

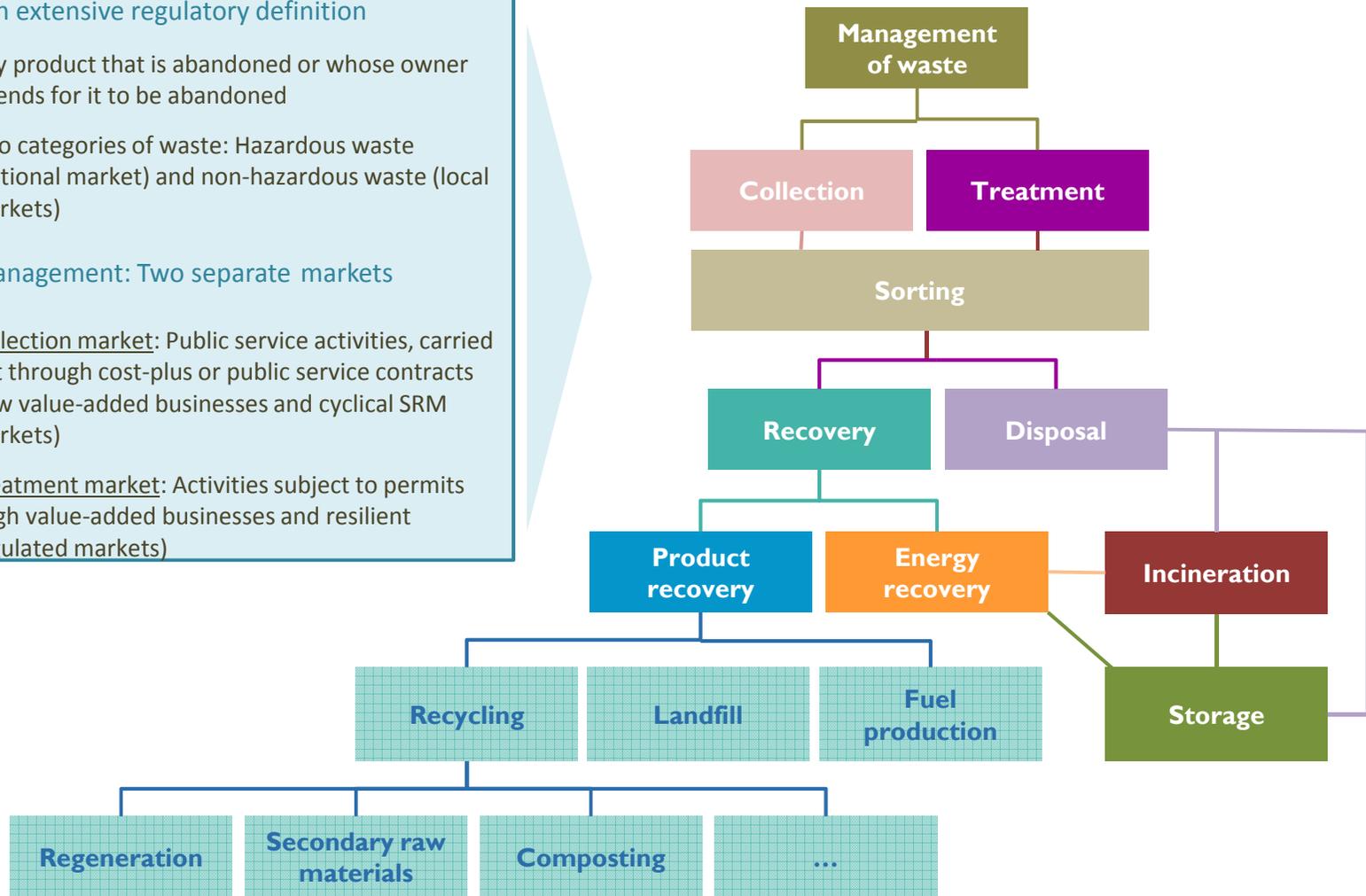






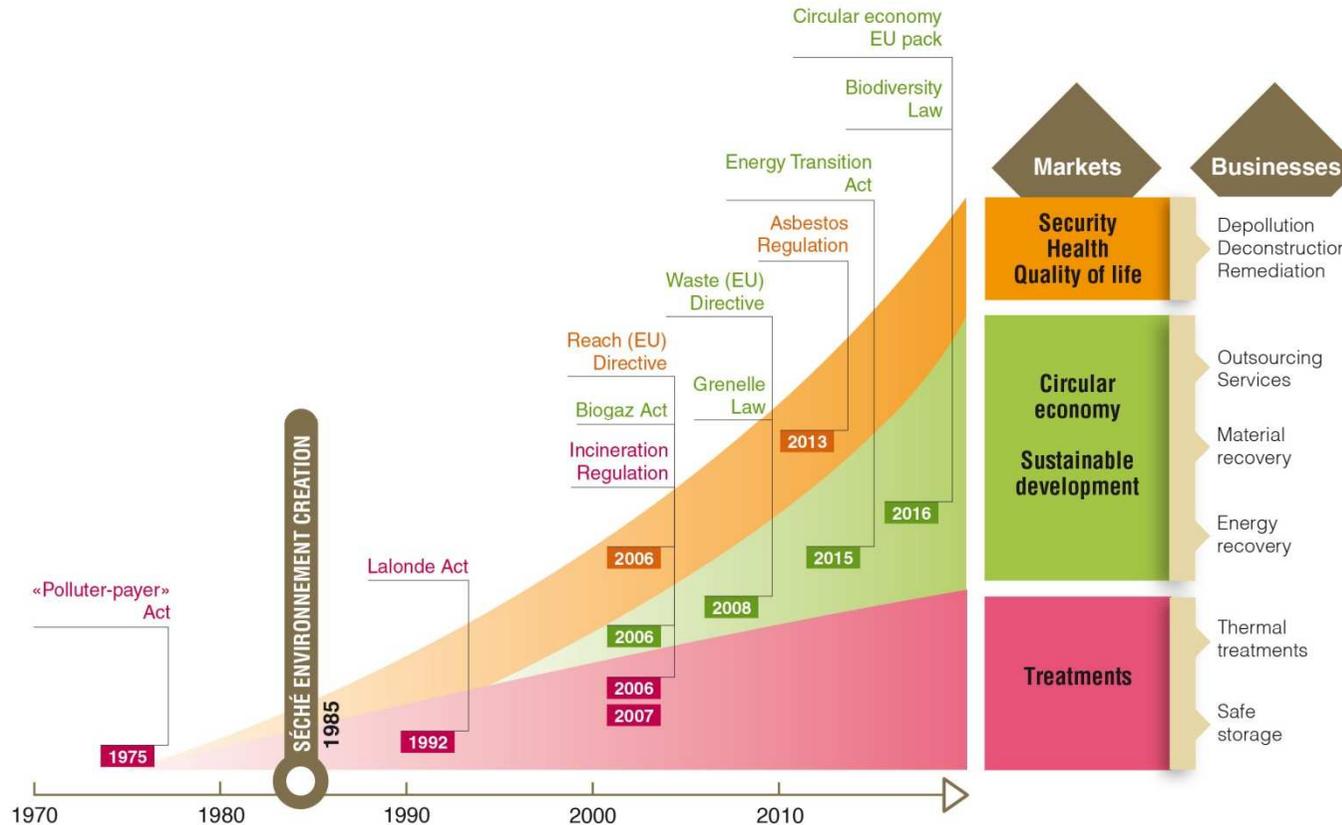
# Development in high value-added waste management markets

- 🕒 **Waste: An extensive regulatory definition**
  - Any product that is abandoned or whose owner intends for it to be abandoned
  - Two categories of waste: Hazardous waste (national market) and non-hazardous waste (local markets)
  
- 🕒 **Waste management: Two separate markets**
  - Collection market: Public service activities, carried out through cost-plus or public service contracts (low value-added businesses and cyclical SRM markets)
  - Treatment market: Activities subject to permits (high value-added businesses and resilient regulated markets)





## Promising regulations in the long term



### France: A beneficial regulatory framework

- 2008: Grenelle laws and extended producer responsibility (EPR)
- 2015: Law on the Circular Economy for green growth and challenges in the energy transition

### International: Emerging public opinion and duplication of the European model

- Niche markets: Medical waste, gases, PCBs, plant protection agents, etc.
- Public clients: Governments, supranational organizations, etc.

