

Changé – August 26, 2009

## **Consolidated figures at June 30, 2009**

### **Resilient activity and strong results in a deteriorated environment:**

- **Operating margins maintained at a high level: COI at 16.1% of revenue**
- **Priorities for 2009 confirmed**

<b>Business held up well in H1 2009:</b>	<b>Revenues: – 3.9%</b>
<b>Impacts of waste mix offset by productivity efforts:</b>	<b>COI at 16.1% of revenue</b>
<b>Net profitability of consolidated companies up:</b>	<b>ICC at 11.1% of revenue</b>
<b>Net financial debt reduced and financial ratios stable</b>	

<b>Hime/Saur:</b>	
<b>Solid activity of the core business:</b>	<b>Water revenue in France up 5.7% (excl Construction)</b>
<b>Sharp increase in productivity:</b>	<b>EBITDA at 11% of revenue</b>

At June 30, 2009, Séché Environnement posted consolidated results characterized by continued high operating profitability and further growth in the net profitability of consolidated companies.

### **Activity holding up; waste mix is changing**

Activity in the first half of 2009 took place against a deteriorated economic backdrop, which notably led to a contraction in some industrial production and downward pressure on non-hazardous industrial waste volumes.

Against this unfavorable economic backdrop, Séché Environnement benefited from its exclusive positioning on regulated waste treatment and recovery markets, and its lack of exposure to the recycling markets, which thus limited the impact of the economic cycle on its business.

The Group was also able to draw on its teams' commercial initiative, which, through entering new markets, partially offset the falls in volumes in certain sectors of its business.

As such, while the relative weighting of functions is unchanged from the first half of 2008, Séché Environnement is reporting substantial changes in the waste mix in its Hazardous Waste business.

Consolidated revenues totaled EUR 178.2 million (compared to EUR 185.4 million one year earlier) representing a drop of 3.9% for the period.

Revenues generated by International subsidiaries (EUR 10.3 million) were down sharply (-7.6% compared to H1 2008) due to the deteriorated economy in Spain.

At constant exchange rates, revenues generated abroad would have amounted to EUR 10.5 million, evidencing the low impact of exchange rate fluctuations (less than 1% of consolidated revenues are generated outside the euro area).

### **Operating margins maintained at a high level**

EBITDA was maintained at a high level, at 24.9% of revenues (i.e. EUR 44.4 million), compared to 25.6% of revenues last year (i.e. EUR 47.5 million).

The combined impacts of reduced business and changes to the waste mix had a negative impact of EUR -9.1 million on this figure, which was partially offset by EUR +6.0 million in gains from productivity efforts.

Current operating income (COI) recorded the positive impacts of decreases in provisions for the amortization of landfill cells, in line with the reduction in volumes, and the end of depreciation of certain industrial equipment on the site of Salaise 3.

Consequently, COI was also maintained at a high level, at 16.1% of revenues (i.e. EUR 28.7 million), compared to 16.3% of revenues last year (i.e. EUR 30.2 million).

It should be noted that, in France, COI reached 16.8% of revenues (vs. 17.0% one year ago) while internationally, COI increased sharply to 5.1% of revenues (compared to 4.5% one year ago) despite a much deteriorated economic backdrop.

### **Improvement in the net profitability of activities under operational control**

Financial income amounted to EUR +0.6 million versus a loss of EUR 1.2 million at June 30, 2008. This highly favorable trend notably reflects:

- the sharp reduction in the net cost of debt, associated with the quality of the hedges in place. The net cost of debt came out to 3.68% versus 5.12% one year earlier;
- the increase in interest income from the Hime convertible bond, in line with the capitalization of mature interest.

After booking corporate tax of EUR 9.2 million, net income from consolidated companies totaled EUR 19.8 million, i.e. 11.1% of revenues (vs. 10.9% at June 30, 2008, i.e. EUR 20.1 million).

## Share of Hime and evolution of Group net result

The decline in the share of income from Hime, which is accounted for using the equity method into Séché Environnement's consolidated results, brought Group net income to EUR 10.0 million versus EUR 12.9 million last year.

## Net financial debt reduced and financial ratios stable

The contraction in cash flow (EUR -3.3 million) is in line with that of EBITDA. This was largely offset by the favorable trend in WCR (EUR -6 million, essentially due to the positive impacts of the EMA).

At the same time, investments were particularly well controlled over the period (EUR 10.8 million versus EUR 23.6 million at June 30, 2008).

