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PRESS RELEASE

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SUEZ ENVIRONNEMENT WINS CONTRACT FOR JIANGSU'S FIRST SLUDGE TREATMENT PLANT IN THE CHINA-SINGAPORE SUZHOU INDUSTRIAL PARK

SUEZ ENVIRONNEMENT has been awarded a Design, Built and Operate contract with the China-Singapore Suzhou Industrial Park, for the first sludge treatment project in Jiangsu Province. The construction part will be realised by Degrémont, SUEZ ENVIRONNEMENT subsidiary, and will generate a revenue of around 11 million euros. The operation part is a 30-year contract that will generate an approximate revenue of 280 million euros and will be managed by Park SIP Sino French Environment Technology Co. Ltd., a 49/51 joint venture between Sino French Water ¹ and China Singapore Public Utilities, in which SUEZ ENVIRONNEMENT holds 24,5%.

The China-Singapore Suzhou Industrial Park, covering an area of 288 square km, includes a total resident population of about 610,000 people as well as a wide range of international and Chinese industries. The park is continuing to develop and attract industries such as IC, TFT-LCD, automotive and aeronautical parts and other leading industries like swift emergence of software, outsourcing services, biopharmaceutical and nanotech industry. The treatment plant has a designed capacity of 300 tons per day (with 3 drying lines) and will treat all the sludge, municipal and industrial, generated within the park using Degrémont's advanced and patented technology, INNODRY 2E®. The first phase is expected to commence operation by the end of 2010 and the capacity of the plant is planned to be doubled within the next 5 years.

Demonstrating its commitment to a circular economy concept and using the lowest energy consumption technology on the market, SUEZ ENVIRONNEMENT will recover heat from the plant and reuse that energy during treatment. The INNODRY 2E® drying technology combines a clean technology with safer treatment and a reduction of the sludge quantity to dispose of. The dried sludge, whose water content is reduced from 80% to 10%, will be recycled as combustible material for the park's power plant. This helps reduce coal consumption and establishes the plant as a CO2 balanced project.

Present at Fifth International Environment and Development Forum in Beijing (ACEF Forum) Jean-Louis Chaussade, CEO of SUEZ ENVIRONNEMENT comments, "We feel very privileged to work with the China Singapore Public Utilities on the city's first ever sludge treatment project. Sludge treatment is a pressing challenge for China. The project clearly demonstrates the Suzhou government's commitment in environmental protection and its proactive stance in finding a solution. Like our other joint ventures in China, we are determined to support the local government's efforts and work with our local partners to achieve environmental protection practices."

 $^{^1}$ Sino-French Holding (created in 1985) is a 50-50 joint venture with the New World group in Hong Kong

Zhang Wen, President of China Singapore Public Utilities says, "Environmental protection and public utilities are of great importance to the economy development of Suzhou Industrial Park. We are delighted to cooperate with SUEZ ENVIRONNEMENT, one of the leading companies in the environmental protection industry around the world. With a plenty of expertise practices, R&D capabilities and global vision, SUEZ ENVIRONNEMENT, as our partner, will bring world-leading technology to Suzhou Industrial Park to solve challenges of sludge treatment and resource utilization.

SUEZ ENVIRONNEMENT in China:

SUEZ ENVIRONNEMENT has been present in China for 30 years, through its subsidiaries Sino-French Holdings and Sino French Water Development (SFWD), Swire SITA Waste Services and Degrémont, the world water treatment plants specialists. In 2008, SUEZ ENVIRONNEMENT managed more than €750m of revenue in China's business activities.

Sino-French Holding (created in 1985) is a 50-50 joint venture with the New World group in Hong Kong. Its wholly-owned subsidiary **Sino French Water Development** manages water services in Mainland China. SUEZ ENVIRONNEMENT's subsidiaries in China deliver water services to 17 Chinese municipal authorities (Chongqing, Qingdao, Sanya, Tanggu, Shanghai, Macao, etc.), representing water supply to over 14 million inhabitants.

Swire SITA Waste Services is a major player in the waste management sector in Hong Kong and Macao. In Hong Kong, Swire SITA operates WENT and NENT, two of the largest and most modern landfills in the world.

Since 2002, SUEZ ENVIRONNEMENT has provided industrial water services and advanced technologies to treat industrial effluents and hazardous waste at the Shanghai Chemical Industry Park (SCIP), one of Asia's largest petrochemical and industrial platforms.

Degrémont has been present in China for the past 30 years. The company has built 190 facilities with industrial clients and public authorities.

SUEZ ENVIRONNEMENT

Natural resources are not infinite. Each day, SUEZ ENVIRONNEMENT (Paris: SEV, Brussels: SEVB) and its affiliates deal with the challenge to protect resources by providing innovative solutions to industry and to millions of people. SUEZ ENVIRONNEMENT supplies drinking water to 76 million people, provides wastewater treatment services for 44 million people, and collects the waste produced by 60 million people. SUEZ ENVIRONNEMENT has 65,400 employees and, with a presence on all five continents, is a world leader exclusively dedicated to environmental services. In 2008, SUEZ ENVIRONNEMENT reported revenues of 12.4 billion euros. SUEZ ENVIRONNEMENT is a 35%-owned subsidiary of GDF SUEZ.

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