

COMPANHIA DE SANEAMENTO BASICO DO ESTADO DE SAO PAULO-SABESP

Form 6-K

March 27, 2013

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**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, DC 20549**

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**FORM 6-K**

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

**For March 27, 2013**  
**(Commission File No. 1-31317)**

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**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)*

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

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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):

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**CIA. DE SANEAMENTO BÁSICO DO ESTADO DE SÃO PAULO - SABESP**

Rui de Britto Álvares Affonso

Chief Financial Officer and Investor Relations Officer

Mario Azevedo de Arruda Sampaio

Head of Capital Markets and Investor Relations

**SABESP announces 4Q12 and 2012 results**

SBSP3: R\$ 88.90 / share

São Paulo, March 21, 2013 - **Companhia de Saneamento Básico do Estado de São Paulo - SABESP**(BM&FBovespa: SBSP3; NYSE: SBS), one of the largest water and sewage services providers in the world based on the number of costumers, announces today its results for the **fourth quarter 2012 (4Q12) and full year 2012**. The Company's operating and financial information, except when indicated otherwise is presented in Brazilian Reais, in accordance with the Brazilian Corporate Law. All comparisons in this release, unless otherwise stated, refer to the same period of 2011.

SBS: US\$ 44.44 (ADR=2 shares)

Total shares: 227.836.623

Market Value: R\$ 20.3 billion

Closing Price: 03/21/2013



**1. Financial highlights**

					<i>R\$ million</i>			
	4Q11	4Q12	Var. (R\$)	%	2011	2012	Var. (R\$)	%
(+) Gross operating revenue	2,261.7	2,425.8	164.1	7.3	8,305.0	8,926.7	621.7	7.5
(+) Construction revenue	603.6	723.5	119.9	19.9	2,224.6	2,464.5	239.9	10.8
(-) COFINS and PASEP taxes	163.5	175.4	11.9	7.3	602.2	653.6	51.4	8.5
(=) Net operating revenue	2,701.8	2,973.9	272.1	10.1	9,927.4	10,737.6	810.2	8.2
(-) Costs and expenses	1,334.0	1,439.0	105.0	7.9	5,302.1	5,450.2	148.1	2.8
(-) Construction costs	595.3	710.4	115.1	19.3	2,177.0	2,414.4	237.4	10.9
(+) Equity Results	0.8	(2.9)	(3.7)	(462.5)	(3.6)	(6.5)	(2.9)	80.6
(=) Earnings before financial expenses (EBIT*)	773.3	821.6	48.3	6.2	2,444.7	2,866.5	421.8	17.3
Net income	493.0	765.4	272.4	55.3	1,223.4	1,911.9	688.5	56.3
Earnings per share (R\$)	2.16	3.36			5.37	8.39		
(*) Earnings before interest and taxes								

**Adjusted EBITDA Reconciliation (Non-accounting measures)**

					<i>R\$ million</i>			
	4Q11	4Q12	Var. (R\$)	%	2011	2012	Var. (R\$)	%
Net income	493.0	765.4	272.4	55.3	1,223.4	1,911.9	688.5	56.3
Financial result	117.2	(100.0)	(217.2)	(185.3)	633.0	295.7	(337.3)	(53.3)
Depreciation and amortization	196.2	194.8	(1.4)	(0.7)	768.7	738.5	(30.2)	(3.9)
Income tax and social contribution	34.1	165.7	131.6	385.9	498.1	635.7	137.6	27.6
Other operating expenses, net	129.0	(9.5)	(138.5)	(107.4)	90.2	23.2	(67.0)	(74.3)
(=) Adjusted EBITDA **	969.5	1,016.4	46.9	4.8	3,213.4	3,605.0	391.6	12.2
(%) Adjusted EBITDA margin	35.9	34.2			32.4	33.6		

(\*\*) 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 2012, net operating revenue reached R\$ 10.7 billion, an 8.2% growth compared to 2011. Costs and expenses, including construction costs, in the amount of R\$ 7.9 billion grew 5.2% over 2011. EBIT grew 17.3%, from R\$ 2.4 billion in 2011 to R\$ 2.9 billion in 2012. Adjusted EBITDA increased 12.2%, from R\$ 3.2 billion in 2011 to R\$ 3.6 billion in 2012. The adjusted EBITDA margin was 33.6% in 2012 in comparison to 32.4% in 2011. Excluding construction revenues and construction costs, the adjusted EBITDA margin was 43.0% in 2012 (41.1% in 2011).

Net income reached R\$ 1.9 billion in 2012, 56.3% higher than in 2011.

## **2. Gross operating revenue**

Gross operating revenue from water supply and sewage collection grew from R\$ 8.3 billion in 2011 to R\$ 8.9 billion in 2012, an increase of R\$ 621.7 million or 7.5%. The main factors that led to this variation were: the increase of 2.4% in water billed volume and of 3.2% in sewage billed volume, the Company's total increase in billed volume was of 2.7%, and the tariff adjustment of 6.83% since September 2011 and of 5.15% since September 2012.

## **3. Construction revenue**

In 2012, construction revenue increased R\$ 239.9 million or 10.8%, comparing to 2011. This variation was mainly due to higher investments in 2012.

## **4. Billed volume**

The following tables show the billed water and sewage volume per customer category and region in 4Q11 and 4Q12, and 2011 and 2012.

**BILLED WATER AND SEWAGE VOLUME <sup>(1)</sup> PER CUSTOMER CATEGORY - million m<sup>3</sup>**

Category	Water			Sewage			Water + Sewage		
	4Q11	4Q12	%	4Q11	4Q12	%	4Q11	4Q12	%
Residential	378.8	392.7	3.7	311.8	324.9	4.2	690.6	717.6	3.9
Commercial	42.8	44.0	2.8	39.8	40.8	2.5	82.6	84.8	2.7
Industrial	9.7	9.7	-	10.5	10.4	(1.0)	20.2	20.1	(0.5)
Public	13.5	13.7	1.5	10.5	10.7	1.9	24.0	24.4	1.7
<b>Total retail</b>	<b>444.8</b>	<b>460.1</b>	<b>3.4</b>	<b>372.6</b>	<b>386.8</b>	<b>3.8</b>	<b>817.4</b>	<b>846.9</b>	<b>3.6</b>
Wholesale	74.8	75.6	1.1	6.2	6.3	1.6	81.0	81.9	1.1
Reused water	0.1	0.1	-	-	-	-	0.1	0.1	-
<b>Total</b>	<b>519.7</b>	<b>535.8</b>	<b>3.1</b>	<b>378.8</b>	<b>393.1</b>	<b>3.8</b>	<b>898.5</b>	<b>928.9</b>	<b>3.4</b>
	2011	2012	%	2011	2012	%	2011	2012	%
Residential	1,488.0	1,530.0	2.8	1,220.7	1,262.6	3.4	2,708.7	2,792.6	3.1
Commercial	167.6	172.8	3.1	156.4	160.5	2.6	324.0	333.3	2.9
Industrial	38.7	38.3	(1.0)	40.5	41.6	2.7	79.2	79.9	0.9