



**FIRST SUPPLEMENT DATED 5 MAY 2009  
TO THE BASE PROSPECTUS DATED 23 MARCH 2009**

**SUEZ ENVIRONNEMENT COMPANY**  
*(incorporated with limited liability in the Republic of France) as Issuer*

**€5,000,000,000 Euro Medium Term Note Programme**

This first supplement (the “**First Supplement**”) is supplemental to, and should be read in conjunction with, the Base Prospectus dated 23 March 2009 (the “**Base Prospectus**”) prepared in relation to the €5,000,000,000 Euro Medium Term Note Programme of Suez Environnement Company (the “**Programme**”). The Base Prospectus as supplemented constitutes a base prospectus for the purpose of the Directive 2003/71/EC (the “**Prospectus Directive**”) and was approved in Luxembourg by the *Commission de surveillance du Secteur Financier* (the “**CSSF**”) on 23 March 2009.

The First Supplement constitutes a supplement to the Base Prospectus for the purpose of article 16 of the Prospectus Directive and of article 13 of the Luxembourg law on prospectuses for securities dated 10 July 2005 (the “**Luxembourg Law**”) which implements the Prospectus Directive into the law of the Grand-Duchy of Luxembourg.

Terms defined in the Base Prospectus have the same meaning when used in the First Supplement.

The Issuer declares that, to the best of its knowledge (having taken all reasonable care to ensure that such is the case), the information contained in the First Supplement is in accordance with the facts and contains no omission likely to affect its import and the Issuer accepts responsibility accordingly.

To the extent applicable, and provided that the conditions of article 13.1 of the Prospectus Law are fulfilled, investors who have already agreed to purchase or subscribe for Notes to be issued under the Programme before this First Supplement is published, have the right according to article 13.2 of the Prospectus Law, to withdraw their acceptances within a time limit of two working days after the publication of this First Supplement.

The First Supplement has been prepared for the following purposes :

- incorporating by reference in the Base Prospectus the Reference Document for the year 2008 of the Issuer which contains the audited consolidated annual financial statements of the Issuer for the financial year dated 31 December 2008 (the “**Reference Document 2008**”);
- amending paragraph (i) of the definition of “Material Subsidiaries” included in Condition 4 “Negative Pledge” on page 50 of the Base Prospectus; and

- including the press release published by the Issuer on 29 April 2009 as recent developments.

Save as disclosed in this First Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus that could significantly and negatively affect the assessment of the Notes. To the extent that there is any inconsistency between (a) any statements in this First Supplement and (b) any other statement in, or incorporated in, the Base Prospectus, the statements in (a) above will prevail.

Copies of this First Supplement and of the Reference Document 2008 are available on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)), the website of the Issuer ([www.suez-environnement.com](http://www.suez-environnement.com)) and may be obtained, free of charge, at the registered office of the Issuer and at the specified offices of the Fiscal Agent and each Paying Agent set out at the end of the Base Prospectus during normal business hours so long as any of the Notes are outstanding.

The cross-reference tables below set out the relevant page references for the information incorporated herein by reference:

<b>Article No.</b>	<b>Information incorporated by reference</b>	<b>Reference Document 2008</b>
<b>2</b>	<b>Statutory Auditors</b>	
2.1	Names and addresses of the issuer's auditors for the period covered by the historical financial information (together with their membership in a professional body).	page 7
2.2	If auditors have resigned, been removed or not been re-appointed during the period covered by the historical financial information, details if material.	page 7
<b>5</b>	<b>Business Overview</b>	
5.1.2	The basis for any statements in the registration document made by the issuer regarding its competitive position.	pages 48-56
<b>6</b>	<b>Organisational Structure</b>	
6.1	If the issuer is part of a group, a brief description of the group and of the issuer's position within it.	page 89-90
6.2	If the issuer is dependent upon other entities within the group, this must be clearly stated together with an explanation of this dependence.	page 90
<b>8</b>	<b>Profit Forecasts or Estimates</b>	
	If an issuer chooses to include a profit forecast or a profit estimate, the registration document must contain the information items 8.1 and 8.2.	pages 47-78 and page 127
8.1	A statement setting out the principal assumptions upon which the issuer has based its forecast, or estimate.  There must be a clear distinction between assumptions about factors which the members of the administrative, management or supervisory bodies can influence and assumptions about factors which are exclusively outside the influence of the members of the administrative, management or supervisory bodies; be readily	pages 47-48