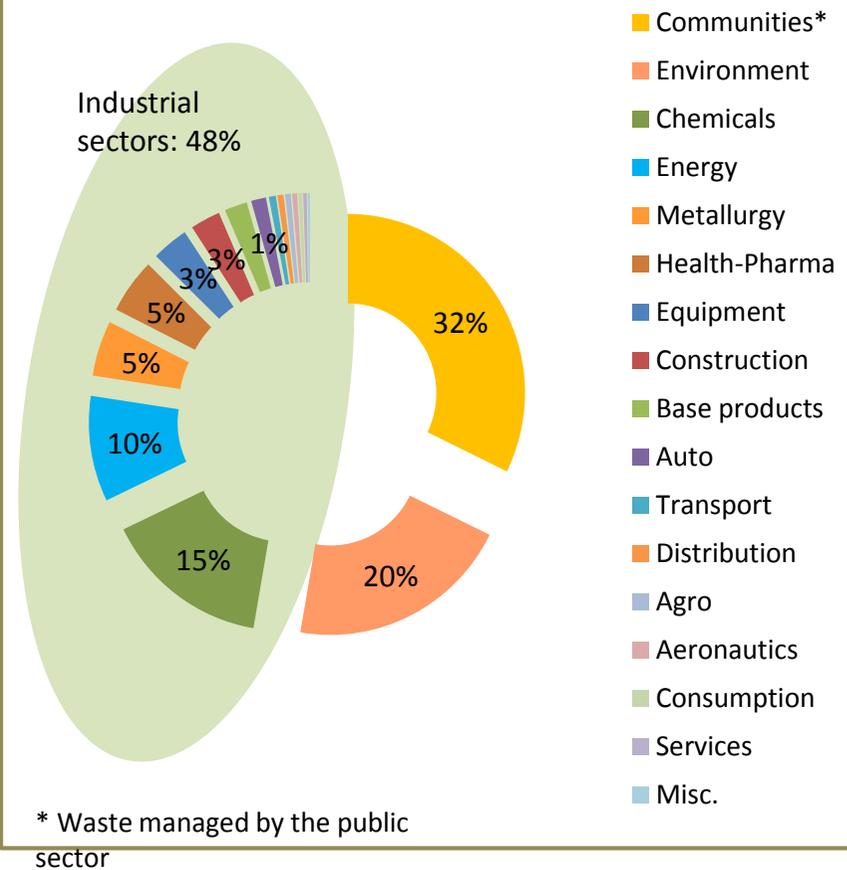


## A strong, recognized position in the most technical waste markets

Breakdown of revenue at December 31, 2015  
by client type and business



Breakdown of revenue at December 31, 2015  
by sector





# The business: Offering companies and communities integrated solutions for sustainable development



- NHW Multisector
- NHW Incineration
- HW Storage
- HW Incineration
- Other HW treatments
- Comprehensive services
- Construction
- Other eco-services
- Recovery of materials
- Energy recovery

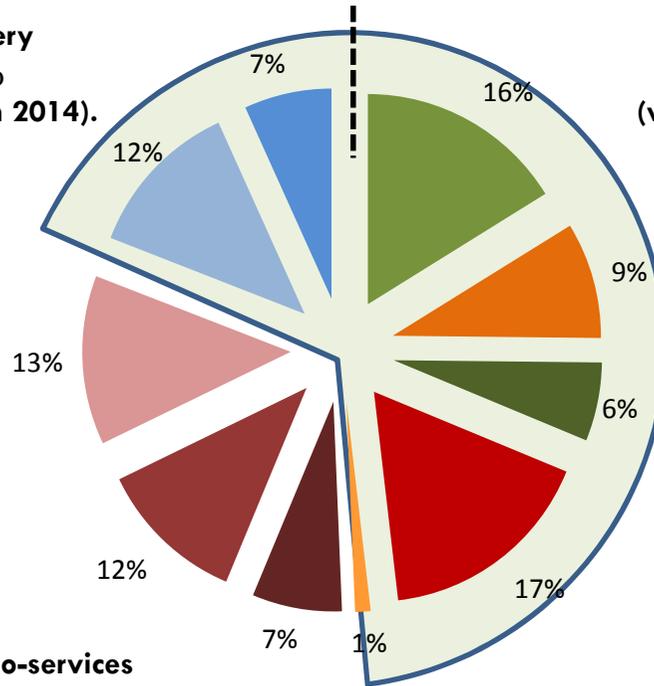
**Recovery**  
**19%**  
 (vs. 18% in 2014).

**Disposal**  
**49%**  
 (vs. 52% in 2014).

**Treatments**  
**68%**  
 (vs. 70% in 2014).

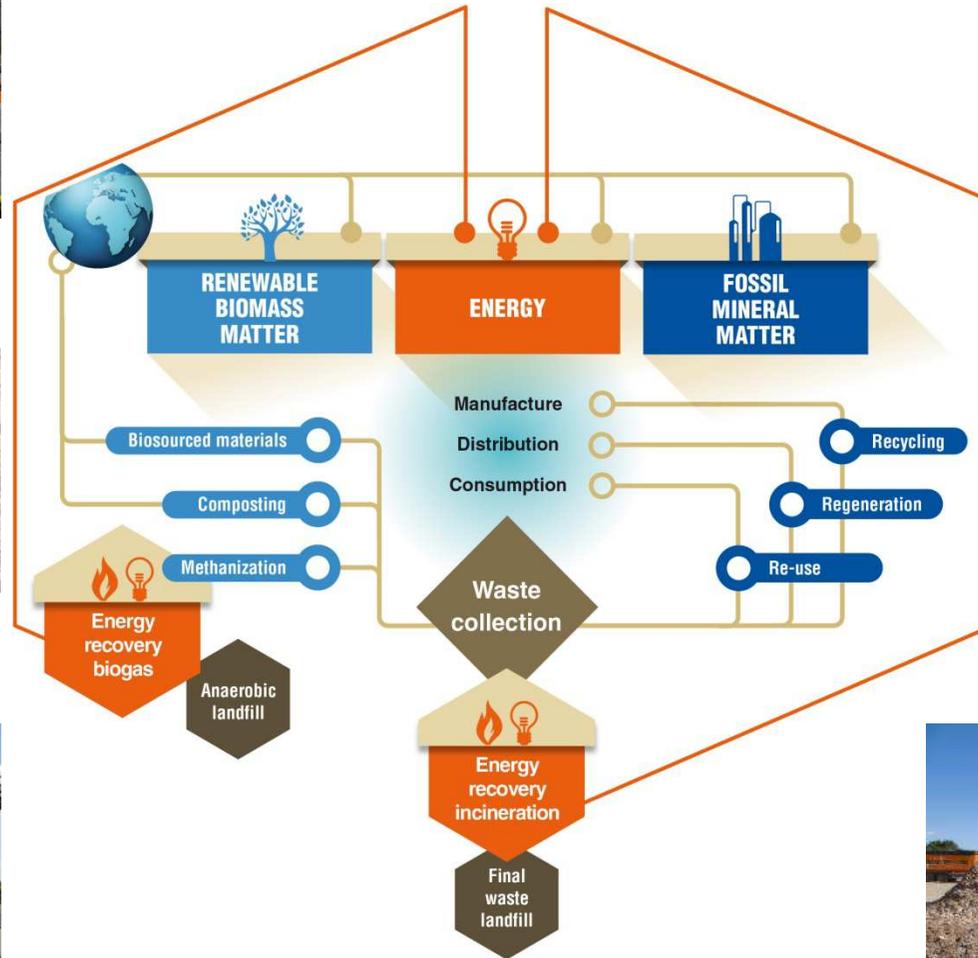
**Eco-services**  
**32%**  
 (vs. 30% in 2014).

