ANNUAL REPORT
Report of the Board of Directors

2013

Séché environnement
Séché global solutions

REPORT OF THE BOARD
OF DIRECTORS 2013

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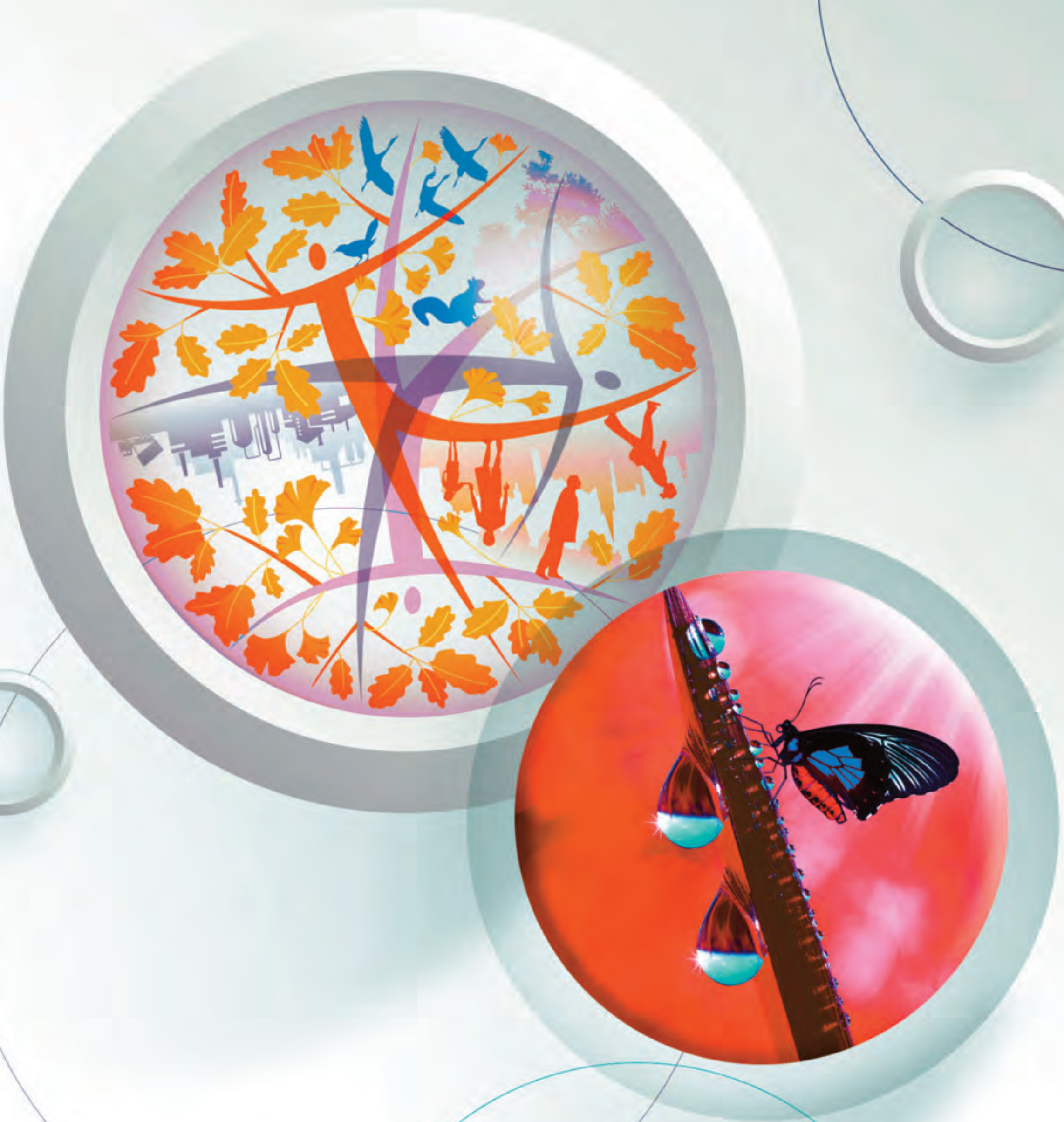


