



Response to written questions submitted to the Board of Directors

The Commercial Code provides that any shareholder may submit written questions to the Board of Directors, which the Board is required to answer during the course of the General Meeting of Shareholders. It should be noted that written questions are admissible only if they pertain to the General Meeting of Shareholders agenda. They must also be addressed to the Chairman of the Board of Directors and sent by registered letter with return receipt requested to the Company's registered office as of the date on which the General Meeting is convened (13 April 2011) and no later than four business days before the Meeting (13 May 2011). Questions must be accompanied by proof of registered share ownership.

Article L.225-108, paragraph 4 of the Commercial Code stipulates that the response to a written question is considered given if it appears prior to the General Meeting on the Company's website in a section provided for this purpose.

SUEZ ENVIRONNEMENT received three written questions on 16 May that did not strictly adhere to the format required by the regulation. These written questions are not admissible under these conditions as written questions according to the Law. Nonetheless, it made an exception by answering them with the proviso that these responses do not legally qualify as a "Response to written questions".

These questions are summarised here without altering their meaning as it did not appear useful to reproduce them in full to properly understand them.

The three written questions were submitted by Mr. Henri Pieyre de Mandiargues.

The first question concerns the valuation of the acquisition in the SUEZ ENVIRONNEMENT accounts of the investment it holds in Aguas de Valencia.

ANSWER: The Aguas de Valencia acquisition was valued based on a multi-criteria, approach, and in particular according to the Discounted Cash Flow (DCF) method, which takes into account the term of contracts, sustained growth, the company's profitability and



its potential for improvement. In addition, in light of the low float and the low trading volume of Aguas de Valencia securities in 2008 and 2009, the stock price was not significant and was therefore not used as criteria to determine the fair value of Aguas de Valencia securities, pursuant to the IAS 39 accounting standard. The 2008 and 2009 accounts were certified without reserve by our auditors.

AVSA holds a portfolio of long-term contracts in one of Spain's most dynamic regions. The water contract for the Valencia metropolitan area, which is one of the group's main assets (representing some 40% of the turnover) was renewed in 2002 for a 50-year term. The other AVSA contracts are also long-term contracts with an average term in excess of 20 years.

The water market in Spain continues to be a dynamic market with a growth outlook that remains attractive. Environmental needs are considerable and Spain offers a stable and favourable political framework to allow private operators to blossom. The reasons for making the acquisition in 2007 are still relevant and SUEZ ENVIRONNEMENT has no reason to downgrade the Aguas de Valencia valuation in its accounts.

The 2010 accounts were certified without reserve by our auditors.

The second question concerns SUEZ ENVIRONNEMENT's representation on the Board of Directors.

RESPONSE: SUEZ ENVIRONNEMENT has not entered into any shareholders' agreement with Aguas de Valencia's historic shareholders and has no representation on its Board of Directors.

The third question concerns the fact that SUEZ ENVIRONNEMENT's investment in Aguas de Valencia is classified under the heading "available-for-sale financial assets" as well as the Group's future strategy with regard to selling it.

RESPONSE: The investment's classification adheres to accounting standards for minority shareholdings. We have entered our other minority shareholdings such as Acea or Chongqing Water Group in the same way.

The strategic reasons that led SUEZ ENVIRONNEMENT to take a stake in AVSA in 2007 are still relevant today.