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SUEZ performance as of September 30, 2021

Improved growth and operating profitability EBIT target for 2021 adjusted upward

- **Revenues of €13,006 million, with organic growth of +9.8% vs. 9M 2020 and +6.3% vs. 9M 2019**
 - The *Recycling & Recovery* activity continues to benefit from robust volumes and pricing, and continued high prices for recycled raw materials
 - Strong resilience of the *Water* activity
 - *Environmental Tech & Solutions* records solid growth
- **Improved operational performance:**
 - EBITDA at €2,452 million, with organic growth of +29.0% vs. 9M 2020 and +11.9% vs. 9M 2019
 - EBIT at €1,253 million: +€840 million vs. 9M 2020 and +€266 million vs. 9M 2019
- **EBIT for the full year 2021 now expected above €1,500 million**
- **Net debt at €8,761 million, down sharply from September 2020**
- **The Group's CO₂ emission reduction target in line with the 1.5°C trajectory has been validated by the SBTi**
- **Preparatory works for the creation of the new SUEZ and those related to the Veolia takeover bid are ongoing and continue to aim for completion of the operation around the end of the year**

Bertrand Camus, CEO of SUEZ, said:

“As at 30 September 2021, SUEZ’s successful transformation is clearly evident in the robust growth and significant strengthening of the Group’s operating profitability, both of which are well above our performance during the same period in 2020 and 2019. Our debt is under control thanks to a strong cash generation. These results have given us even more confidence in achieving our 2021 targets.”

As the international community meets in Glasgow at COP26 to discuss the fight against global warming, SUEZ is fulfilling its commitments in this area. We are the first company in our sector to have its CO₂ emissions reduction target validated by the SBTi (Science Based Targets initiative), a joint program between the CDP, the United Nations Global Compact, the World Resources Institute (WRI) and the WWF (World Wide Fund for Nature).

Once again, I would like to thank the SUEZ teams, who have been particularly busy in recent months. They have demonstrated a remarkable degree of commitment to our customers.”

KEY FIGURES AS AT 30 SEPTEMBER 2021

The consolidated results as at 30 September 2021 were reviewed by the Audit Committee at its meetings on 25 October and 3 November 2021.

■ Performance in Q3 2021

In million euros	Q3 2019	Q3 2020	Q3 2021	Gross change vs 2020	Change excl. FX vs 2020	Organic change vs 2020	Organic change vs 2019
Revenues	4,471	4,395	4,294	-2.3%	-2.8%	+7.6%	+7.5%
EBITDA	809	795	851	7.2%	+7.1%	+15.2%	+13.1%
<i>EBITDA / Revenue</i>	18.1%	18.1%	19.8%				
EBIT	371	336	455	+35.2%	+36.2%	+45.0%	+29.7%
<i>EBIT / Revenue</i>	8.3%	7.7%	10.6%				

■ Performance for the first 9 months of 2021

In million euros	9M 2019	9M 2020	9M 2021	Gross change vs 2020	Change excl. FX vs 2020	Organic change vs 2020	Organic change vs 2019
Revenues	13,127	12,562	13,006	+3.5%	+4.0%	+9.8%	+6.3%
EBITDA	2,330	1,991	2,452	+23.2%	+23.4%	+29.0%	+11.9%
<i>EBITDA / Revenue</i>	17.7%	15.8%	18.9%				
EBIT	1,016	413	1,253	+203.6%	+202.8%	+203.5%	+26.2%
<i>EBIT / Revenue</i>	7.7%	3.1%	9.5%				

With regard to EBITDA and EBIT, it should be noted that in the first half of 2020 the Group recognized -€61 million and -€281 million in costs and provisions, respectively, related to the economic situation, including the pandemic.

