



Consolidated results at June 30, 2015

SFAF meeting
of September 8, 2015



Strong sales momentum and robust activity

Strong activity in H1

- Favorable trends in industrial markets and local authorities
- Sales successes across the main businesses (Storage, Pollution Remediation, Comprehensive Services, etc.)



Storage cell

Satisfactory growth over the period

- Accelerated growth in Q2, particularly in Treatment
- Activities postponed until H2 in the HW division (Soil Remediation, Purification, etc.)



Soil remediation

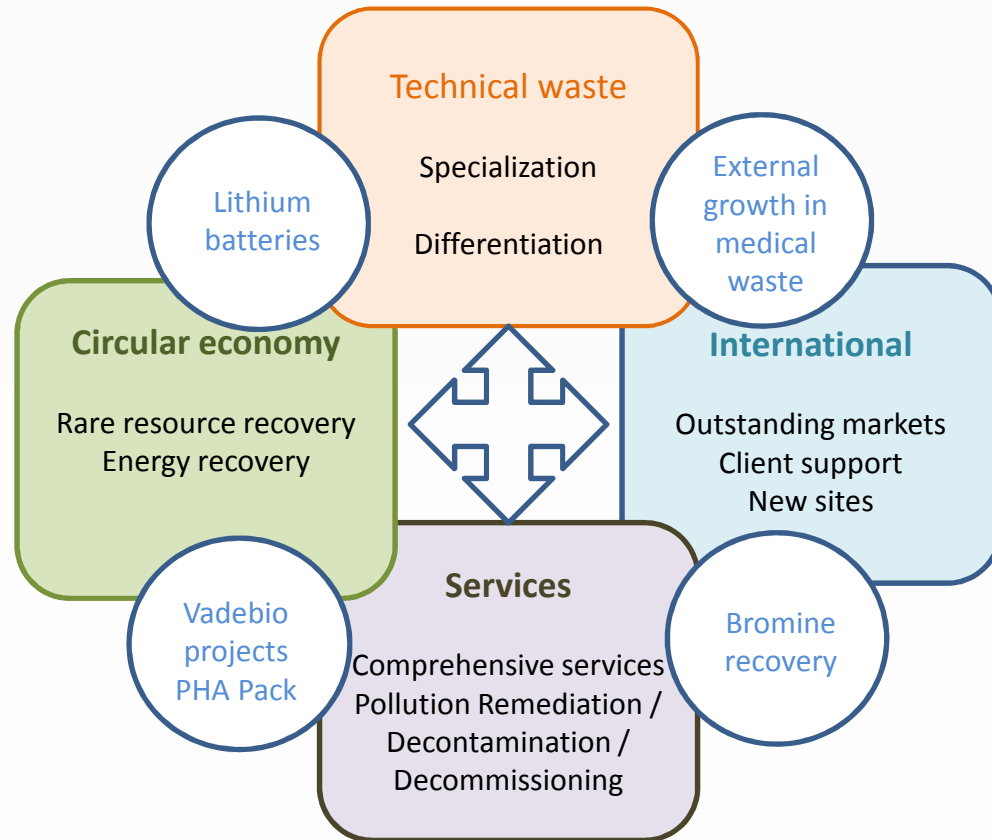


Industrial client under « global offer »





Confirmation of the internal and external growth strategy



Resources for development

- Human resources: capacity building to support for changes to our scope of activities
- Innovation and R&D:
 - tailored solutions to meet clients' needs
 - positioning on the markets of tomorrow: Vadebio, PHA Pack, etc.
- Early bank refinancing: greater financial flexibility





Outlook confirmed for 2015

2015 targets:

- Slight growth in contributive revenue
- EBITDA greater than or equal to 2014 with identical EBITDA margin
- Sharp increase in Group net income

Positive outlook for H2

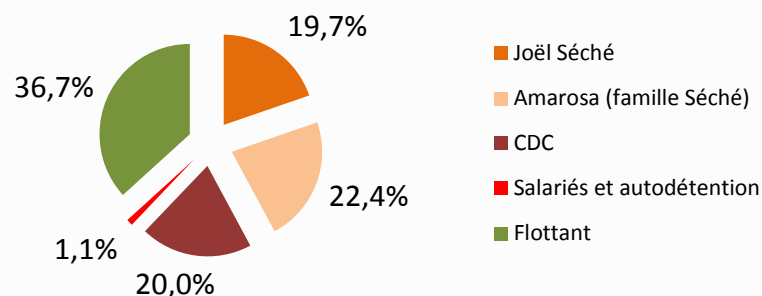
- Sustained business growth: contribution of H1 postponed activities
- Continued operating improvement:
 - ✓ Solid H1 margin trends
 - ✓ Contribution of deferral of H1 margins
 - ✓ Most of the change in structure charges are one-off



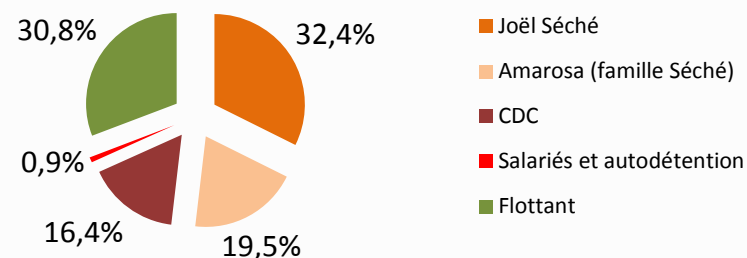


Changes in governance Reinforced family shareholding

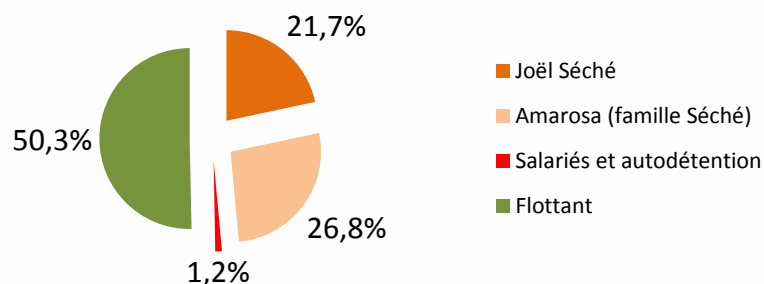
Breakdown of share ownership at December 31, 2014



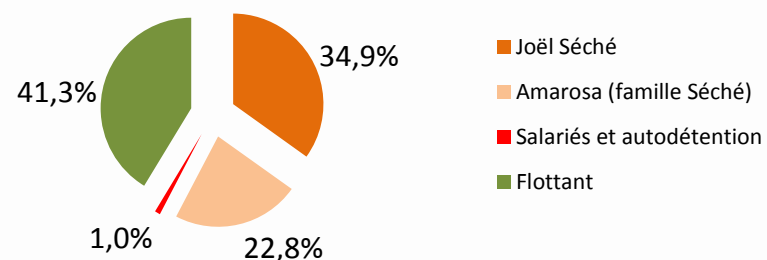
Breakdown of voting rights at December 31, 2014



Breakdown of share ownership at June 30, 2015



Breakdown of voting rights at June 30, 2015



An accretive transaction: 7,857,732 shares
(vs. 8,634,870 at December 31, 2014)

Higher percentage of family-held shares: 9,757,057
voting rights (vs. 10,521,655 at December 31, 2014)





