

Press Release

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China - Mining & Metals

China's largest steelmaker chooses Veolia for its industrial wastewater treatment facilities in Tangshan, for 390 million euros

Veolia has been selected by Tangshan Iron & Steel (TIS), a subsidiary of China's largest steelmaker Hebei Iron & Steel Group, to build and operate industrial water treatment and recycling facilities for two of TIS's industrial projects in Hebei province, China. Over the duration of the two 30-year contracts, total cumulative revenue for Veolia will amount to €390 million.

For these facilities, Veolia has formed a joint venture with Tangshan Iron & Steel (TIS), in which Veolia holds 60%. The JV consolidates Veolia's cooperation with one of the world's biggest steel companies. TIS is the major branch of Hebei Iron & Steel Group (HBIS), one of the top three iron and steel makers in the world and the largest steelmaker in China. Veolia has been providing enlarged technical assistance to its steel production site in Chengde, Hebei, since 2012. TIS is a state-owned listed company located in eastern Hebei, close to one of the three biggest iron mines in China.

"Veolia's mission and capabilities in the downstream mining industry go beyond the provision of standard water supply to our customers. We can indeed provide them with a competitive advantage, by optimizing in particular their water management processes. We thereby help this prestigious industrial client to better grasp the future of its industry: cleaner and more productive mines and industrial processes, with lower environmental impact and greater economic performance," said Antoine Frérot, Chairman and Chief Executive Officer of Veolia. "I am delighted that Tangshan Iron & Steel has chosen Veolia to accompany it in its strong growth in China."

In Tangshan, Veolia will build a facility to treat wastewater, and to recycle and cool water to cater to the needs of TIS's two new projects, a coking plant and a gas liquefaction plant. The facility will be shared by the two TIS facilities and will enable the reuse of 60% of the water. Operation of the plants is expected to begin in the second half of 2014.

The two projects are located in a strategic economic corridor linking the two major regions of northeast and north China. The coking plant, to be operated by TIS and Shanxi Meijin Energy, one of the largest manufacturers of coke in China, and the liquefied natural gas plant are part of Tangshan Iron & Steel's large and comprehensive plan to ensure continuous steel production, for which the supply of coke is vital, and to commit to achieving the highest environmental standards in its industry.

Veolia has a strong presence in China, where it supplies 40 million people with drinking water and works with a number of clients in the country's steel, chemical and automotive industries.

Veolia group is the global leader in optimized resource management. With over 187,000 employees* worldwide, the Group designs and provides water, waste and energy management solutions that contribute to the sustainable development of communities and industries. Through its three complementary business activities, Veolia helps to develop access to resources, preserve available resources, and to replenish them.

In 2013, Veolia group supplied 94 million people with drinking water and 62 million people with wastewater service, produced 54 million megawatt hours of energy and converted 38 million metric tons of waste into new

materials and energy. Veolia Environnement (*listed on Paris Euronext: VIE and NYSE: VE*) recorded consolidated revenue of €23.4 billion* in 2013. www.veolia.com

(*) 2013 pro-forma unaudited figures, including Dalkia International (100%) and excluding Dalkia France. Excluding Transdev employees and revenue currently under divestment.

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