2015 First Half Results

August 3, 2015

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This document contains "non-GAAP financial measures". These "non-GAAP financial measures" might be defined differently from similar financial measures made public by other groups and should not replace GAAP financial measures prepared pursuant to IFRS standards.

Unaudited figures

2015 first half results

Highlights

Antoine Frérot, CEO

First half highlights

- **Excellent first half results, largely in line with annual objectives**

- **Acceleration of commercial dynamism during the first half, in both our traditional and growth markets**

- **Initial encouraging signs in the Waste business**

- **Cost cutting: we should exceed the 2011-2015 objective of €750M in savings**
  - *Nearly €700M in savings already achieved as of June 30, 2015*

- **First half net free cash flow excluding working capital seasonality: €552M**

Strong growth in first half results

- **Revenue +7.3% to €12,318M, (+3.3% at constant FX)**
  - *Pro forma[(1)] : decrease of 1.3% at constant scope & FX*
- **EBITDA of €1,531M, up 16.5% (+12.3% at constant FX)**
  - *Pro forma[(1)] : Increase of 6.0% at constant scope & FX*
- **Current EBIT of €712M, up 36.7% (+30.4% at constant FX)**
  - *Pro forma[(1)] : Increase of 24.6% at constant scope & FX*
- **Current net income more than doubled to €321M** *(including -€27M impact of IFRIC 21)*
- **Improvement in net FCF vs. H1 2014 pro forma of -€169M to -€76M**
- **Net financial debt of €9,223M, down €477M excluding exchange rate impacts vs. June 2014 (€8,936M)**

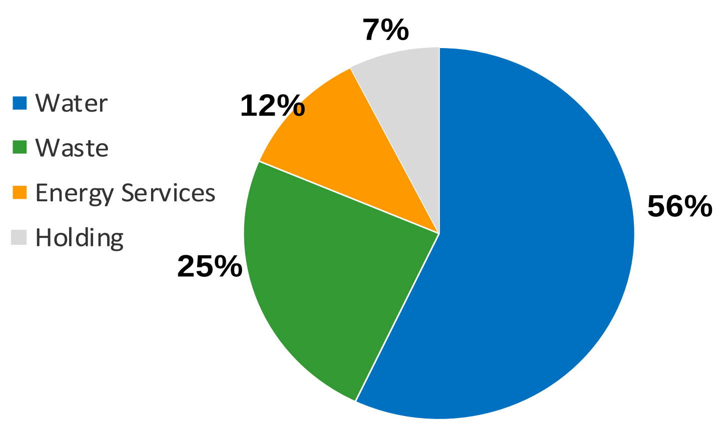
FX impacts *(vs. pro forma H1 2014)*	**%**	**€M**
Revenue	+4.2%	499
EBITDA	+4.6%	64
Current EBIT	+7.4%	39
Net debt vs. GAAP Dec.2014	+5.9%	(492)
Net debt vs. GAAP June 2014		(764)

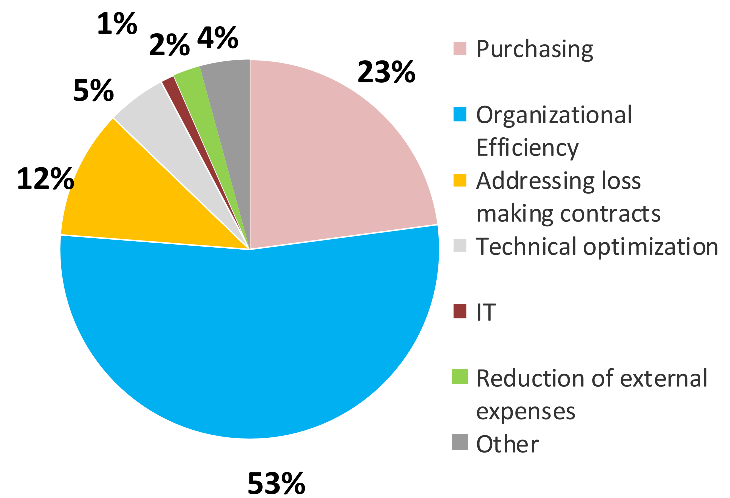
(1) Pro forma scope: excluding Dalkia France and with Dalkia International fully consolidated during the first half of 2014

Cost savings ahead of objective: nearly €700M in savings achieved as of June 30, 2015

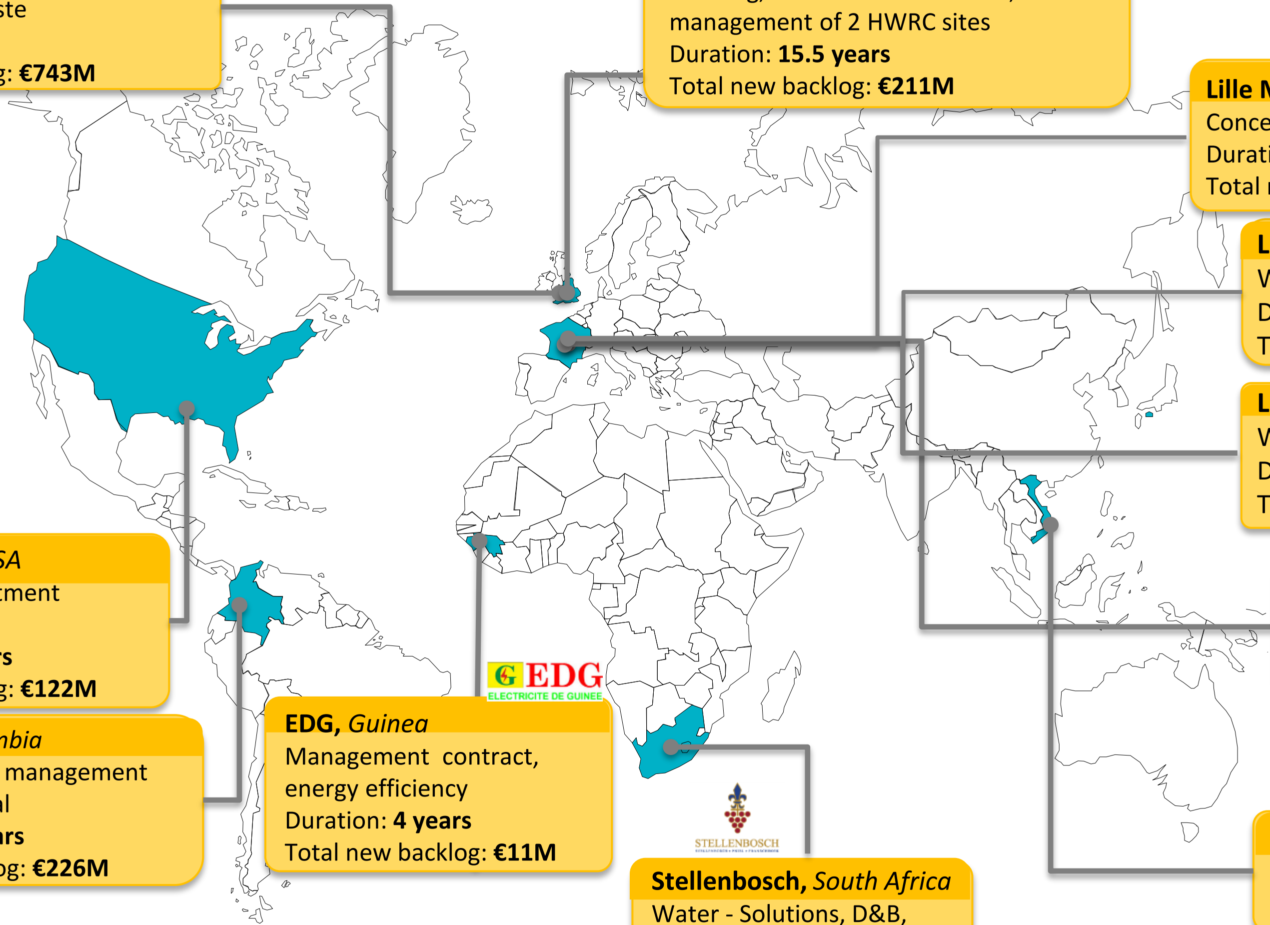
€110M in gross savings in H1 2015

Impact on EBIT before IFRS 10 & 11 (€M)	**H1 2012**	**H2 2012**	**H1 2013**	**H2 2013**	**H1 2014**	**H2 2014**	**Cumul end 2014**	**H1 2015**	**2015 Objective**
Gross savings	59	83	110	98	104	128	582	110	750





Selection of major successes as of H1 2015
Municipal Market



Hampshire County Council, *UK*
Extension of the Integrated Contract to 2030, solid waste
Duration: **5 years**
Total new backlog: **€743M**

Southend-on-Sea Borough Council, *UK*
Collection of household waste , Street cleaning, waste transfer station, and management of 2 HWRC sites
Duration: **15.5 years**
Total new backlog: **€211M**

Lille Métropole, *France*
Concession / Public Service Delegation
Duration: **8 years**
Total new backlog: **€456M**

Le-Touquet-Paris-Plage, *France*
Water – traditional operations
Duration: **20 years**
Total new backlog: **€50M**

Lorient Agglomeration, *France*
Water – traditional services
Duration: **7 years**
Total new backlog: **€21M**

SIAAP, *France*
Clichy Rain water
D&B Water solutions
Total new backlog: **€66M**

New Orleans, *USA*
Wastewater treatment renewal
Duration: **10 years**
Total new backlog: **€122M**