<b>Article No.</b>	<b>Information incorporated by reference</b>	<b>Reference Document 2008</b>
	understandable by investors, be specific and precise and not relate to the general accuracy of the estimates underlying the forecast.	
8.2	Any profit forecast set out in the registration document must be accompanied by a statement confirming that the said forecast has been properly prepared on the basis stated and that the basis of accounting is consistent with the accounting policies of the issuer.	pages 47-48
8.3	The profit forecast or estimate must be prepared on a basis comparable with the historical financial information.	pages 47-48
<b>9</b>	<b>Administrative, Management and Supervisory Bodies</b>	
9.1	Names and functions in the issuer of the following persons, and an indication of the principal activities performed by them outside the issuer where these are significant with respect to that issuer:	
	members of the administrative, management or supervisory bodies;	pages 130 to 138
	partners with unlimited liability, in the case of a limited partnership with a share capital.	N/A
9.2	<b>Administrative, Management, and Supervisory bodies conflicts of interests</b>  Potential conflicts of interests between any duties to the issuing entity of the persons referred to in item 9.1 and their private interests and or other duties must be clearly stated. In the event that there are no such conflicts, a statement to that effect.	page 138
<b>10</b>	<b>Major Shareholders</b>	
10.1	To the extent known to the issuer, state whether the issuer is directly or indirectly owned or controlled and by whom and describe the nature of such control, and describe the measures in place to ensure that such control is not abused.	page 162
10.2	A description of any arrangements, known to the issuer, the operation of which may at a subsequent date result in a change in control of the issuer.	page 165
<b>11</b>	<b>Financial Information concerning the Issuer's Assets and Liabilities, Financial Position and Profits and Losses</b>	
11.1	<b>Historical Financial Information</b>  Audited historical financial information covering the latest 2 financial years (or such shorter period that the issuer has been in operation), and the audit report in respect of each year. Such financial information must be prepared according to Regulation (EC) No 1606/2002, or if not applicable to a Member's State national accounting standards for issuers from the Community.  The historical annual financial information must be independently audited or reported on as to whether or not, for the purposes of the registration document, it gives a true and fair view, in accordance with auditing standards applicable in a Member State or an	

Article No.	Information incorporated by reference	Reference Document 2008
	equivalent standard. <ul style="list-style-type: none"> <li data-bbox="320 405 528 432">– Balance sheet:</li> <li data-bbox="320 454 568 481">– Income statement:</li> <li data-bbox="320 504 596 530">– Cash flow statement:</li> <li data-bbox="320 553 826 580">– Accounting policies and explanatory notes:</li> <li data-bbox="320 602 504 629">– Audit report:</li> </ul>	page 172 page 173 page 174 pages 177 to 261 pages 262-263
11.2	<b>Financial statements</b> If the issuer prepares both own and consolidated financial statements, include at least the consolidated financial statements in the registration document.	N/A
11.3	<b>Auditing of historical annual financial information</b>	
11.3.1	A statement that the historical financial information has been audited. If audit reports on the historical financial information have been refused by the statutory auditors or if they contain qualifications or disclaimers, such refusal or such qualifications or disclaimers must be reproduced in full and the reasons given.	pages 262-263
11.3.2	An indication of other information in the registration document which has been audited by the auditors.	N/A
11.3.3	Where financial data in the registration document is not extracted from the issuer's audited financial statements, state the source of the data and state that the data is unaudited.	N/A
11.4	<b>Age of latest financial information</b>	
11.4.1	The last year of audited financial information may not be older than 18 months from the date of the registration document.	N/A
11.5	<b>Legal and arbitration proceedings</b> Information on any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the issuer is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past, significant effects on the issuer and/or group's financial position or profitability, or provide an appropriate negative statement.	pages 282-284
12	<b>Material Contracts</b>	
	A brief summary of all material contracts that are not entered into in the ordinary course of the issuer's business, which could result in any group member being under an obligation or entitlement that is material to the issuer's ability to meet its obligation to security holders in respect of the securities being issued.	page 297