2015 contributed revenue: €440m





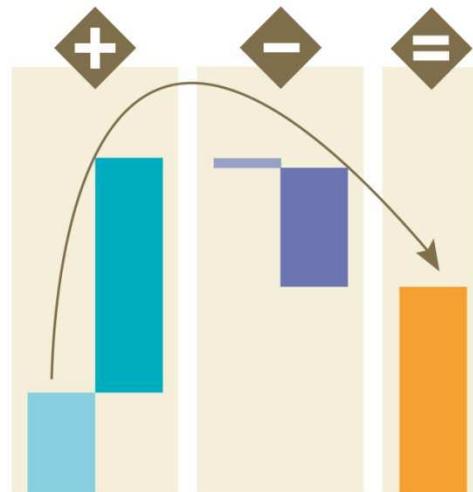
# Growth in Circular Economy business lines





# Materials recovery: Technological advances and environmental performance

Secondary raw materials and final waste in thousands of tons



<b>+</b>	<b>-</b>
Waste production	Material recovery
◆ hazardous 140	◆ external 15
◆ non-hazardous 323	◆ internal 162

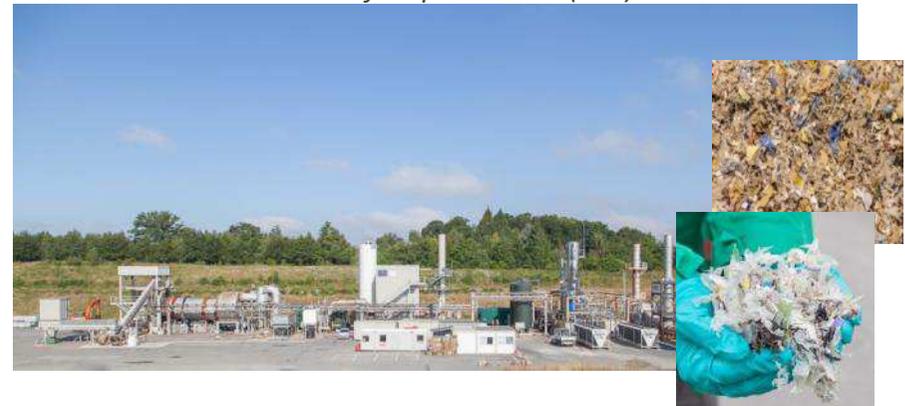
**=**  
Final waste footprint  
◆ 286

**38%**  
of waste produced is recovered

Sécché Eco-Industries sorting facility in Changé, France



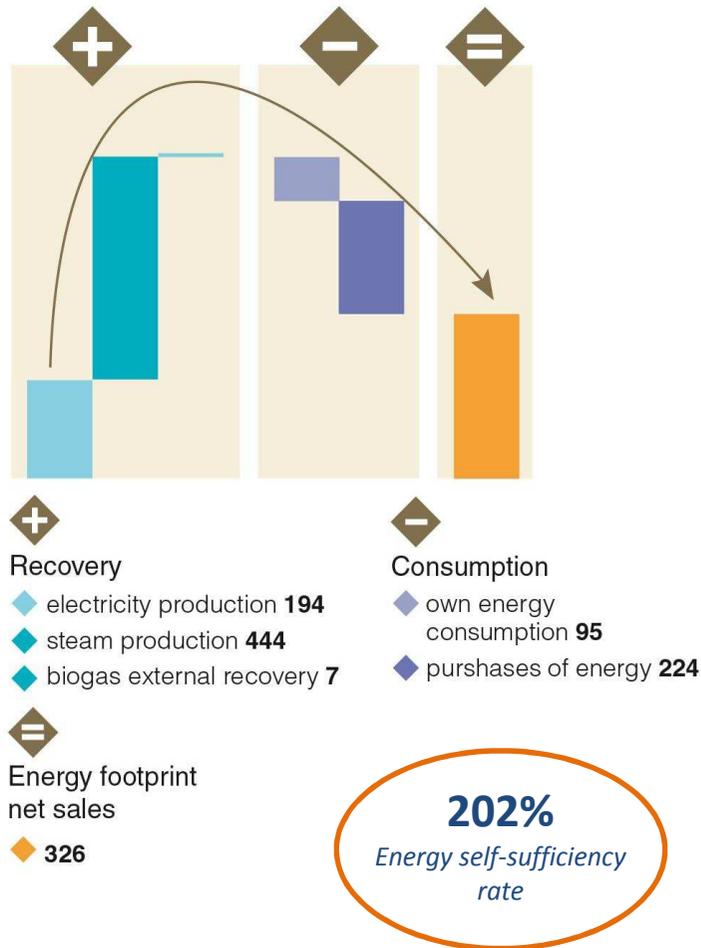
Recovered fuel production (SRF):





# Sèche Environnement at the heart of the energy transition

## Energy self-sufficiency in GWh



VALORISATION	THERMIQUE		ÉLECTRIQUE	ÉNERGIE RENEUVELABLE
	Thermique	Électrique	Électrique	
Triadis Services Rouen	○			Incinération déchets dangereux
Trédi Strasbourg	○			
Trédi Salaise	○		○	
Alcéa	○		○	Incinération d'ordures ménagères
Béarn Environnement			○	
Sénerval	○		○	
Sèche Éco-industries Changé	○	○	○	Installations de stockage produisant du biogaz
Sèche Éco-industries Le Vigean	○		○	
Opale Environnement			○	
Drimm			○	
			○	

Technologies particulières

- Biométhane commercialisé
- Technologie ORC
- Solaire photovoltaïque



## Continued development in technical markets

### ■ Hospital waste: External growth and asset purchases

- In France: Assets purchased in Petit-Bourg (Guadeloupe) and Fleuré; purchased Moringa (Martinique) and Sodicom
- In Peru: Acquired a stake (49%) in Kanay

### ■ VLL waste: Acquired HPS Nuclear Services (March 2016)

- Designs, manufactures, and installs biological protections for any nuclear facility or equipment
- Active in engineering, facility decommissioning, logistics, and waste management
- 40 people, 2 sites and one production/fusion plant in France

*HPS: Designing and implementing biological protections*



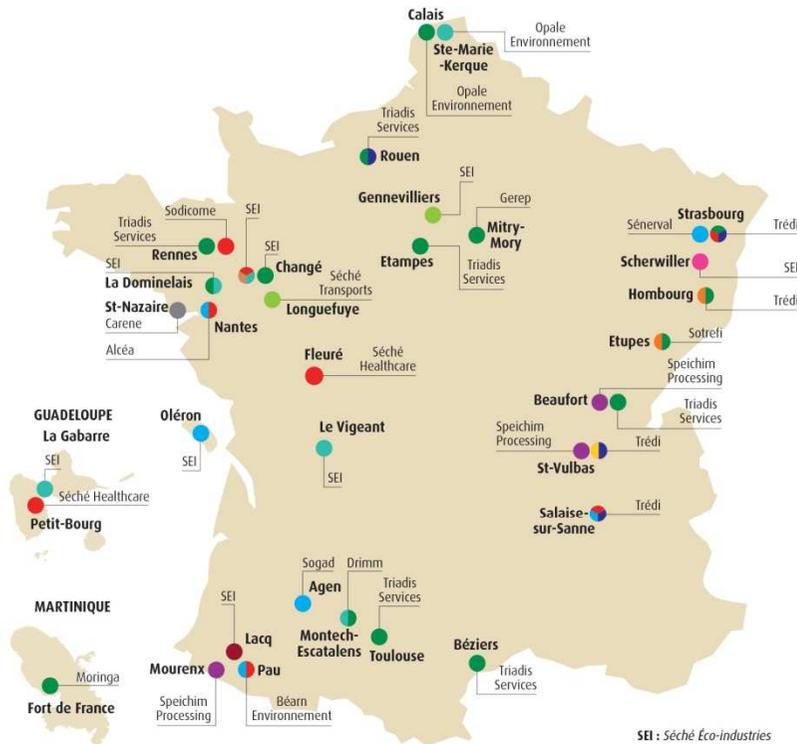
*Before intervention*



*After intervention*



# Visibility of long-term growth



- Plateforme de tri et regroupement  
*Sorting and grouping platform*
- Installation de Stockage de Déchets Dangereux  
*Hazardous waste landfill facilities*
- Installation de Stockage de Déchets Non Dangereux  
*Non-hazardous waste landfill facilities*
- Régénération de solvants  
*Solvent regeneration*
- Traitement thermique de Déchets Dangereux  
*Thermal treatment of hazardous waste*
- Traitement thermique de Déchets Non Dangereux  
*Thermal treatment of non-hazardous waste*
- Déchets d'activités de soins à risques infectieux  
*Infectious medical waste*
- Traitements physico-chimiques  
*Physico-chemical treatment*
- Traitements des PCB  
*Treatment of PCBs*
- Quai de transfert  
*Transshipment bay*
- Plateforme de traitement des terres polluées  
*Polluted soils treatment platform*
- Plateforme logistique  
*Logistics platform*
- Tri mécano-biologique  
*Mechanical-biological sorting*

## Infrastructure business lines:

- Essential tools for the sustainability of any economic activity
- More than 30 fully-owned sites: 23 classified as ICPE, 12 of which are Seveso-listed (9 categorized as "high threshold")

## Industrial and environmental risk management:

- Industrial and environmental expertise in major risks (chemical, pyrotechnic, biological, infections, etc.)
- A well-qualified industrial approach: Many certifications (ISO, OHSAS, Maze, etc.); its Ecocert certification in both Climate and Biodiversity is a world-first

## Lasting development:

- Demonstrated ability to upgrade permits in anticipation of clients' needs and regulations
- Long-term view of development and value creation



# 2015 CONSOLIDATED FINANCIAL STATEMENTS



## A dynamic 2015

- **Stronger on the markets of the future**
  - High value-added niche markets:
    - ✓ Medical waste: External growth in France and Peru
    - ✓ VLL waste: Created Sécché Energies
    - ✓ PCB: Location in Morocco
  - Technical recovery business lines:
    - ✓ Materials: Bromine regeneration; materials sorting, etc.
    - ✓ Energy: LEN project, etc.
  