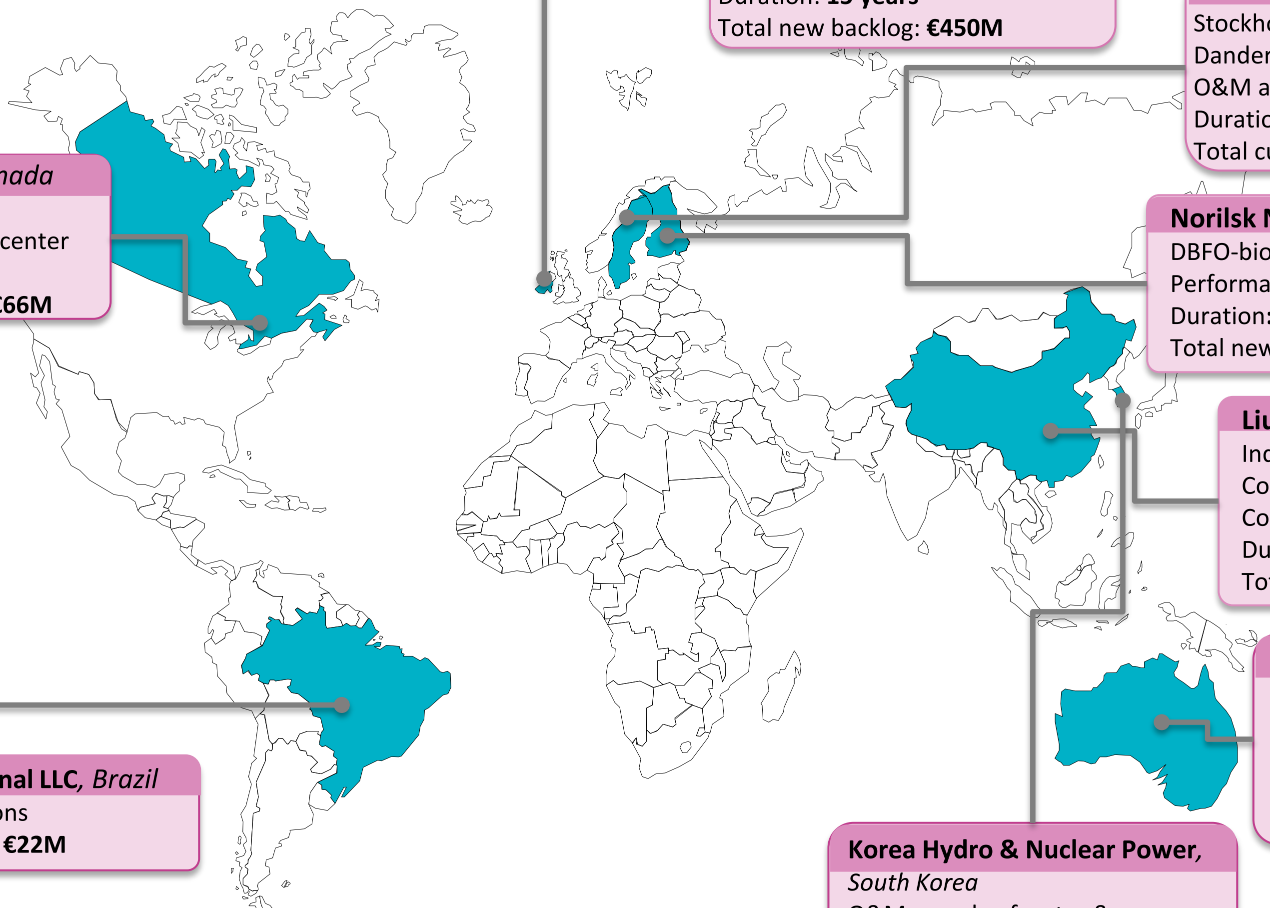
Monteria, *Columbia*
Complete water management Contract renewal
Duration: **10 years**
Total new backlog: **€226M**

EDG, *Guinea*
Management contract, energy efficiency
Duration: **4 years**
Total new backlog: **€11M**

Stellenbosch, *South Africa*
Water - Solutions, D&B, networks
Total new backlog: **€12M**

Buon Ma Thuot, *Vietnam*
WWTP, Design & Build
Total new backlog: **€12M**

Selection of major successes as of H1 2015
Industrial & Commercial Market



Mayo Renewable Power, *Ireland*
Biomass CHP
Duration: **15 years**
Total new backlog: **€450M**

Locum, *Sweden*
Stockholm South hospital & Danderyds hospitals
O&M and energy efficiency services
Duration: **5 years**
Total cumulated new backlog: **€43M**

Hydro-Quebec, *Canada*
Lease & Operation Agreement for data center
Duration: **20 years**
Total new backlog: **€66M**

Norilsk Nickel, *Finland*
DBFO-biofuel steam boiler
Performance contract
Duration**: 10 years**
Total new backlog: **€119M**

LiuGuo Chemical, *China*
Industrial Wastewater
Contract expansion
Complex issues solutions
Duration**: 20 years**
Total new backlog: **€60M**

ConocoPhillips, *Australia*
Provide recycling, liquid and Hazardous waste for onshore and offshore – renewal
Duration: **4 years**
Total new backlog: **€35M**

Modec International LLC, *Brazil*
D&B, Water solutions
Total new backlog: **€22M**

Korea Hydro & Nuclear Power, *South Korea*
O&M, supply of water & wastewater treatment services for South Korea's largest nuclear plant. Duration: **3 years**

2015 Guidance confirmed

- **Revenue growth**
- **EBITDA and Current EBIT growth**
  - Continued strong operational performance
  - Cost savings benefit: continued execution of the €750M cost savings plan
- **Continued capex discipline**
- **2015 objective confirmed: the dividend and hybrid coupon payment to be covered by Current Net Income and paid by Free Cash Flow excluding net financial divestments**
- **Net financial debt under control**

Investor Day now set for Monday, December 14, 2015

2015 first half results

Results for the period ended June 30, 2015

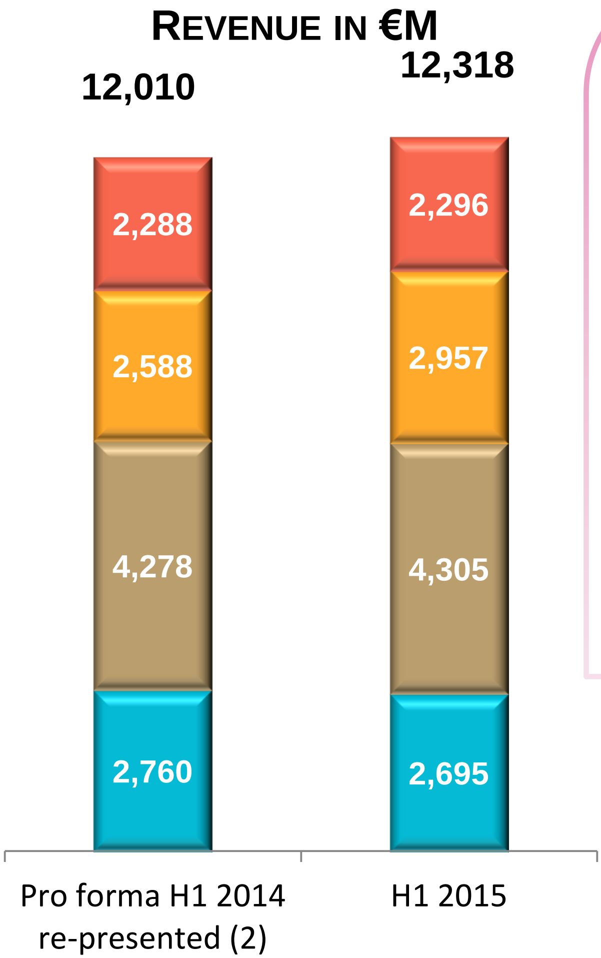
Philippe Capron, CFO

An excellent first half

In €M	H1 2014 re-presented[(1)]	H1 2015	Δ Y-Y	Δ constant scope & FX
Revenue	**11,482**	**12,318**	**+7.3%**	**+3.3%[(2)]**
Pro forma Revenue	12,010	12,318	+2.6%	-1.3%
EBITDA	**1,314**	**1,531**	**+16.5%**	**+12.3%[(2)]**
Pro forma EBITDA	1,384	1,531	+10.6%	+6.0%
Pro forma EBITDA margin	*11.5%*	*12.4%*	*+90bp*	*+90bp*
Current EBIT[(3)]	**521**	**712**	**+36.7%**	**+30.4% [(2)]**
Pro forma Current EBIT[(3)]	527	712	+35.2%	+24.6%
Pro forma Current Net Income	**153**	321	**x2.1**	
Pro forma Net income attrib. to owners of Co.	**127**	**353**		
Pro forma gross industrial Capex	**592**	**565**		
Pro forma Net FCF[(4)]	**-169**	**-76**		
Net financial debt	**8,936**	**9,223**		

(1) 2014 figures are re-presented for IFRS 5 (the representation associated with IFRS 5 only applies to the income statement:) and IFRIC 21. See Appendix 2.
(2) At constant exchange rates
(3) Including the share of current net income of joint ventures and associates of entities viewed as core Company activities (excluding Transdev, which is not viewed as a core Company activity)
(4) Net FCF before net financial divestments and after payment of financial expense and taxes corresponds to free cash flow from continuing operations, and is calculated by: the sum of EBITDA, dividends received from joint ventures, operating cash flow from financing activities, and changes in working capital for operations, less net industrial investments, current cash financial expense, cash taxes paid, renewal expenses, cash restructuring charges and costs associated with acquisitions and divestitures.