Article No.	Information incorporated by reference	Reference Document 2008
13	<b>Third Party Information and Statement by Experts and Declarations of any Interest</b>	
13.1	Where a statement or report attributed to a person as an expert is included in the Registration Document, provide such person's name, business address, qualifications and material interest if any in the issuer. If the report has been produced at the issuer's request a statement to that effect that such statement or report is included, in the form and context in which it is included, with the consent of that person who has authorised the contents of that part of the Registration Document.	N/A
13.2	Where information has been sourced from a third party, provide a confirmation that this information has been accurately reproduced and that as far as the issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading; in addition, identify the source(s) of the information.	N/A

Any information not listed in the cross-reference table above but included in the document incorporated by reference is given for information purposes only.

**Administrative, Management and Supervisory Bodies** (item 9.1 of Annex IX of Commission Regulation (EC) No. 809/2004)

All the members of the *Conseil d'administration* (Board of Directors) of the Issuer elect domicile at the registered office of the Issuer, 1, rue d'Astorg, 75008 Paris, France.

#### **Terms and Conditions of the Notes**

In Condition 4 "Negative Pledge" in the "Terms and Conditions of the Notes" section of the Base Prospectus, the paragraph (i) of the definition of "Material Subsidiaries" on page 50 of the Base Prospectus, "(i) Suez Environnement SA; and" is replaced by "(i) Suez Environnement SAS; and"

## RECENT DEVELOPMENTS

Press release published by the Issuer on 29 April 2009

- **Good revenues resilience at €2,829m**
- **EBITDA at €436m with an EBITDA/revenues ratio of 15.4%**
- **Net debt remains stable at €5,981m, a net debt/EBITDA(1) ratio of 2.9x**
- **Growing impact of the COMPASS cost reduction plan**

In € million	March 31, 09	March 31, 08	Total Growth	Variation at constant forex	Organic Growth
Revenues	2,829	2,912	-2.8%	-0.8%	-2.7%
EBITDA	436	482	-9.4%	-7.4%	-7.4%
EBITDA / Revenues	15.4%	16.5%			

- **SUEZ ENVIRONNEMENT recorded a first quarter 2009 revenues of €2,829m**, down by -0.8% at constant exchange rates versus the first quarter 2008. The organic variation was -2.7%. Growth continued in Water Europe and International divisions. The economic slowdown is affecting particularly the waste activities to industrial and commercial customers which are cyclical
- **Sales activity remains dynamic**, with gains and renewals of many water and wastewater contracts in France (Syndicat du Puy-en-Velay, SIAEP de Montbazens-Rignac, Port-Saint-Louis-du-Rhône) and in Spain (Torremolinos-Malaga, Garrigues Sud), in waste management in Europe (Aix and Arkema in France, Doncaster in the UK, municipal contracts in Sweden), and internationally (Malta, Baraki in Algeria, Cleveland in the United States, Brazzaville in Congo, Yuelai in China).
- **EBITDA for the first quarter of 2009 was €436m**, down -7.4%, at constant forex, from the first quarter of 2008. EBITDA declined organically by -5.3%, excluding fuel hedges costs taken in 2008 (-€9m). It includes the first effects of the acceleration of the COMPASS cost reduction plan, whose impact will grow during the course of the year. The EBITDA/revenues ratio is 15.4%.
- **Net debt remains stable at €5,981m**, a net debt/EBITDA<sup>1</sup> ratio of 2.9x. Cash generation and change in working capital are in line with the annual objective.