Chapter 1

Management report

1 Management report

1.1. Highlights of the period

1.1.1. Scope of consolidated companies

The year 2013 was marked, on the markets where Séché Environnement operates, by a macro-economic context which remained flat. Despite this, the Group returned strong sales performance, posting revenue growth of + 7.3% at constant consolidation scope and exchange rates (+ 5.7% not including the effects of revenue from investments in concessions).
This revenue growth was due to the sales successes achieved in 2011 and 2012 (eco-services contracts and the public service delegation contract for the management of the Nantes incinerator) and the acquisitions made in 2012 (Tree, Triadis Béziers).
However, it was also affected by changes in the mix of activities, notably the increasing share of eco-services, which led to an erosion of the Group's profitability potential.

At the same time, the Group was faced with technical difficulties on its incineration facilities, which led to high maintenance and disposal costs, as well as extra expenses related to the exceptionally heavy rainfall in the year.

These events did not enable Séché Environnement to post growth in operating profitability in line with its sales performance. However, costs were sufficiently controlled to enable the Group to achieve EBITDA from operations in line with the previous year, at EUR 78.6 million (17.7% of revenue), versus EUR 78.8 million (18.6% of revenue) in 2012.

Current operating income declined by EUR – 4.6 million. Despite the stability in EBITDA, the result was affected, on the one hand, by ESM (environmentally sound management) charges, following entry into the Group's activities of the Nantes-Alcéa operation, and on the other by an exceptional provision related to modifications to the conditions of the Pau incinerator contract, which penalized operating profitability by EUR – 2.8 million.

Consequently, net income from ongoing activities, although penalized by the fall in current operating income, did not suffer, as in 2012, from the negative effects of impairment of its interest in HIME and the tax risk concerning Valls Quimica, and came out at EUR + 12.6 million (against EUR – 82.8 million the year before).

On this consolidation scope the Group maintained a demanding level of investments (EUR 56.6 million), continuing to fulfill its commitments concerning investments in concessions (EUR 25.1 million over the period) and maintenance of its facilities, while pursuing its strategic objectives of developing capacity and waste treatment equipment, and ensuring that its financial structure remains sound.

1.1.2. Scope of discontinued operations

The suspension of the Group's activities in Hungary, and the persistent administrative difficulties encountered in our efforts to have the suspension lifted, led the Group to offer for sale its business in Hungary, and to depreciate by EUR – 2.4 million the net asset value of that business. Under the provisions of IFRS 5 on discontinued operations, this consequence of this decision is a reclassification of all such assets and liabilities in a single line at the foot of the balance sheet (assets and liabilities of discontinued operations) and of all components of income in a single line in the income statement (results of discontinued operations). For comparison purposes, and in compliance with IFRS 5, the financial statements for 2012 and 2011 have been restated in the same way.

1.1.3. Changes in scope

The Group opted for early application of IFRS 10, 11 and 12, which redefine the notion of control and methods of accounting for companies under joint control. Application of these standards has led the Group to change the consolidation method used for its subsidiaries Sogad and Gerep, which are henceforth consolidated by the equity method. The impact of this change in terms of operating income for the years 2012 and 2011 is not significant, therefore previously published financial data in respect of these companies has not been restated for comparability purposes.

Concerning affiliates, the following scope changes should be noted:

- on June 30, 2013, a conciliation protocol was signed between the shareholders of HIME and its creditor banks. Under the terms of this protocol, which was registered by the commercial court of Versailles on July 26, 2013, Séché Environnement agreed to sell for a symbolic sum its entire interest in HIME (stock and bonds). This sale took place on October 8, 2013. Since the Séché Group's entire interest in HIME was the subject of a provision in the 2012 accounts, this sale has no effect on the financial statements for 2013;
- on December 30, 2013, Séché Environnement sold its shareholding in SCI Noiseraie. This operation produced a capital gain of approximately EUR 36 000 which was booked under operating income;
- on October 17, 2013, Séché Environnement took part in the capital increase of Altergies, in line with its initial commitments.