- **Early bank refinancing: Significant improvement in financing conditions**
  
- **Reaffirmed commitment to family-held shares and changes in governance**
  - Sécché family boosted to 48.8% of equity (vs. 42.1% before share buyback)
  - End of the Sécché-CDC shareholders' agreement
  - Board of Directors expanded and independence strengthened; new Committees created (strategic, appointments, and compensation)



Medical waste treatment  
(Kanay) in Peru



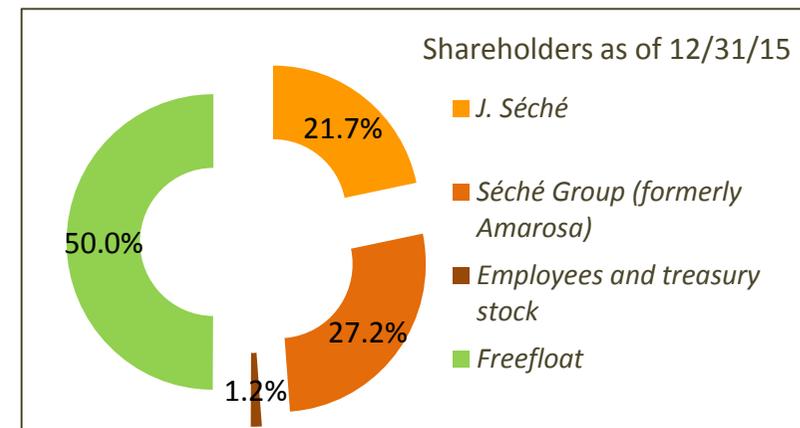
Sorting center  
Changé, France



Bromine recovery  
St Vulbas, France



PCB treatment in  
Morocco





## Solid 2015 results

- Strong business growth
  - Good performance by most businesses
  - Strength of waste treatment markets
- Net income up sharply
  - Growth in operating income
  - Improvement in financial income
- Stable financial structure
  - Ability to make development investments
  - Balance sheet ratios preserved
- Proposed dividend: 0.95 per share

Contributed revenue +2%

COI +14%

Net income (Group) +72%

Financial leverage <3x



## Favorable change in main operating items

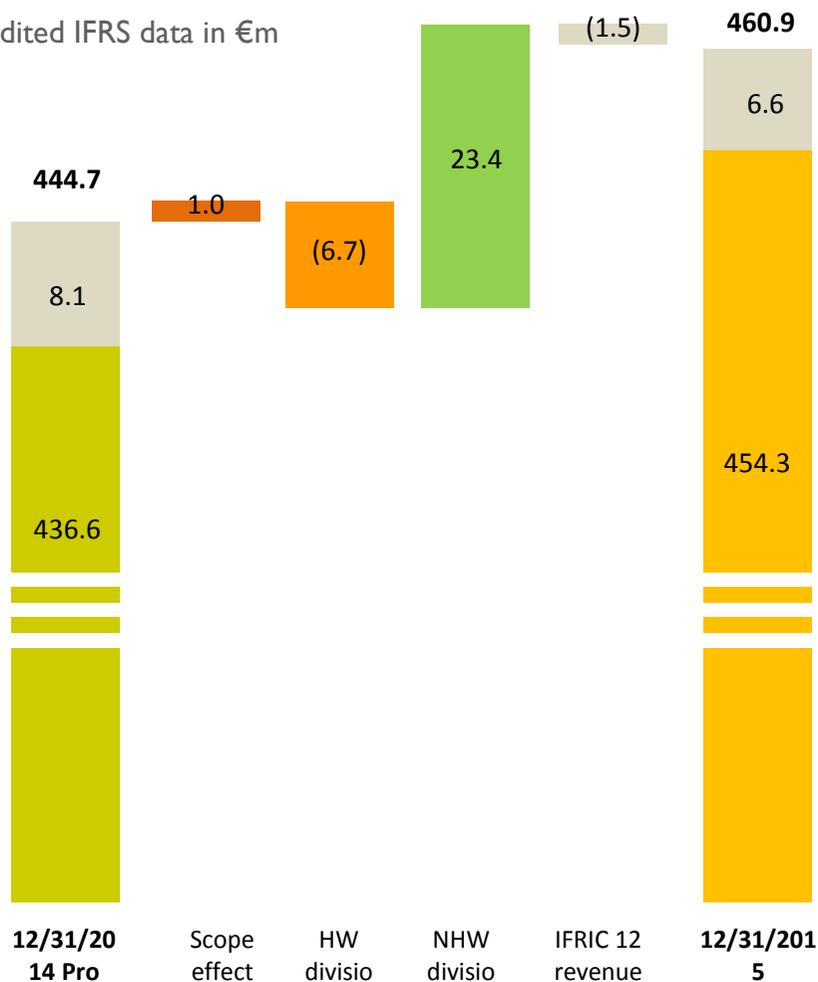
Audited consolidated IFRS data

At December 31 (€m)	2014 Pro forma data	%	2015	%	Gross change
<b>Contributed revenue</b>	<b>433.2</b>	<b>100%</b>	<b>440.0</b>	<b>100%</b>	<b>+1.6%</b>
EBITDA	82.1	18.8%	88.1	20.0%	+7.3%
Current operating income	35.6	8.2%	40.6	9.2%	+14.1%
Operating income	32.8	7.6%	38.5	8.8%	+17.4%
Financial income	(14.0)	-	(12.1)	-	-13.7%
Net income of consolidated companies	11.7	2.7%	17.9	4.1%	+53.3%
<b>Net income (Group share)</b>	<b>9.8</b>	<b>2.3%</b>	<b>16.8</b>	<b>3.8%</b>	<b>+72.2%</b>
<b>Cash flow</b>	<b>62.9</b>	<b>14.3%</b>	<b>75.7</b>	<b>17.2%</b>	<b>+20.3%</b>
Capital expenditure (excl. IFRIC 12)	34.0	7.8%	42.8	9.7%	+25.9%
<i>IFRIC 12 investments</i>	8.4	-	6.7	-	
<b>Net debt (establishment of bank contract)</b>	<b>210.2</b>	<b>-</b>	<b>258.8</b>	<b>-</b>	<b>+23.1%</b>



## Rise in revenue excl. IFRIC 12: up +4.1% to €454.3m

Audited IFRS data in €m



IFRIC 12 revenue: €6.6m

vs. €8.1m as of 12/31/2014).

