



## **Strong success of the issuance of zero coupon 6 years €350 million convertible bonds by Suez Environnement**

### **Final terms (subject to the approval (*visa*) of the *Autorité des marchés financiers*)**

**Paris, 24 February 2014**

Suez Environnement Company (ISIN: FR0010613471 – NYSE: SEV) launched today the issuance of bonds convertible into and/or exchangeable for new or existing shares ("**OCEANES**") due 27 February 2020 with a zero coupon (the "**Bonds**") in a nominal amount of approximately €350 million.

Commenting on the issuance, Jean-Marc Boursier, Senior Executive Vice-President of Suez Environnement, declared:

*"With this issuance, Suez Environnement has been able to finance its future developments on very attractive terms and strengthen its financial flexibility. The terms of this transaction confirm our excellent credit quality and the positive perspectives of our stock price.*

*Suez Environnement thus demonstrates its capacity to manage its debt in a dynamic manner and is taking advantage of a very favourable market backdrop characterized in particular by a strong appetite of Equity-Linked investors and a low swap rate and credit spread environment.*

*This transaction, which will allow Suez Environnement to access a new investor base, also confirms our confidence in the long-term strategic perspectives of the Group, a leading actor serving the circular economy."*

The net proceeds of the issuance will be used to optimize the Group's financing costs and diversify its funding sources and will be used for general corporate purposes, including to support the Group's future developments.

Suez Environnement Company approved the final terms of the issue by way of a private placement in France and outside France.

The Bonds' nominal value has been set at 18.37 euros per Bond, representing an issue premium of 30% over Suez Environnement Company reference share price<sup>1</sup> on the regulated market of Euronext in Paris ("**Euronext Paris**").

The Bonds will not bear any interest. The Bonds will be issued at par on 27 February 2014, expected settlement date of the Bonds, and redeemed on 27 February 2020 in cash at par or through the delivery of new and/or existing shares and a cash amount, as the case may be, at Suez Environnement Company's option. The Bonds will entitle the holders to receive new and/or existing Suez Environnement Company shares at the ratio of one share for one Bond, subject to any subsequent adjustments. The Bonds may be

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<sup>1</sup> The reference share price is equal to the volume-weighted average share price of the Company's shares recorded on Euronext Paris from the opening of trading on 24 February 2014 until the determination of the final terms and conditions of the Bonds.

redeemed prior to maturity at the option of Suez Environnement Company, under certain conditions.

The Bonds have only been offered by way of a private placement in France and outside France (but not in the United States of America, Canada, Australia or Japan) with the persons referred to in Article L. 411-2-II of the French *Code monétaire et financier*, without a public offering in any country (including France).

An application for listing the Bonds on Euronext Paris will be made. A listing prospectus will be prepared for a listing of the Bonds on Euronext Paris and will be subject to the approval (*visa*) of the *Autorité des marchés financiers* (the "**AMF**").

**SUEZ Environnement**

*Natural resources are not infinite. Suez Environnement (Paris: SEV, Brussels: SEVB) and its subsidiaries deal with the challenge of protecting resources by providing innovative solutions to industries and to millions of people. Suez Environnement supplies drinking water to 97 million people, provides waste water treatment services for 66 million people and collects the waste produced by 50 million people. Suez Environnement has 79,549 employees and, with its presence on five continents, it is a world leader exclusively dedicated to water and waste management services. SUEZ ENVIRONNEMENT achieved €14.6 billion in revenue in 2013.*

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This release is also available at [www.suez-environnement.com](http://www.suez-environnement.com)

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### IMPORTANT NOTICE

*This press release is not an offer to the public, an offer to subscribe or designed to solicit interest for purposes of an offer to the public in any jurisdiction, including France.*

*The Bonds have been offered only by way of a private placement in France and outside France (but not in the United States of America, Canada, Australia or Japan) to persons referred to in Article L.411-2-II of the French monetary and financial code (Code monétaire et financier), without a public offering in any country (including France). A listing prospectus will be prepared for a listing on the regulated market of Euronext in Paris and will be subject to the approval (visa) of the French Autorité des marchés financiers (the “AMF”).*

#### **European Economic Area**

*With respect to the Member States of the European Economic Area (the “**Relevant Member States**”) which have implemented Directive 2003/71/EC of the European Parliament and the Council of 4 November 2003 (the “**Prospectus Directive**”), no action has been undertaken or will be undertaken to make an offer to the public of the Bonds requiring a publication of a prospectus in any Relevant Member State. As a result, the Bonds may only be offered in Relevant Member States:*

