

Changé, March 9, 2009

2008 Annual results

High operating profitability maintained
Net income doubled
Financial robustness confirmed

Summary:

Operating margins held up well in a turbulent environment

- Current Operating Income of EUR 65.1 million (17.0% of revenue)
- Net income from Consolidated Companies of EUR 40.2 million (10.5% of revenue)

Significant improvement in the contribution of affiliates

- Group net income doubled to EUR 31.7 million (8.3% of revenue)

Financial robustness confirmed

- Cash flows maintained at EUR 97.8 million (25.5% of revenue)
- Stable net debt ratios: gearing of 0.76x and leverage of 2.66x

Priority for 2009: preserving financial robustness

- Assumption of stable financial items
- Capex target lowered to EUR 30 million
- Stable balance sheet ratios – No major repayment deadlines

Hime-Saur: in line with estimates – Greatly improved results

- Solid operating margins: Current Operating Income of EUR 69.9 million (4.5% of revenue)
- Stable financial income
- Significant improvement in the Corporate Tax item and net loss down sharply to EUR -26.7 million.

Analysis of consolidated results as at December 31, 2008

As at December 31, 2008, Séché Environnement's Group net income stood at EUR 31.7 million, having doubled in comparison to 2007 pro forma Group net income (EUR 15.8 million).

This considerable increase in net profitability (8.3% of revenue vs. 4.3% in 2007 pro forma) reflects the resilience of the Group's operating margins in an increasingly difficult economic environment (particularly in the second half) and incorporates Hime-Saur's higher contribution over the period.

Resilient operating margins

Séché Environnement maintained high operating margins in spite of the turbulent economic environment, which saw energy costs skyrocket in the first half and the first signs of a major economic slowdown emerge in the second half.

- **EBITDA** came out at EUR 101.0 million, generating an operating margin of 26.4% of revenue. Though high, this margin is down slightly on 2007 pro forma EBITDA due to:
 - the greater change in the business mix in the second half, to the detriment of storage activities;
 - the impact of energy costs, which rose by EUR 2.4 million;
 - an unfavorable comparison base: the 2007 financial year recorded a positive non-recurring tax adjustment of EUR 1.5 million on previous financial years.

- **Current Operating Income** totaled EUR 65.1 million (17.0% of revenue). The slight dip on 2007 pro forma Current Operating Income (EUR 66.2 million) reflects:
 - the change in EBITDA;
 - the increase in amortization, in line with the more aggressive investment policy implemented over the past two years;
 - the positive effect (to the tune of EUR 2.8 million) of reversals of provisions following the resolution of the main disputes in the BEFS-PEC case.

The operating items pertaining to the Group's **International activities** (6% of revenue) also fared well.

This structure recorded:

- stable EBITDA of EUR 2.6 million in 2008 (vs. EUR 2.5 million in 2007 pro forma);
- a hefty increase in Current Operating Income to EUR 1.1 million, i.e. 5.0% of revenue (vs. 2.6% in 2007 pro forma).

Séché Environnement's International activities reflect the positive development of its operations in Europe (Spain and Hungary) as well as the weaker showing by its operations in Latin America.

Consolidated companies post high net profitability: Income from consolidated companies at 10.5% of revenue

Séché Environnement boosted the net profitability of its consolidated companies, which generated a further increase in net income to EUR 40.2 million (vs. EUR 39.4 million in 2007 pro forma).

This excellent performance can be attributed to the considerable improvement in the **financial expense** to EUR -5.1 million compared to EUR -7.2 million in 2007 pro forma.

This improvement resulted from:

- stable borrowing costs linked to high-performance hedges;
- higher interest income generated on the Hime convertible bond.

Sharp increase in share of affiliates

The change in this item over the year can be traced to the significant improvement in net income posted by the sub-group Hime, driven by resilient operating margins and (as expected) the vast improvement in the Corporate Tax.

Financial robustness confirmed

These solid results confirmed Séché Environnement's ability to safeguard its financial robustness in an increasingly difficult economic environment.