■ Net debt

In million euros	30 September 2020	30 June 2021	30 September 2021	Gross change vs Sept. 20
Net debt	10,291	8,625	8,761	-14.9%
Net debt / EBITDA	3.6x	2.7x	2.7x	-0.9x

■ "New SUEZ" perimeter

The Group is making available to the public selected Financial Indicators relating to the "new SUEZ" perimeter for the first nine months of 2020 and the first nine months of 2021. These elements are available on the Group's website: <https://www.suez.com/en/suez-veolia-documents>

PERFORMANCE BY SEGMENT

WATER

In million euros	2019	2020	2021	Gross change vs 2020	Change excl. FX vs 2020	Organic change vs 2020	Organic change vs 2019
Revenue – Q3	1,804	1,735	1,733	-0.1%	-0.3%	+1.5%	-0.3%
Revenues – 9M	5,178	4,956	5,017	+1.2%	+1.8%	+3.2%	+0.4%

■ In the first nine months of 2021, the **WATER segment** recorded revenue of **€5,017 million**, with organic growth of **+3.2% (+€157 million)** compared to 30 September 2020.

- **Europe:** organic growth was **+4.7% (+€126 million)** in the first nine months of 2021. Water volumes sold in France were down slightly, at -0.4%, largely due to the impact of unfavorable summer weather conditions. In Spain, they rose by 1.7% compared with the first nine months of 2020, which had been heavily affected by pandemic-related restrictions and weak tourist activity. Tariffs are up +1.4% on average in France and are stable at +0.0% in Spain.
- **Americas:** organic growth was **+3.4% (+€42 million)** in the first nine months of 2021. In the United States, water sales volumes are down -0.8% since the beginning of the year, with third quarter sales impacted by poor weather conditions. In Chile, water sales volumes are up +1.3%, as the first nine months of 2020 were affected by the strict pandemic-related restrictions. Prices, supported by inflation, are also up by +3.8%.
- **Asia-Pacific:** organic revenue growth was negative, falling **-4.9% (-€16 million)** in the first nine months of 2021. The third quarter was particularly affected by the impact of phasing in construction activities. In addition, the pandemic-related restrictions in Macau continued to affect tourism activity and consequently water sales volumes.
- **AMECAI:** organic revenue growth was **+0.7% (+€5 million)** in the first nine months of 2021.

■ EBIT in the **Water** segment grew organically compared to the first nine months of 2020 and 2019.

RECYCLING AND RECOVERY

In million euros	2019	2020	2021	Gross change vs 2020	Change excl. FX vs 2020	Organic change vs 2020	Organic change vs 2019
Revenue – Q3	1,864	1,859	1,733	-6.8%	-7.6%	+15.5%	+15.5%
Revenues – 9M	5,605	5,311	5,646	+6.3%	+5.6%	+18.4%	+12.8%

- The **RECYCLING AND RECOVERY segment** recorded revenue of **€5,646 million** in the first nine months of 2021, with organic growth of **+18.4% (+€976 million)** compared to 30 September 2020. The volume of waste processed rose by +3.3%.
 - **Europe:** organic growth was **+20.4% (+€901 million)** in the first nine months of 2021. In France and continental Europe, the activity continued to benefit during the third quarter from robust pricing dynamics, a continued increase in waste volumes processed and the persistently high price levels for recycled raw materials. In the UK, optimizing the availability and saturation of processing capacities supported performance, despite operational disruptions caused by the shortage of HGV drivers.
 - **Asia-Pacific:** revenue grew organically by **+8.6% (+€69 million)** in the first nine months of 2021, driven by higher waste volumes in the region compared to the first nine months of 2020 and additional volume inputs from the landfill activity in Hong Kong.
 - **AMECAI:** revenue fell slightly in organic terms by **-0.6% (-€0 million)** in the first nine months of 2021; in the **Americas** region, organic revenue growth rose by **+17.4% (+€6 million)**.
- EBIT for the Recycling and Recovery segment recorded organic growth in the first nine months of the year compared to 2020 and 2019, benefiting in particular from the robust price dynamics and high prices for recycled raw materials.

