

PRESS RELEASE

Veolia Transport wins call for tenders for the Rosenheim rail system (“E-Netz Rosenheim”)

Paris, December 22, 2010. Veolia Transport, via its German subsidiary Veolia Verkehr, has won a major contract in Bavaria in the short-distance passenger transportation sector. Bayerische Eisenbahngesellschaft (BEG) announced that it is awarding Veolia Verkehr operation of the “E-Netz Rosenheim” for a period of 12 years starting from December 2013. The contract will generate a cumulative revenue in excess of one billion euros.

The system includes the following lines, which were previously operated by Deutsche Bahn:

- Munich – Rosenheim – Traunstein – Salzburg (KBS 951)
- Munich – Rosenheim – Kufstein (KBS 950)
- Rosenheim – Holzkirchen – Munich (rail link to the Mangfall Valley – KBS 958/999.20)

Part of the regional rail network between Munich and Holzkirchen has been served for the past 10 years by Bayerische Oberlandbahn (BOB) trains, a subsidiary of Veolia Verkehr. The new contract will add an international dimension to Veolia Transport's business in Germany because two of the new lines serve Austria, running to Salzburg and Kufstein.

It also strengthens Veolia Transport's position as the leading private operator of passenger transportation services on the German market.

“This is a great success!” said Cyrille du Peloux, CEO of Veolia Transport. “This project is going to give us the opportunity to introduce more innovative services that will benefit passengers. New direct links will be put in place and the trains will be upgraded and made more comfortable. So we are predicting a clear increase in passenger numbers for the “E-Netz Rosenheim”. We are totally committed to our business in Germany,” he added, “and now we’re seeing the results. Veolia Transport is a highly competent, reliable partner capable of offering safe, sustainable mobility solutions for the passengers who are our customers.”

Veolia Transport

Veolia Environnement's transport division operates in 28 countries and employs 78,000 people. Veolia Transport posted revenue of €5,8 billion in 2009. Veolia Transport operates 38,078 road and rail vehicles and carries more than 2,5 billion passengers per year. Veolia Transport contributes to remedy the shortage of urban space and avoids 4.1 million metric tons of greenhouse gas emissions (equivalent CO₂) per year. www.veolia-transport.com

Veolia Environnement (Paris Euronext: VIE and NYSE: VE) is the worldwide reference in environmental solutions. With more than 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.finance.veolia.com>