Revenue growth of 7.3%(1): Good performance in emerging markets



Revenue of €12,318M, up 2.6% vs pro forma H1 2014
Favorable FX impact of €499M

- **Slight revenue decline in France**
  - ✓ *Water:* Revenue down 5.8% due to commercial impacts (-€70M); good volumes (+0.4%), but more moderate tariff indexation (+0.4% vs. +1.2%)
  - ✓ ***Waste*: Revenue up 1.2%: +3.8% in Q2, vs. -1.4% in Q1**. Contract wins & recovery in recycled raw material prices
- **Europe excluding France: Revenue -2.3% at constant scope & FX, -0.7% in Q2 after -3.5% in Q1;** **UK revenue: €1,160M**, -3.5% at constant scope & FX (-3.9% in Waste, construction revenue -€52M, partially offset by higher volumes landfilled); **Germany revenue: €823M**, -8.8% at constant scope & FX, lower C&I volumes in Waste & lower energy prices; **Central & Eastern Europe revenue: €1,495M** +1.6% constant scope & FX (including weather effect +0.9%).
- **Rest of the World: continued good performance +3.4% at constant scope & FX (+4.5% in Q2 after +2.4% in Q1) -** USA affected by lower energy prices; growth in China and Latin America (Buenos Aires contract)
- **Global businesses: -3.3% at constant scope & FX:** project delays in VWT; negative impact of the decline in oil prices.
  - ✓ VWT backlog: €2.4 billion at June 30, 2015, stable vs. December 2014

	Δ	Δ at constant scope & FX
France	-2.4%	-2.6%
Europe excl. France	+0.6%	-2.3%
Rest of the World	+14.3%	+3.4%
Global businesses	+0.4%	-3.3%
Total	**+2.6%**	**-1.3%**

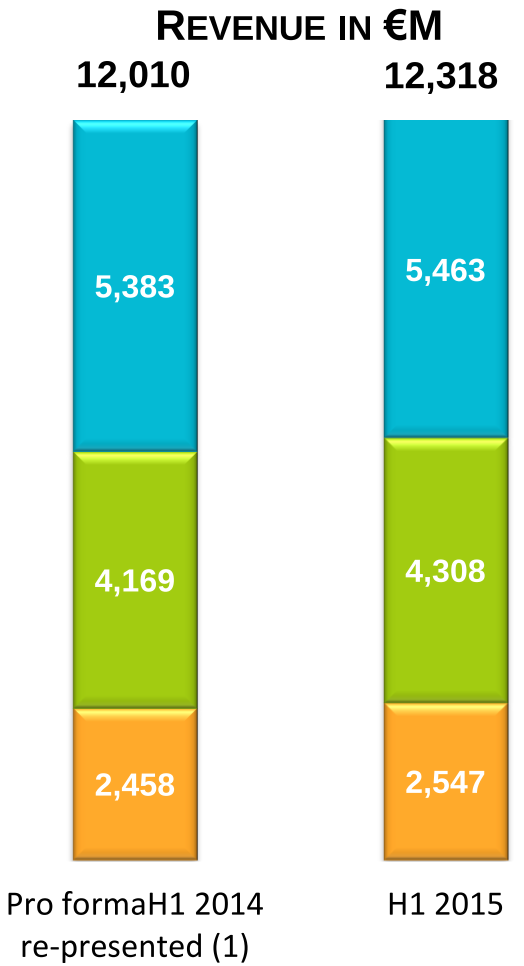
(1) At current consolidation scope and FX, vs H1 2014 GAAP
(2) See Appendix 2

Revenue: Improved performance in Q2

	1st quarter	2nd quarter
Pro forma variations	**Δ at constant scope & FX**	**Δ at constant scope & FX**
France	-3.6%	-1.6%
Europe excluding France	-3.5%	-0.7%
Rest of the World	+2.4%	+4.5%
Global businesses	+2.1%	-7.9%
Group	**-1.4%**	**-1.2%**

- **Improved performance in the second quarter in all zones, with the exception of the Global Businesses segment:**
  - ✓ Project delays in VWT
  - ✓ Impact of the decline in oil prices
- **Excluding Global Businesses, Group revenue growth of +0.5% in Q2 after -2.1% in Q1**

Revenue: dynamism in industrial markets outside Europe & good resilience in Waste



(1) See Appendix 2

Revenue of €12,318M, up 2.6% vs pro forma H1 2014

- **Water: +1.5% (-1.7% at constant scope & FX)**
  - ✓ *Stable revenue in Operations activities*: in France, negative impact of contractual erosion; in Central and Eastern Europe, higher prices offset lower volumes.
  - ✓ *VWT*: project delays- recovery in orders since April – Good momentum in industrial solutions (Asia/Middle East)
- **Waste: +3.3% (-0.8% at constant scope & FX): encouraging first half, continuing in the same manner as Q1:**
  - ✓ Volumes +0.8% and price +0.4%
  - ✓ Lower PFI construction revenue in the UK (-1.2% impact)
  - ✓ Lower recycled raw materials prices (-0.4% impact)
  - ✓ Good resilience in France and the UK excluding construction
  - ✓ China: good landfill volumes & continuing construction of hazardous waste incinerators
- **Energy**: **+3.7% (-1.2% at constant scope & FX),** of which -3.3% related to lower energy prices (no margin impact), and partially offset by +0.7% favorable weather effect and business wins
  - ✓ Q2 +3.7% at constant scope & FX, after -4.4% in Q1

Variations vs. pro forma H1 2014	Δ	Δ at constant scope & FX
Water	+1.5%	-1.7%
Waste	+3.3%	-0.8%
Energy	+3.7%	-1.2%
Total	**+2.6%**	**-1.3%**

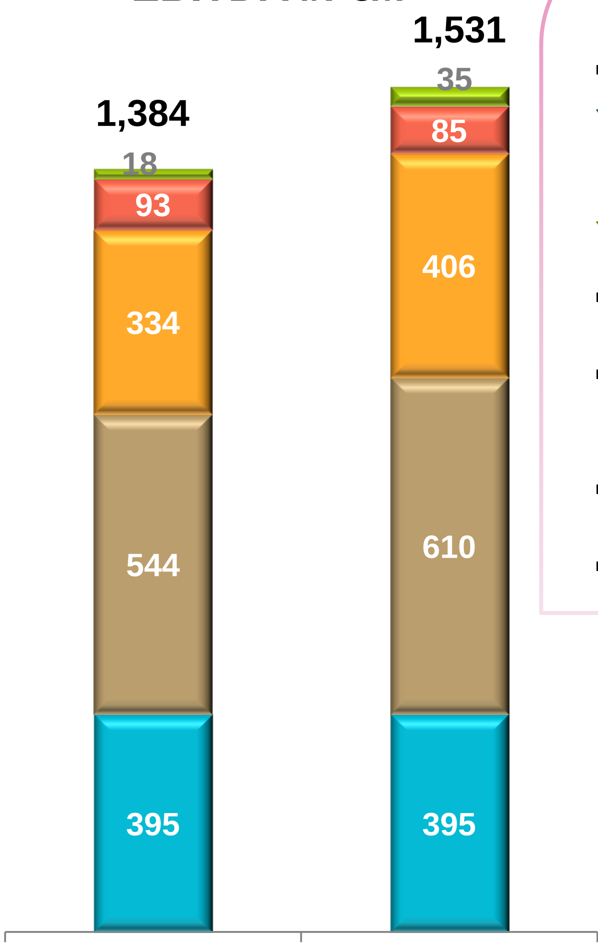
Resilience in Waste: Revenue +3.3%

	H1 2015
Raw materials and energy volumes and prices	-0,4%
Volumes/ activity levels	+0.8%
Service price increases	+0,4%
Other (including construction revenue)	-1.6%
Currency effect	+5.2%
Scope effect	-1.1%

- France: Revenue of €1.3bn (+1.2% at constant scope & FX), improvement in volumes in Q2 and good commercial success. EBITDA improvement (+3.6% at constant scope & FX) due to cost reductions and lower fuel costs in an environment that remains challenged
  - *Raw material prices: recovery in prices in Q2 => paper +7% vs. H1 2014, scrap metal still down Y-Y (-11%) despite improvement in Q2*
- United Kingdom: Revenue of €1bn, down 3.9% at constant scope & FX. Excluding construction revenue, revenue would be up 1.7%.
  - *Good treatment volumes*
  - *Lower recycled raw materials prices*
  - *Lower PFI construction revenue (-€52M)*
- Germany: Revenue decline of 5.6% at constant scope & FX: continued contract portfolio optimization, and pressure on recycled raw material prices, despite the trend reversal in Q2 (e.g. paper -13% vs H1 2014, but +8% in Q2 vs. Q1)

Strong growth in EBITDA: +16.5%[1] (+6.0% at constant scope & FX vs. pro forma H1 2014)

EBITDA IN €M



EBITDA of €1,531M, up 6.0% at constant scope & FX vs. pro forma H1 2014

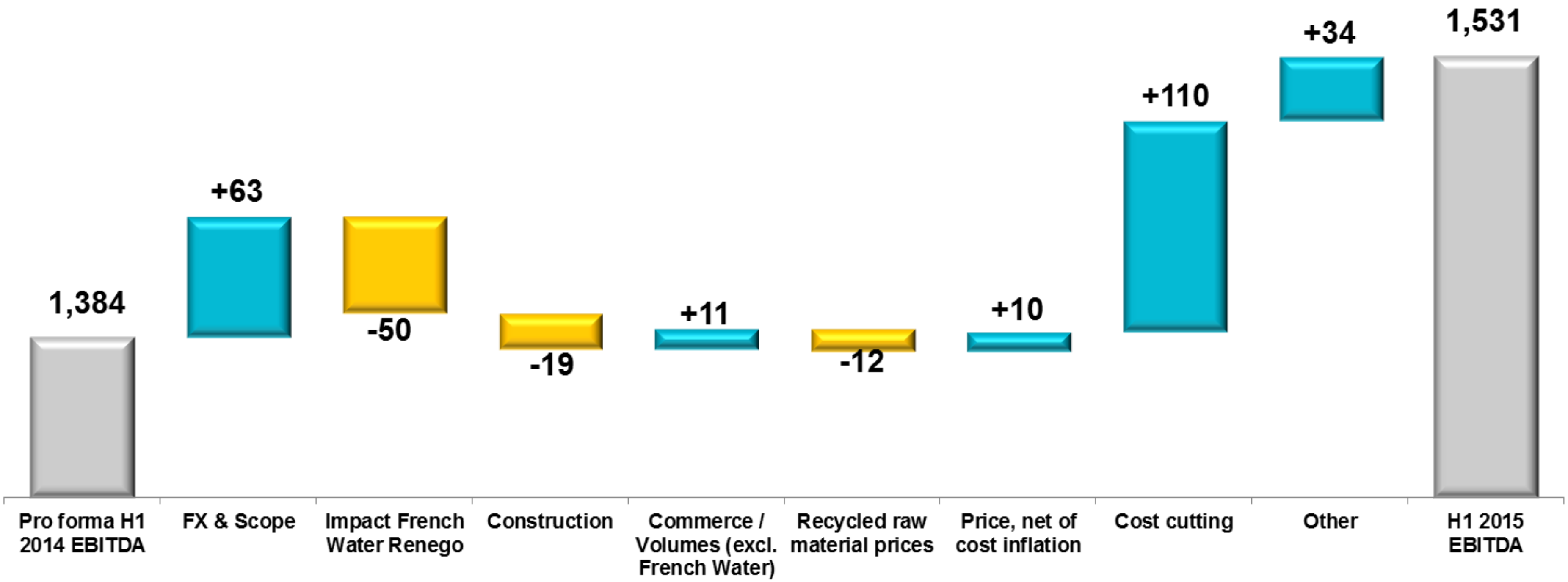
Favorable impact of cost savings: +€110M

