



MEDIA RELEASE – FOR IMMEDIATE RELEASE

**Centillion forms JV with Veolia
Environmental Services**

- ***JV to tap on technical expertise of Centillion in electronic waste recycling and Veolia's brand name and global network***

Singapore, 8 November 2006 – Centillion Environment & Recycling Limited, ("Centillion" or the "Group"), a pioneer in electronic waste (e-waste) recycling in Singapore, is pleased to announce today, it has entered into a 50-50 joint venture ("JV") with Veolia Environmental Services Asia Pte Ltd ("Veolia ES Asia"), the waste management business of Veolia Environnement ("VE").

VE is the world leader in providing tailored solutions to industrial and municipal customers with 4 complementary segments (water management, waste management, energy management and passenger transportation). VE has global operations, with a workforce of more than 270,000 employees. VE's waste management arm, Veolia ES, offers a full range of services for hazardous and non-hazardous solid and liquid waste around the world. The company provides waste management, waste collection, treatment and disposal, materials recovering and recycling.

The JV between Centillion and Veolia ES Asia will carry on the business of processing and recycling electronic waste materials in Singapore and it will be capitalized by equal contribution of the joint venture partners, by way of a cash contribution of S\$6.5 million each. This will bring the total investment value to S\$13.0 million.

In conjunction with the JV, Centillion has entered into a lease of its Singapore plant to the JV, as the premise where the JV will conduct its business. Centillion has also agreed to sell all existing industrial equipment and certain business assets at the Singapore plant to the JV, for use in the JV's business for approximately S\$6.5 million.



Mr Eddie Chng, Chairman of Centillion and Equation Corp Limited ("Equation Corp"), said, "We are pleased that Veolia ES shares the view on Centillion's growth strategy in the electronic waste industry. Veolia ES Asia has been in the Asian market since 1992 and is well represented in 8 countries and territories in Asia. Veolia ES globally has generated a revenue of €6.6 billion in 2005, which is 25% of VE's global revenue. This JV will be not only be able to leverage on Veolia's established brand name and global network but it is also able to utilise Centillion's technical expertise in the electronic waste industry.

Mr Richard Basil Jacob, CEO of Centillion, added, " Currently, the Group is focusing its efforts on re-building its business and re-establishing its network of customers and suppliers. The management believes that this JV is an important first step to rebuild its business and to re-establish market confidence in its services."

Strong Market Prospects

According to a report *RE-128 Electronic Waste Recovery Business* from **Business Communications Company, Inc. (www.bccresearch.com)**, the worldwide market for electronic waste will rise at an AAGR (average annual growth rate) of 8.8% from \$7.2 billion in 2004 to \$11 billion in 2009.

The market for post-consumer recycled materials from electronics will be strong over the next five years. The largest driver of growth will be the regulatory-driven onus on OEMs to manage hazardous waste materials from cradle-to-grave. This lifecycle begins with designing for the environment and in certain regions of the world now requires Original Equipment Manufacturers ("OEM") to finance all recovery costs of electronics products and their constituent materials. The need to rapidly curb toxins in the waste stream is apparent as electronic waste grows at three times the rate of other waste in the municipal solid waste stream.

E-waste has been mounting rapidly with the rise of the information society. It is the fastest growing segment of the municipal solid waste stream. E-waste equals 1% of solid waste on average in developed countries and is expected to grow to 2% by 2010. In developing countries, E-waste as a percentage of solid waste can range from 0.01% to 1%. However, led by China, developing countries will be the fastest growing segment of the E-waste market with the potential to triple output over the next five years. Electric and electronic equipment equals 6% of the U.S. gross domestic product, up from 5%, 10 years ago. Yet that growth is easily eclipsed by that of China's where the gross domestic product is growing in excess of 8% a year - versus 3% for the United States.



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About Centillion Environment and Recycling Limited

Centillion Environment and Recycling Limited ("Centillion") is a fully integrated provider of recycling and processing services for electronic waste, with its headquarter in Singapore and subsidiaries in China and the United Kingdom.

The Group specializes in the recovery of precious metals such as gold, silver, palladium and platinum from electronic waste. Centillion also provides global take back services, with a full range of logistics support globally.

For more information, please refer to the corporate website. <http://www.centillion-er.com>

About Equation Corp Limited

Equation Corp Limited (formerly known as Heshu Holdings Limited) is listed on SGX SESDAQ since 24 March 1992. The principal activity of the Company is that of investment holding. The Group's current core business segments include investment holdings, food & beverage (operative under Country Manna Restaurants), recycling, trading of scrap metals and electronic waste products and sales and distribution of audio, video and electronics products.

About Veolia Environmental Services

Veolia Environmental Services is the waste management business of Veolia Environnement, is the only provider of a full range of services for hazardous and non-hazardous solid and liquid waste all over the world. The company provides waste management and logistics services (collection, pipe systems maintenance, cleaning, waste flow management), as well as materials recovery and recycling. Veolia Environmental Services has come into Asia market since 1992 and today presented in 8 countries and territories in Asia. Veolia Environmental Services generated revenue of €6.6 billion in 2005, representing 25% of Veolia Environnement's revenue.

For more information, please refer to the corporate website www.veolia-proprete.com

About Veolia Environnement

Veolia Environnement (Paris Euronext: VIE and NYSE: VE) is the world leader in environmental solutions. With more than 270,000 employees the company has operations all around the world and provides tailored solutions to meet the needs of industrial and municipal customers in four complementary segments: water management, waste management, energy management and passenger transportation. Veolia Environnement recorded revenue of €25.2 billion in 2005.

For more information, please refer to the corporate website www.veolia.com

Issued for and on behalf of Centillion Environment and Recycling Limited

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