

Press Release

Paris, May 6, 2015

Energy - France

Veolia steps up growth on the French energy services market

Less than nine months after EDF took over Dalkia's French business, Veolia has steps up its growth in France with the aim of developing a new energy efficiency player in the country.

Veolia has signed a memorandum of understanding with the shareholders of Altergis to acquire all shares in the company. This acquisition is conditional upon obtaining the approval of the French anti-trust authority. The takeover of Altergis will strengthen Veolia's existing energy expertise in France.

Veolia will provide innovative, differentiating and added-value products and services to industry and local authority customers based on its four strengths: the benefit of Veolia's international experience, Veolia's local network in France, the benefit of the company's latest technological innovations, and independence from all major energy groups.

Established in 1999, Altergis has a comprehensive range of thermal, electric and renewable energy services, ranging from facility engineering to design, installation, operation and maintenance. Its customers are in both the public and private sectors (local authorities, housing, health, services, defense and industry). Specialist in the implementation of energy and fluids, Altergis reported 2014 revenue of almost €70 million and employs 400 people in France. Its customers include 72 cities for engineering and operation, 38 hospitals, 1,870 sites with energy supervision, and numerous state-of-the-art references, such as engineering for the French Institute of Health and Medical Research-Inserm Lyon's P4 high-security laboratory, the production of heat and cogeneration at Grasse Hospital, construction of the stand-by electricity center for the Orange Data Center in Val-de-Reuil, and an energy performance contract with Annonay High School.

Following its acquisition, Altergis will be incorporated into Veolia's energy activity in France, and will benefit from all the company's international expertise in the field of energy services. This acquisition will enable Veolia to provide new products and services in the field of energy in France:

- **products and services incorporating Veolia's accumulated experience gained internationally** with 26,000 energy expert employees, 2.4 million multi-unit dwellings managed, 1,802 industrial sites managed and 529 district heating and cooling networks operated
- **local services** through a network developed over 160 years in France by Veolia, which reinvests 80% of its spending locally
- **products and services benefiting from the latest technological advances to guarantee results:** an integrated energy management center, in the forefront of real-time data management, will soon be created in France, based on the model of the seven management centers Veolia already operates internationally. This management center will use a digital network to collect data, which will then be analyzed by experts in constant liaison with operation technicians working in the facilities, in order to ensure the best possible response from our teams. **Given its transparency and responsiveness, this integrated management center will make it possible to achieve even greater energy savings and guarantee results for our customers**
- **products and services independent of any major energy group**, as Veolia does not produce energy in France

- **innovative, efficient and economical products and services** leveraging Altergis' engineering expertise and the engineering capabilities that already exist within Veolia, especially social engineering ; **products and services capitalizing on Veolia's energy know-how for industry in France** with references such as energy performance contracts with PSA and Novartis.

In Antoine Frérot's words, *"Less than nine months after selling Dalkia France's business to EDF, the acquisition of Altergis will enable Veolia to develop its energy services business in France and to provide its customers with new and differentiating products and services benefiting from Veolia's comprehensive expertise in the field of energy services. It ties in perfectly with our aims and commitment to being fully engaged in the energy transition in France."*

Veolia group is the global leader in optimized resource management. With over 179,000 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 2014, the Veolia group supplied 96 million people with drinking water and 60 million people with wastewater service, produced 52 million megawatt hours of energy and converted 31 million metric tons of waste into new materials and energy. Veolia Environnement (listed on Paris Euronext: VIE) recorded consolidated revenue of €24.4 billion* in 2014. www.veolia.com

(*) 2014 pro-forma figures, including Dalkia International (100%) and excluding Dalkia France.

Important disclaimer

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