ENVIRONMENTAL TECH & SOLUTIONS

In million euros	2019	2020	2021	Gross change vs 2020	Change excl. FX vs 2020	Organic change vs 2020	Organic change vs 2019
Revenue – Q3	900	878	899	+2.4%	+2.1%	+1.4%	+2.8%
Revenues – 9M	2,608	2,521	2,567	+1.8%	+4.4%	+4.1%	+2.2%

- **ENVIRONMENTAL TECH & SOLUTIONS** recorded revenue of **€2,567 million** in the first nine months of the year, representing organic growth of **+4.1% (+€102 million)** compared to 30 September 2020.

The *Water Technologies & Solutions* activity recorded sales of **€1,768 million** in the nine months to 30 September 2021, with organic growth of **+1.0%** compared to 30 September 2020, led by the continuing strong performance of the products activity. *Smart & Environmental Solutions* revenues showed strong organic growth of **+18.8%** to **€367 million** compared to 30 September 2020, supported by robust third quarter sales and good performance in the digital, decentralized and *asset revenue performance* activities in France. Finally, the *Hazardous Waste* activity has benefited from the recovery in industrial waste volumes, and has recorded organic revenue growth of **+6.6%** to **€431 million** as at 30 September 2021.

- **Americas:** organic revenue growth was negative, falling **-1.9% (-€21 million)** in the first nine months of 2021. Within the WTS activity, the robust performance in products and services, supported by strong sales, did not compensate for weak growth in the *Chemical Monitoring & Solutions* activity in this region.
- **Europe:** organic growth rose **+7.9% (+€78 million)** in the first nine months of 2021. The hazardous waste activity benefited from the increase in waste volumes processed compared to the first nine months of 2020, which were heavily impacted by the pandemic.
- **Asia-Pacific:** revenue grew organically by **+15.3% (+€55 million)** in the first nine months of 2021. In China, the volume of waste processed continues to rise sharply, and now exceeds 2019 levels.

- **AMECAL:** organic revenue growth was negative, falling **-9.0% (-€10 million)** in the first nine months of 2021.
- EBIT for the **Environmental Tech & Solutions** segment showed organic growth compared to the first nine months of 2020 and 2019. This performance is largely due to the contribution of WTS in the first nine months of 2021, double that of 2019.

GROUP PERFORMANCE

- **The change in gross revenue of +3.5% (+€443 million)** as of 30 September 2021 compared to the first nine months 2020 breaks down into:
 - **Organic change of +9.8% (+€1,236 million).**
 - A currency effect of **-0.5% (-€58 million)**, resulting from the appreciation of the euro against the US dollar (-€93 million) and the Brazilian real (-€9 million), partially offset by the appreciation of the Australian dollar (+€43 million) and the British pound (+€18 million) against the euro.
 - A **scope effect of -5.8% (-€735 million)**, including the impact of the disposals of the recycling and recovery activities in Sweden, finalized in November 2020, and of OSIS and the recycling and recovery activities in four continental European countries, finalized on 18 May and 31 May 2021, respectively.
- **EBITDA** amounted to **€2,452 million** in the first nine months 2021, with organic growth of **+29.0%** and **+23.4%** in constant currencies compared to the first nine months 2020. The impact of exchange rates was unfavorable in the amount of **-€4 million**. The EBITDA margin, at **18.7%** of revenues, recorded an increase of **+3.5 points** compared to 30 September 2020 and **+1.0 point** compared to 30 September 2019.
- **EBIT** was **€1,253 million** in the first nine months 2021, against **€413 million** in the first nine months 2020. This amount includes the accounting impact of IFRS 5 (non-amortization of assets held for sale¹) of **€44 million** in the first nine months 2021. Organic growth, which excludes this impact, was **+203.5%**. The Group recognized **€281 million** in costs and provisions related to the economic situation, including the pandemic, in the first half of 2020. Exchange rate effects were positive in the amount of **+€3 million**.
- The improvement in the Group's operating profitability was driven, in particular, by the performance of the WTS activity and by the recycling and recovery activity in Europe. The substantial reduction in general and administrative costs, resulting from measures taken since 2019 as part of the performance plan, is also contributing to the acceleration of organic growth in EBITDA and EBIT.
- **Net debt** stood at **€8,761 million** as at 30 September 2021, down by **€1,530 million** compared to 30 September 2020. This change includes the impact of the proceeds from disposals (**-€1,361 million**) and the capital increase relating to the employee shareholding offer (**-€160 million**), partially offset by the decision to terminate the securitization program (**+€291 million**) and the payment of the dividend for the 2020 financial year (**+€453 million**). Cash generation continues to be robust, driven by the strong improvement in the Group's profitability and the excellent handling of working capital requirements.
- The **debt ratio** was **2.7 times EBITDA** over the 12-month rolling period.