- Investments related to ongoing asbestos removal at Strasbourg-Sénerval

Revenue excl. IFRIC 12: €454.3m

vs. €436.6 m at 12/31/2014

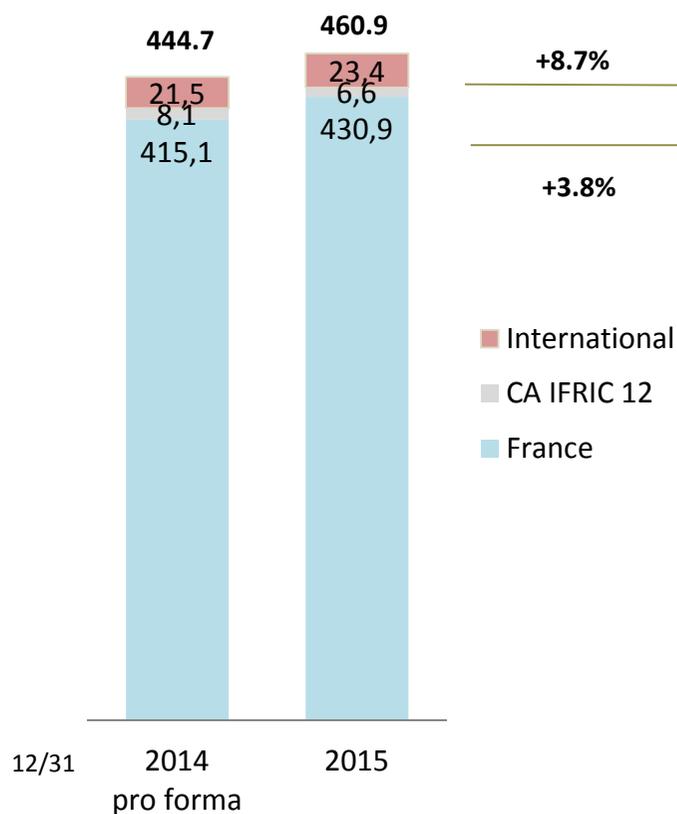
- Scope effect: Addition of medical waste activities (+€1m). **Organic growth was +3.8%.**
- Most businesses performed strongly
- Insignificant differing trends across divisions



# Market stability in France

## Growth abroad

Audited IFRS data in €m  
at constant exchange rates



International: Revenue of €23.4m

vs. €21.5m as of 12/31/2014).

- No significant foreign exchange effect
- Favorable trends in Spain (regeneration) and Latin America (PCBs)

France: Revenue excl. IFRIC 12 of €430.9m

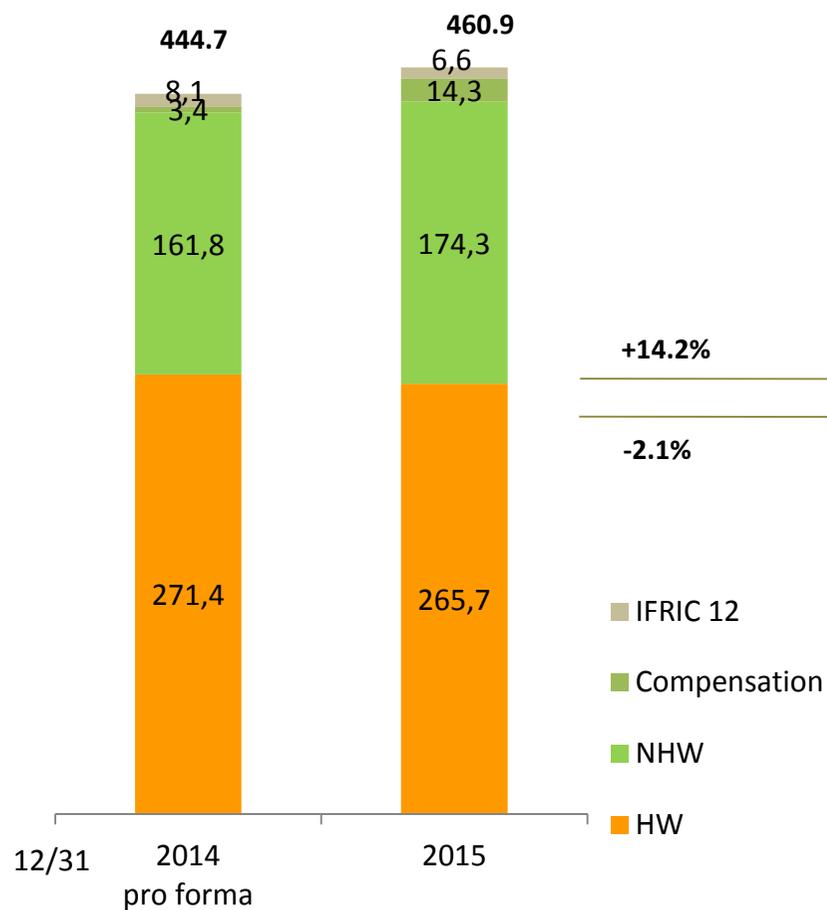
vs. €415.1m at 12/31/2014

- **At constant scope, growth stood at +3.6%**
- Industrial markets: Positive trends in treatment markets and strong momentum in Services (excluding Decontamination)
- Communities: Growth in material recovery businesses and sales effects in storage



## Insignificant divergent trends across divisions

Audited IFRS data in €m  
at constant exchange rates



NHW division: Revenue excl. IFRIC 12 of €188.6m

vs. €165.2m at 12/31/2014

- Excl. compensation for diverted waste, revenue went up +5.5%
- Positive trends in all businesses

+14.2%

HW division: Revenue of €265.7m

vs. €271.4 million at 12/31/2014.

- Scope effect (medical waste): +€1m. **At constant scope, revenue growth stood at -2.5%.**
- Waste treatment: Strong level of activity, particularly in incineration
- Eco-service: Effect from delays in project starts

-2.1%



## Change in EBITDA: +7.3% to 20.0% of contributed revenue

Audited IFRS data

At December 31 (€m)	2014 pro forma data			2015		
	Consolidated	France	Int'l	Consolidated	France	Int'l
Contributed revenue	433.2	411.7	21.5	440.0	416.6	23.4
EBITDA	82.1	80.2	2.0	88.1	85.9	2.2
<i>As a % of contributed revenue</i>	<i>18.8%</i>	<i>19.5%</i>	<i>9.1%</i>	<i>20.0%</i>	<i>20.6%</i>	<i>9.3%</i>

### France (98% of EBITDA)

Change in EBITDA:

- ✓ Organic growth: +€1.1m
- ✓ Mix effects: +€1.8m
- ✓ Other effects: +€2.9m

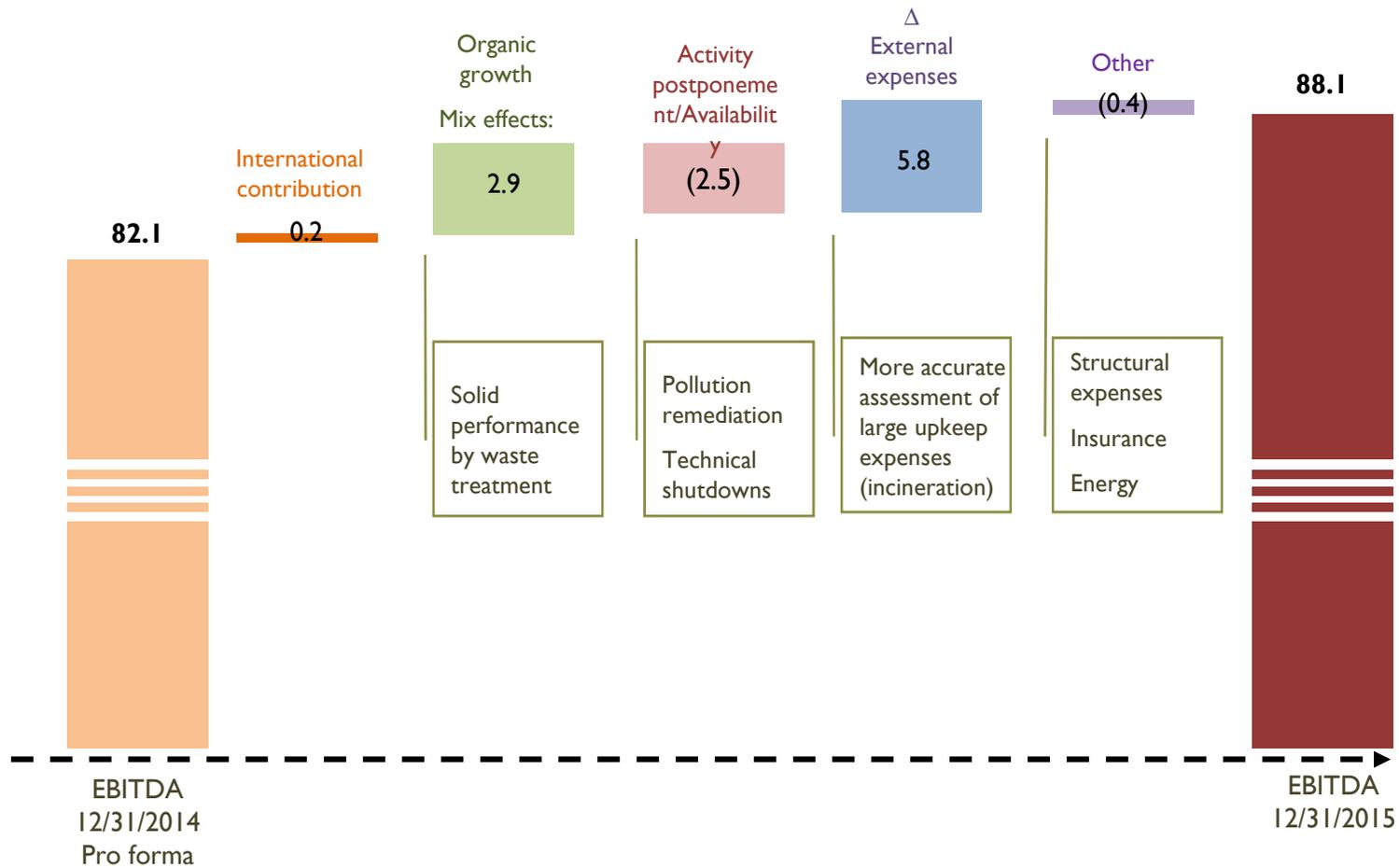
### International:

