

COMPANHIA DE SANEAMENTO BASICO DO ESTADO DE SAO PAULO-SABESP

Form 6-K

September 17, 2003

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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 September 16, 2003**

**(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):



COMPANHIA DE SANEAMENTO BÁSICO DO ESTADO DE SÃO PAULO - SABESP  
Tax ID (CNPJ) # 43.776.517/0001- 80  
Publicly-Traded Company

MINUTES OF THE 595th MEETING OF THE BOARD OF DIRECTORS

On September 16, 2003, at 13h00, summoned by the Chairman of the Board of Directors, extraordinarily, in compliance with Article 15 of the Company's By-Laws, in the meeting room at Rua Bela Cintra 847 10th floor, São Paulo, the members of the Board of Directors of Companhia de Saneamento Básico do Estado de São Paulo SABESP, who are listed and undersigned below, held a meeting. Fulfilled the legal requirements, the Chairman of the Board of Directors, Mauro Guilherme Jardim Arce, initiated the discussion, by presenting the only item of the agenda, Repricing of the 5th Series Issue of Debentures and asking for the Company's Chief Executive Officer and the Chief Financial and Investor Relations Officer to present the subject, what was done based on the Executive Board Deliberation # 0299/2003, of 09/16/2003, explaining that it is about the repricing of the conditions of remuneration of the 5th series issue of debentures of the Company (the Debentures ), as foreseen in item 4.11 of Clause IV of Registry of 5th Series Public Issue of Non-Convertible Debentures, in two tranches, unsecured, of Companhia de Saneamento Básico do Estado de São Paulo - SABESP , as amended on April 29, 2002 and May 13, 2002 ("Offering Circular"), which will prevail during the interest calculation period to be initiated on October 1, 2003. After the discussion and the following voting of the subject, the Executive Board's proposal for the repricing of the conditions of the 1st and 2nd debenture series was unanimously approved in the following terms:

- (i) The new interest calculation period, during which the conditions remain unaltered for the first and second series will begin on October 1, 2003 and terminate on April 1, 2005, upon which date the first amortization payment for the Debentures is due.
- (ii) The Debentures for the first tranches will have rights to interest due on the unamortized nominal unit value of the Debentures, as established based on the average change in the overnight Interbank rate (DI) expressed in annual percentage points, based on 252 days, calculated and set by the Central Custodian and Financial Liquidation of Securities (CETIP), plus a spread of 2.0% (two percent) per annum, calculated from the date of repricing (October 1, 2003), according to the formula established in the Offering Circular.
- (iii) The unamortized nominal unit value of the second tranche of the Debentures will be adjusted from their date of issue by the IGP-M General Market Price Index, as calculated by Fundação Getúlio Vargas, and will have rights to payment of interest at a fixed rate of 12.7% (twelve and seven tenths of one percent) per annum. Interest will be paid on the nominal unit value of the second tranche, as adjusted by inflation and compounded daily, based on a year of 252 (two hundred and fifty two) working days from the date of repricing (October 1, 2003), according to a constant formula as per the Offering Circular.
- (iv) Interest of the first tranche of the Debentures following the repricing will be paid quarterly, as determined by subitem 4.4.1 of item 4.4 of the 4th clause of the Offering Circular on the following dates:

First Tranche

Interest Payment	Payment Date

1st Payment	01.Jan.2004
2nd Payment	01.April.2004
3rd Payment	01.July.2004
4th Payment	01.October.2004
5th Payment	01.January.2005
6th Payment	01.April.2005

(v) Interest on the second tranche of Debentures, in the new interest calculation as set forth in sub item 4.4.2 of item 4.4 of the Offering Circular, will be paid annually on the dates listed below, except that the payment of monetary restatements will be paid with the payment of the nominal unit value of the Debentures, which should occur at amortization or at the next repricing for those Debenture holders who do not agree to the conditions fixed by the issuer or decide to sell their Debentures due to the non-publishing of interest payment terms for the following period.

2nd Tranche

Interest Payment	Payment Date
1st Payment	01.April.2004
2nd Payment	01. April.2005

(vi) The Debentures will be subject to the same conditions established in the Offering Circular that have not been altered by the deliberation described herein.

The Company's Executive Board is hereby authorized to publish the Notice to the Holders of Debentures, informing the conditions of repricing of the Debentures, as well as the celebration of the amendment to the Offering Circular to reflect the repricing conditions approved here.

These minutes, after approved, were undersigned by the Directors present to the meeting Mauro Guilherme Jardim Arce - Chairman, Fernando Carvalho Braga, Alexander Bialer, Andrea Sandro Calabi, Eduardo Refinetti Guardia, Fernando Maida Dall'Acqua, Gustavo de Sá e Silva, José Guimarães Monforte e Maria Helena Guimarães de Castro.

São Paulo, September 16, 2003

Mauro Guilherme Jardim Arce  
Chairman of the  
Board of Directors

Ligia Ourives da Cruz Ferreira  
Secretary

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in the city São Paulo, Brazil.

Date: September 16, 2003

**Companhia de Saneamento Básico do Estado de São Paulo - SABESP**

By:                   /s/ Rui de Britto Álvares Affonso

Name: Rui de Britto Álvares  
Affonso  
Title: Economic and Financial  
Director and Investor Relations  
Officer

**FORWARD-LOOKING STATEMENTS**

This press release may contain forward-looking statements. These statements are statements that are not historical facts, and are based on management's current view and estimates of future economic circumstances, industry conditions, company performance and financial results. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.

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