This operation resulted in a strengthening of the Group's holding in Altergies, from 12.1% to 18.8%, which was booked as a relution gain under operating income.

1.2. Activity and results

Note: following the classification of Hungaropec as a non-current asset held for sale, and in compliance with the measures of IFRS 5 concerning discontinued operations, the result of this company – for 2013 as well as for 2012 and 2011, for comparison purposes – has been reclassified under net result of discontinued operations.

1.2.1. Activity in 2013

NB: Except where expressly stated otherwise, percentages are calculated after restatement of revenue concerning investments in concessions (IFRIC 12 revenue) [1].

In M€ Extracts from consolidated income statement	2011 restated	2012 restated	2013
Revenue	420.6	439.9	469.1
Of which revenue outside the scope of IFRIC 12	**419.2**	**423.0**	**444.0**
EBITDA (earnings before interest, tax, depreciation and amortization)	96.5	78.8	78.6
% of revenue	*23.0%*	*18.6%*	*17.7%*
Current operating income	56.9	37.3	32.7
% of revenue	*13.6%*	*8.8%*	*7.4%*
Operating income	54.7	28.9	31.8
Net financial income	8.5	(156.1)	(11.9)
Tax	(19.5)	54.0	(6.7)
Net income from consolidated companies	**43.8**	**(73.2)**	**13.1**
Share of income of affiliates	(28.3)	(9.6)	(0.6)
Net result of discontinued operations	0.3	NS	(3.8)
Total net income of consolidation scope	**15.7**	**(82.8)**	**8.7**
Minority interests	(0.2)	(0.4)	NS
Consolidated net income (Group share)	**15.9**	**(82.4)**	**8.7**

1.2.1.1. Revenue

Revenue generated by Séché Environnement in 2013 amounted to EUR 469.1 million compared with EUR 439.9 million in 2012 in restated data, an increase of + 6.6% on the year.

When restated to take account of revenue within the scope of IFRIC 12, growth in published revenue (EUR 444.0 million) comes out at + 5% compared with restated data for the previous year.

Reported revenue for 2013 includes a consolidation scope effect of EUR – 2.4 million resulting, on the one hand, from entry into the consolidation scope on October 1, 2013 of Tree (EUR + 3 million) and, on July 1, 2012,

(1) Revenue from investments in concessions (or IFRIC 12 revenue) corresponds to investments in assets under public service delegation contracts (concessions), booked as intangible fixed assets, and as revenue according to the recommendations of the IFRIC 12 standard.

of Triadis Béziers (EUR + 0.6 million) and on the other hand, from the application of IFRS 10, 11 and 12 to Sogad (EUR – 2.2 million) and Gerep (EUR – 3.8 million) as of January 1, 2013. On a constant consolidation scope basis, the same revenue for 2013 came out at 440.4 million (versus EUR 417 million in 2012), attesting to external growth of EUR 23.4 million (+ 5.6%). Taking account of a foreign exchange effect of EUR – 0.3 million, external growth came out, on a constant scope basis and at constant exchange rates, at + 5.7%. This growth was sustained by developments in eco-services and logistics platform activities in a listless macro-economic environment.

