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PRESS RELEASE

SUEZ ENVIRONNEMENT WINS TWO NEW CONTRACTS IN ALGERIA TOTALING 133 MILLION EUROS

EXTENSION TO THE ALGIERS WASTEWATER TREATMENT PLANT SETIF HIGH PLAINS TRANSFER PROJECT

The Wilaya of Algiers has just awarded to SUEZ ENVIRONNEMENT – through its subsidiary Degrémont – a contract for the reconstruction and doubling of the capacity of the Baraki wastewater purification station, for a total of 108 million euros, of which 68 million euros are for Degrémont. On completion, the plant will treat wastewater discharged by the 1.8 million residents of Algiers.

The Algerian National Agency for Dams and Transfers, ANBT (Agence Nationale des Barrages et Transferts), has also selected the SUEZ ENVIRONNEMENT engineering subsidiary SAFEGE for the "East System" and "West System" transfer project which will supply drinking water to the two regions, for a total of 25 million euros.

BARAKI PLANT EXTENSION

The extension is being carried out in partnership with China Geo Construction, a Chinese civil engineering company, and is entirely financed by the Wilaya of Algiers.

Under the terms of the contract, SUEZ ENVIRONNEMENT will rebuild the existing plant and its extension to give the plant the capacity to treat wastewater from an additional 900,000 inhabitants. Particular attention has been paid to the site architecture and to ensuring its integration into the surrounding environment.

With the extension of the Baraki plant, Algiers continues to invest in areas that are central to the priority concerns of the "Union for the Mediterranean", a partnership of countries bordering the Mediterranean to combat pollution and improve the management of water resources.

Degrémont is helping to achieve this political ambition aimed at promoting the hydrological management of the Mediterranean basin. It has recently won contracts through the construction of several purification plants in a number of Mediterranean countries such as Malta, Lebanon and Egypt, with the purification plants of Cairo and Alexandria.

SUEZ ENVIRONNEMENT manages water and wastewater services for the city of Algiers. Its contract provides for knowledge transfer and the provision of personnel to the Algiers water and sanitation company, Société des Eaux et d'Assainissement d'Alger (SEAAL), to improve the city's drinking water distribution and sanitation. The target is to produce and distribute 200 million m³/year of water.



SETIF HIGH PLAINS TRANSFER PROJECT

SAFEGE will supply ANBT with designs for the execution, technical assistance and oversight of the engineering works for the east and west systems.

The "East System" transfer project will extend across 60 km in the El Eulma region, from the Tabellout Dam to Draa Driss.

The "West System" transfer project, based on the same design, will extend across 22 km and involve the transfer between the existing dams of Ighil Emda and Mahouane.

SAFEGE's engineering work will enable drinking water and untreated water for irrigation to be supplied to this arid region.

These two contracts in the Setif High Plains will enable the production and distribution of 7 m³/second of water by 2013, and they reflect SUEZ ENVIRONNEMENT's establishment in the region.

SUEZ ENVIRONNEMENT in Algeria

SUEZ ENVIRONNEMENT is present in Algeria through its subsidiaries and its contracts for management and knowledge transfer.

In March 2006, SUEZ ENVIRONNEMENT signed a 5½-year contract with the Office National de l'Assainissement et l'Algérienne des Eaux for the management of SEAAL in which they are both shareholders. SEAAL provides public drinking water and sanitation services for 3.2 million Algerians. SUEZ ENVIRONNEMENT's mission is to manage the company and transfer knowledge, to improve the quality of the public service (to achieve a 24-hour supply, improve customer service etc...) and develop the company's expertise.

In September 2008, 71% of the population had 24-hour access to quality water, meeting international standards (compared to 16% in May 2006). Significant progress has also been made in sanitation, proved by the increase in the number of beaches open to bathing, as Algiers is a seaside resort.

In 2007, the Agbar Group and the Algerian water authorities (ONA, Office National de l'Assainissement and ADE, Algérienne des Eaux), signed a contract for more than five years to manage water and deliver sanitation services to the 1,500,000 residents of Oran, one of Algeria's three largest cities, located on the Mediterranean coast in the north-west of Algeria. This management contract complements the Algiers contract, won in 2006 by SUEZ ENVIRONNEMENT, and synergies can therefore be expected.

SAFEGE provides research and diagnostics in Algeria. The following are among its recent projects:

for the Office National de l'Irrigation et du Drainage, a survey on water recycling in the Septentrional Sahara,

for the Ministère des Ressources en Eaux – Algérienne des Eaux, improvement of conditions for the supply of drinking water to the cities of Blida and Djelfa.

Degrémont has been present in Algeria for nearly 50 years. Its most recent achievements include the construction of seven drinking water treatment plants for Algérienne des Eaux and the Agence Nationale des Barrages et des Transferts, including the Taksebt plant (610,000



m3/d), the Transfer plant in Mostaganem-Arzew-Oran (520,000 m3/d) and that of Athmania (263,000 m3/d), whose operation will be under Degrémont's responsibility for five years.

Degrémont is SUEZ ENVIRONNEMENT's water treatment specialist. It has premises in more than 70 countries and employs over 3,700 people. Degrémont reported revenues of 954 million euros in 2007. Present in Africa since 1952 with the construction of the first drinking water production plant in Brazzaville, Degrémont's record now includes nearly 900 references on the African continent, specifically in 22 capital cities.

SAFEGE, a subsidiary of SUEZ ENVIRONNEMENT, works with local communities, public authorities, delegated water and sanitation services agencies and industrial companies as an engineering consultant and is a leading company in its businesses. SAFEGE has 1,200 employees, specialists and experts, and regularly operates in over 100 countries. In 2007, SAFEGE posted revenues of 72 million euros.

SUEZ ENVIRONNEMENT Natural resources are not infinite. Each day, SUEZ ENVIRONNEMENT and its subsidiaries meet the challenge of protecting resources by providing innovative solutions to millions of people and to industries. SUEZ ENVIRONNEMENT supplies drinking water to 68 million people, provides wastewater treatment services to 44 million people and handles trash collection for 46 million people. With its 62,000 employees, SUEZ ENVIRONNEMENT is a global leader exclusively dedicated to water and waste management business lines and present on five continents. In 2007, SUEZ ENVIRONNEMENT, a 35% GDF SUEZ affiliate, had gross revenues of 12 billion euros.

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