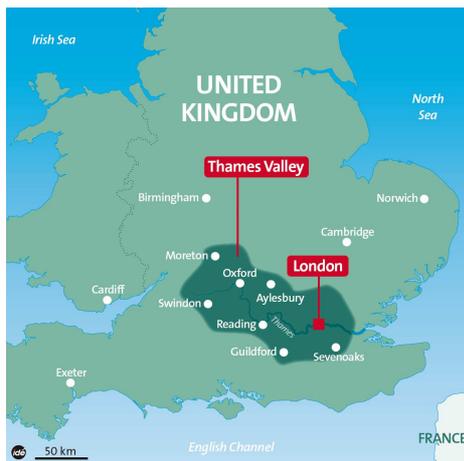


PRESS RELEASE

United Kingdom

Veolia Water selected by Thames Water to upgrade its water infrastructure

Paris, May 31, 2013. Thames Water, the UK's largest water and wastewater services company, has selected a joint venture made up of Veolia Water, Costain and Atkins to deliver a significant proportion of its program of essential upgrades to water and wastewater networks and treatment facilities across London and the Thames Valley. The amount of work for Veolia Water could be worth as much as £450 million (€530 million) for the period 2015 to 2020.



To implement its infrastructure upgrade program, Thames Water has formed an alliance with four partners, two of which are joint ventures—including that of Veolia Water, Costain and Atkins which will be in charge of design and construction of water pipes, sewers and treatment facilities. The contract, which amounts to £3 billion (€3.5 billion), is the largest capex management contract in the water sector in Europe.

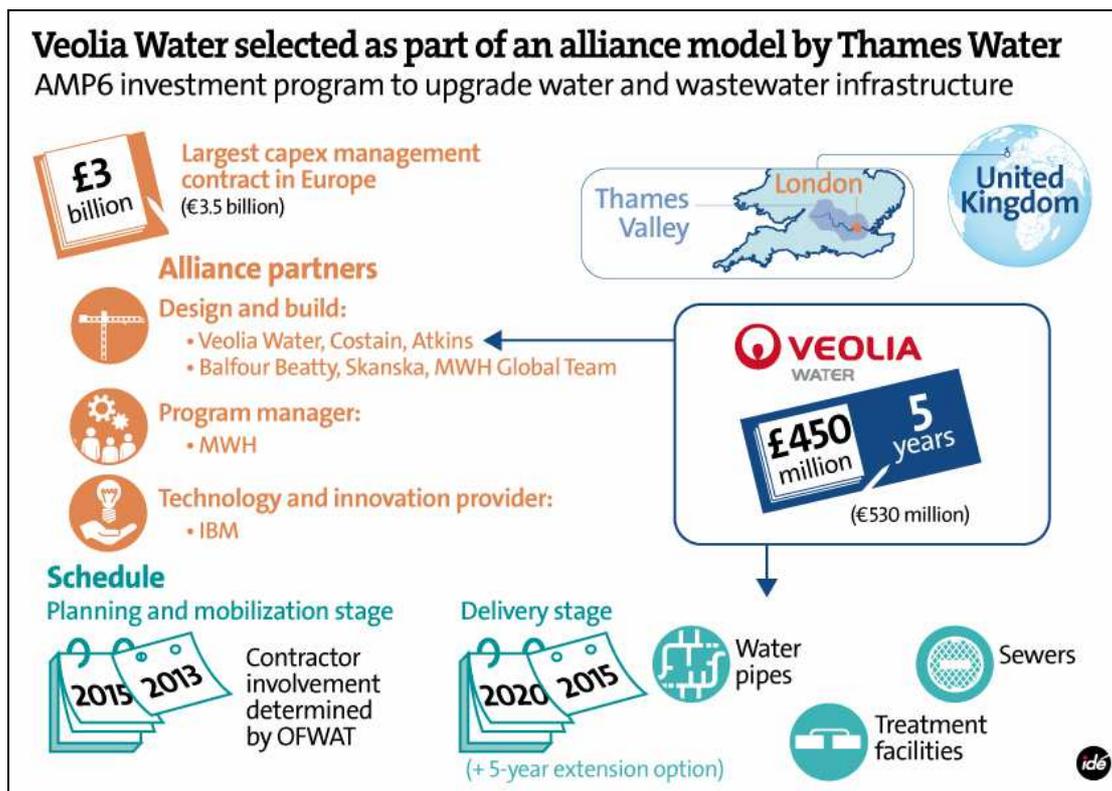
“We have a significant amount of work to do upgrading our deteriorating infrastructure while keeping customers’ bills affordable. If we are to achieve this, a different approach is required. That’s why we have

formed these alliances to deliver our program. This represents a complete transformation in the way we carry out investment. Our focus will be on delivering value, as opposed to just cost-efficiency,” explains Lawrence Gosden, Thames Water Asset Director.

Following an initial planning and mobilization stage from 2013-2015 with the joint venture partners, the upgrade program will begin in 2015 and last five years, with the option of an extension for a further five years.

Veolia’s expertise and technical and operational capabilities will enable it to take a key role in this essential capital delivery program and meet the high standards that Thames Water demands for its customers.

“The alliance model focuses on maximising synergies between the partners to work collaboratively to deliver sustainable innovative solutions. This type of contract aligns with our strategic growth and is a demonstration of the quality of Veolia Water’s services and the value of its offers,” says Jean-Michel Herrewyn, Chairman and CEO of Veolia Water.



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Veolia Water, the water division of Veolia Environnement, is the world leader in water and wastewater services. Specialized in outsourcing services for municipal authorities, as well as industrial and service companies, it is also one of the world's major designers of technological solutions and constructor of facilities needed in water and wastewater services. With 89,094 employees, Veolia Water provides water services to 100 million people and wastewater services to 71 million. Its 2012 revenue amounted to €12.078 billion. www.veoliawater.com

Veolia Environnement (Paris Euronext: VIE and NYSE: VE) is the worldwide reference in environmental solutions. With 220,000 employees*, the company has operations all around the world and provides tailored solutions to meet the needs of municipal and industrial customers in three complementary segments: water management, waste management and energy management. Veolia Environnement recorded revenue of €29.4 billion* in 2012. www.veolia.com

(* Excluding Veolia Transdev employees and revenues currently under divestment)

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Contact

Stéphane Galfré
+ 33 1 71 75 19 27
stephane.galfre@veolia.com

Sandrine Guendoul
+ 33 1 71 75 12 52
sandrine.guendoul@veolia.com