

## PRESS RELEASE

### **Veolia Water contracted by Greater Lyon to manage its water distribution service for eight years**

**Paris, January 14, 2014 – Greater Lyon (France) has just announced that it has awarded Veolia Water a contract for the production and distribution of drinking water in 54 municipalities for a period of eight years. The contract is due to come into force on February 3, 2015. Under the new scope of business defined by Greater Lyon, the contract represents cumulative revenues of €660 million (French standards) and an investment of €55 million.**

Greater Lyon has the second largest drinking water service in France in terms of the population connected: 1.3 million people across 54 municipalities. This is a new contract corresponding to a new geographic area, as the service was previously provided by three operators, including Veolia which managed 33 municipalities.

The eight-year drinking water production and distribution management contract will come into force on February 3, 2015, under a specially created company called “Eau du Grand Lyon.”

This contract includes numerous innovations and points the way to the water service contract of the future.

“Veolia is extremely pleased with this decision,” said Antoine Frérot, Chairman and CEO of Veolia Environnement. “This success reflects our company’s ability to renew itself as evidenced by the proposal submitted to Greater Lyon for a service that has been reconfigured on the basis of major innovations and responsible aims. It is truly a new model for a water service that is clearly focused on the future.”

The Greater Lyon water service will incorporate an integrated management center able to provide complete water traceability and fully transparent operation.

Veolia will implement the ECONO project under which it is planned in particular to install 5,500 leak location sensors for the continuous surveillance of 2,000 kilometers of the most sensitive parts of the network. Added to this, 500 mobile sensors will be used for an active leak detection program along an additional 800 kilometers of the network. This is a real challenge given that the network yield targets are 85% by the end of 2016 and 87% in 2018.

With the installation of the Téléo smart network, the 400,000 Greater Lyon customers will be able to check their daily consumption via the Internet, receive notification in the event of abnormal consumption via their preferred method (text, email, etc.), and be invoiced for the actual volume of water consumed. This new remote meter reading service will also be used for the real-time location of leaks and monitoring the water quality throughout this drinking water network’s 4,000 kilometers.

In support of Greater Lyon’s social policies, Veolia will also create an “integration through employment” course at its Veolia Environnement Campus that was recently opened close to Lyon in Jonage. Indeed, it is one of the contract’s strong points that 10% of the hours worked



in the new company "Eau du Grand Lyon" will be performed by employees under insertion contracts, with this figure set eventually to rise to 15%.

Similarly, and consistent with the requirements of the French government's Energy-Climate Package and the Greater Lyon Mandate Plan, Veolia undertakes to reduce its greenhouse gas emissions by 15%.

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**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](http://www.veolia.com)

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

***Analyst and institutional investor contacts:***

*Ronald Wasylec – Tel +33 1 71 75 12 23*

*Ariane de Lamaze – Tel +33 (0)1 71 75 06 00*

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

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