- ✓ Organic growth: +€0.2m



# Details of major changes

Audited IFRS data in €m





## Growth in current operating profitability

Revised IFRS data

At December 31	2014 pro forma data		2015		Gross change
	€m	% of contributed revenue	€m	% of contributed revenue	
Contributed revenue	433.2	100%	440.0	100%	+1.6%
EBITDA	82.1	18.8%	88.1	20.0%	+7.2%
Current operating income	35.6	8.2%	40.6	9.2%	+14.1%
Operating income	32.8	7.6%	38.5	8.8%	+17.4%

- COI at €40.6m, i.e. 9.2% of contributed revenue (vs. €35.6m, representing 8.2% of contributed revenue at 12/31/14):
  - Change in EBITDA: +€6.0m
  - Allocations to depreciation up €2.2m
  - Lower expenses for renovating sites and provisions for 30-year monitoring of landfill sites: One-time effect of €1.2m
- OI at 8.8% of contributed revenue (vs. 7.6% of contributed revenue at 12/31/14):
  - Increase in COI: +€4.8m
  - Elimination of extraordinary items from 2014 in the amount of €2.3m



## Financial income: Positive effects from refinancing

Audited IFRS data in €m

At December 31	2014 pro forma data	2015
Gross financial borrowing costs	(14.0)	(11.9)
Income from cash and cash equivalents	0.5	0.4
Other financial income and expenses	(0.5)	(0.7)
<b>Financial income</b>	<b>(14.0)</b>	<b>(12.1)</b>

### Reminder:

- Bond refinancing: May 2014
- Bank refinancing: May 2015

Substantial decrease in average debt cost to 3.86% (vs. 4.84% at 12/31/2014)

One-off early refinancing expenses: €1.2m (vs. €2.4m in 2014 under bond refinancing)



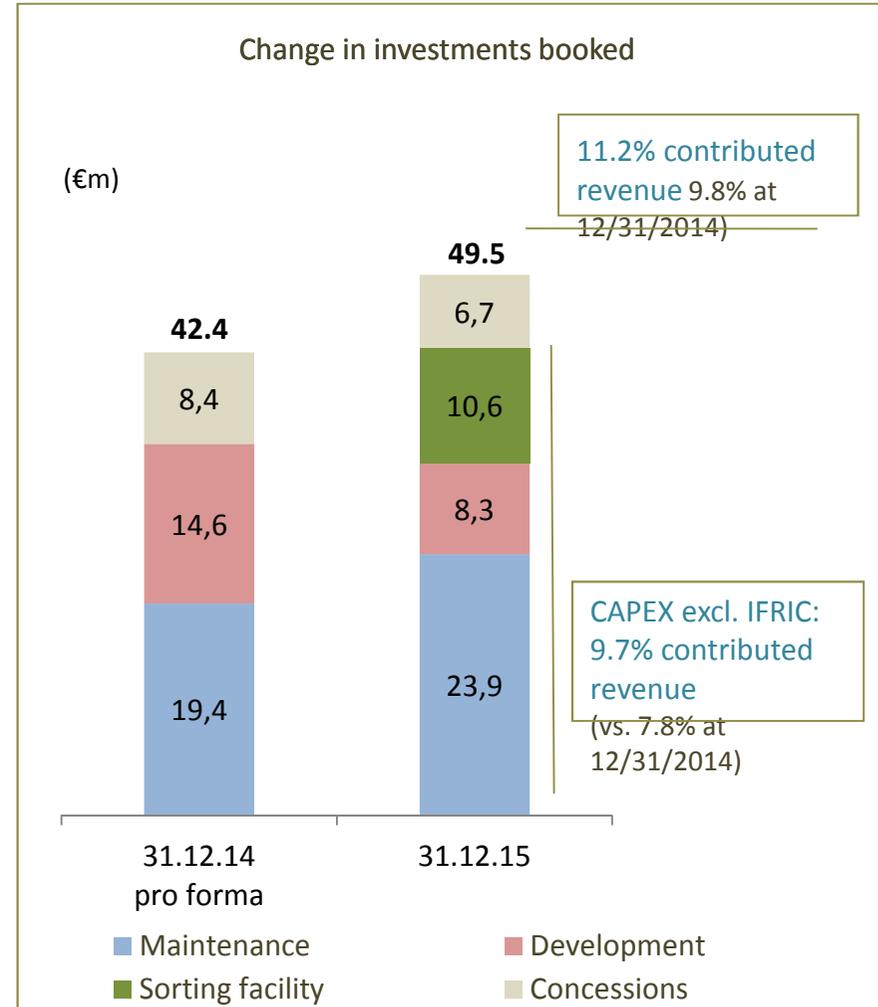
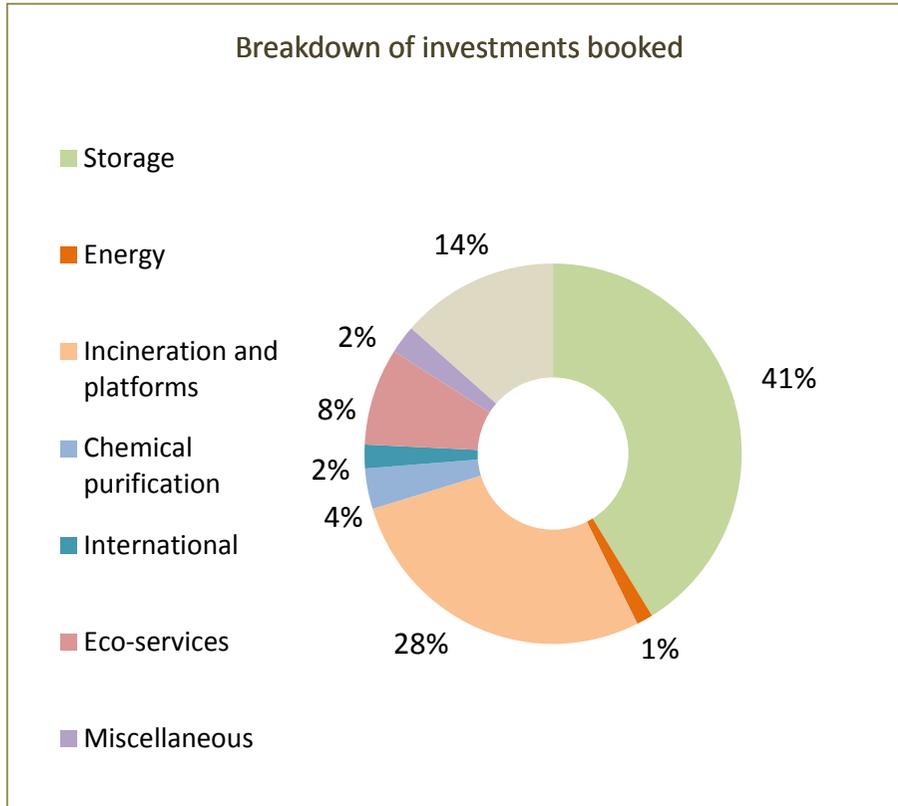
## Group net income up 72%

