

PRESS RELEASE

Brazil

Veolia Water is awarded the contract for Petrobras P63 project

Paris, August 2, 2010. Veolia Water, through its subsidiary Veolia Water Solutions & Technologies (VWS), has won a contract for the water treatment package of the Petrobras Papa Terra P63 project (offshore oil production) in the Campos Basin, offshore Brazil.

The design-build contract has been awarded by QUIP SA, the Brazilian company appointed by Petrobras to manage the supply and integration of the floating production, storage and offloading unit (FPSO). It represents total estimated revenue of around EUR 30 million for Veolia Water.

The water treatment package will treat seawater and comprises pretreatment and seawater sulphate removal (SRP) systems to remove sulphates and other divalent ions from injection water to enhance oil recovery. The plant will produce 54,054 m³/day of treated water, which will be used for injection to pressurize the oil reservoir. The delivery is scheduled for 2012.

This is the second SRP project to be awarded to Veolia Water Solutions & Technologies by QUIP SA, and it can be attributed in part to the success of the previous SRP for the P53 project commissioned in 2009, also located in the Campos Basin.

The package will be project managed and engineered by Veolia Water Solutions & Technologies' offices in Scotland, where the company specializes in production and injection water technology and has a staff that has grown to more than 160 oil and gas industry dedicated employees. The project will be supported by VWS' offices in Brazil with additional engineering support, local procurement and supervision of the module fabrication.

VWS provides complete water and wastewater solutions for the oil and gas industry and is a world leader in sulphate removal technology.

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 95,789 employees in 66 countries, Veolia Water provides water service to 78 million people and wastewater service to 53 million. Its 2009 revenue amounted to €12.5 billion.
www.veoliawater.com



Veolia Environnement (Paris Euronext: VIE and NYSE: VE) is the worldwide reference in environmental solutions. With approximately 310,000 employees the company has operations all around the world and provides tailored solutions to meet the needs of municipal and industrial customers in four complementary segments: water management, waste management, energy management and passenger transportation. Veolia Environnement recorded revenue of €34.5 billion in 2009. www.veolia.com

Analyst and institutional investor contact: Ronald Wasylec +33 1 71 75 12 23

US Investors contact Terri Anne Powers – Tel +1 312-552-2890

Press release also available on our web site: <http://www.veolia-finance.com>