- **Stability in France:**
  - ✓ **Water**: EBITDA quasi stable despite contractual erosion (-€50M in H1 2015) due to cost reductions
    - *Voluntary departure plan finalized: 783 departs; employees -12% since 2012*
  - ✓ **Waste**: EBITDA up due to cost management and lower fuel costs despite lower landfill volumes
- **Continued growth in Europe** particularly in Central and Eastern Europe: (significant cost reductions) and in the UK
- **Strong growth in the Rest of the World,** especially in the United States (favorable volumes/weather effects & cost savings); growth in Latin America, China and Africa Middle East
- **Global businesses** penalized by decline in oil prices – *SADE*: lower public contract activity in France
- **Favorable FX impact of €64M**

	Δ	Δ at constant scope & FX
France	+0.1%	+0.1%
Europe excl. France	+12.2%	+9.1%
Rest of the World	+21.7%	+7.5%
Global business	-8.8%	-12.9%
Other	na	na
Total Pro Forma	**+10.6%**	**+6.0%**

(1) At current consolidation scope and FX, GAAP basis
(2) See Appendix 2

Breakdown of EBITDA growth



- Favorable commercial dynamics excluding the negative impact of French Water renegotiations (-€50M)
- Construction: SADE impact
- Positive price impact, net of inflation: less favorable contractual indexation offset by operational efficiency
- Significant contribution from cost cutting

Significant growth in Current EBIT: +35.2%

In €M	GAAP H1 2014 Re-presented[(1)]	Pro forma H1 2014 Re-presented[(1)]	H1 2015	Δ vs. Pro forma H1 2014	Δ vs. Pro forma H1 2014 at constant scope & FX
EBITDA	**1,314**	**1,384**	**1,531**	**+10.6%**	**+6.0%**
Renewal expenses	-180	-125	-141		
Reimbursement of OFAs	-88	-70	-82		
Depreciation & Amortization	-571	-691	-687		
Provisions, fair value adjustments & other	-23	-18	+38		
Share of current net income of joint ventures and associates [(2)]	+69	+47	+53		
Current EBIT[(3)]	**521**	**527**	**712**	**+35.2%**	**+24.6%**

(1) See Appendix 2
(2) Excluding capital gains
(3) Including share of current net income of joint ventures and associates, excluding capital gains on financial divestments

- Current EBIT of €712M vs. pro forma €527M in H1 2014, +24.6% at constant scope & FX
  - Net charges for provisions and other: reversal of +€38M vs charge of -€18M for pro forma H1 2014
    - ✓ Reduced risks in France (Olivet, tax provisions, etc..)
    - ✓ Write downs in H1 2014: mainly in Poland Waste

Current net income more than doubled to €321M

In €M	Pro forma 1H 2014 re-presented[1]	1H 2015	Δ constant scope & FX
Current EBIT[2]	**527**	**712**	**+24.6%**
Net financial costs	-241	-231	
Other financial income and expense	+23	+47	
Income tax expense	-95	-125	
Non-controlling interests	-61	-82	
Current net income attributable to owners of the Company	**153**	**321**	**X 2.1**[3]

(1) See Appendix 2
(2) Including share of current net income of joint ventures and associates considered as core Company activities
(3) Variation at current consolidation scope and exchange rates

- **Net financial costs down €10M**, from pro forma €241M in H1 2014 to €231M in H1 2015, *despite the negative foreign exchange impact of €8M*
- **Other financial income and expense** includes net capital gains on financial divestments of €63M in H1 2015 vs. €48M in H1 2014
- **Tax rate down to 30%** in H1 2015
- Increase in **non-controlling interests** due to improved results in the energy business in Central & Eastern Europe (Poland)
- **Current net income** of €321M includes -€27M impact of IFRIC 21

Non current items: strong improvement in Transdev results

		Pro forma H1 2014 re-presented[1]	H1 2015
Current net income attrib. to owners of the Co.		**153**	**321**
Non current items, net of tax			
Of which:	Impairments	-13	-
	Charges related to departure plans	-24	+8
	Net income from discontinued operations	+6	-
	Share of net income of equity-accounted entities (Transdev)	+4	+26
	Other	+1	-2
Published net income attrib. to owners of the Co.		**127**	**353**

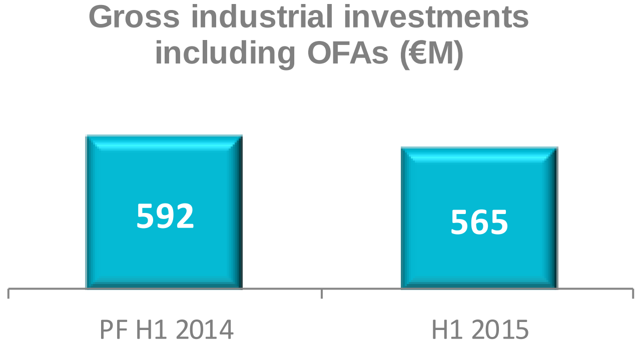
(1) See Appendix 2

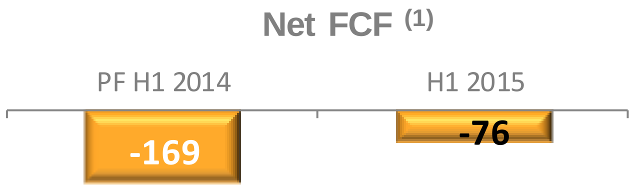
Net FCF [1] improvement of €93M in H1

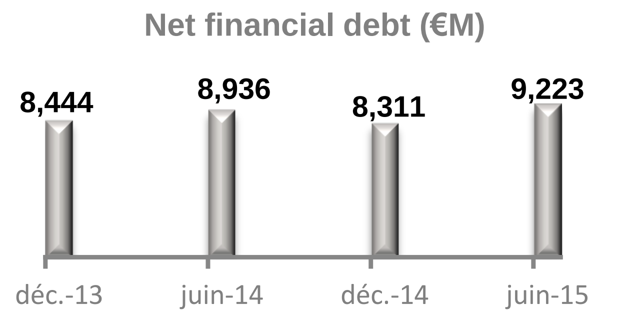
- **Continued capex discipline**:
  - ✓ At constant FX, €50M reduction in gross industrial capex (of which -€60M in the UK)

- **Net FCF [1] improvement of €93M**
  - ✓ Net FCF in H1 -€76M (WCR seasonality)
  - ✓ Improvement compared to H1 2014 due to EBITDA growth, capex control and reduced financial costs

- **Net financial debt of €9,223M**
  - ✓ Down €477M excluding negative FX impact of €764M compared to June 2014
  - ✓ Increase vs. December 2014 related to WCR seasonality (-€628M) and negative FX impact (-€492M)

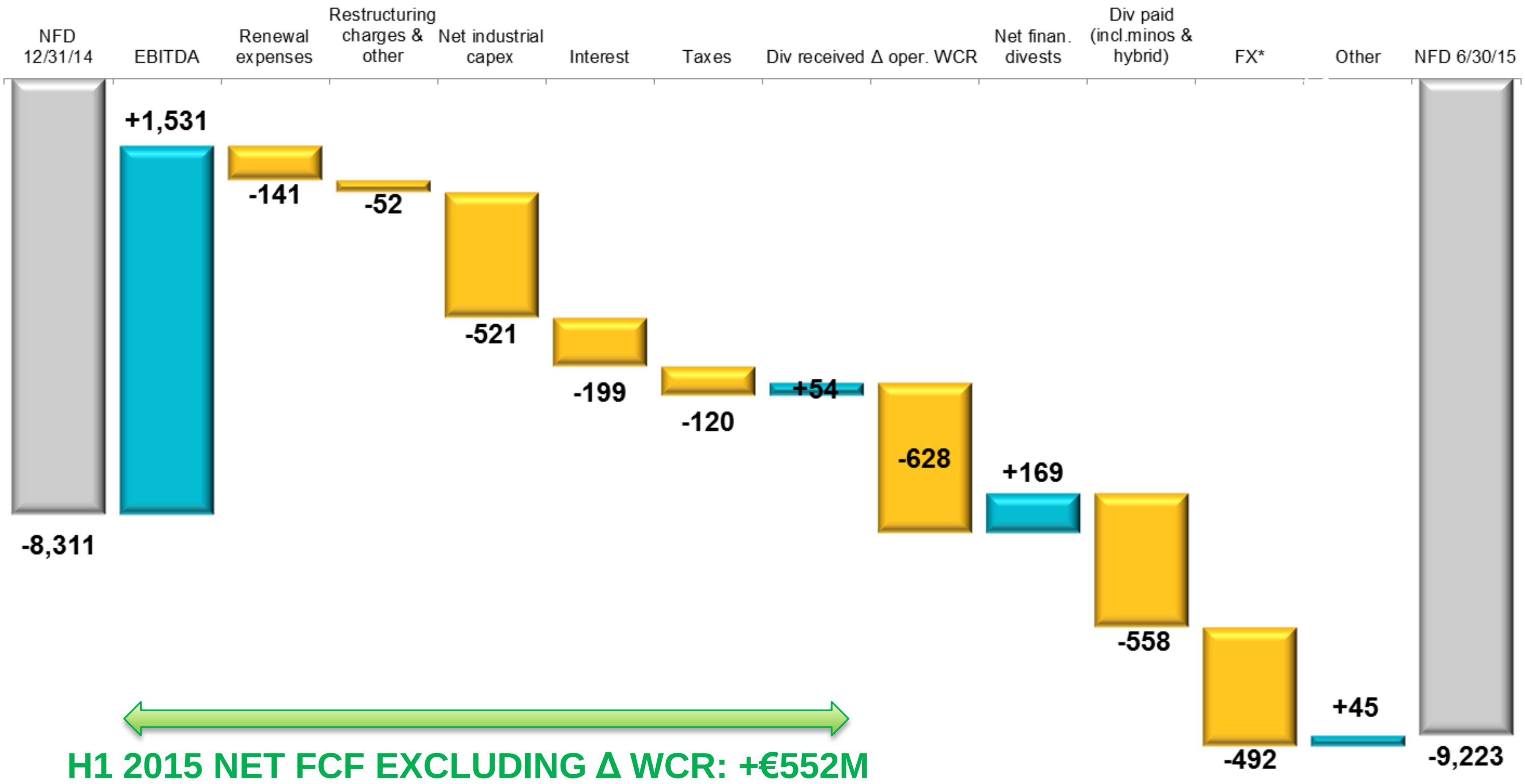






(1) Net FCF before net financial divestments and after payment of financial expense and taxes corresponds to free cash flow from continuing operations, and is calculated by: the sum of EBITDA, dividends received from joint ventures, operating cash flow from financing activities, and changes in working capital for operations, less net industrial investments, current cash financial expense, cash taxes paid, renewal expenses, cash restructuring charges and costs associated with acquisitions and divestitures.