Aude Nomblot-Gourhand

CONSOLIDATED FINANCIAL STATEMENTS AS AT JUNE 30, 2015





Restated for IFRIC 21

Revised consolidated IFRS data in €m

At June 30	2014 reported	%	2014 restated	%	2015	%
<i>Revenue (reported)</i>	216.4		216.4		223.2	
<i>IFRIC 12 revenue</i>	3.0		3.0		3.0	
<i>Diversion compensation</i>	-		-		8.2	
Contributive revenue	213.4	100%	213.4	100%	212.0	100%
EBITDA	37.3	17.5%	35.9	16.8%	34.0	16.0%
Current operating income	15.2	7.1%	13.8	6.5%	12.2	5.8%
Operating income	6.4	3.1%	5.1	2.4%	12.4	5.9%
Financial income	(8.2)	-	(8.2)	-	(6.9)	-
Corporate tax	0.3	-	0.7	-	(1.4)	-
Income from Consolidated Companies	(1.5)	-	(2.4)	-	4.2	1.9%
Income from ongoing activities	(2.9)	-	(3.9)	-	3.8	
Net income (Group share)	(3.3)	-	(4.3)	-	3.6	1.6%





Evolution of main operating items

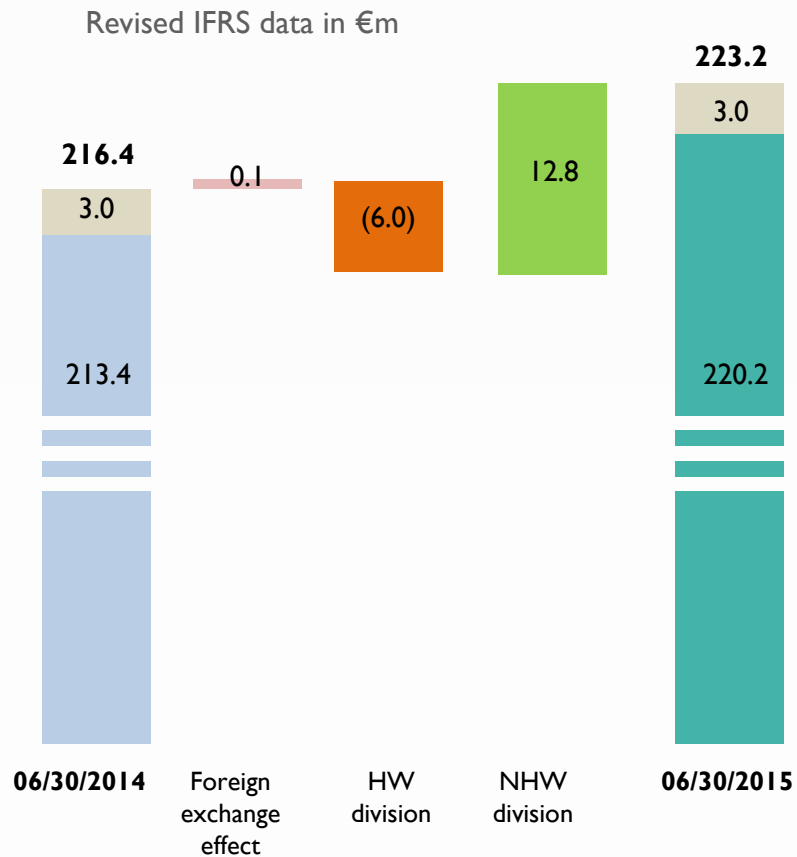
Revised consolidated IFRS data

At June 30 (€m)	2014 restated	%	2015	%	Change (organic)
Contributive revenue	213.4	100%	212.0	100%	-0.7%
EBITDA	35.9	16.8%	34.0	16.0%	-5.2%
Current operating income	13.8	6.5%	12.2	5.8%	-12.0%
Operating income	5.1	2.4%	12.4	5.9%	+146.4%
Financial income	(8.2)	-	(6.9)	-	-
Net income from consolidated companies	(2.4)	-	4.2	1.9%	-
Net income from ongoing activities	(3.9)	-	3.8	1.8%	-
Net income (Group share)	(4.3)	-	3.6	1.7%	-
Cash flow	24.5	11.5%	28.2	13.3%	+15.1%
Capital expenditure (excl. IFRIC 12)	17.1	8.0%	16.7	7.9%	-2.3%
<i>IFRIC 12 investments</i>	3.2	-	3.0	-	-
Net debt (establishment of bank contract)	226.3	-	242.9	-	+7.3%





Increase in reported revenue: +3.1% to €223.2m



IFRIC 12 revenue: €3.0m

vs. €3.0m at 06/30/2014

- Investments related to asbestos removal at Strasbourg-Sénerval

Revenue excl. IFRIC 12: €220.2m

vs. €213.4m at 06/30/2014

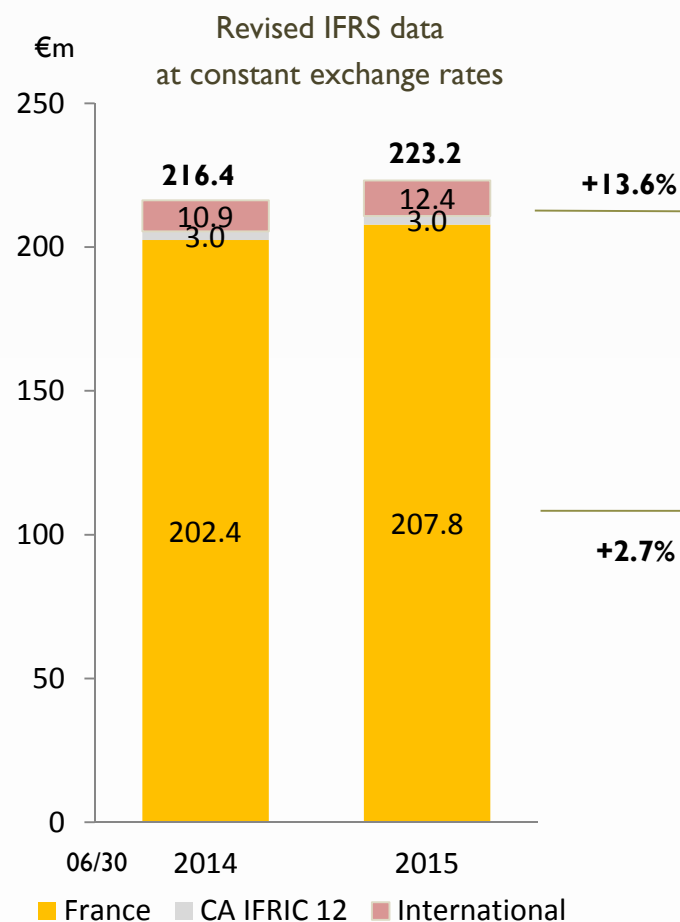
- Revenue excl. IFRIC 12 up by 3.2% at constant exchange rates: robust activity in most businesses
- Differing trends across businesses are not representative: postponements in project starts in Pollution Remediation within the HW division





Solid performance of markets in France Sustained international growth

Revised IFRS data
at constant exchange rates



International: Revenue of €12.4m

vs. €10.9m at 06/30/2014

- Foreign exchange effect: +€0.1m – At constant exchange rates, revenue growth amounts to +12.8%
- Solid performance in Spain (regeneration) and Latin America (PCBs)

