



VEOLIA ENVIRONNEMENT

(Established as a société anonyme with limited liability in the Republic of France)

EURO 12,000,000,000

EURO MEDIUM TERM NOTE PROGRAMME

This supplement (the “**Supplement**”) is supplemental to and must be read in conjunction with the base prospectus dated 4 May 2007 granted visa n°07-141 on 3 May 2007 by the *Autorité des marchés financiers* (the “**AMF**”), as supplemented with a supplement dated 16 May 2007 which was granted visa n°07-151 on 16 May 2007 by the AMF (the base prospectus together with its supplement, the “**Base Prospectus**”) prepared by Veolia Environnement (“**Veolia Environnement**” or the “**Issuer**”) with respect to its Euro 12,000,000,000 Euro Medium-Term Note Programme (the “**Programme**”). Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

The following documents which have been filed by the Issuer with the AMF are hereby incorporated by reference in, and form part of, this Supplement:

- the 1st update to Veolia Environnement’s *Document de Référence* 2006 filed with the AMF under no. D-07-0264-A01 on 11 June 2007, except for (i) section 1.2 entitled “*Attestation du responsable*” included on pages 3 of such document and (ii) section 13 entitled “*Prévisions ou estimations du bénéfice*” included on pages 14 to 15 of such document; and
- the 2nd update to Veolia Environnement’s *Document de Référence* 2006 filed with the AMF under no. D 07-0264-A02 on 17 September 2007, except for (i) section 1.2 entitled “*Attestation du responsable*” included on pages 3 of such document and (ii) section 13 entitled “*Prévisions ou estimations du bénéfice*” included on pages 22 to 23 of such document.

Application has been made for approval of this Supplement to the AMF in France in its capacity as competent authority pursuant to Article 212-2 of its General Regulations (*Règlement Général*) which implements Directive 2003/71/EC of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading (the “**Prospectus Directive**”). This Supplement has been prepared pursuant to Article 16.1 of the Prospectus Directive and article 212-25 of the AMF’s General Regulations for the purposes of incorporating the 2006 half-year financial statements of Veolia Environnement as well as further additional information as set out in this Supplement. Copies of this Supplement and the documents incorporated by reference are available without charge from the specified office of the fiscal agent or each of the paying agents, on the website of the AMF (www.amf-france.org) and on the website of the Issuer (www.veoliaenvironnement.com), and copies may be obtained from Veolia Environnement, 36-38 avenue Kléber, 75116 Paris.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus which is capable of affecting the assessment of Notes issued under the Programme since the publication of the Base Prospectus.



In accordance with articles L.412-1 and L.621-8 of the French *Code monétaire et financier* and with the General Regulations (*Règlement Général*) of the *Autorité des marchés financiers* (AMF), in particular articles 212-31 to 212-33, the AMF has granted to this Supplement the visa n°07-360 on 16 October 2007. This document may only be used for the purposes of a financial transaction if completed by Final Terms. It was prepared by the Issuer and its signatories assume responsibility for it. In accordance with article L.621-8-1-I of the French *Code monétaire et financier*, the visa was granted following an examination by the AMF of “whether the document is complete and comprehensible, and whether the information it contains is consistent”. It does not imply that the AMF has verified the accounting and financial data set out in it. This visa has been granted subject to the publication of Final Terms in accordance with article 212-32 of the AMF’s General Regulations, setting out the terms of the securities being issued.

1. PERSONS RESPONSIBLE FOR THE SUPPLEMENT

1.1 Persons responsible for the Supplement

Veolia Environnement, 36-38 avenue Kléber, 75116 Paris.

1.2 Declaration by persons responsible for the Supplement

Having taken all reasonable measures for this purpose, we declare that the information contained in this Supplement is true to our knowledge. All the information necessary for investors to be able to base their judgments on the business, activity, financial situation, income and outlook of the Issuer and on the rights attached to the Notes is included in the Supplement (when read together with the Base Prospectus), and there has been no omission of material facts.

Veolia Environnement

36-38 avenue Kléber
75116 Paris

duly represented by Henri Proglío
Chairman of the Board and CEO

2. STATUTORY AUDITORS

Statutory auditors:

KPMG SA

Commissaire aux comptes

member of the *Compagnie régionale de Versailles*

represented by Mr. Jay NIRSIMLOO and Mr. Baudouin GRITON

1 cours Valmy, 92923 Paris La Défense Cedex

ERNST & YOUNG ET AUTRES

Commissaire aux comptes

member of the *Compagnie régionale de Versailles*

represented by Mr. Jean BOUQUOT and Mr. Patrick GOUNELLE

41 rue Ybry, 92576 Neuilly-sur-Seine Cedex,

Alternate auditors:

Mr. Philippe MATHIS

54 avenue Marceau, 75008 Paris

AUDITEX

Tour Ernst & Young, Faubourg de l'Arche, 92037 La Défense Cedex

3. SUPPLEMENTAL INFORMATION

Chapter 7 Information about the Issuer

7.1.5 Recent developments affecting the Issuer's solvency

Dalkia providing comprehensive management services to Brazil's largest hospital complex.

Since early September 2007, Dalkia, a joint subsidiary of Veolia Environnement and Electricité de France (EDF) and the leading provider of energy services in Europe, has provided comprehensive management services to the renowned Santa Casa de Misericordia hospital complex in Sao Paulo, Brazil, one of the world's largest healthcare institutions (2,090 beds, 9,000 employees and 6,000 patients per month). This 15-year contract represents total forecast managed revenue of €275 million and positions Dalkia as a key player in the South American healthcare market. Present in more than 4,500 healthcare establishments around the world, Dalkia has been a preferred partner to the sector for over 70 years. The Group delivers comprehensive, high value-added services for the management of all non-medical activities. In particular, these services include management of energy and health risks and the operating performance of non-medical staff. Healthcare is a major growth path for Dalkia.

Veolia Water wins major contract to supply 3 million inhabitants with drinking water in Tianjin, China

On 27 September 2007, Veolia Water, the water division of Veolia Environnement, announced the signing of a 30-year contract with the Tianjin Water Works (Group) Company Ltd, in Tianjin, one of China's most rapidly growing and important economic cities. The contract is expected to generate an estimated cumulated turnover of around 2,65 billion Euros for Veolia Water. The project will cover the district of Shibeï, the Northern part of Tianjin, and the Binhai district on the eastern coast.

Chapter 16 Additional information

16.3 Credit ratings

On 26 September 2007, Standard & Poor's Rating Services has ascribed a long-term debt rating of BBB+ to Veolia Environnement.