Audited IFRS data

At December 31	2014 pro forma data		2015		
	€m	% of contributed revenue	€m	% of contributed revenue	Gross change
Operating income	32.8	7.6%	38.5	8.8%	+17.4%
Financial income	(14.0)	-	(12.1)	-	-13.7%
Corporate tax	(7.1)	-	(8.5)	-	+19.5%
Net income of consolidated companies	11.7	2.7%	17.9	4.1%	+53.3%
Share of net income of affiliates	(1.3)	-	(0.7)	-	-
<b>Net income from ongoing activities</b>	<b>10.4</b>	<b>2.4%</b>	<b>17.3</b>	<b>4.1%</b>	<b>+66.6%</b>
Net income from discontinued operations	(0.6)	-	(0.4)	-	
Minority interests	(0.1)	-	-	-	
<b>Consolidated net income, Group share</b>	<b>9.8</b>	<b>2.3%</b>	<b>16.8</b>	<b>3.8%</b>	<b>+72.2%</b>



# Industrial investment under control



Industrial CAPEX booked: €49.5m of which IFRIC 12: €6.7M (vs. €42.4m at 12/31/2014 (pro forma) o/w IFRIC 12: €8.4m)

Net paid industrial CAPEX: €43.1m of which IFRIC 12: €7.0m (vs. €37.8m at 12/31/2014 (pro forma) o/w IFRIC 12: €12.7m)



## Operational cash flow hurt by changes in WCR

Audited IFRS data in €m

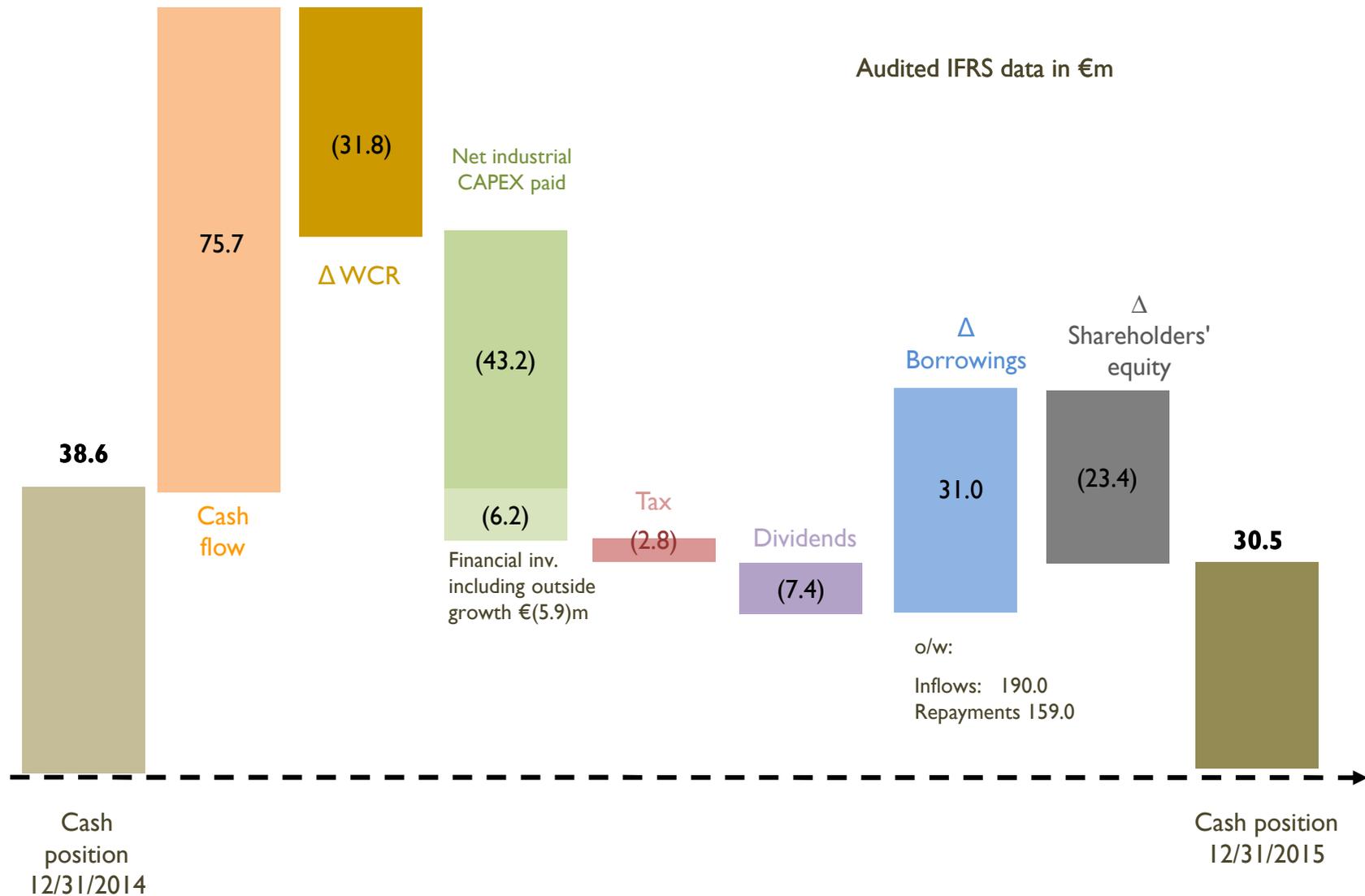
At December 31	2014 pro forma data	2015
<b>Cash flow before Tax and fin. costs</b>	<b>63.0</b>	<b>75.7</b>
Maintenance CAPEX	(14.2)	(18.7)
Change in WCR	(8.6)	(31.8)
Tax paid	(0.2)	(2.8)
<b>Gross operational cash flow</b>	<b>40.6</b>	<b>22.4</b>
Development CAPEX	(11.0)	(17.3)
<b>Net operational cash flow before concession investments*</b>	<b>29.6</b>	<b>5.1</b>

\* Reminder: Concession investments fully financed by non-recourse bank debt

- Cash flow: Growth in line with operating performance
- Change in WCR:
  - Change in recurring WCR: €(1.9)m
  - Change in other WCR in connection with Community contracts
- Tax paid: Growth in taxable income and the effect of the payment installment method