France: Revenue excl. IFRIC 12 of €207.8m

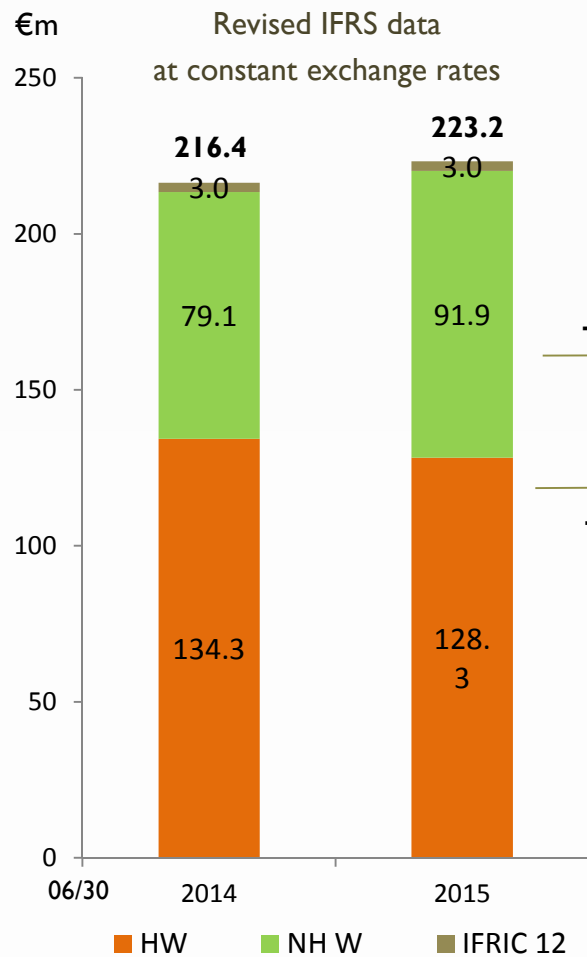
vs. €202.4m at 06/30/2014

- Industrial markets: Positive trends in treatment markets (incineration and storage) and strong momentum in Services (Comprehensive Services)
- Local authorities: renewal of multi-year contracts and market gains in storage





Contrasting trends: activities postponed within the HW division



+16.2%

NHW division: Revenue excl. IFRIC 12 of €91.8m
vs. €79.1m at 06/30/2014

- Storage: favorable volume trends over the period
- Solid performance by the service businesses: pollution remediation and comprehensive services
- Incineration: favorable base effect in Q2

-4.4%

HW division: Revenue of €128.3m

vs. €134.3m at 06/30/2014

- Robust activity in treatment (incineration and storage)
- Pollution remediation: postponed launch of several major projects
- Purification: postponement of campaigns





Favorable gross operating profitability excluding the impact of postponed activities

Revised IFRS data

At June 30 (€m)	2014 restated			2015		
	Consolidated	France	Int'l	Consolidated	France	Int'l
Contributive revenue	213.4	202.4	10.9	212.0	199.6	12.4
EBITDA	35.9	34.9	1.0	34.0	32.8	1.2
<i>As a % of revenues</i>	<i>16.8%</i>	<i>17.2%</i>	<i>8.9%</i>	<i>16.0%</i>	<i>16.4%</i>	<i>9.7%</i>

France (96% of EBITDA)

Change in EBITDA:

✓ Change in business mix:	+€3.6m
✓ Activity postponement/availability:	(€3.2m)
✓ Other:	(€2.5m)

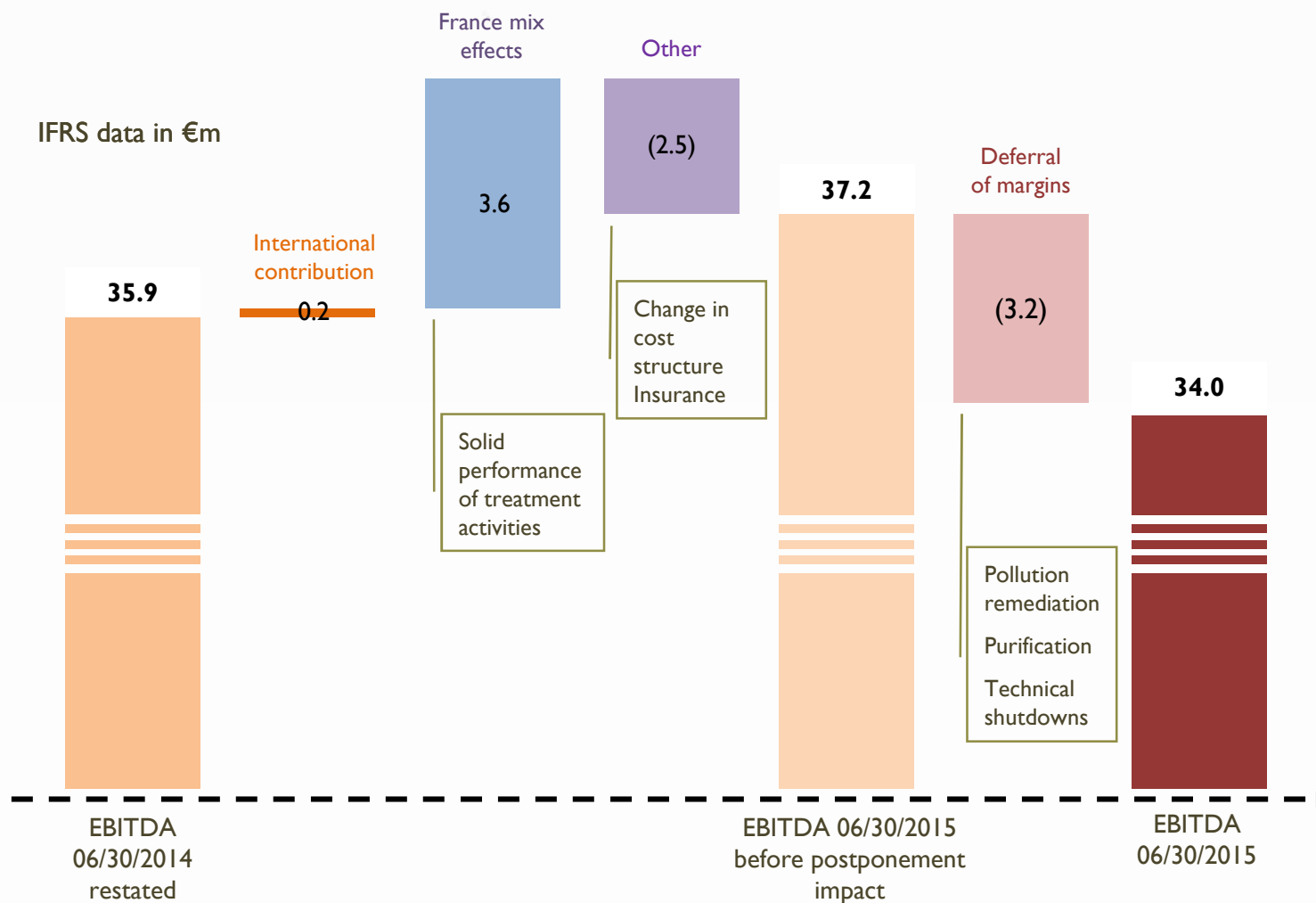
International

✓ Organic growth:	+€0.1m
✓ Optimization:	+€0.1m





Impact of activity postponement on EBITDA: deferral of margins to H2





Change in operating income

Revised IFRS data

At June 30	2014 restated		2015		Gross change
	€m	% revenue	€m	% revenue	
Contributive revenue	213.4	100%	212.0	100%	-0.7%
EBITDA	35.9	16.8%	34.0	16.0%	-5.2%
Current operating income	13.8	6.5%	12.2	5.8%	-12.0%
Operating income	5.1	2.4%	12.4	5.9%	+146.4%

- COI trend in line with EBITDA
- OI change: extraordinary items in H1 2014, of which Strasbourg-Sénéral (-€8.4m)





