PRESS RELEASE

Lille metropolitan area

Veolia Water to build and operate the new Marquette-lez-Lille wastewater treatment plant

The new plant will meet the requirements of the European directive on the "good ecological status" of water from February 2013.

Paris, October 13, 2010 – the Lille metropolitan area has awarded Veolia Water the contract to reconstruct the Marquette-lez-Lille wastewater treatment plant, the biggest such facility in the north of France. The new treatment plant will be built on the site of the previous one, which is now obsolete. Project design and construction has been awarded to a consortium headed by OTV France Nord, a Veolia Water subsidiary, and comprising NORPAC, DEMATHIEU & BARD, AMODIAG, BONNARD & GARDEL, and ALH (Alain Le Houedec, architect).

Work will begin in mid-October and will last a little over four years. It will generate cumulated revenue of 75 million euros for Veolia Water. Operation of the plant will start on January 1, 2011. Veolia Water will be the operator under a contract of almost six years that will generate estimated cumulative revenue of 28 million euros.

All the civil engineering structures needed to obtain good ecological status of water, which will be required by 2027, will be in place by February 2013, when the new wastewater treatment will become operational. The new sludge treatment process will follow, by 2015 at the latest.

The new plant will have the capacity to treat wastewater from an equivalent population of 620,000, and will have two separate treatment trains, one for wastewater (2.8 cubic meters per second) and one for stormwater (5.3 cubic meters per second). Proven technical solutions will be used, such as the MULTIFLO® and ACTIFLO® settling processes, and HYBAS™ biological treatment, which combines the best of the two technologies: the activated sludge process and the fixed culture process.

For sludge treatment, the implementation of EXELYS®, a new thermal hydrolysis process from OTV, will reduce the quantity of sludge produced by 20–40% and increase the production of biogas by 15–30% compared to a standard digestion. After being dried and stored, half of the sludge will be used in agriculture and the other half in a cement works.

As the Marquette-lez-Lille plant is in a densely populated urban area, particular care has to be taken in dealing with odors. Veolia Water's offer includes full control over odor emissions, their treatment and monitoring.

The future plant is part of a program to evolve toward sustainable development solutions, and its carbon balance has been established with the "Carbone 4" design bureau. The

balance is based on three points: reduce the use of fossil fuels, generate energy, and respect Veolia Environnement's environmental commitments through OTV's ECOLIA 21™ plan.

Located on a natural islet of 15 hectares surrounded by the Roubaix canal, the plant also offers the opportunity of creating a major environmental project for the Lille area.
The overall layout for the civil engineering structures sets aside seven hectares of land for a garden to be planted with mainly local species that will reflect the area's biodiversity.
To symbolize this goal, the entrance to the plant will open on to two facades designed by Patrick Blanc, the "artist botanist" who is a researcher at CNRS, France's national center for scientific research, and a specialist in subtropical forest plants. Mr. Blanc is the inventor of the vertical garden concept and has designed hundreds of such projects around the world *(including for the Quai Branly Museum and Pershing Hall hotel, both in Paris).*
Under the guidance of Alain Le Houedec, the consortium's architect, the building's architecture will focus on blending harmoniously into its environmental and urban surroundings and will avoid all pollution and nuisance for the nearby apartment blocks.

However excellent its performance in relation to the natural environment, the Marquette-lez-Lille wastewater treatment plant would not be complete without an equivalant level of attention being paid to its human environment.

The integration of the personnel who operate the current plant requires training them in new technologies, so OTV and Veolia Water have set up a partnership with Campus Veolia Northern Europe, which is located close by.

The operations personnel will therefore have the advantage of diploma-track training courses in the wastewater treatment processes that will be implemented at the new plant. In addition, Campus students will be able to carry out their practical training at the Marquette-lez-Lille plant for the duration of the operating contract.

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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 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*

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