<sup>1</sup> Rolling 12-month EBITDA

- With the **success of its first bond issue**, SUEZ ENVIRONNEMENT pursued its policy of diversifying financing sources and lengthened the duration of its debt.

Commenting the first quarter results, SUEZ ENVIRONNEMENT CEO Jean-Louis CHAUSSADE stated: *“In a very deteriorated economic environment, SUEZ ENVIRONNEMENT recorded for the first quarter a slight decrease in revenues, with a margin level that remains high. In the light of the scale of the crisis, we immediately adapted our priorities at the end of 2008 in order to pursue the improvement of cash generation and maintain our financial solidity. To achieve our 2009 objectives, in a still very uncertain macro-economic context, we rely on our commercial efforts, on the reduction of our investments and on the acceleration of our COMPASS costs reduction plan.”*

#### BREACKDOWN OF ACTIVITY AS OF MARCH 31, 2009

In € million	March 31, 09	March 31, 08	Total Growth	Variation at constant forex	Organic Growth
Water Europe	925	915	+1.0%	+2.2%	+3.4%
Waste Europe	1,267	1,398	-9.4%	-5.7%	-9.1%
International	634	596	+6.4%	+6.1%	+2.8%
Others	4	3	-	-	-
<b>TOTAL</b>	<b>2,829</b>	<b>2,912</b>	<b>-2.8%</b>	<b>-0.8%</b>	<b>-2.7%</b>

- As of March 31, 2009, **SUEZ ENVIRONNEMENT** posted revenues with a gross variation of -2.8% compared to March 31, 2008. This change can be analyzed as follows:
- **Organic variation of -2.7 % (-€76m)**, as a consequence of:
  - an increase in the revenues of the Water Europe division of +€30m for Lyonnaise des Eaux and Agbar, with still sustained activities.
  - a decrease of -€123m for the Waste Europe division, with a decline in volume in the industrial and commercial business (especially in the UK, Germany and the Benelux) and notably a fall-off in the sorting and recycling activity.
  - a growth of +€16m recorded by International, notably in the regulated water business in the United States, in Asia and in Central Europe.
- **Tuck-in acquisitions of +1.9% (or +€54m), which includes:**
  - First time consolidations (+€95m): Water Europe +€14m, Waste Europe +€43m (with several acquisitions made in the middle of 2008), International +€38m
  - Disposals (-€41m): Water Europe -€23m, International -€18m.
- **Unfavorable exchange rate impact of -2.1% (-€60m)**, mainly on the conversion of sales in pounds sterling (-€48m), Australian dollars (-€10m), Swedish crowns, Polish zlotys and Chilean pesos. The US dollar had a positive impact (+€16m) on first quarter revenues.

**As of March 31, 2009, SUEZ ENVIRONNEMENT made 81% of its sales in Europe and 89% in the combined Europe – North America – Australia.**

- The change in **EBITDA** is –7.4% at constant exchange rates, with an EBITDA/revenues margin of 15.4%. The negative impact of exchange rates amounted to –2.0% for this indicator. In organic terms, and excluding the costs of the fuel hedges taken in 2008, the EBITDA declined -5.3%.
- The **net debt** remained stable at €5,981m as of March 31, 2009. This amount does not include the impact of the Natural Gas capital increase (€89m) paid on April 1, 2009. The ratio of net debt/EBITDA<sup>2</sup> was 2.9 times.
- On April 8, 2009, SUEZ ENVIRONNEMENT launched with success a €1.8bn bond issue on the bond market in two tranches of 5 and 10 years, lengthening the maturity of its debt, further diversifying its financing sources and raising the level of its cash<sup>3</sup> to €4.4bn. This issue was oversubscribed more than five times.