Financial income: impact of early refinancing

Revised IFRS data in €m

At June 30	2014 restated	2015
Gross financial borrowing costs	(8.0)	(6.6)
Income from cash and cash equivalents	0.3	0.3
Other financial income and expenses	(0.5)	(0.6)
Financial income	(8.2)	(6.9)

Average cost of debt: 4.40% (vs. 4.97% at 06/30/2014)

One-off costs associated with early bank refinancing: €1.2m (vs. €2.4m in 2014 under bond refinancing)

Greater financial flexibility

- Syndicated loan maturing May 2020: €140m repayable in half-yearly installments of 5% and bullet repayment
- Two credit lines:
 - ✓ Revolving credit facility: €40m
 - ✓ Term loan repayable in installments: €60m

Enhanced conditions and extended maturity

- Maturity of total financial debt: 6.3 years (vs. 4.8 years)
- Covenants: Gearing < 1.4x (vs. 1.1x); Leverage < 3.5x (unchanged)





Group net income up +€7.9m vs. H1 2014

Revised IFRS data in €m

At June 30	2014 restated	2015
Operating income	5.1	12.4
Financial income	(8.2)	(6.9)
Corporate tax	0.7	(1.4)
Net income from consolidated companies	(2.4)	4.2
Share of net income of affiliates	(1.4)	(0.4)
Net income from ongoing activities	(3.9)	3.8
Net income from discontinued operations	(0.4)	(0.2)
Minority interests	N/A	N/A
Consolidated net income, Group share	(4.3)	3.6

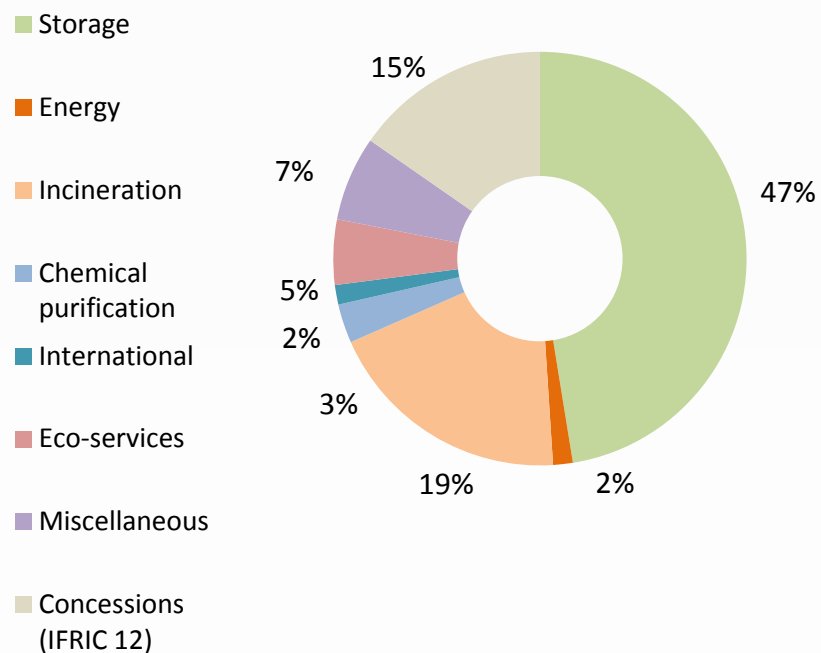
GEREP: exceptional restructuring provision in 2014 (€1m)





Controlled investment

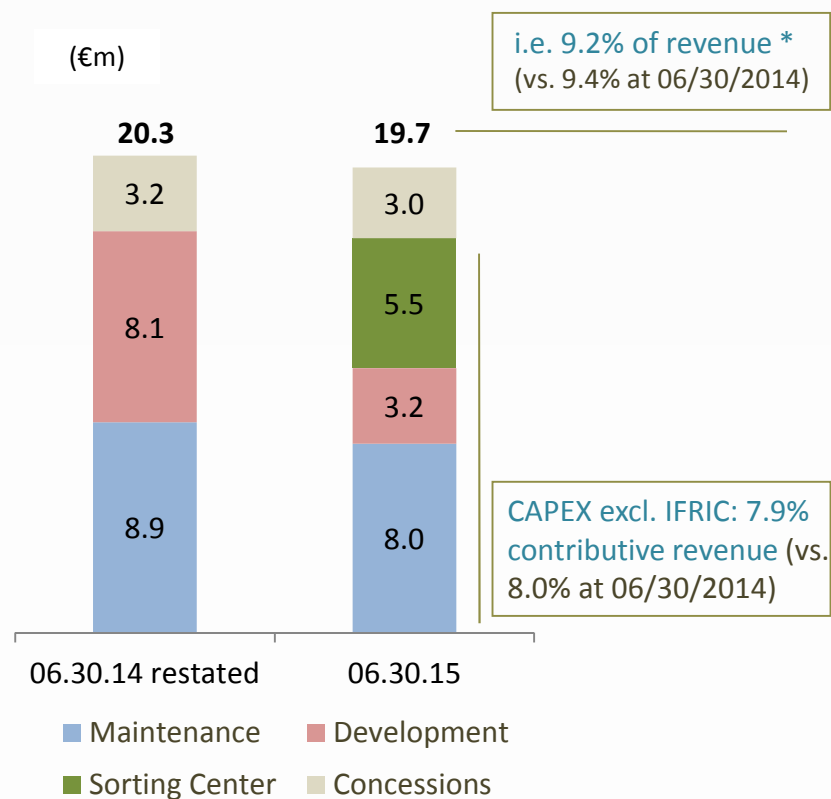
Breakdown of investments booked



Industrial CAPEX booked: €19.7m of which IFRIC 12: €3.0m
(vs. €20.3m at 06/30/2014 (restated) o/w IFRIC 12: €3.2m)

Net paid industrial CAPEX: €12.8m
(vs. €23.8m at 06/30/2014 restated)

Change in investments booked



* Revenue incl. IFRIC 12 excl. diversion compensation





Operating cash flows: cash flow maintained

Revised IFRS data in €m

At June 30	2014 restated	2015
Cash flow before tax and fin. costs	24.5	28.2
Maintenance CAPEX *	(9.1)	(5.4)
Change in WCR	14.5	(3.8)
Tax paid	(0.2)	(1.5)
Gross operating cash flow	30.0	17.6
- Development CAPEX *	(8.8)	(6.1)
Operating cash flow	21.2	11.5
Before concession investments		
- Concession investments *	(5.9)	(1.4)
Net operating cash flow	15.4	10.1