1.2.1.1.1. Breakdown of revenue by division

Breakdown of revenue	2011 restated		2012 restated		2013	
Activity	M€	%	M€	%	M€	%
HW treatment	266.5	*63.4%*	267.6	*60.8%*	274.9	*58.6%*
NHW treatment (outside the scope of IFRIC 12)	152.7	*36.3%*	155.2	*35.3%*	169.1	*36.1%*
Total revenue outside the scope of IFRIC 12	**419.2**	***99.7%***	**423.0**	***96.1%***	**444.0**	***94.7%***
Revenue under IFRIC 12	1.4	*0.3%*	16.9	*3.9%*	25.1	*5.3%*
Consolidated revenue	**420.6**	***100.0%***	**439.9**	***100.0%***	**469.1**	***100.0%***
Of which energy	*21.1*	*5.0%*	*22.9*	*5.2%*	*25.5*	*5.4%*

In the hazardous waste (HW) treatment activity, revenue increased by + 4.3% (+ 5.73% on a constant consolidation scope and constant exchange rate basis). This activity benefited from the development of eco-services on depollution markets, and from strong performance in materials recovery and logistics platforms.

The non-hazardous waste (NHW) activity (not including revenues from investments in concessions) posted revenue growth of + 6.1% (+ 5.73% on a constant consolidation scope and constant exchange rate basis). Storage activities were faced with a reduction in volumes of waste stored, while depollution activities were affected by an unfavorable base because of spot contracts in 2012. Nevertheless, the activity posted satisfactory external growth, sustained by strong new business gains in 2012 (Nantes, Alcéa and Scherwiller).

1.2.1.1.2. Breakdown of revenue by region

Breakdown of revenue	2011 restated		2012 restated		2013	
By region	M€	%	M€	%	M€	%
Subsidiaries in France	399.3	*94%*	415.7	*94%*	447.7	*95%*
International subsidiaries	21.3	*6%*	24.2	*6%*	21.4	*5%*
Total	**420.6**	***100%***	**439.9**	***100%***	**469.1**	***100%***

The activities of the Group's international subsidiaries are, in Spain, solvent regeneration; in Germany, gas treatment and, in Latin America, pre-treatment activities which help generate business for PCB treatment facilities in France.

Over the year, the businesses of the Group's international subsidiaries showed a decline of – 11.8%, principally because of a very favorable period in Latin America in 2012 (spot contracts).

1.2.1.2. EBITDA (earnings before interest, tax, depreciation and amortization)

The Group's EBITDA for the year 2013 came out at EUR 78.6 million, versus EUR 78.8 million in 2012 (restated), a decrease of EUR – 0.2 million.

This variation in EBITDA is essentially explained by:

- consolidation scope and foreign exchange effects EUR + 0.6 M
- in the international scope, margins foregone in connection with the non-renewal of spot contracts in South America EUR – 1.1 M
- in the France scope:
  - margins achieved through organic growth (constant scope) EUR + 4.8 M
  - changes in the mix of activities EUR – 3.5 M
  - isolated and/or exogenous effects EUR – 1 M.

Isolated and/or exogenous effects include favorable effects such as the non-recurrence in 2013 of isolated events in 2012 (EUR + 2.6 million) and the French tax credit for competitiveness and employment (CICE) (EUR + 1.6 million). However, they also include penalizing effects such as delays in plant availability at Sénerval (EUR – 2.5 million) and exceptional rainfall in Western France which affected storage sites (EUR – 2.7 million).

1.2.1.3. Current operating income

Operating profitability at the end of 2013 amounted to EUR 32.7 million (7.4% of revenue), versus EUR 37.3 million (8.8% of revenue) at the end of 2012. In a context of almost stable EBITDA, this decline of EUR 4.6 million is mainly attributable to:

- increases in ESM and site rehabilitation costs (an impact on current operating income of EUR – 1.8 million related to the entry into scope of Tree and the taking over by Alcéa of the public service delegation contract for the Nantes incinerator in October 2012;
- the impact of the unexpected change in conditions of contract for the Pau incinerator, consequent on the local authority's demand for application of the "Olivet" ruling by the Conseil d'Etat dated April 8, 2009 (reducing the duration of the contract) and on changes in the method of apportioning ESM costs, leading to an impact on current operating income of EUR – 2.8 million. Had it not been for this latter item, current operating income would have amounted to EUR 35 million (8.0% of revenue).