- (a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;*
- (b) to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive); or*
- (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive.*

*For the purposes of this paragraph, (i) the expression “**offer to the public of Bonds**” in relation to any Bond in any Relevant Member States, means any communication, to individuals or legal entities, in any form and by any means, of sufficient information on the terms and conditions of the offering and on the Bonds to be offered, thereby enabling an investor to decide to purchase or subscribe for the Bonds, as the same may be varied in that Member State, (ii) the expression “**Prospectus Directive**” means Directive 2003/71/EC dated 4 November 2003 (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and (iii) the expression “**2010 PD Amending Directive**” means Directive 2010/73/EU dated 24 November 2010.*

*These selling restrictions with respect to Member States apply in addition to any other selling restrictions which may be applicable in the Member States who have implemented the Prospectus Directive.*

#### **France**

*The Bonds have not been and will not be offered or sold or cause to be offered or sold, directly or indirectly, to the public in France. Any offers or sales of the Bonds and distributions of any offering material relating to the Bonds have been and will be made in France only to (a) persons providing investment services relating to portfolio management for the account of third parties (personnes fournissant le service d’investissement de gestion de portefeuille pour compte de tiers), and/or (b) qualified investors (investisseurs qualifiés) acting for their own account, as*

defined in, and in accordance with, Articles L.411-1 L. 411-2 and D.411-1 of the French Code monétaire et financier.

### **United Kingdom**

*This press release is addressed only (i) to persons located outside the United Kingdom, (ii) to investment professionals as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”), (iii) to people designated by Article 49(2) (a) to (d) of the Order or (iv) to any other person to whom this press release could be addressed pursuant to applicable law (the persons mentioned in paragraphs (i), (ii), (iii) and (iv) all deemed relevant persons (“**Relevant Persons**”). The Bonds and, if applicable, the shares of Suez Environnement Company to be delivered upon exercise of the conversion rights (the “**Financial Instruments**”) are intended only for Relevant Persons and any invitation, offer of contract related to the subscription, tender, or acquisition of the Financial Instruments may be addressed and/or concluded only with Relevant Persons. All persons other than Relevant Persons must abstain from using or relying on this document and all information contained therein.*

*This press release is not a prospectus which has been approved by the Financial Services Authority or any other United Kingdom regulatory authority for the purposes of Section 85 of the Order.*

*Each institution in charge of the placement has represented and agreed that:*

- (i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated invitations or inducements to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000), received by it in connection with the Bonds, in circumstances in which Section 21(1) of the Financial Services and Markets Act 2000 does not apply to the issuer; and*
- (ii) it has complied and will comply with all applicable provisions of the Financial Services and Market Act 2000 with respect to anything that it has done or will do in relation to the Bonds in the United Kingdom, from the United Kingdom or otherwise involving the United Kingdom.*

### **United States of America**

*This press release may not be published, distributed or transmitted in the United States of America (including its territories and dependencies, any State of the United States of America and the district of Columbia). This press release does not constitute or form a part of any offer or solicitation to purchase for securities in the United States of America. The securities mentioned herein have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), the law of any state of the United States of America and may not be offered or sold in the United States of America to U.S. persons, or for the account or benefit of U.S. persons, except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act or the law of the above states. The Bonds will be offered or sold only outside of the United States of America and to people who are not some “U.S. persons” and in offshore transactions, in accordance with Regulation S of the Securities Act. Suez Environnement Company does not intend to register any portion of the proposed offering in the United States of America and no public offering will be made in the United States of America. This notice is issued pursuant to Rule 135(c) of the Securities Act.*

*The Global Coordinator, Joint Lead Managers and Joint Bookrunners, and Co-Lead Managers are acting for Suez Environnement Company in connection with the offer, and for no-one else and will not be responsible to anyone other than Suez Environnement Company for providing the*

*protections afforded to their clients or for providing advice in relation to the offer, and the Global Coordinator, Joint Lead Managers and Joint Bookrunners, and Co-Lead Managers make no representations as to the accuracy of and take no responsibility for the contents of this announcement or any matters referred to herein.*

*Each of the Global Coordinator, Joint Lead Managers and Joint Bookrunners, and Co-Lead Managers may participate in the offering on a proprietary basis.*