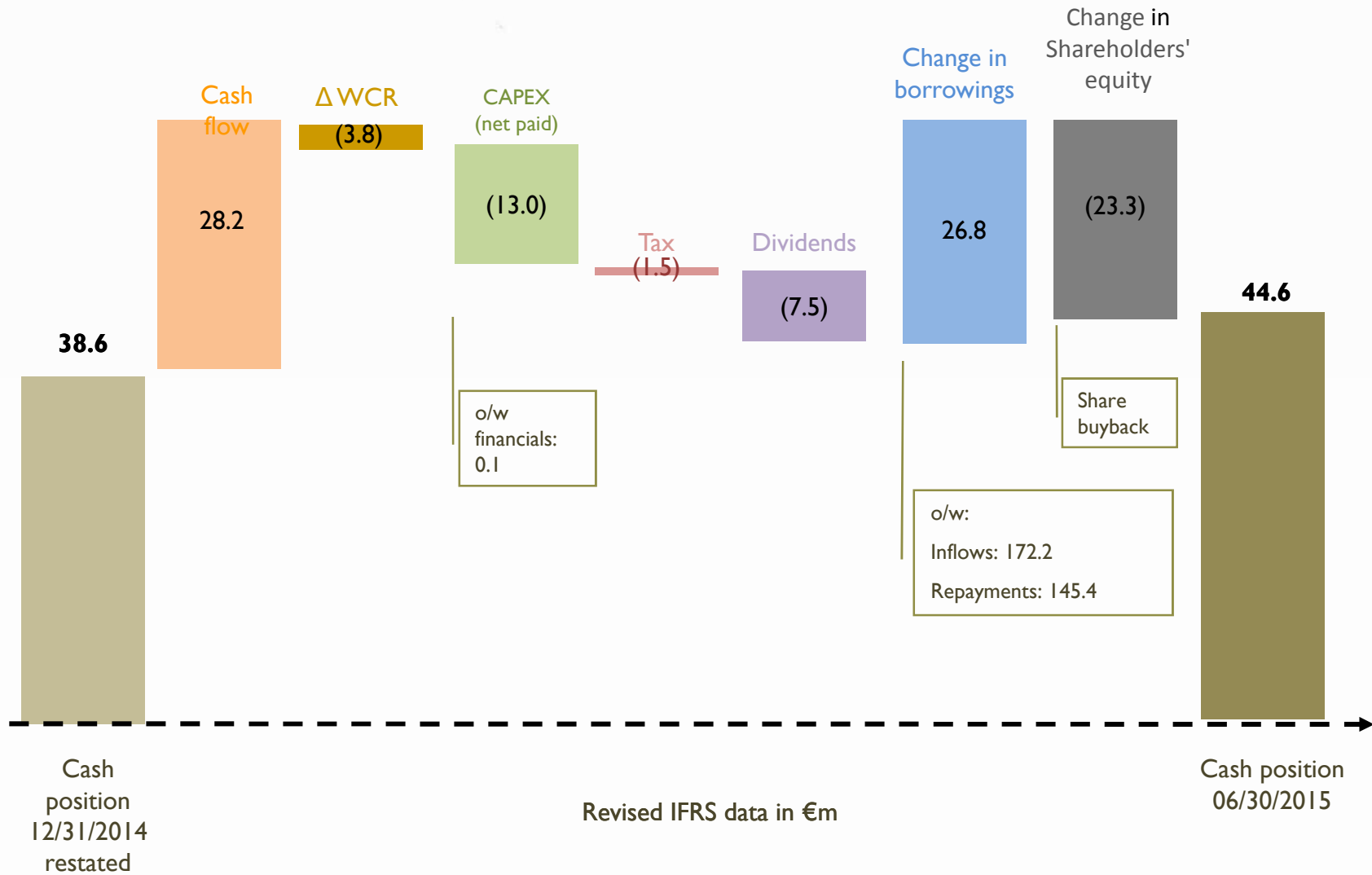
Δ 2014 WCR: optimization measures

* paid





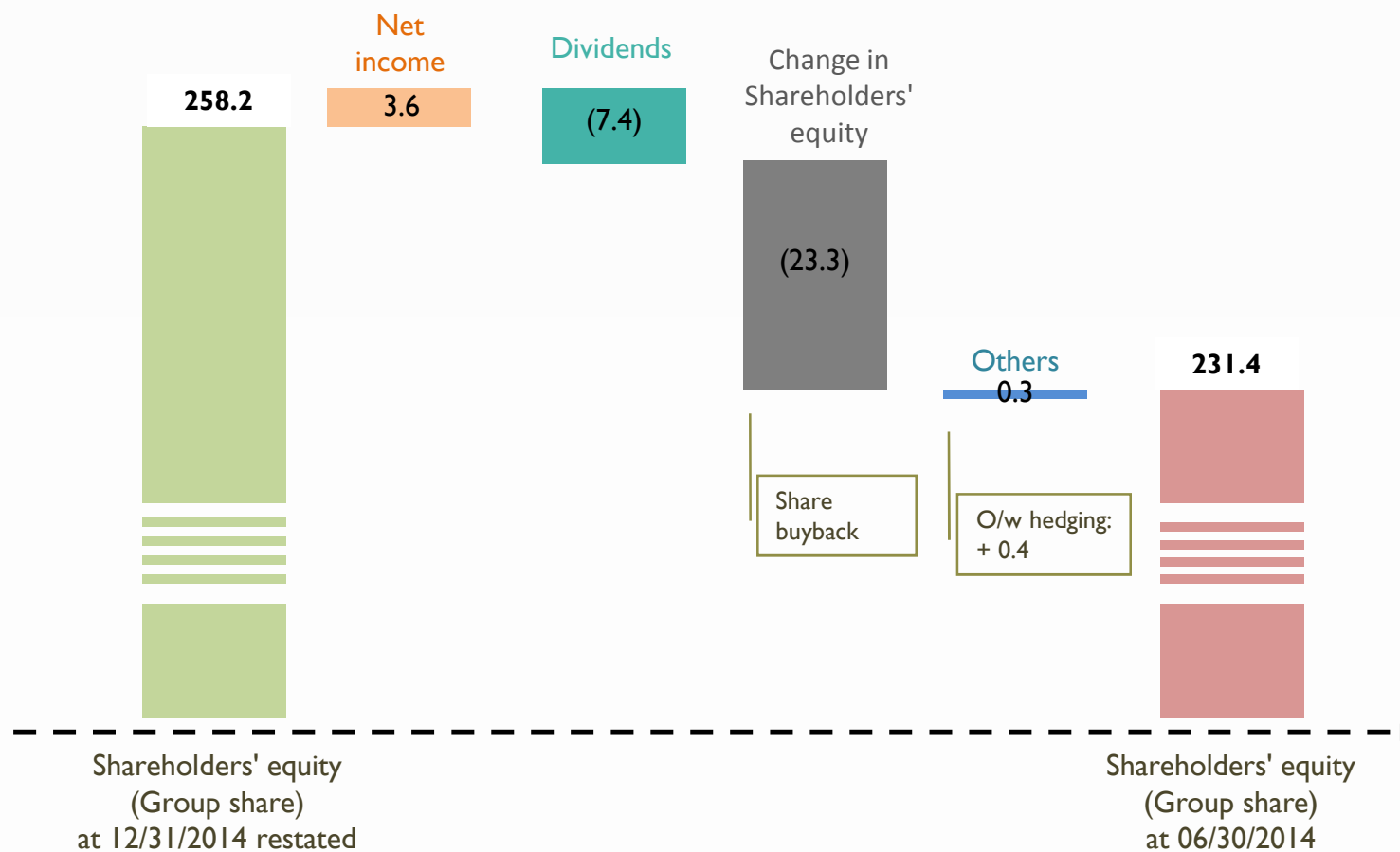
Positive liquidity situation





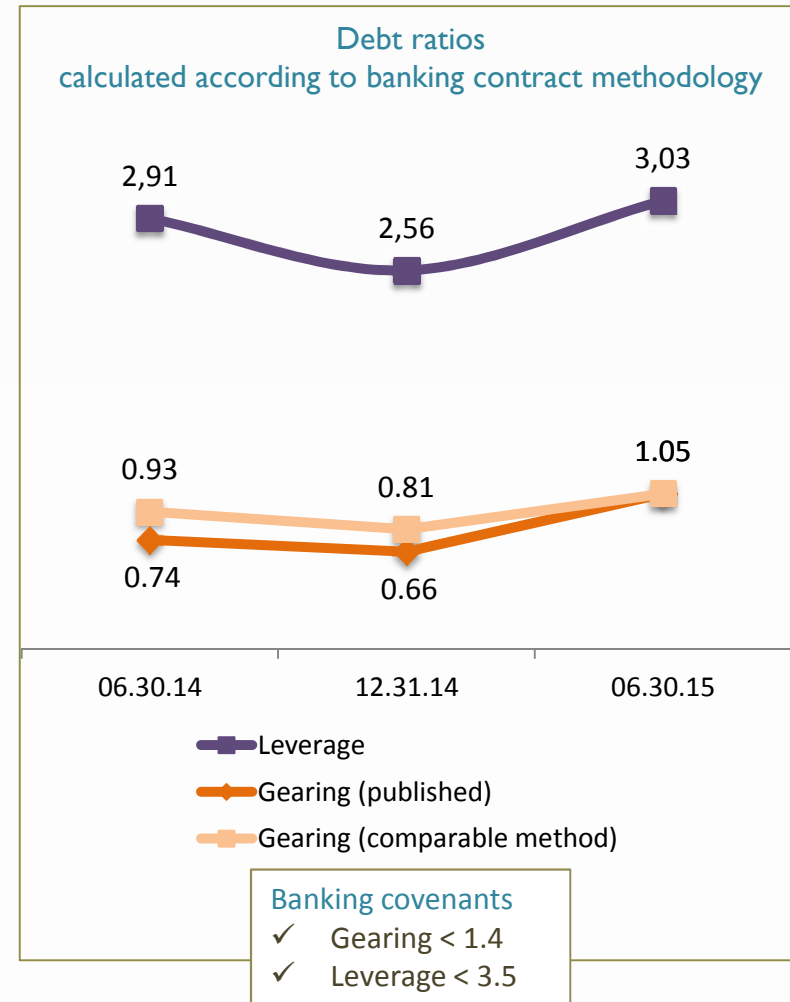
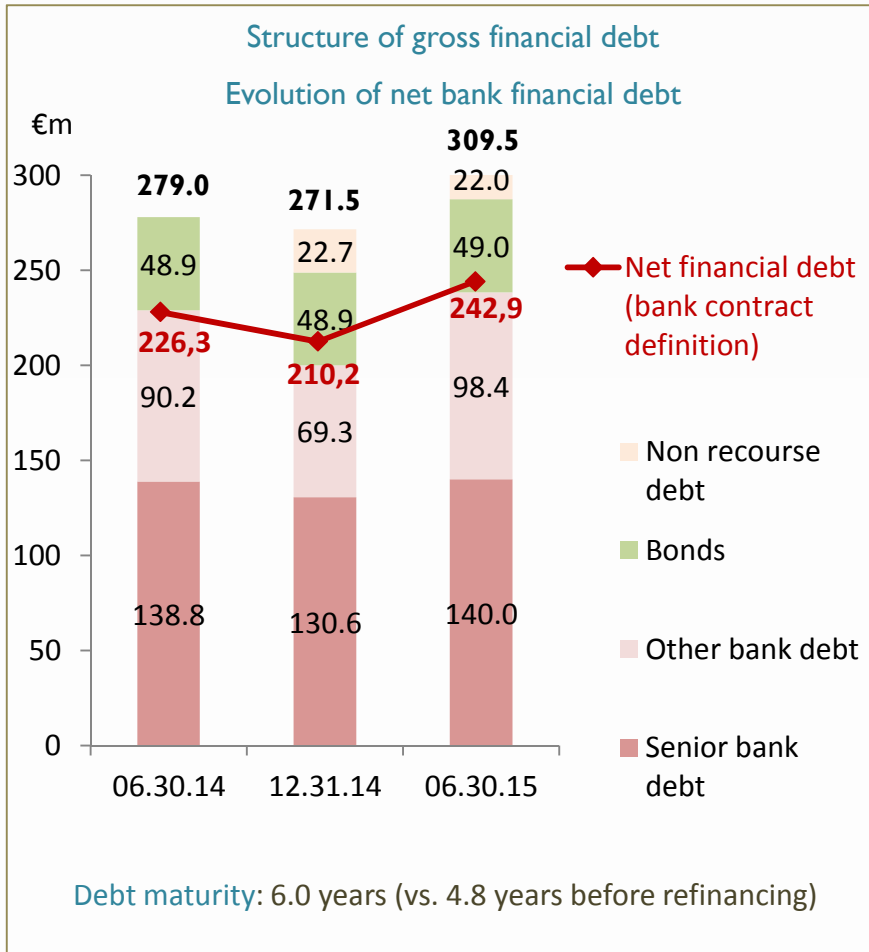
Impact of share buyback on consolidated shareholders' equity