The French operations consolidation scope contributed approximately 97% of the Group's total current operating income, with current operating income from French operations of EUR 31.6 million, or 7.5% of the revenue generated in this consolidation scope (versus 8.8% in 2012, at EUR 34.9 million).

The international operations consolidation scope made a positive contribution of EUR 1.0 million, representing 4.8% of revenue, a decrease compared with 2012 (EUR 2.3 million in restated data) as a result of the spot contracts in Latin America in 2012, an activity which did not recur in 2013.

1.2.1.4. Operating income

The Group's operating income amounted to EUR 31.8 million (7.2 % of revenue). In 2012 operating income came to EUR 28.9 million (in restated data), including a risk provision for tax litigation in Spain. This provision had a negative impact on operating income of EUR – 6.8 million.

Not including this exceptional provision, the change in operating income over 2012 would have amounted to EUR – 3.9 million, broadly in line with the change in current operating income.

1.2.1.5. Net financial income

Net financial income for 2013 came out at EUR – 11.9 million, compared with EUR – 156.0 million in 2012, a decrease of EUR – 164.3 million. The financial result for 2012 was impacted by the depreciation by EUR – 145.5 million (net) of the Group's stake in HIME. Not counting this item, net financial income for 2012 would have amounted to EUR 10.5 million.

On this comparative basis for 2012, Group net financial income shows a variance of EUR – 1.4 million, originating in an increase of average indebtedness, the average cost of debt in 2013 being slightly lower than in the previous year (5.1% in 2013 versus 5.17% in 2012).

1.2.1.6. Corporation tax

In 2012, as a result of the depreciation of the Group's holdings in HIME, the Group posted net tax income of EUR + 54 million, of which EUR + 63.3 million were attributable solely to the depreciation of the Group's holdings in HIME. Without the latter effect, Séché Environnement would have posted a net tax charge of EUR – 9.5 million.

In 2013 the net tax charge booked by the Group amounted to EUR – 6.7 million. The change in tax charge compared with 2012, a reduction of the charge of EUR – 2.8 million, is in line with the change in operating profitability.

1.2.1.7. Net income of consolidated companies

As a result of the elements mentioned above, net income from consolidated companies amounted in 2013 to EUR 13.1 million, an apparent increase of EUR + 86.3 million over the net income from consolidated companies achieved in 2012 (EUR – 73.2 million in restated data).

Not counting the effects of the provisioning of the Group's investments in HIME (EUR – 145.5 million in net financial income, EUR + 63.3 million in tax charge), net income from consolidated companies in 2012 would have amounted to EUR 9.0 million. The Group would then have seen a rise in its net income from consolidated companies of EUR + 4.1 million (+ 45.6%).

1.2.1.8. Share of income of affiliates

The Group's share in income from affiliates was impacted, on the one hand, by the departure from the Group of HIME (and the exclusion of that company from the Group's financial statements from July 1, 2012) and, on the other hand, by the early adoption of the standards package IFRS 10, 11 and 12 on January 1, 2013, one consequence of which was to consider Gerep and Sogad henceforth as affiliates. Income from affiliates recorded in the Group's consolidated financial statements breaks down as follows:

In M€	2011		2012		2013
	HIME	Others	HIME	Others	
Current operating income	64.6	0.4	20.3	(0.3)	(1.1)
Net financial income	(139.1)	(0.1)	(69.0)	0.2	(0.1)
Tax	(9.3)	NS	5.5	NS	NS
Net income of affiliates (Group share)	(86.1)	0.3	(29.1)	(0.1)	(1.3)
Share of net income of affiliates	(28.4)	0.1	(9.6)	NS	(0.6)
Total share of net income of affiliates	(28.3)		(9.6)		(0.6)

In 2011 and 2012, the "other" affiliates were La Barre Thomas, SCI Noiseraie, Altergies and Transval. From 2013 onward, they also include Gerep and Sogad.