## PERFORMANCE BY DIVISION

### Water Europe

In € million	March 31, 09	March 31, 08	Total Growth	Variation at constant forex	Organic Growth
Revenues	925	915	+1.0%	+2.2%	+3.4%

**Water Europe** achieved an organic revenues growth of +3.4% (+€30m).

- **Lyonnaise des Eaux** is growing organically by +1% (+€4m). In France, sales growth was sustained by new contracts (Syndicat de Salles-Mios 12 years €12m, Port-Saint-Louis-du-Rhône 20 years €18m) and contract renewals (Syndicat du Puy-en-Velay 12 years €13m, SIAEP de Montbazens-Rignac 12 years €43m, SI Roannaise de l'Eau 8 years €11m...). Sales benefited from the contribution of Cannes and Lourdes contracts and tariff increase, but were unfavourably impacted by the slowdown in works and services, and by a reduction in volumes of water sold of -1.5% during the quarter.
- **Agbar** attained an organic revenues growth of +7% (+€26m) with a very good performance in Spain of water and wastewater activities, particularly as the consequence of rate increases, and in the international area with tariff increases in Chile and the UK. During the quarter, Agbar won new contracts (Marchena 17 years, wastewater treatment plants in Madrid 8 and 4 years, Garrigues Sud 2.5 years), as well as contract renewals (Torremolinos-Malaga 25 years, Olot-Girona 20 years, Ribera de Gata-Caceres 10 years and Villanueva de la Serena-Badajoz 25 years).

<sup>2</sup> Rolling 12-month EBITDA

<sup>3</sup> Cash and undrawn credit lines at April 8, 2009



■ **Waste Europe**

In € million	March 31, 09	March 31, 08	Total Growth	Variation at constant forex	Organic Growth
Revenues	1,267	1,398	-9.4%	-5.7%	-9.1%

The **Waste Europe** division posted an organic decline of -9.1% (-€123m).

- Waste revenues in **France** decrease by -8% (-€59m) in organic variation. The treatment activity declined by -12%, after a sharp drop in prices and volumes in the sorting and recycling business. Landfill and incineration activities continued to grow. At the beginning of 2009, SITA France signed municipal contracts in Bordeaux (4 years €11m), Aix (3 years €5m) and with industrials (Carrefour 1 year €4m, Coca-Cola, Arkema).
- The revenues for **UK & Scandinavia** fell by -9% (-€25m), primarily due to the activities in the United Kingdom (-10%) despite the price effect derived from the +33% increase in landfill tax in April, 2008. Sita UK renewed the contract of Doncaster for a 7-year period. The volumes treated dropped by -15%, especially in the sorting/recycling and landfilling. In Sweden, SUEZ ENVIRONNEMENT concluded municipal waste management contracts in Lidingö, Svedala, Skara and Malmö for an average period of 5 years and a total revenue of €29m.
- **The Benelux – Germany** area experienced an organic slowdown of -11% (-€38m). The declining trend in prices and volumes identified in Flanders and Holland from the third quarter of 2008 continued and amplified in the first quarter of 2009, notably in Germany, where the pace of factory temporary closings accelerated in 2009. The EVI incinerator, with a total capacity of 365,000 tons, went into service as scheduled on April 2, 2009 and will allow the internalization of waste flows collected in this area.

■ **International**

In € million	March 31, 09	March 31, 08	Total Growth	Variation at constant forex	Organic Growth
Revenues	634	596	+6.4%	+6.1%	+2.8%

The **International** division posted an organic growth of +2.8% (+€16m).

- **Degrémont** revenues rose by +2% (+€5m) in the first quarter of 2009, with the contribution of the contracts of la Morée, Valenton, Lyon Feysine, Enfil Revap in Brazil. Degrémont

generates approximately 2/3 of its sales internationally and finalized at the beginning of 2009 some major contracts (Malta €35m, Baraki in Algeria €68m, Brazzaville €16m and in Cleveland €37m in the United States).