Revised IFRS data in €m





Net debt and ratios: share buyback impacts





Manuel Andersen

MARKETS AND STRATEGY

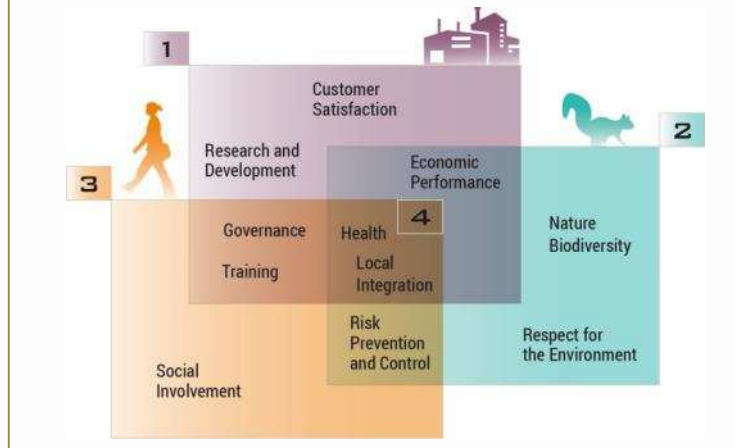




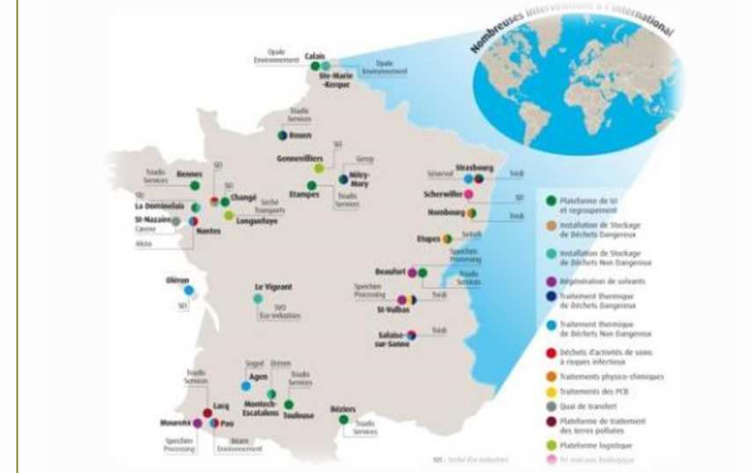
Séché Environnement: a leading player in waste treatment businesses