1.2.1.9. Consolidated net income, Group share

By reason of changes in the French simplified tax regime (RSI) on the one hand, and changes in the Group's share of net income of consolidated companies on the other, the Séché Group recorded net income from ongoing operations for the year 2013 of EUR 12.6 million, compared with a net loss in 2012 of EUR – 82.9 million.

As a consequence of the Group's discontinuing its operations in Hungary, the result of these activities is recorded on a separate line of the income statement. In 2013, in connection with this suspension of activities, a net loss of EUR – 1.4 million was recognized, and an asset impairment of EUR – 2.4 million was recorded.

As a result, total net income of companies within the consolidation scope came out in 2013 at EUR 8.7 million, compared with EUR – 82.8 million in 2012 (of which the Group's share was EUR – 82.4 million).

1.2.2. Cash flow

After a return to stability in 2012, the Group's cash flow movements were again positive in 2013, resulting in a positive net cash variation of EUR + 5.6 million.

The cash-flow position of the Séché Group can be summarized as follows:

In M€	Dec. 31, 2011 restated	Dec. 31, 2012 restated	Dec. 31, 2013
Cash flow from operating activities	73.6	52.3	76.2
Cash flow from investment activities	(49.6)	(57.9)	(56.1)
Cash flow from financing activities	(42.8)	4.3	(14.3)
Change in cash flow, ongoing operations	**(18.8)**	**(1.3)**	**5.8**
Change in cash flow, discontinued operations	NS	(0.1)	(0.2)
Change in cash flow	**(18.7)**	**(1.4)**	**5.6**

1.2.2.1. Net cash from operations

Over the period, cash flow generated by the Séché Group's operating activities amounted to EUR 76.2 million (compared with EUR 52.3 million in 2012), an increase of EUR + 23.9 million. This change was due to the combined effects of:

- net tax income of EUR + 11.1 million in 2013, versus a net tax charge in 2012 of EUR – 10.6 million, amounting to a positive variation of this line of EUR + 21 million. This is explained by the time difference between recognizing expenses and making payments under the advance payments method;
- a decline in cash flow generated by operations of EUR – 0.7 million, related to variations in operating income before non-cash charges;
- changes in WCR (a negative variation of EUR – 0.9 million, representing an improvement of EUR + 3 million compared with the variation recorded in 2012).

1.2.2.2. Net cash paid out for investments

In M€	Dec. 31, 2011 restated	Dec. 31, 2012 restated	Dec. 31, 2013
Capital expenditures	48.9	49.0	56.6
Financial investments	0.1	0.5	1.0
Investments booked (1)	**49.0**	**49.5**	**57.4**
Capital expenditures	49.4	40.9	54.9
Financial investments	0.1	0.7	1.1
Acquisition of subsidiaries – net cash cost (2)	0.2	16.3	0.1
Net investments paid out	**49.7**	**57.9**	**56.1**

(1) Excluding financial lease agreements.

(2) The acquisition of Tree on October 1, 2012 represented net cash outflow for the Group of EUR 16.3 million.

Capital expenditures booked by the Séché Group in 2013 amounted to EUR 56.6 million. They concerned:

- investments in concessions within the framework of the Group's public service delegation contracts (EUR 25.4 million);
- development investments for a total of EUR 10.4 million (including EUR 5.6 million for materials recovery equipment, EUR 1.1 million for logistics platforms, and EUR 1.0 million for capacity development and specific adaptations of thermal treatment equipment);
- recurrent investments of EUR 20.8 million, of which EUR 5.6 million for the acquisition of land and the building of storage cells, EUR 1.6 million for regulatory and safety investments, EUR 2.6 million for utility and other vehicles, and EUR 10.9 million for maintenance investments (of which EUR 4.5 million for incineration facilities, EUR 3.0 million for storage facilities, EUR 1.0 million for IT projects and EUR 2.4 million for other activities).