Net FCF excluding variation of WCR seasonality in H1 : €552M



* Primarily related to £, US $ and HKD

2015 Guidance confirmed

- **Revenue growth**
- **EBITDA and Current EBIT growth**
  - Continued strong operational performance
  - Cost savings benefit: continued execution of the €750M cost savings plan
- **Continued capex discipline**
- **2015 objective confirmed: the dividend and hybrid coupon payment to be covered by Current Net Income and paid by Free Cash Flow excluding net financial divestments**
- **Net financial debt under control**

Investor Day now set for Monday, December 14, 2015

Appendices

Appendix 1: Currency movements

Main currencies

€1 = xxx of foreign currency

	H1 2015	H1 2014	Δ 1H 2015 vs. 1H 2014
US Dollar			
Average rate	1.117	1.370	+18.5%
Closing rate	1.119	1.366	+18.1%
UK pound sterling			
Average rate	0.733	0.821	+10.7%
Closing rate	0.711	0.802	+11.3%
Australian dollar			
Average rate	1.428	1.499	+4.7%
Closing rate	1.455	1.454	-
Chinese renminbi yuan			
Average rate	6.946	8.452	+17.8%
Closing rate	6.937	8.472	+18.1%
Czech crown			
Average rate	27.506	27.444	-0.2%
Closing rate	27.253	27.453	+0.7%

The **average rate** applies to the income statement and statement of cash flows
The **closing rate** applies to the balance sheet

Appendix 2: Main re-presented[1] GAAP H1 2014 figures

In €M – Figures presented under published scope [2]	June 30, 2014 published	IFRS 5 adjustment [3]	IFRIC 21 adjustment [4]	June 30, 2014 Re-presented
Revenue	11,231.5	+250.9	-	11,482.4
Adjusted operating cash flow	1,008.7	+38.1	-35.2	1,011.6
Adjusted operating income [5]	564.3	+21.8	-35.2	550.9
Net income – Group share	151.1	+9.7	-29.7	131.1
Adjusted net income – Group share	187.5	+6.7	-29.7	164.5
Gross industrial investments	579	-	-	579
Free cash flow	-163	-36	-	-199
Net financial debt	8,646	+291	-	8,936
EBITDA	N/A	N/A	N/A	1,314.3
Current EBIT	N/A	N/A	N/A	520.8
Current net income – Group share	N/A	N/A	N/A	178.0

(1) Non audited figures

(2) Published scope: including Dalkia France fully consolidated and Dalkia International consolidated by equity method during the first semester of 2014

(3) Reclassification of Morocco water operations into continuing operations

(4) See Appendix 3

(5) Including the share of adjusted net income of joint ventures and associates as of June 30, 2014

Appendix 2: Main re-presented[1] "pro forma" H1 2014 figures

In €M – Figures presented under pro forma scope [(2)]	June 30, 2014 published	IFRS 5 adjustment [(3)]	IFRIC 21 and other adjustments [(4)]	June 30, 2014 Re-presented
Revenue	11,764.1	+250.9	-5.4	12,009.6
Adjusted operating cash flow	1,153.2	+38.1	-30.6	1,160.7
Adjusted operating income[(5)]	N/A	N/A	N/A	561.0
Net income – Group share	N/A	N/A	N/A	126.9
Adjusted net income – Group share	N/A	N/A	N/A	139.7
Gross industrial investments	592	-	-	592
EBITDA	N/A	N/A	N/A	1,384.3
Current EBIT	N/A	N/A	N/A	526.6
Current net income – Group share	N/A	N/A	N/A	153.2

(1) Non audited figures
(2) Pro forma scope: excluding Dalkia France and with Dalkia International fully consolidated during the first half of 2014
(3) Reclassification of Morocco water operations into continuing operations
(4) See Appendix 3
(5) Including the re-presented share of adjusted net income of joint ventures and associates as of June 30, 2014

Appendix 2: Main re-presented H1 2014 figures - New indicators (1/2)

Reconciliation of Adjusted operating cash flow to EBITDA

In €M	Re-presented H1 2014 Published scope (1)	Re-presented H1 2014 Pro forma Scope (2)
Adjusted operating cash flow	**1,011**	**1,160**
<u>Exclusion</u> Renewal expenses Restructuring charges Disposal costs	 +180 +25 +9	 +125 +25 +4
<u>Inclusion</u> Principal payments on OFAs	 +89	 +70
EBITDA	**1,314**	**1,384**

Reconciliation of Adjusted operating income with Current EBIT

In €M	Re-presented H1 2014 Published scope (1)	Re-presented H1 2014 Pro forma Scope (2)
Adjusted operating income	**551**	**561**
<u>Exclusion</u> • Capital gains on financial divestments and disposal costs • Impairments of tangible and intangible assets and OFAs • IFRS 2 impacts	 **-43** **+13** **0**	 **-47** **+13** **0**
Current EBIT	**521**	**527**

(1) Published scope: including Dalkia France fully consolidated and Dalkia International consolidated by equity method during the first semester of 2014

(2) Pro forma scope: excluding Dalkia France and with Dalkia International fully consolidated during the first half of 2014

Appendix 2: Main re-presented H1 2014 figures - New indicators (2/2)

Reconciliation of Adjusted Net Income – Group Share to Current Net Income – Group Share

In €M	Re-presented June 2014 Published scope (1)	Re-presented June 2014 Pro forma Scope (2)
Adjusted Net Income – Group Share	**165**	**140**
Exclusion • Impairments of tangible and intangible assets and OFAs • IFRS 2 impacts	**+13** **0**	**+13** **0**
Current Net Income – Group Share	**178**	**153**

(1) Published scope: including Dalkia France fully consolidated and Dalkia International consolidated by equity method during the first half of 2014

(2) Pro forma scope: excluding Dalkia France and with Dalkia International fully consolidated during the first half of 2014

Appendix 3: IFRIC 21 “Taxes”

- An interpretation that clarifies **the accounting for taxes, duties and other levies** within the scope of the IAS 37 accounting standard "Provisions, Contingent Liabilities and Contingent Assets”, and are specifically excluded from the scope of IAS 12 “ Income Taxes”.

- A recognition of the obligations from now on associated with **the event giving rise to the tax**, which requires payment of the tax by the company.
  - The timing of recognition of a liability for tax or levy is determined by the exact wording of the law governing the collection.
  - The entire tax liability shall be recognized when the event giving rise to the tax as defined by the law occurs. Thus, if a tax is payable when an entity operates its business as of January 1st , that is the date that the representative full year tax liability must be recorded.

➔ Thus, for the majority of taxes considered “operating income” impacted:

Before application of IFRIC21: evenly expensed over 12 months

After application of IFRIC 21: full amount recorded at the time of the event giving rise to the tax

- A mandatory retrospective application from January 1, 2015 for both interim and annual financial statements.

- The impact of the application of IFRIC 21 essentially relates to a different allocation of the charge during interim closures. Accordingly, the annual consolidated financial statements will not be significantly impacted by application of this interpretation.

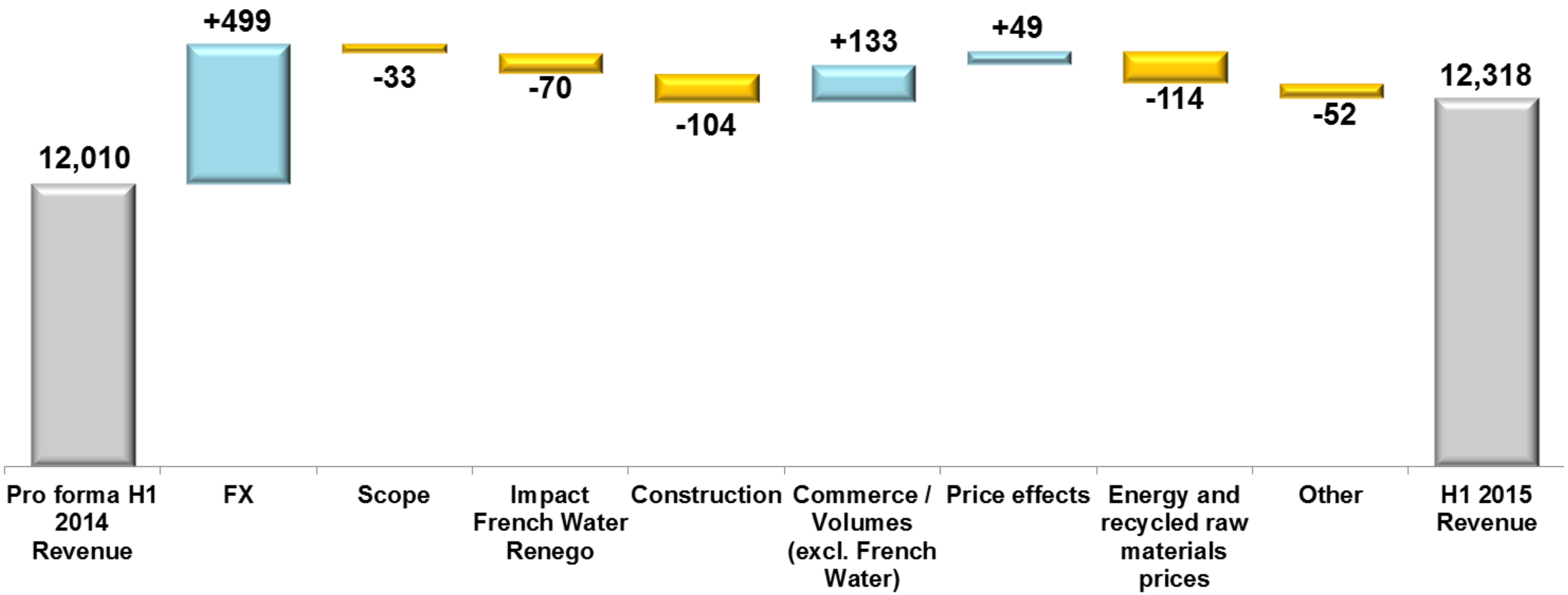
Appendix 4: Pro forma quarterly revenue by segment