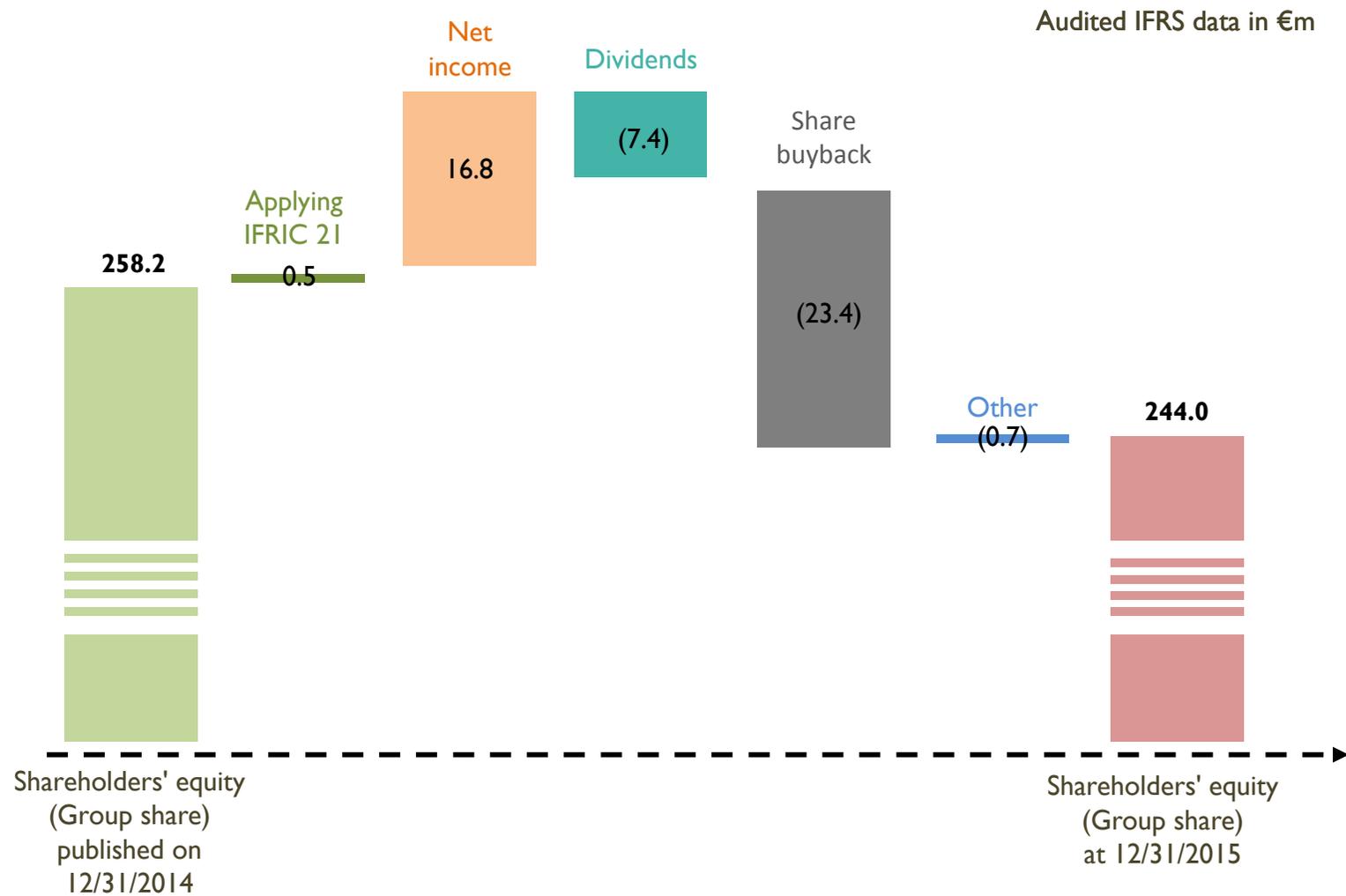


## Positive liquidity situation



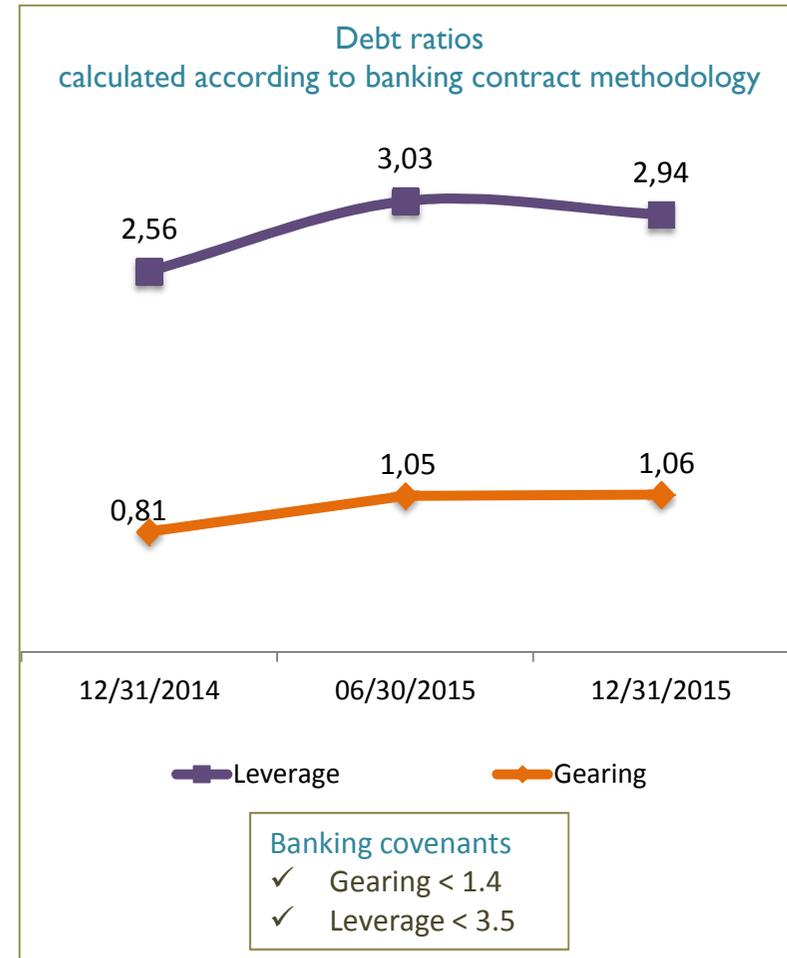
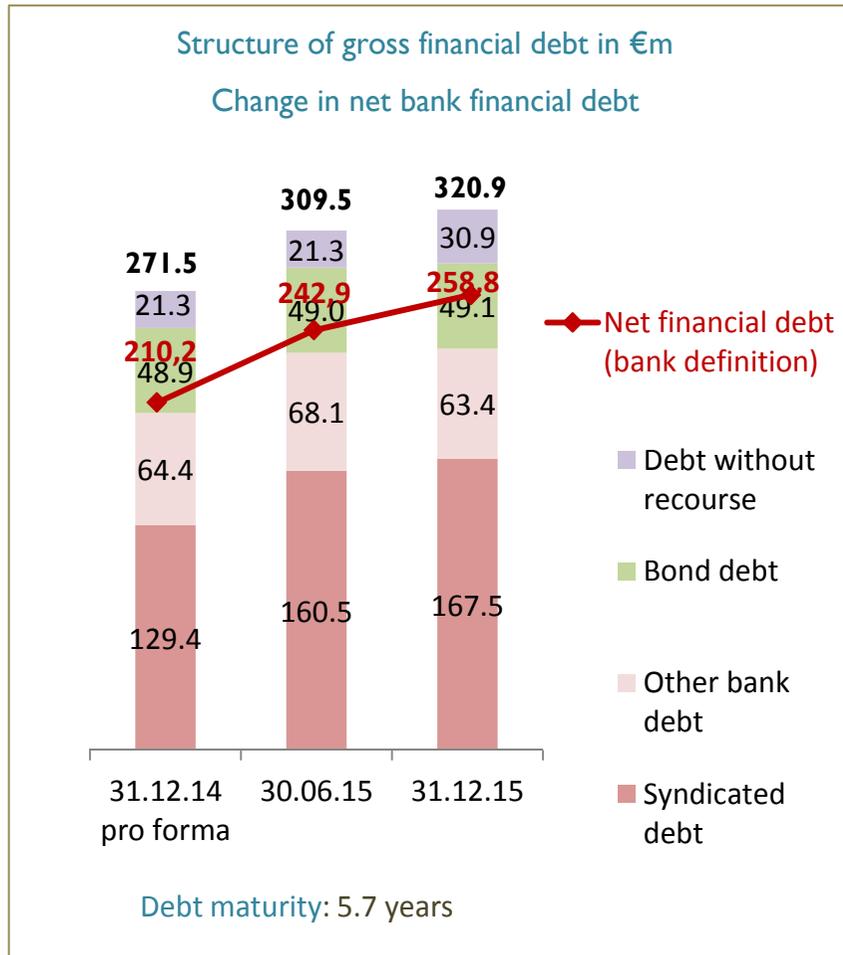


## Change in consolidated shareholders' equity: Effect of the share buyback





## Balance sheet ratios under control





## Solid model and favorable outlook

### Well-positioned in 2016:

- Slight growth in contributed revenue at constant scope
- Rate of COI (COI/contributed revenue) greater than or equal to 2015
- Industrial investment (excl. IFRIC) on the order of €50m (of which about €11m is for the LEN project)





# Questions Answers

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## APPENDIX DEFINITIONS

## Contributed revenue Application of the IFRIC 21 standard

Audited consolidated IFRS data in €m

At December 31	2014 reported	%	2014 pro forma data	%	2015	%
<b>Revenue (reported)</b>	<b>444.7</b>		<b>444.7</b>		<b>460.9</b>	
<i>IFRIC 12 revenue</i>	8.1		8.1		6.6	
<i>Compensation for diverted waste</i>	3.4		3.4		14.3	
<b>Contributed revenue</b>	<b>433.2</b>	<b>100%</b>	<b>433.2</b>	<b>100%</b>	<b>440.0</b>	<b>100%</b>
EBITDA	82.3	19.0%	82.1	19.0%	88.1	20.0%
Current operating income	35.7	8.2%	35.6	8.2%	40.6	9.2%
Operating income	32.9	7.6%	32.8	7.6%	38.5	8.8%

### Definitions:

- IFRIC 12 revenue: Investments made for disposed assets and booked as revenue in accordance with IFRIC 12.
- Compensation for diverted waste: Compensation collected by Sênerval, net of savings on variable fees collected to cover the costs incurred to ensure continuity of public service during asbestos removal.

### Pro forma 2014: IFRIC 21 retroactively applied to C3S 2014

- Impact on 2014 EBITDA: €(0.2)m
- Restatement of shareholders' equity: +€0.5m