Of the EUR 56.6 million booked for capital expenditure investments, EUR 15.9 million concerned investments currently in progress, mainly storage cells (self-financed) and investments in concessions under public service delegation contracts which have not yet entered service (externally financed).

Concerning future investments, the management of the group has not entered into any firm commitment, except for investments in concessions under public service delegation contracts, which are almost always financed by bank borrowings.
The total value of investments expected to be made in this way in the next two years is around EUR 23 million.

In 2012, capital expenditures booked by the Séché Group amounted to EUR 49.9 million. They concerned:

- investments in concessions within the framework of the Group's public service delegation contracts (EUR 17.2 million);
- development investments for a total of EUR 8.3 million (including EUR 3.3 million for a logistics platform, EUR 2 million for materials recovery equipment, and EUR 1.3 million for specific equipment);
- recurrent investments of EUR 24.5 million, of which EUR 7.0 million for the acquisition of land and the building of storage cells, EUR 3.0 million for regulatory and safety investments, EUR 3.6 million for utility and other vehicles, and EUR 8.8 million for maintenance investments (of which EUR 5.9 million for incineration facilities and EUR 2.9 million for other activities).

In 2011, capital expenditures booked by the Séché Group amounted to EUR 49.8 million. They concerned:

- recurrent investments of EUR 24.7 million, of which EUR 10.0 million for the acquisition of land and storage cells, EUR 1.2 million for regulatory and safety investments, EUR 3.8 million for utility and other vehicles, and EUR 9.7 million for maintenance investments (of which EUR 4.2 million for incineration equipment, EUR 4.5 million for other activities and EUR 1 million for information systems);
- development investments for a total of EUR 25 million (including EUR 9.2 million for materials recovery equipment, EUR 4.9 million for solar energy equipment and EUR 3.0 million for a logistics platform).

The Group’s capacity to finance itself its investments (excluding investments in concessions under public service delegation contracts, which are entirely financed by bank borrowings) is presented below:

Cash flow and investments booked

In M€	Dec. 31, 2011 restated	Dec. 31, 2012 restated	Dec. 31, 2013
Cash flow (before taxes and financial expenses) (A)	86.6	66.7	66.0
Capital expenditures (B)	**48.9**	**49.0**	**56.6**
HW	*37%*	*35%*	*24%*
NHW (excluding investments in concessions)	*60%*	*30%*	*31%*
Investments in concessions	*3%*	*35%*	*45%*
(A)/(B)	*177%*	*136%*	*117%*
Financial investments (C)	**0.1**	**0.4**	**1.0**

Investments in concessions under public service delegation contracts are financed by specific back-to-back credit lines.

1.2.2.3. Net cash from financing activities

The Group's financing flows are those arise from its debt (new borrowings, loan repayments, interest payments) and from shareholder remuneration in the form of dividends.

In 2013, the Group subscribed to new loans in the amount of EUR 32.4 million, of which EUR 25 million for investments in concessions under public service delegation contracts.

The table below presents changes in net debt over the last three financial years.

In M€	Dec. 31, 2011 restated	Dec. 31, 2012 restated	Dec. 31, 2013
Non-current financial debt	43.7	218.2	222.6
Current financial debt	172.9	28.0	30.8
Cash and cash equivalents	(24.1)	(22.6)	(28.0)
Net financial debt	**192.5**	**223.6**	**225.4**
Net debt to banks (1)	**190.9**	**221.4**	**223.9**

(1) Calculated under the terms of the banking contract, which exclude certain lines of financial debt from the definition of debt.

At December 31, 2013, 82% of gross financial debt (versus 88% in 2012) was hedged at fixed rates.

