



PRESS RELEASE

October 5th, 2011

SUEZ ENVIRONNEMENT SELLS 70% OF BRISTOL WATER

SUEZ ENVIRONNEMENT, through its AGBAR subsidiary, has completed the sale of 70% of Bristol Water's regulated activities, a United Kingdom water only supply company, to Capstone Infrastructure Corporation, an infrastructure company based in Canada. Under the terms of the transaction, the selling price is GBP 131.5 million (EUR 152 million)¹, which amount to a 23%² premium over regulated capital value³ and a multiple of 20 times net income⁴.

Through this transaction, the Group will reduce its net debt level by EUR 391 million, keep a presence on the United Kingdom water market and pursue its development in the non regulated activities which constitutes a growth driver.

SUEZ ENVIRONNEMENT will remain a major operational shareholder maintaining a 30% stake in the regulated activities that will be consolidated from now on under equity method. SUEZ ENVIRONNEMENT through its AGBAR subsidiary will also enter into an Operational and Management Agreement that will include the nomination of the chief executive officer together with access to the know-how and technological development of the Group, that will ensure continuity of Bristol Water offer.

Bristol Water supplies a population of approximately 1.1 million inhabitants, and achieved an annual revenue of EUR 116 million as of March 2011.

Bristol Water operational results are very positive. It has exceeded OFWAT⁵ requirements in terms of water quality, leakage reduction, pressure level, meter reading and clients calls. In 2010/2011, Bristol Water was ranked 5th overall for customer satisfaction.

SUEZ ENVIRONNEMENT pursues its long term strategy, with a balanced portfolio in terms of businesses and geographies, developing along the full value chain of water and waste.

Natural resources are not infinite. Each day, SUEZ ENVIRONNEMENT (Paris: SEV, Brussels: SEVB) and its subsidiaries deal with the challenge of protecting resources by providing innovative solutions to industry and to millions of people. SUEZ ENVIRONNEMENT supplies drinking water to 91 million people, provides wastewater treatment services for 61 million people, and collects the waste produced by 50 million people. SUEZ ENVIRONNEMENT has 79,554 employees and, with its presence on five continents, is a world leader exclusively dedicated to water and waste management services. In 2010, SUEZ ENVIRONNEMENT, a subsidiary owned 35.8% by GDF SUEZ, posted revenues of €13.9 billion.

¹ Equity value at 70%

² Premium calculation based on enterprise value as of March 31st 2011; the premium is 31% after adjustment for GBP 26 million of underspent regulated capex

³ GBP 310 million Regulated Capital Value as of March 31st 2011

⁴ Ratio calculated based on 2012 estimated net income in UK GAAP

⁵ OFWAT : Water Services Regulation Authority



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