The dip in **cash flow** (from EUR 101.0 million in 2007 to EUR 97.8 million in 2008) comes down to the change in EBITDA and the one-off increase in WCR owing to the strong activity seen in the fourth quarter.

Net financial debt remained stable at EUR 270 million despite the big boost to investments (+20% vs. 2007) in the generation of green electricity.

Gearing (net debt/equity) was stable at 0.76, as was **leverage** (net debt/EBITDA) at 2.66.

Consolidated data (under IFRS)

As at December 31 (EUR m)	2007 <i>published</i>	2007 pro forma	2008	Δ 08/07 PF
Revenue	379.3	371.1	383.2	+ 3.3%
EBITDA	104.7	103.0	101.0	- 2.0%
Current operating income	65.2	66.2	65.1	-1.7%
Inc. cons. comp.	35.7	39.4	40.2	+2.0%
Group net income	23.5	15.8	31.7	+100.6%

Priority for 2009: preserving financial robustness

Séché Environnement has made the assumption that its financial items will remain stable in 2009.

The Group's priority will be to adapt to the new economic climate.

For example, capex will be limited to EUR 30 million in 2009, i.e. the standard amount for maintenance capex.

Similarly, the Group is determined to enhance the management of its operational costs.

The Board of Directors will propose a **dividend of EUR 1.30 per share**, unchanged, at the Annual General Meeting of shareholders on April 30, 2009.

Lastly, Séché Environnement has no major repayment deadlines on its financial debt in 2009 and should therefore achieve a certain stability in terms of its balance sheet ratios for the current financial year.

Analysis of Hime-Saur's results as at December 31, 2008

Results in line with expectations

Hime-Saur succeeded in significantly reducing its net loss in 2008 to EUR -26.7 million versus EUR -70.6 million in 2007 pro forma.

This strong improvement reflects:

- the resilience of operating margins supported by organic growth despite the hard impact of non-recurring items linked to the LBO withdrawal;
- the significant improvement in the Corporate Tax item: 2007 was heavily impacted by the combined effects of the merger and the limitation of activated tax losses.

These positive factors confirmed the successful implementation of Hime's strategy and maintained the solidity of its balance sheet.

Consolidated 12-month data (under IFRS)

As at December 31 (EUR m)	2007 p.f.*	2008	Change 08/07
Revenue	1,472.1	1,536.9	+ 4.4%
EBITDA	161.8	166.7	+3.0%
Current operating income	69.8	69.9	+0.1%
Financial income (expense)	(120.5)	(119.1)	-1.2%
Corporate tax	(21.1)	20.9	nm
Group net income (loss)	(70.6)	(26.7)	nm

* unaudited

The results release will be available as from 11:30 a.m. on March 10 at <http://www.groupe-seche.com/majic/pageServer/1e0101000m/en/Presentations-SFAF.html>

Calendar:

Release of consolidated revenue figures as at March 31, 2009 on **April 28, 2009** (after market)

About Séché Environnement

Séché Environnement is one of the leading players in the treatment and storage of all types of non-radioactive industrial and household waste in France. Its facilities enable it to offer high-quality global solutions that incorporate all environmental requirements.

It is the leading independent operator in the country with a unique positioning at the hub of the high value-added waste recovery, treatment and storage markets.

The Group offers integrated specialized services:

- treatment (by incineration, physical-chemical treatment and solvent regeneration) and processing for energy recovery of hazardous and non-hazardous industrial waste (HIW and NHIW);
- storage of final residue comprised of hazardous or non-hazardous industrial waste (HIW and NHIW).

In April 2007, **Séché Environnement** acquired a 33% stake in Saur Group, the No. 3 player in the Water and Environmental Services sector in France.

Séché Environnement has been listed on Eurolist by Euronext since November 27, 1997.

Eurolist - Compartment B – ISIN: FR 0000039109 – Bloomberg: SCHP.FP – Reuters: CCHE.PA)

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