



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 Prospectus Supplement (the “**Supplement**”) is supplemental to and must be read in conjunction with the Base Prospectus dated 9 June 2006 (the “**Base Prospectus**”) granted visa n° 06-186 on 8 June 2006 by the *Autorité des marchés financiers* (the “**AMF**”) prepared by Veolia Environnement (“**Veolia Environnement**” or the “**Issuer**”) with respect to the 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* 2005 filed with the AMF under no. D.06-0231-A01 on 26 July 2006, except for section 1.2 entitled “*Attestation du responsable*” included on pages 3 and 4 of such document; and
- the 2nd update to Veolia Environnement’s *Document de Référence* 2005 filed with the AMF under no. D.06-0231-A02 on 26 September 2006, except for (i) section 1.2 entitled “*Attestation du responsable*” included on pages 5 to 7 of such document and (ii) section 13 entitled “*Prévisions ou estimations du bénéfice*” included on pages 25 to 27 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 *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.

This Supplement has been prepared pursuant to Article 16.1 of Directive 2003/71/EC (the “**Prospectus Directive**”) 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 will be available (i) without charge from the specified office of the fiscal agent or each of the paying agents, (ii) on the website of the AMF (www.amf-france.org) and (iii) on the website of the Issuer (www.veolia.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 Prospectus Supplement the visa n°06-362 on 11 October 2006. 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 coherent”. 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 Proglio
Chairman of the Board and CEO

2. STATUTORY AUDITORS

Statutory auditors:

SALUSTRO REYDEL, member of KPMG International
commissaire aux comptes
member of the Compagnie régionale de Paris
represented by Mr. Bernard CATTENOZ and Bertrand VIALATTE
1 cours Valmy, 92923 Paris La Défense

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. Hubert LUNEAU
1 cours Valmy, 92923 Paris La Défense

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

3. SUPPLEMENTAL INFORMATION

Chapter 3 Selected financial data

Please refer to the 2nd update to Veolia Environnement's Document de Référence 2005, page 9.

This information can also be found in the English version of the 2nd update to the Document de Référence 2005, page 8.

Chapter 7 Information about the Issuer

7.1.5 Recent developments affecting the Issuer's solvency

Please refer to the 1st update to Veolia Environnement's Document de Référence 2005, pages 27 to 29, and the 2nd update to Veolia Environnement's Document de Référence 2005, pages 23 to 25.

This information can also be found in the English version of the 1st update to Veolia Environnement's Document de Référence 2005, pages 26 to 28, and the English version of the 2nd update to the Document de Référence 2005, pages 21 and 22.

Chapter 12 Administrative, management and supervisory bodies

12.1 Members of the administrative, management and supervisory bodies of the Issuer

Please refer to the 1st update to Veolia Environnement's Document de Référence 2005, pages 29 and 30.

This information can also be found in the English version of the 1st update to the Document de Référence 2005, pages 28 and 29.

Chapter 15 Financial information concerning the Issuer's assets and liabilities, financial position and profits and losses

15.1 Historical financial statements

Please refer to the 1st update to Veolia Environnement's Document de Référence 2005, pages 6 to 24.

This information can also be found in the English version of the 1st update to the Document de Référence 2005, pages 6 to 24.

15.2 Legal and arbitration proceedings

Please refer to the 1st update to Veolia Environnement's Document de Référence 2005, pages 25 and 26, and the 2nd update to Veolia Environnement's Document de Référence 2005, pages 32 and 33.

This information can also be found in the English version of the 1st update to Veolia Environnement's Document de Référence 2005, pages 24 and 25, and the English version of the 2nd update to the Document de Référence 2005, pages 28 and 29.

15.3 Significant change in the Issuer's financial or trading position

Save as disclosed in this Supplement, there has been no significant change in the financial or trading position of Veolia Environnement or of the Group since 9 June 2006.

15.4 30 June 2006 interim financial statements

Please refer to the 2nd update to Veolia Environnement's Document de Référence 2005, pages 34 to 78.

This information can also be found in the English version of the 2nd update to the Document de Référence 2005, pages 30 to 72.

Chapter 16 Additional information

16.1 Share capital

Please refer to the 2nd update to Veolia Environnement's Document de Référence 2005, pages 79 and 80.

This information can also be found in the English version of the 2nd update to the Document de Référence 2005, pages 72 to 74.