¹ Recycling and Recovery activities (excluding plastics and hazardous waste recycling) in the Netherlands, Luxembourg, Germany, and Poland, and OSIS – divestments completed in May 2021.

OUTLOOK 2021

- Revenues of more than €16 billion with a return to organic growth
- EBIT now expected to be in the upper half of the target range established at the start of the year (€1.4 to €1.6 billion), i.e. above €1.5 billion
- Recurring EPS of €0.80 to €0.85
- Recurring free cash flow of more than €500 million

APPENDICES

Details of organic growth for Q3 and 9M 2021

In €m	Q3 2020	Q3 2021	Variation			9M 2020	9M 2021	Variation		
			gross	organic	Excl. FX			gross	organic	Excl. FX
WATER	1,735	1,733	(0.1)%	+1.5%	(0.3)%	4,956	5,017	+1.2%	+3.2%	+1.8%
Europe	952	991	+4.1%	+4.4%	+4.0%	2,706	2,823	+4.3%	+4.7%	+4.3%
AMECAI	240	235	(2.0)%	(4.1)%	(4.1)%	689	720	+4.6%	+0.7%	+4.5%
Asia Pacific	129	104	(19.9)%	(21.8)%	(21.8)%	323	309	(4.2)%	(4.9)%	(4.9)%
Americas	414	404	(2.5)%	+5.6%	(1.4)%	1,238	1,163	(6.0)%	+3.4%	(3.2)%
R&R	1,859	1,733	(6.8)%	+15.5%	(7.6)%	5,311	5,646	+6.3%	+18.4%	+5.6%
Europe	1,558	1,390	(10.8)%	+16.1%	(11.6)%	4,415	4,651	+5.3%	+20.4%	+5.1%
AMECAI	17	16	(6.6)%	(6.1)%	(6.1)%	57	55	(4.1)%	(0.6)%	(0.6)%
Asia Pacific	270	315	+16.5%	+15.1%	+15.1%	802	897	+11.8%	+8.6%	+8.6%
Americas	13	13	(6.3)%	(10.0)%	(10.0)%	37	44	+18.5%	+17.4%	+17.4%
ETS	878	899	+2.4%	+1.4%	+2.1%	2,521	2,567	+1.8%	+4.1%	+4.4%
Europe	357	374	+4.8%	+3.5%	+4.8%	991	1,077	+8.6%	+7.9%	+8.6%
AMECAI	36	38	+5.3%	+5.2%	+5.2%	112	102	(9.0)%	(9.0)%	(9.0)%
Asia Pacific	129	147	+14.4%	+13.2%	+14.1%	359	416	+15.8%	+15.3%	+15.7%
Americas	356	339	(4.7)%	(5.3)%	(5.3)%	1,058	972	(8.1)%	(1.9)%	(1.9)%
Intercos	(77)	(70)	(8.7)%	(8.7)%	(8.7)%	(225)	(224)	(0.4)%	(0.4)%	(0.4)%
TOTAL	4,395	4,294	(2.3)%	+7.6%	(2.8)%	12,562	13,006	+3.5%	+9.8%	+4.0%

The definition and calculation of the alternative performance indicators (APIs) presented in this press release are published in full in the Group's universal registration document. It is available on the Group's website: <https://www.suez.com/fr/finance/informations-financieres>

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Find out more about the SUEZ Group
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