	1st quarter			2nd quarter			1st half		
In €M	2014 Re-presented Pro forma	2015	Δ at constant scope & FX	2014 Re-presented Pro forma	2015	Δ at constant scope & FX	2014 Re-presented Pro forma	2015	Δ at constant scope & FX
France	1,367	1,320	**-3.6%**	1,393	1,374	**-1.6%**	2,760	2,695	**-2.6%**
Europe excl. France	2,346	2,312	**-3.5%**	1,932	1,994	**-0.7%**	4,278	4,305	**-2.3%**
Rest of World	1,331	1,510	**+2.4%**	1,256	1,447	**+4.5%**	2,588	2,957	**+3.4%**
Global businesses	1,048	1,112	**+2.1%**	1,239	1,184	**-7.9%**	2,288	2,296	**-3.3%**
Other	54	51	**-12.0%**	42	13	**+12.0%**	96	66	**-1.6%**
Group	**6,147**	**6,305**	**-1.4%**	**5,863**	**6,013**	**-1.2%**	**12 ,010**	**12,318**	**-1.3%**

Appendix 4: Pro forma quarterly revenue by business

	1st quarter			2nd quarter			1st half		
In €M	2014 Re-presented	2015	Δ at constant scope & FX	2014 Re-presented	2015	Δ at constant scope & FX	2014 Re-presented	2015	Δ at constant scope & FX
Water	2,623	2,706	-0.1%	2,760	2,757	-3.3%	5,383	5,463	-1.7%
Waste	2,021	2,095	-0.8%	2,148	2,213	-0.7%	4,169	4,308	-0.8%
Energy	1,503	1,504	-4.4%	955	1,043	+3.7%	2,458	2,547	-1.2%
Group	6,147	6,305	-1.4%	5,863	6,013	-1.2%	12,010	12,318	-1.3%

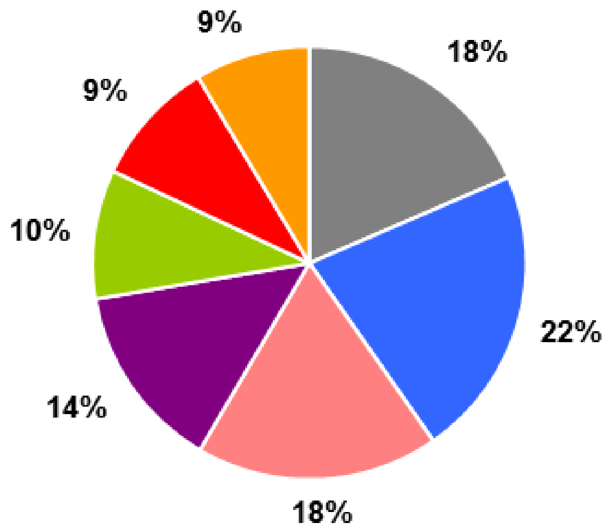
Appendix 5: Revenue bridge



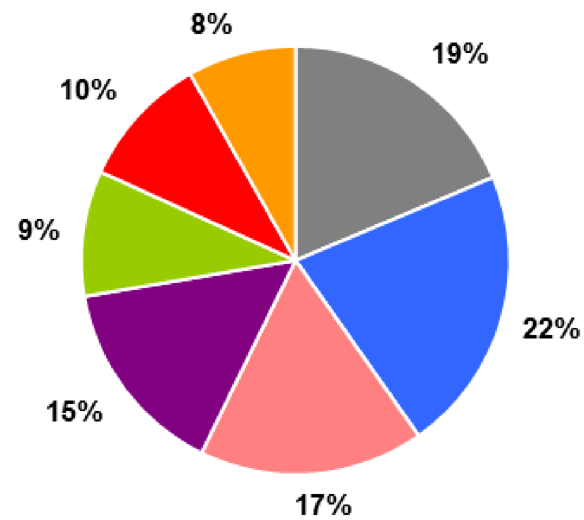
- **Favorable commercial development (+€133M**) excluding the negative impact of renegotiations in French Water (-€70M)
  - **Volumes:** Good volumes in **Water**. No rebound in **Waste**, but strengthening observed in Q2. Volumes in **Energy** increased particularly in the USA, and China and more marginally in Central Europe with a total weather benefit of +€21M
  - **Commerce:** Contract wins in Waste (France/UK) and growth in Asia Pacific
- **Construction:** Lower construction revenue related to incinerators in the UK (-€52M) and project delays in VWT
- **Prices:**
  - **Indexation remains favorable, albeit lower** (French Water +0.4%, Central & Eastern Europe Water +1.9%, etc.)
  - Impact of lower energy prices (-€97M: USA and Germany) and recycled raw material prices (particularly scrap metals) for -€17M

