

COMPANHIA DE SANEAMENTO BASICO DO ESTADO DE SAO PAULO-SABESP

Form 6-K

June 23, 2008

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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 June 23, 2008**

**(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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**COMPANHIA DE SANEAMENTO BÁSICO DO ESTADO DE SÃO PAULO SABESP**

**PUBLICLY-HELD COMPANY  
CORPORATE TAXPAYER S ID (CNPJ) 43.776.517/0001 -80**

**MATERIAL FACT**

Pursuant to CVM Instruction 358, dated January 3, 2002, Sabesp Companhia de Saneamento Básico do Estado de São Paulo ( SABESP ), hereby informs its shareholders and the market in general that it has entered into a confidentiality agreement with EMAE Empresa Metropolitana de Águas e Energia S.A. ( EMAE ) to carry out a valuation of this company, without any binding effects, aiming at an eventual acquisition of assets which, among other alternatives, may result in the corporate restructuring of EMAE or the acquisition of its capital by SABESP, currently held by the State of São Paulo, in accordance to the current legislation and conditions of operations of this nature.

New information will be disclosed to the market in compliance to the current legislation and according to the evolution of this process.

São Paulo, May 30, 2008.

Rui de Britto Álvares Affonso  
Chief Financial Officer and Investor Relations Officer

