	23.5	784.7	857.9	73.2	9.3
Earnings per share (R\$)	0.43	0.53			1.15	1.26		

Adjusted EBITDA Reconciliation (Non-accounting measures)

	<i>R\$ million</i>							
	2Q12	2Q13	Chg. (R\$)	%	1S12	1S13	Chg. (R\$)	%
Net income	292.8	361.7	68.9	23.5	784.7	857.9	73.2	9.3
(+) Income tax and social contribution	15.6	147.2	131.6	843.6	278.9	413.5	134.6	48.3
(+) Net financial	331.4	207.3	(124.1)	(37.4)	286.4	179.9	(106.5)	(37.2)
(+) Other operating revenues/expenses	(18.4)	(1.5)	16.9	(91.8)	(26.9)	(10.3)	16.6	(61.7)
(=) Earnings before financial result (EBIT)	621.4	714.7	93.3	15.0	1,323.1	1,441.0	117.9	8.9
(+) Depreciation and amortization	177.0	196.7	19.7	11.1	363.5	391.9	28.4	7.8
(=) Adjusted EBITDA *	798.4	911.4	113.0	14.2	1,686.6	1,832.9	146.3	8.7
(%) Adjusted EBITDA margin	32.3	32.6			33.4	33.7		

(* Adjusted EBITDA is net income before: (i) depreciation and amortization; (ii) income tax and social contribution (income federal taxes); (iii) financial result and (iv) other operating expenses, net.

In 2Q13, net operating revenue reached R\$2.8 billion, a 13.0% growth compared to 2Q12.

Costs and expenses, including construction costs, in the amount of R\$2.1 billion grew 12.4% over 2Q12.

EBIT grew 15.0%, from R\$621.4 million in 2Q12 to R\$714.7 million in 2Q13.

Adjusted EBITDA increased 14.2%, from R\$798.4 million in 2Q12 to R\$911.4 million in 2Q13.

The adjusted EBITDA margin was 32.6% in 2Q13 in comparison to 32.3% in the same period of 2012. Excluding construction revenues and construction costs, the adjusted EBITDA margin was 42.0% in 2Q13 (41.4% in 2Q12).

Net income totaled R\$361.7 million in 2Q13, 23.5% higher than in 2Q12.

2. Gross operating revenue

Gross operating revenue from water supply and sewage collection grew from R\$2.0 billion in 2Q12 to R\$2.3 billion in 2Q13, an increase of R\$258.8 million or 12.6%.

The main factors that led to this variation were:

- Tariff adjustment of 5.15% since September 2012;
- The tariff repositioning index of 2.35% applied since April 2013; and
- Increase of 3.5% in the Company's total billed volume (3.3% in water and 3.8% in sewage).

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ITR — Quarterly Information Form — June 30, 2013 — CIA SANEAMENTO BÁSICO ESTADO SÃO PAULO

**Version:
1****Comments on the Company's Performance****3. Construction revenue**

Construction revenue increased R\$79.1 million or 13.7%, when compared to 2Q12. This variation was mainly due to lower investments in 2Q13, in comparison to the same period of the previous year.

4. Billed volume

The following tables show the water and sewage billed volume per customer category and region in 2Q12, 2Q13, 1S12 and 1S13.

WATER AND SEWAGE BILLED VOLUME ⁽¹⁾ PER CUSTOMER CATEGORY - million m³

Category	Water			Sewage			Water + Sewage		
	2Q12	2Q13	%	2Q12	2Q13	%	2Q12	2Q13	%
Residential	371.5	383.6	3.3	307.0	318.7	3.8	678.5	702.3	3.5
Commercial	42.6	43.7	2.6	39.7	40.8	2.8	82.3	84.5	2.7
Industrial	9.3	9.7	4.3	10.6	11.7	10.4	19.9	21.4	7.5
Public	14.1	14.1	-	10.9	10.9	-	25.0	25.0	-
Total retail	437.5	451.1	3.1	368.2	382.1	3.8	805.7	833.2	3.4
Wholesale	73.8	74.4	0.8	7.2	7.5	4.2	81.0	81.9	1.1
Reused water	0.1	3.0	-	-	-	-	0.1	3.0	-
Total	511.4	528.5	3.3	375.4	389.6	3.8	886.8	918.1	3.5
	1S12	1S13	%	1S12	1S13	%	1S12	1S13	%
Residential	756.1	772.6	2.2	622.3	639.9	2.8	1,378.4	1,412.5	2.5
Commercial	85.6	86.8	1.4	79.4	80.7	1.6	165.0	167.5	1.5
Industrial	18.9	19.3	2.1	20.9	22.2	6.2	39.8	41.5	4.3
Public	27.2	26.9	(1.1)	21.0	21.1	0.5	48.2	48.0	(0.4)
Total retail	887.8	905.6	2.0	743.6	763.9	2.7	1,631.4	1,669.5	2.3

Wholesale	147.1	149.0	1.3	13.5	14.8	9.6	160.6	163.8	2.0
Reused water	0.2	8.7	-	-	-	-	0.2	8.7	-
Total	1,035.1	1,063.3	2.7	757.1	778.7	2.9	1,792.2	1,842.0	2.8

WATER AND SEWAGE BILLED VOLUME ⁽¹⁾ PER REGION - million m³

Region	Water			Sewage	Water + Sewage
	2Q12	2Q13	%		