Corporate culture: innovation, sustainable development and the circular economy

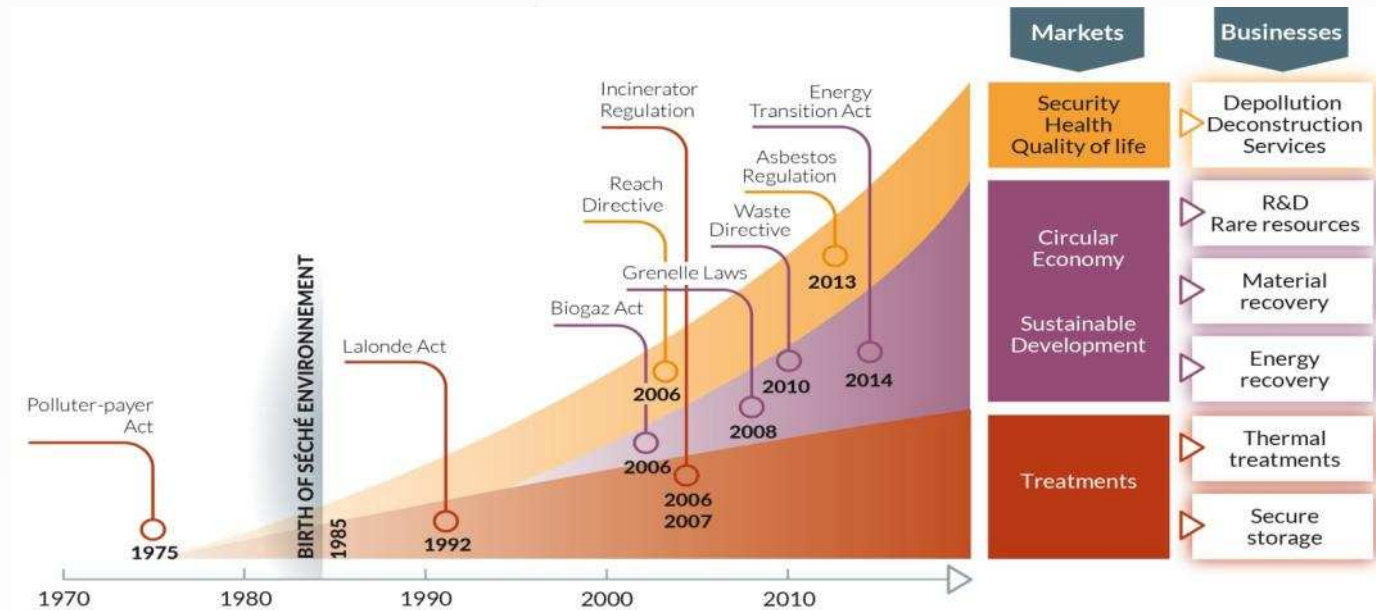


Specialization and expansion in France and internationally





Growth of regulated markets



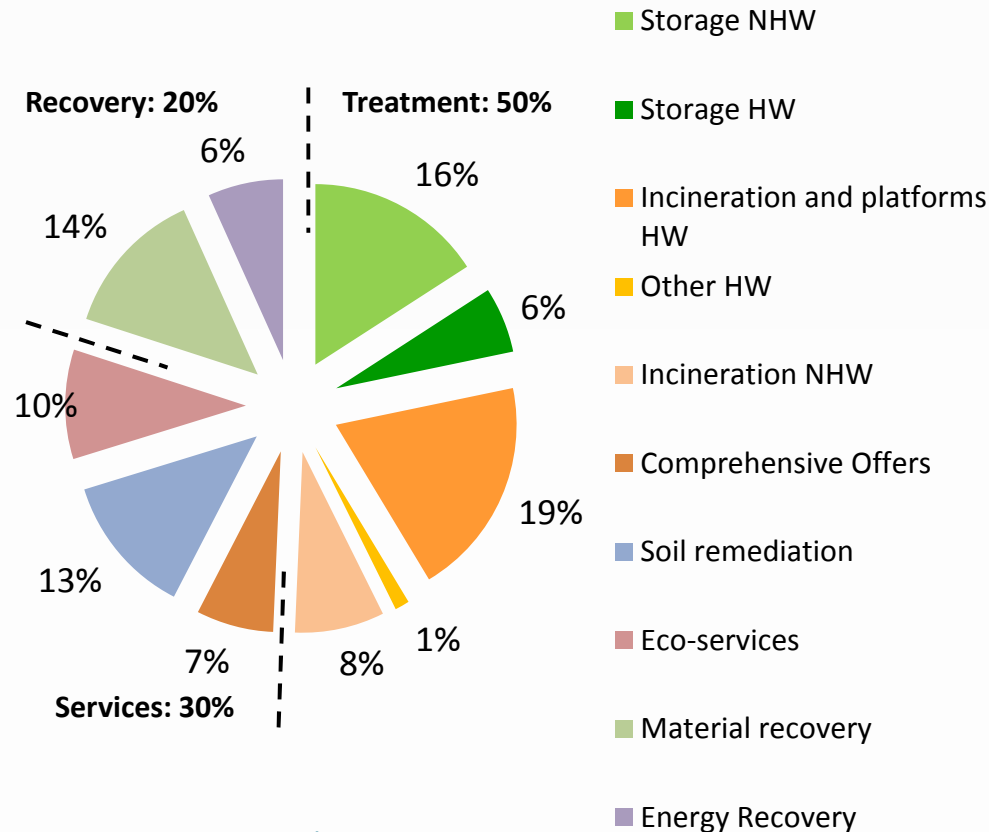
- 🕒 France: producer responsibility and sustainable development challenges
 - ✓ Industrials: financial performance and sustainable development
 - ✓ Local authorities: resource production and regional competitiveness
- 🕒 International: emerging public discourse
 - ✓ High added-value niche markets (gas, PCBs, pollution remediation, medical waste, etc.)
 - ✓ Public sector clients (governments and supranational organizations)





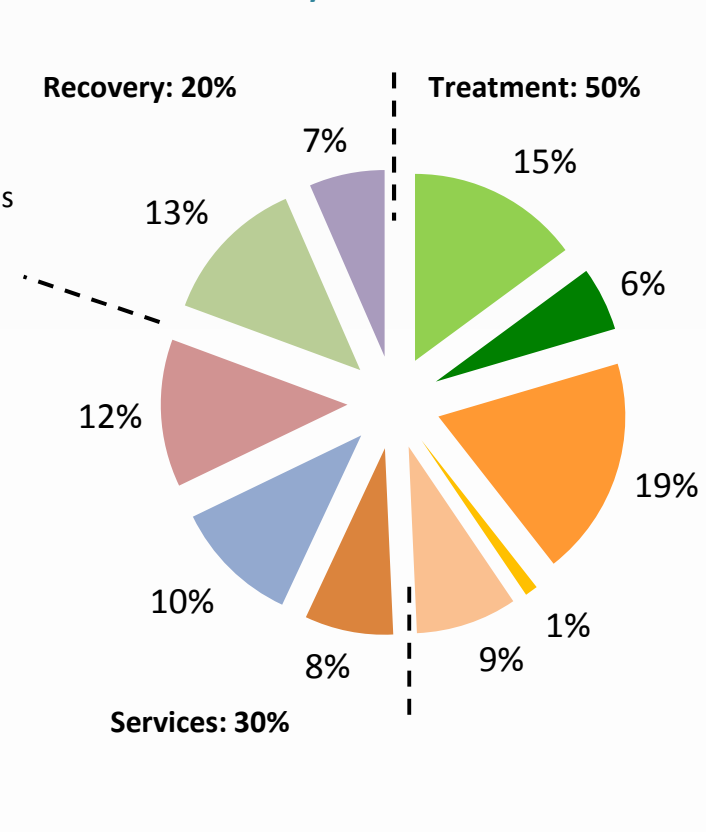
Business mix: solid performance by treatment and recovery

