



Paris, July 16, 2004

Press release

SUEZ reduces its stake in Aguas Andinas through Agbar

SUEZ and AGBAR*, historical partners in Spain and South America, concluded an agreement where SUEZ sold 30.1% of its stake in IAM (Inversiones Aguas Metropolitanas Limitada), the majority stakeholder (51.2%) of Aguas Andinas** in Chile to AGBAR.

After completion of this transaction, whose closing should be finalized by the end of July 2004, SUEZ and AGBAR will respectively own 19.9% and 80.1% of IAM.

This operation is conform to SUEZ's decision to optimize and reduce capital employed in developing countries. It will also contribute to reduce SUEZ's net debt by over EUR 220 million for the second semester 2004.

* SUEZ has a 25,5% stake in AGBAR, Spain's n° 1 water and sewage player, through Hisusa and directly.

** Aguas Andinas contribution to SUEZ 2003 annual results : 215 m€ in revenues and 137 m€ in EBITDA. SUEZ had 1485 m€ total capital employed in Aguas Andinas on 31/12/2003.

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