Consequently, net financial debt was positively impacted, falling to EUR 265.4 million (versus EUR 277.3 million one year ago).

As such, Séché Environnement confirmed its sound financial health and the stability of its balance sheet ratios, with gearing at 0.76 and a leverage ratio of 2.70.

## Priorities for 2009

Against an economic backdrop that is expected to continue to suffer from downward pressure on waste volumes produced, Séché Environnement is benefiting from its exclusive positioning on waste treatment businesses within regulated markets.

These regulations are characterized by major obligations for waste producers in terms of treatment, which reduce the impact of the economic cycle on the Group's business.

Over the coming months, Séché Environnement is expected to continue adapting to this economy, building on its achievements in the first half of the year. The Group will be committed to retaining its flexibility, paying particular attention to cost control and managing its investments, which should be limited to EUR 25 million in 2009.

Through these efforts, Séché Environnement will make every effort to maintain stable aggregates and financial ratios for 2009 close to the levels achieved in 2008.

Consolidated data in EUR m under IFRS

At June 30	2008	2009	Change 2009/2008
Revenue	185.4	178.2	-3.9%
EBITDA	47.5	44.4	-6.4%
Current operating income	30.2	28.7	-5.0%
Financial income	(1.2)	0.6	-
<b>Net income from consolidated companies</b>	<b>20.1</b>	<b>19.8</b>	<b>-1.7%</b>
Share of affiliates	(7.3)	(9.7)	-33.0%
<b>Group net income</b>	<b>12.9</b>	<b>10.0</b>	<b>-22.7%</b>

## Hime/Saur

### Sharp rise in EBITDA in line with expectations

Hime's consolidated results include the following:

➤ robust consolidated activity:

- Consolidated revenues at June 30, 2009: EUR 745.2 million versus EUR 758.1 million one year earlier (-1.7%)
- Solid growth in the Water distribution businesses in France (+5,7%)
- Impact of economic slowdown on the Construction activities (-6,8%)
- Decline of the Cleanliness activities (-5.1%) due to the contraction of the sorting and recycling businesses;

➤ sharp growth in EBITDA (+8.9%) which includes the productivity gains implemented by the new executive management and which reached 11.0% of revenues to stand at EUR 82.0 million (compared to 9.9% of revenues one year ago);

➤ a slight contraction in COI to EUR 25.4 million versus EUR 27.6 million one year ago (i.e. 3.4% of revenue versus 3.6%) notably due to the impact of EUR 5 million in one-off costs linked to the productivity plan in process ;

➤ a deterioration in financial income to EUR -64.1 million versus EUR -56.2 million due to the decline in cash flow income and the capitalization of convertible bond interest.

At June 30, 2009, Hime generated a consolidated net loss of EUR 29.5 million, compared to a loss of EUR 22.6 million one year ago.

Hime is maintaining a stable financial situation, with net financial debt of EUR 1,548 million.

Hime's management team is reaffirming its confidence in the sound progress of the business plan established at the time that Saur was acquired.

Consolidated data in EUR m under IFRS

At June 30	2008	2009	Change 2009/2008
Revenue	758.1	745.2	-1.7%
<b>EBITDA</b>	<b>75.1</b>	<b>82.0</b>	<b>+8.9%</b>
Current operating income	27.6	25.4	-8.0%
Financial income	(56.2)	(64.1)	-14.1%
Tax income	5.2	9.7	+86.5%
Consolidated net income	<b>(22.6)</b>	<b>(29.5)</b>	<b>-30.5%</b>

The results presentations will be available  
on August 27, 2009 (11.30 a.m. Paris time) at:

<http://www.groupe-seche.com/majic/pageServer/1e0101000m/en/Presentations-SFAF.html>

### Calendar:

Publication of consolidated revenue at September 30, 2009 on **October 28, 2009** (after market close)

### 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 in activities, concentrating on the higher added-value end of the recovery, waste management and storage markets.

The Group offers integrated specialized services:

- the treatment (by incineration, physical-chemical treatment and solvent regeneration) and processing for recovery of hazardous and non-hazardous waste (HW and NHW);
- storage of ultimate hazardous or non-hazardous waste (HW or NHW).

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. Since May 2008, Séché Environnement has held an option to purchase an 18% stake in Hime, the parent holding company of Saur Group, allowing Séché Environnement to assume ownership of Saur Group by May 2012.

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

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

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