Revenue excl. IFRIC at June 30, 2014
by business



Revenue excl.
IFRIC 12: €213.4m

Revenue excl. IFRIC at Tuesday, June 30, 2015
by business



Revenue excl.
IFRIC 12: €220.2m

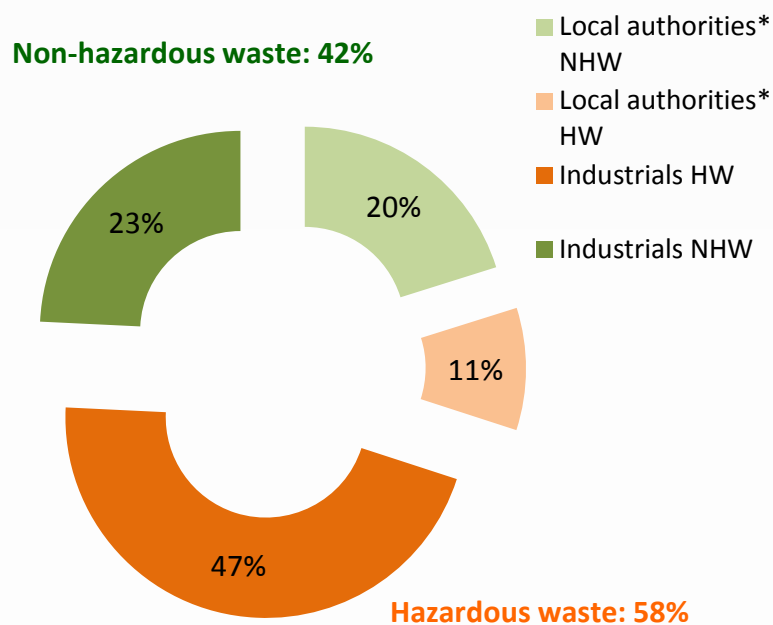




A specialty: the industrial markets

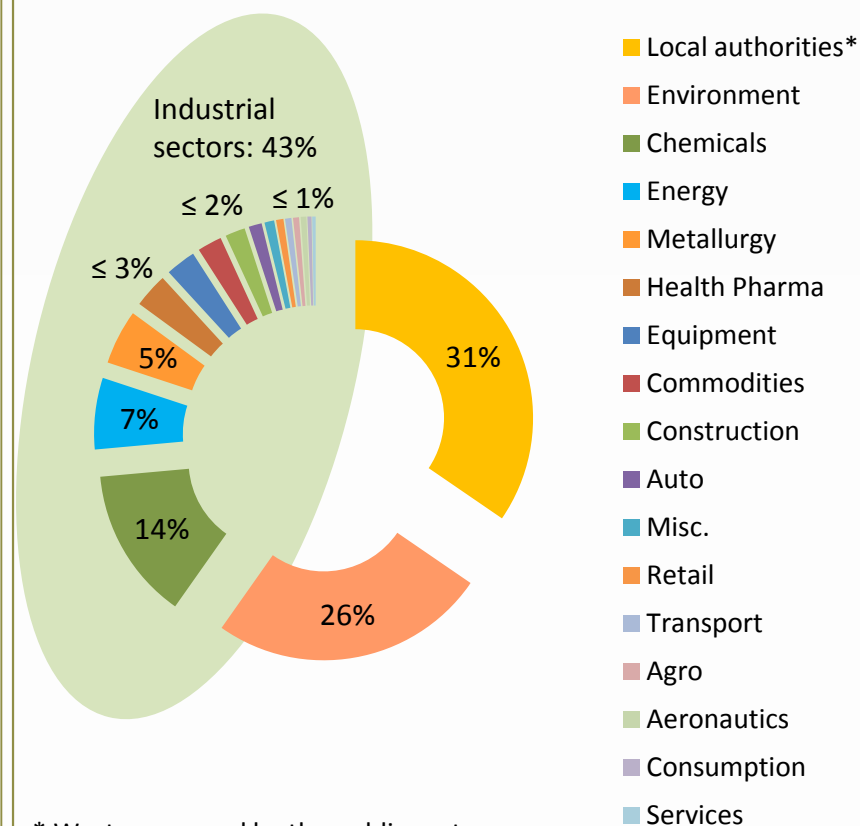
A core business: the recovery and treatment of hazardous waste

**Breakdown of revenue at June 30, 2015
by client type and business**



* Waste managed by the public sector

**Breakdown of revenue at June 30, 2015
by sector**



* Waste managed by the public sector



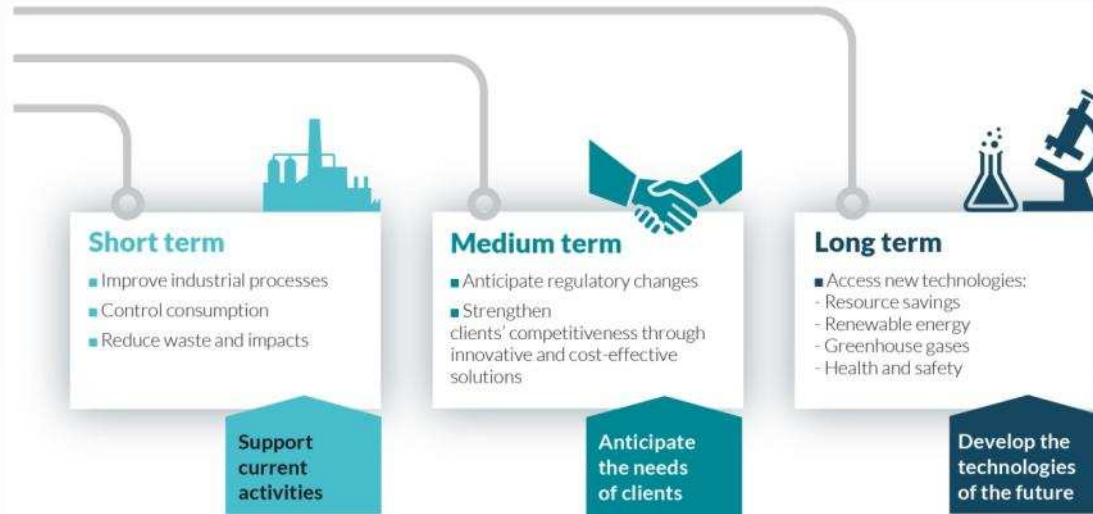


Development strategy: four core themes





R&D and technological innovation to drive internal growth



Vadebio project
Sedimentation output



Vadebio project
Press output





External growth on medical waste markets

○ A strong position in France:

- No. 3 player on the high-concentration major purchasers market (hospitals, etc.)
- Growth opportunities on the low-concentration health professionals market

○ Acquisition strategy:

- France:
 - ✓ Acquisition of two treatment facilities in Fleuré (Vienne department) and Petit-Bourg (Guadeloupe)
 - ✓ Investment < €1m
- Lima, Peru: Kanay
 - ✓ Integrated operator: collection / sorting / incineration / storage
 - ✓ 49% stake (+ call on 2% to 11% of capital): USD 2.8m





Joël Séché

OUTLOOK AND CONCLUSION





2015 outlook confirmed

🕒 Targets for 2015

- Slight growth in contributive revenue*
- EBITDA 2015 \geq EBITDA 2014
- EBITDA/contributive revenue ratio: in line with 2014

🕒 Strong contribution from H2

- In terms of revenue:
 - ✓ Confirmed sales momentum
 - ✓ Catch-up in the HW division
 - ✓ Good availability of facilities (after technical shutdowns in H1)
- In terms of EBITDA:
 - ✓ Continuation of positive mix effects
 - ✓ Contribution of deferral of margins from H1
 - ✓ Most of H1 cost structure change is one-off

* Contributive revenue = Reported revenue – IFRIC 12 revenue – compensation for diverted waste linked to Senerval situation

Assumptions:

- ✓ IFRIC 12 revenue estimated at €8.5m in 2015 (vs. €8.1m in 2014)
- ✓ Compensation for diverted waste estimated at €11.0m in 2015 (vs. €3.4m in 2014)





Q&A

Contact

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