Appendix 6: Waste –Breakdown of revenue by activity

1st Half 2015

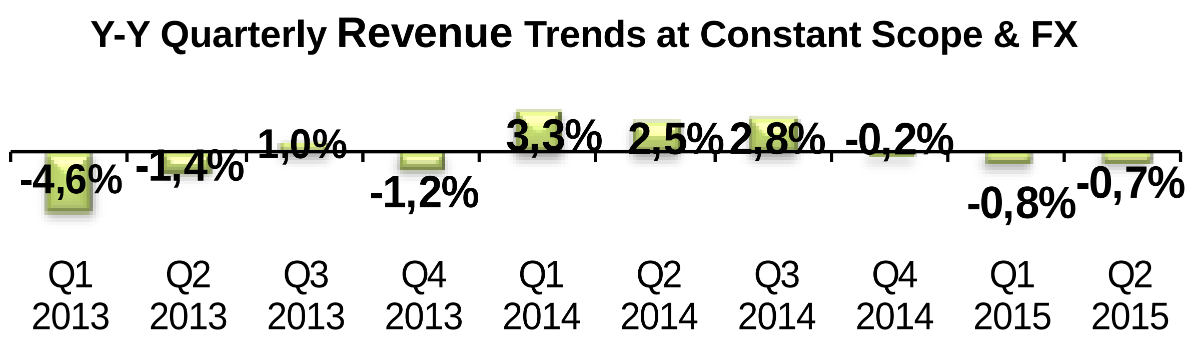


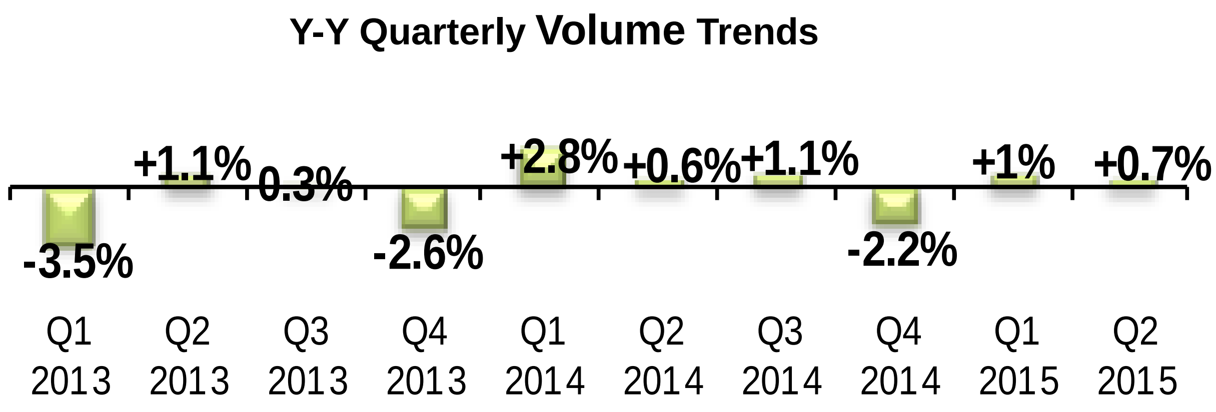
1st Half 2014



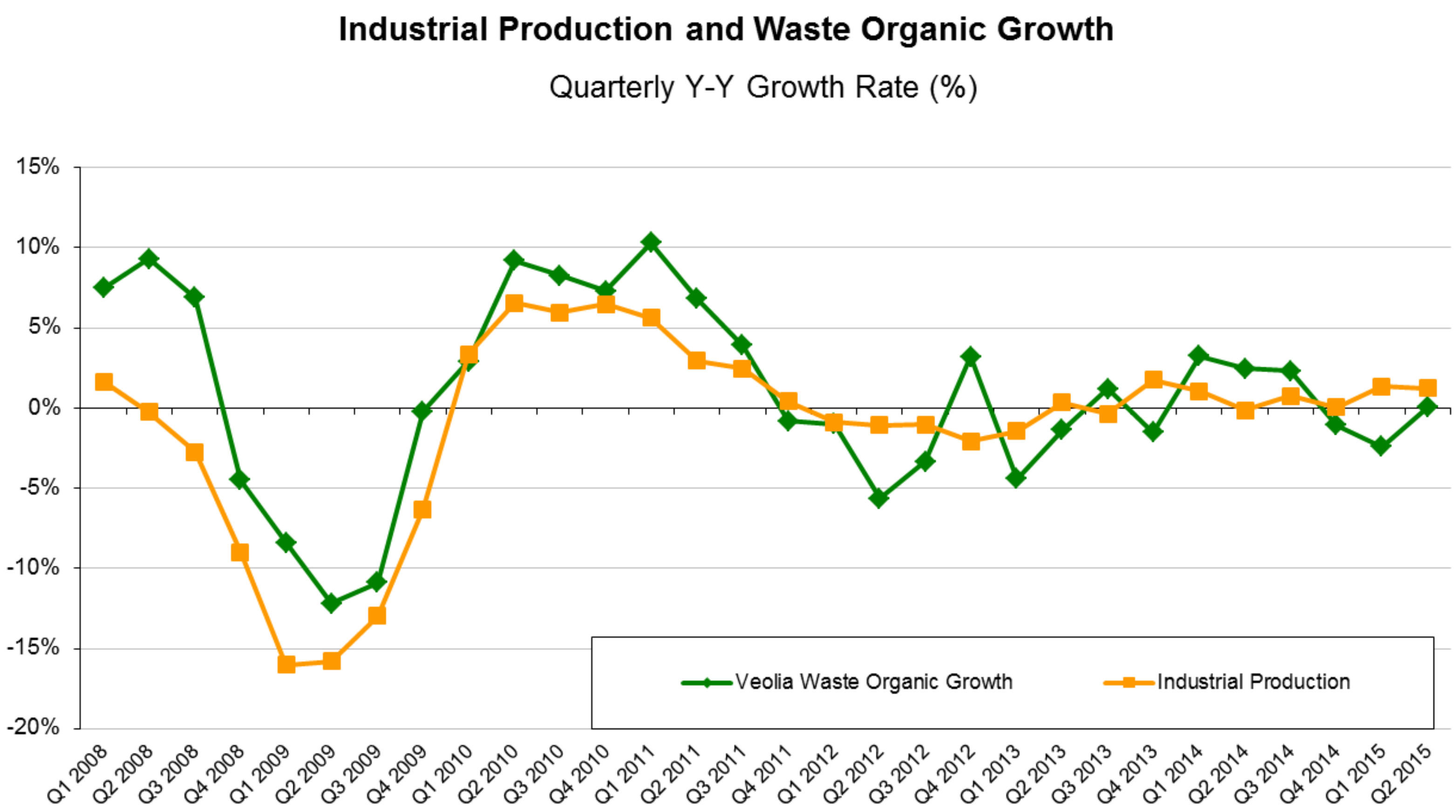
- Urban cleaning and collection
- Non-hazardous industrial waste collection and services
- Hazardous industrial wast collection and services
- Sorting & recycling
- Hazardous waste treatment
- Waste-to-energy from non-hazardous waste
- Landfilling of non-hazardous and inert waste

Appendix 6: Quarterly waste trends



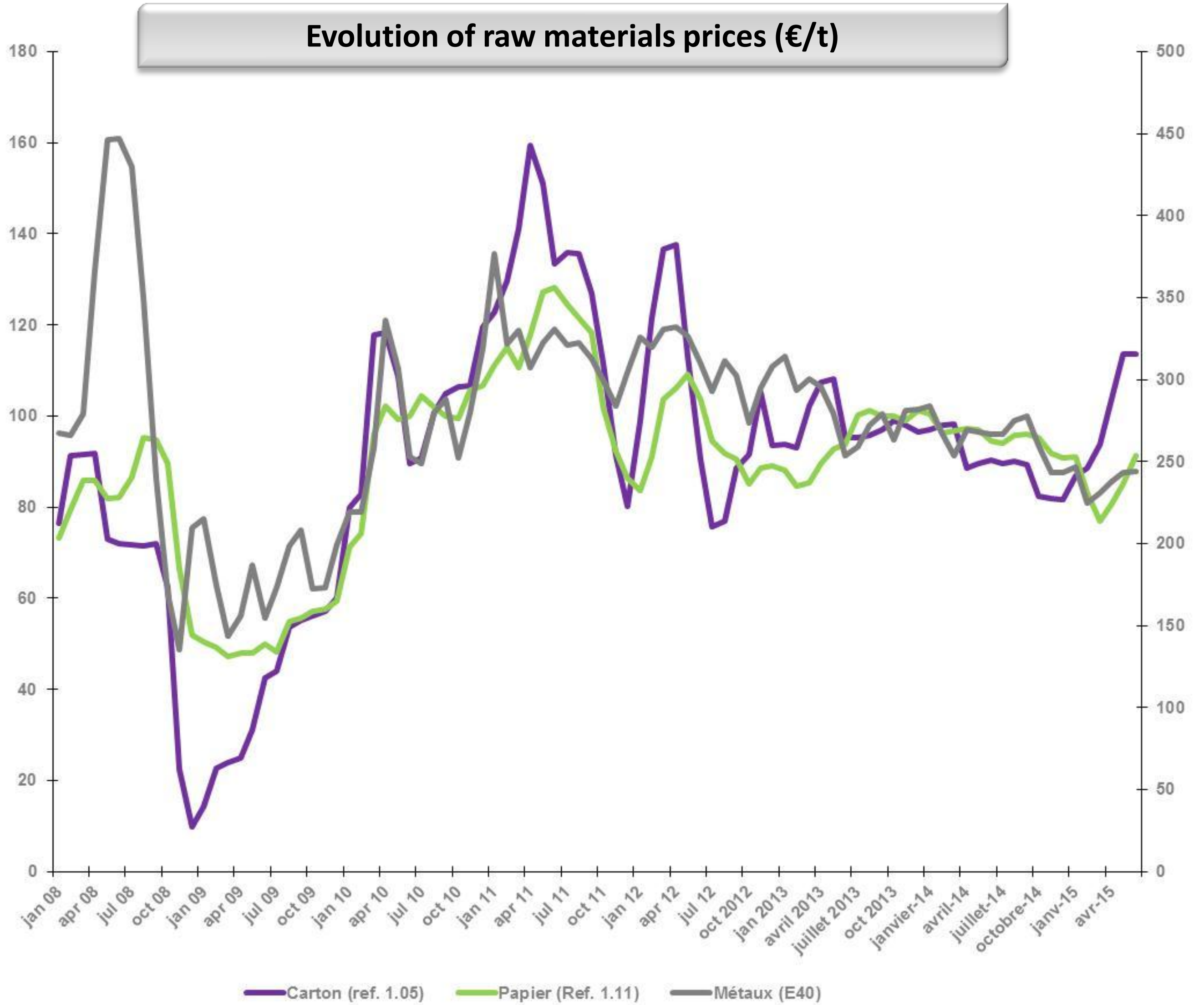


Appendix 6: Waste – Revenue vs. Industrial production



Weighted average industrial production indices for 4 key countries including SARP/SARPI: France, U.K. (excl. PFIs), Germany, and North America (excl. US Solid Waste from 2012
Sources : Until May 2015: OECD for the UK and US, Eurostat for France and Germany
June 2015L Eurostat for France, Germany, and the UK, Reuters for the US

Appendix 6: Waste – Evolution of raw materials prices (paper, cardboard, scrap metals)



Appendix 7: Gross investments by segment

In €M	Maintenance	Growth investments		Total industrial investments	Financial including Δ in scope*	Total
		New OFAs	Industrial			
France	61	-	65	126	1	**127**
Europe excluding France	137	32	90	259	8	**267**
Rest of the World	56	13	53	122	5	**127**
Global businesses	32	3	8	43	23	**66**
Other	10	2	3	15	105	**120**
Total H1 2015	**296**	**50**	**219**	**565**	**142**	**707**
Industrial divestments				(44)		
TOTAL net industrial investments H1 2015				**521**		
Total pro forma H1 2014 re-presented	**234**	**67**	**291**	**592**		
Industrial divestments H1 2014				(30)		
TOTAL net industrial investments H1 2014				**562**		

- Including partial acquisitions between shareholders without a change in control

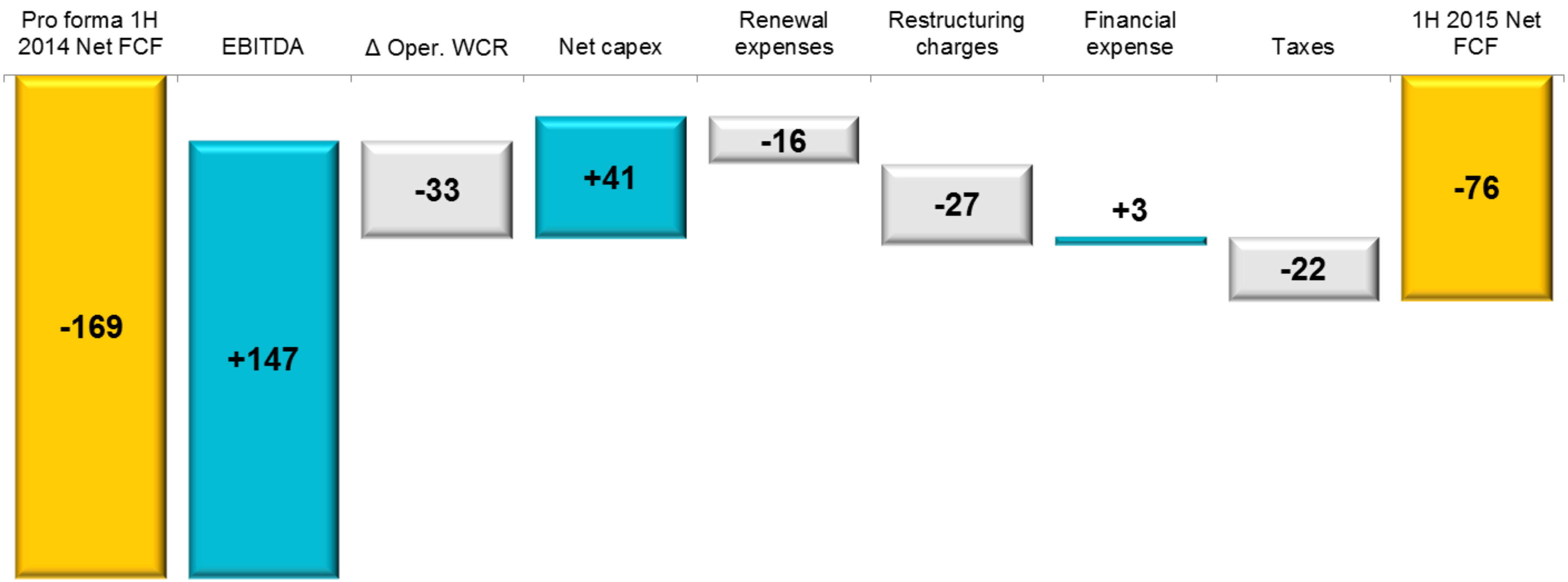
Appendix 8: Statement of cash flows

In €M	1H 2015
EBITDA[1]	**1,531**
Net industrial investments	-521
Variation WCR	-628
Dividends received[2]	54
Renewal expenses	-141
Restructuring charges	-52
Operating Free Cash Flow	**243**
Taxes paid	-120
Interest paid	-199
Net Free Cash Flow Net before dividends, acquisitions and financial divestments	**-76**
Dividends paid[3]	-558
Financial investments	-142
Financial divestments	+311
Other	+34
Cash generation	**-431**
Impact of exchange rates	-492
Other	+11
Variation of net financial debt	*-912*
Opening net financial debt	**8,311**
Closing net financial debt	**9,223**