- **Asia-Pacific** area recorded an organic growth of +4% (+€4m) with respect to the first quarter of 2008. The waste activities in Australia benefited from some positive price effects and volume increase in services. Sales development continued in water in China, with the contracts won in Tianjin (€77m) and Yuelai (€0.8bn, 40 years).
- The revenues posted in the **Central Europe – Middle East** showed a +7% increase (+€12m), notably in the waste activity in Poland.
- **North America** region recorded a decline of -4% (-€4m), primarily due to the end of the Milwaukee contract at the end of February 2008. Regulated activity is growing, benefiting from price increases (“rate cases”), the most recent one took effect in April 2009 in New Jersey (+18%) following the Haworth plant construction project.

- **2009 outlook:**

SUEZ ENVIRONMENT confirms its long-term strategy, based on a solid business model, on a positioning on the full value chains of water and waste and on a sustainable and profitable growth.

In a macroeconomic context that has deteriorated since the end of 2008, SUEZ ENVIRONMENT has accelerated the implementation of its plan to reduce costs and increase investments selectivity.

SUEZ ENVIRONMENT pursues its 2009 objectives. In a still very uncertain macro-economic context, SUEZ ENVIRONMENT relies on its commercial efforts, on the reduction of investments and on the acceleration of its COMPASS costs reduction plan.

- **Upcoming communications:**

- **May 26, 2009:** Annual General Meeting (dividend ex-date on May 29 and payment on June 3rd)
- **August 26, 2009:** Publication of 2009 half year results (including revenues).

## APPENDIX

### Geographical breakdown of revenues

Revenues	31/03/09		31/03/08		Total Growth	
	€m	% of total	€m	% of total	€m	% of total
<b>Europe</b>	<b>2 292</b>	<b>81,0%</b>	<b>2 435</b>	<b>83,6%</b>	- <b>143</b>	-5,9%
France	1 167	41,3%	1 155	39,7%	13	1,1%
Spain	426	15,1%	437	15,0%	- 11	-2,5%
UK	207	7,3%	277	9,5%	- 70	-25,1%
Other Europe	491	17,4%	566	19,5%	- 75	-13,2%
<b>North America</b>	<b>171</b>	<b>6,0%</b>	<b>123</b>	<b>4,2%</b>	<b>48</b>	<b>38,9%</b>
<b>Australia</b>	<b>57</b>	<b>2,0%</b>	<b>64</b>	<b>2,2%</b>	- <b>7</b>	-11,0%
<b>Sub-total</b>	<b>2 520</b>	<b>89,1%</b>	<b>2 622</b>	<b>90,0%</b>	- <b>102</b>	-3,9%
Rest of the world	309	10,9%	290	10,0%	19	6,6%
<b>TOTAL</b>	<b>2 829</b>	<b>100,0%</b>	<b>2 912</b>	<b>100,0%</b>	- <b>83</b>	-2,8%

Natural resources are not infinite. Each and every day, SUEZ ENVIRONNEMENT (Paris: SEV, Brussels: SEVB) and its subsidiary companies undertake to meet the challenge of protecting resources by providing innovative solutions for millions of people and industry. SUEZ ENVIRONNEMENT provides 76 million people with drinking water, 44 million with wastewater services, and collects the waste of 60 million people. With 65,400 employees, SUEZ ENVIRONNEMENT is the world's leading pure player in environmental services, present on five continents. In 2008, SUEZ ENVIRONNEMENT, a 35.4% subsidiary of GDF SUEZ, generated turnover of 12.4 billion euros.

#### Important Notice

*This document includes non audited financial data. The aggregates shown are those customarily used and communicated to the markets by SUEZ ENVIRONNEMENT.*

*This document may include "forward-looking statements" that are based on current assumptions concerning future developments. No guarantee can be given on the realisation of this projected elements. Actual results may differ materially from the forward-looking statements, particularly due to a number of risks and uncertainties, most of which are beyond the control of SUEZ ENVIRONNEMENT, including changes in economic conditions and exchange rates, modifications to regulations or tax codes, and risks related to the growth of our businesses in markets and sectors that are highly competitive and require substantial financial and human resources. SUEZ ENVIRONNEMENT has no obligation and makes no commitment whatsoever to issue modifications or updates to the forward-looking statements.*