

PRESS RELEASE

VEOLIA ENVIRONMENTAL SERVICES SELECTED BY LEEDS FOR A WASTE MANAGEMENT CONTRACT

Paris, January 23, 2012 – Veolia Environmental Services, through its subsidiary Veolia Environmental Services (UK) Plc¹, a leading UK recycling and waste management company, has been selected as the preferred bidder by Leeds City Council for a Private Finance Initiative (PFI) contract for the treatment and disposal of residual waste. The contract will be signed for a period of 25 years.

The proposal submitted by Veolia Environmental Services includes the construction in East Leeds Cross Green Industrial Area of an advanced waste recycling and energy recovery facility that will contribute to the local economy with the creation of 300 jobs during construction and 45 permanent positions.

The mechanical pretreatment will extract and recycle at the front-end of the plant around 10% of the 183,000 metric tons of residual waste delivered to the site. This will include recyclable non-ferrous and ferrous metals, plastics, mixed paper and cardboard providing a beneficial boost to the city's recycling rates.

The energy recovery facility will generate around 11.6 MW of electricity for the national electricity network, sufficient to power 20,000 homes from the remaining residual waste. Working with Leeds City Council, it is also proposed to explore the development of a cogeneration plant with the potential to supply heat to local users.

Close to excellent transport links, this facility and its eye-catching design will blend with its surrounding environment, especially its living green wall, landscaping and planting designed to enhance the surrounding area.

An extensive consultation and community engagement process will be undertaken ahead of the planning application submission in the first half of 2012. It is intended to start construction in summer 2013; the recycling and energy recovery facility is scheduled to become fully operational in spring 2016.

Jérôme Le Conte, Chief Executive Officer of Veolia Environmental Services said, "This landmark facility reflects our strategic commitment to the UK market and our sustainable development approach that encourages the creation of new waste facilities combining recycling and energy recovery along with innovative green design. We are also committed to supporting a wide range of community initiatives and a visitor centre has been specifically designed to allow members of the public to see for themselves how the facility works."

¹ The contract will be made with Veolia ES Aurora Ltd which is a subsidiary of Veolia Environmental Services (UK) Plc that delivers its PFI/PPP contracts.

Veolia Environmental Services

Veolia Environmental Services is the global benchmark for waste management and resource recovery, and the only operator across all segments of the waste management business (solid, liquid, non-hazardous and hazardous waste). The company contributes to a better environment by providing its municipal and industrial clients with innovative, efficient waste management services that span waste collection, pipe system management, and waste treatment, recovery and recycling solutions. Veolia Environmental Services generated 2010 revenue of 9.3 billion euros. www.veolia-environmentalservices.com

***Veolia Environnement** (Paris Euronext: VIE and NYSE: VE) is the worldwide reference in environmental solutions. With more than 315,000 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 €34.8 billion in 2010. www.veolia.com*

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