(1) Including principal payments on operating financial assets
(2) Including dividends received: China €20M
(3) Dividends paid to shareholders (-€384M), non-controlling interests (-€103M), and to hybrid holders (-€71M) in H1 2015

Appendix 9: Significant improvement in Net FCF (1) vs. H1 2014

Net FCF excluding divestment and acquisitions and before dividends: -€76M



(1) Net FCF before net financial divestments and after payment of financial expense and taxes corresponds to free cash flow from continuing operations, and is calculated by: the sum of EBITDA, dividends received from joint ventures, operating cash flow from financing activities, and changes in working capital for operations, less net industrial investments, current cash financial expense, cash taxes paid, renewal expenses, cash restructuring charges and costs associated with acquisitions and divestitures.

Appendix 10: Cost of borrowing

In €M	H1 2014 GAAP	H1 2015
Closing net financial debt	**8,936**	**9,223**
Average net financial debt (1)	8,586	8,953
Average gross debt (1)	11,712	11,482
Gross cost of borrowing (1)	**4.04%**	**4.27%**
Average cash balance (1)	3,547	2,862
Rate (1)	0.90%	1.02%

RATING

- Moody's: P-2/ Baa1 stable outlook
- Standard & Poor's: A-2 / BBB stable outlook

(1) The average debt balances and rates for H1 2014 are not re-presented for Moroccan debt

Appendix 11: Debt management (1/2)

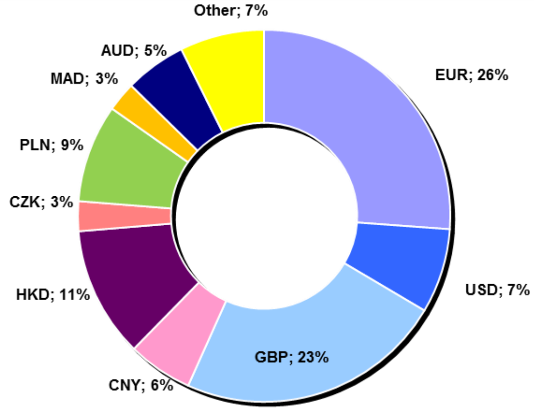
- Public tender offer on April 9, 2015: refinancing by bond buyback of €515M of a portion of bonds maturing in 2019, 2021 and 2022 via the issuance of a new €500M bond maturing in January 2028 with a 1.59% coupon.
- Arrival at term of the euro-denominated inflation indexed bond with nominal value of €1.0 billion in June 2015
- Group liquidity: €5.8 billion, including €4.1 billion in undrawn confirmed credit lines (without disruptive covenants)
- Group net liquidity: €2.6 billion
- Average maturity of net financial debt: 8.2 years at June 30, 2015 versus 9.0 years at the end of 2014 and gross debt maturity: 7.0 years at June 30, 2015 versus 6.7 years at the end of 2014

Net financial debt after hedges at June 30, 2015

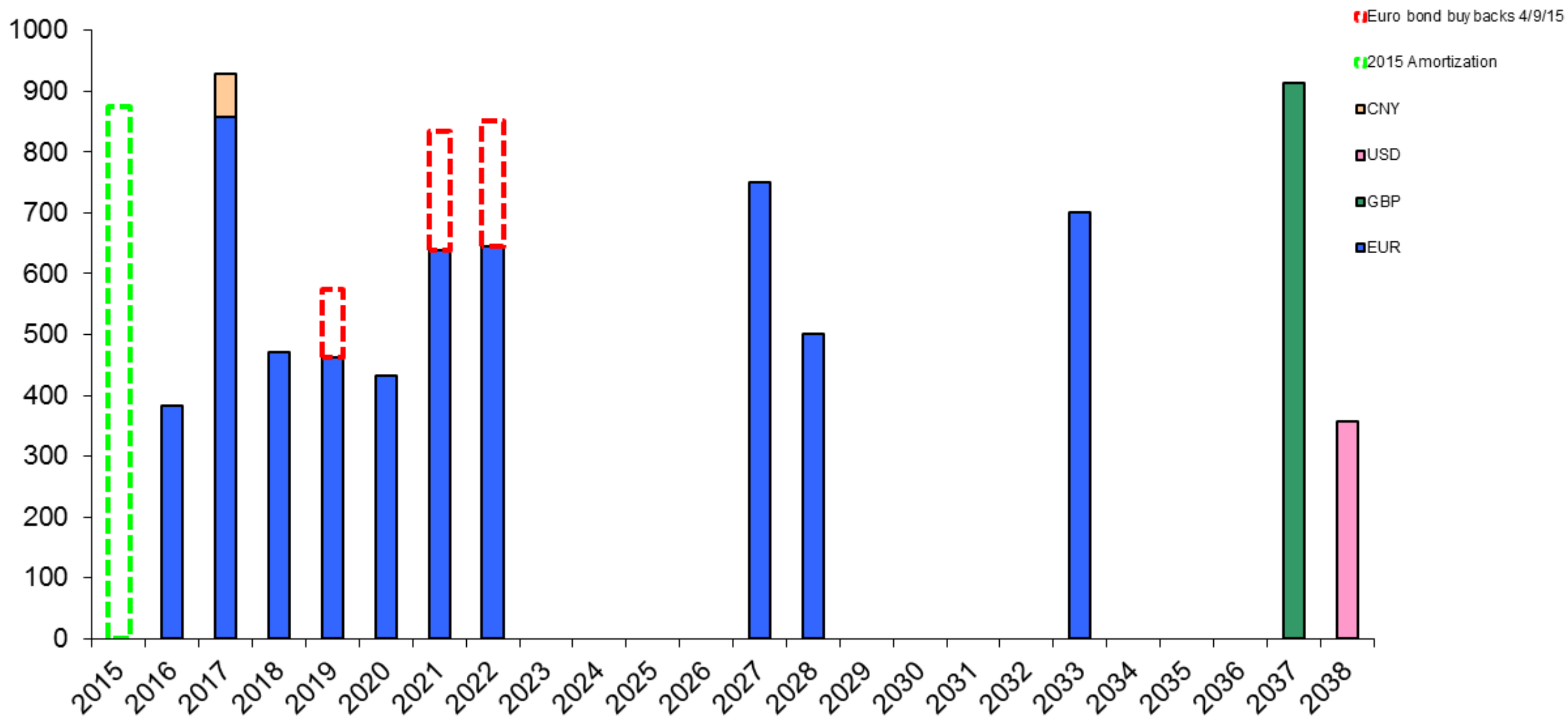
Fixed rate: 72%

Variable rate: 28%

Currency breakdown of gross debt (after hedges) at June 30, 2015



Appendix 11: Debt management (2/2)



Appendix 12: Net liquidity

In €M	December 31, 2014	June 30, 2015
Veolia		
Syndicated credit lines	2,962.5	2,962.5
Bilateral credit lines	975.0	900.0
Lines of credit	190.7	195.9
Cash and cash equivalents	2,302.0	918.0
Total Veolia	6,430.2	4,976.4
Subsidiaries		
Cash and cash equivalents	846.6	814.9
Total Subsidiaries	846.6	814.9
Total Group liquidity	7,276.8	5,791.3
Current liabilities and bank overdrafts	3,219.5	3,161.7
Total Group net liquidity	4,057.3	2,629.6

Appendix 13: Consolidated statement of financial position

In €M

	December 31, 2014	June 30, 2015
Intangible assets	8,240	8,452
Property, Plant & equipment	6,638	6,717
Other non-current assets	4,658	4,413
Operating financial assets *(current and non-current)*	2,010	2,061
Cash and cash equivalents	3,148	1,733
Other current assets	10,030	10,743
Total Assets	**34,724**	**34,119**
Capital *(including non-controlling interests)*	9,479	9,547
Financial debt *(current and non-current)*	11,328	10,719
Other non-current liabilities	3,206	3,292
Other current liabilities	10,711	10,561
Total Liabilities	**34,724**	**34,119**

Appendix 14: Reconciliation of old financial indicators with new financial indicators for H1 2015

Reconciliation Adjusted operating cash flow - EBITDA

In €M	H1 2014 GAAP	H1 2014 Pro Forma	H1 2015
Adjusted operating cash flow	**1,011**	**1,160**	**1,253**
<u>Exclusion</u> Renewal expenses Restructuring charges Disposal costs	 +180 +25 +9	 +125 +25 +4	 +141 +52 +3
<u>Inclusion</u> Reimbursement of OFAs	 +89	 +70	 +82
EBITDA	**1,314**	**1,384**	**1,531**

Reconciliation Adjusted operating income – Current EBIT

In €M	H1 2014 GAAP	H1 2014 Pro Forma	H1 2015
Adjusted operating income	**551**	**561**	**773**
<u>Exclusion</u> • Capital gains on financial divestments (including disposal costs) • Asset write downs (including loss at contract completion) • Impact IFRS 2	 **-43** **+13** **0**	 **-47** **+13** **0**	 **-63** **0** **+2**
Current EBIT	**521**	**527**	**712**

Appendix 15: IFRIC 21 Impacts in H1 2015

IFRIC 21 Impacts in €M	H1 2014 Pro Forma
EBITDA	-29
Current EBIT	-29
Current net income	-27

IFRIC 21 Impacts in €M	H1 2015
EBITDA	-29
Current EBIT	-29
Current net income	-27

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