1.2.3. Balance sheet structure

In M€ Extract from consolidated balance sheet	Dec. 31, 2011 restated	Dec. 31, 2012 restated	Dec. 31, 2013
Non-current assets	567	487	504
Current assets (excluding cash and cash equivalents)	147	173	172
Cash and cash equivalents	24	23	28
Assets held for sale	5	4	1
Shareholders' equity (including minority interests)	356	257	257
Non-current liabilities	51	226	235
Current liabilities	333	202	211
Liabilities held for sale	1	1	1

1.2.3.1. Non-current assets

Non-current assets primarily consist of fixed assets (tangible and intangible – including goodwill – and financial) and deferred tax assets.

The change from December 31, 2012 (restated data) to December 31, 2013 of EUR + 17 million was primarily attributable to:

- capital expenditures of the period (EUR + 56.6 million), plus the reclassification as intangible fixed assets of fees for the Le Vigeant site (EUR + 4.3 million), net of disinvestments (EUR – 0.6 million) and amortization (EUR – 32.3 million);
- the impact of the change of consolidation method applied to Gerep and Sogad (+ EUR 0.3 million);
- variances in non-current deferred tax credits of EUR – 8.0 million (corporation tax and deferred taxes).

1.2.3.2. Current assets (excluding cash and cash equivalents)

Current assets excluding cash and cash equivalents remained virtually unchanged over the period, at EUR 172 million.

1.2.3.3. Shareholders' equity

Changes in shareholders' equity (Group share) over the period break down as follows:

In M€	Group	Minority interests
Shareholders' equity at January 1, 2013	**256.2**	**0.4**
Dividends paid	(8.1)	-
Net earnings (Group share)	8.7	NS
Foreign currency differences	(0.4)	-
Hedging instruments	1.2	-
Actuarial differences	(0.4)	-
Fair value of assets available for sale	(0.2)	-
Treasury stock	(0.1)	-
Changes in scope	-	(0.3)
Other changes	(0.1)	-
Shareholders' equity at December 31, 2013	**256.9**	**0.1**

1.2.3.4. Current and non-current liabilities

Current liabilities represent all liabilities with a maturity of less than one year.

Non-current liabilities represent all liabilities with a maturity of more than one year. They break down as follows:

In M€	2011 restated NC	2011 restated C	2011 restated Total	2012 restated NC	2012 restated C	2012 restated Total	2013 NC	2013 C	2013 Total
Financial debt	43.7	172.9	**216.6**	218.2	28.0	**246.2**	222.6	30.8	**253.4**
Hedging instruments	3.5	0.3	**3.8**	3.3	0.7	**4.0**	1.8	0.2	**2.0**
Provisions	3.5	24.8	**28.3**	4.8	9.9	**14.7**	7.9	8.8	**16.7**
Other liabilities	0.2	135.0	**135.2**	0.2	162.1	**162.3**	2.9	171.4	**174.3**
Tax due	-	0.2	**0.2**	-	0.9	**0.9**	-	0.3	**0.3**
Total	**50.9**	**333.2**	**384.1**	**226.5**	**201.6**	**428.1**	**235.2**	**211.5**	**446.7**

Current and non-current liabilities amounted to EUR 446.7 million, an increase of EUR + 18.6 million. This increase principally reflects the increase in financial debt (EUR + 7.2 million), and the increase in current operational debt (EUR + 11.4 million).

Changes in the Group's net financial debt break down as follows:

In M€	2011 restated	2012 restated	2013
Bank loans	197.6	205.4	216.4
Bonds issued	-	22.7	22.9
Lease finance debt	17.3	15.9	12.1
Miscellaneous financial debt	0.3	0.9	0.8
Short-term bank borrowings	0.7	0.5	0.5
Equity investments	0.7	0.8	0.7
Total financial debt (current and non-current)	**216.6**	**246.2**	**253.4**
Cash and cash equivalents	(24.1)	(22.6)	(28.0)
Net financial debt	**192.5**	**223.6**	**225.4**
Of which less than one year (1)	*148.8*	*5.4*	*2.8*
Of which more than one year	*43.7*	*218.2*	*222.6*

(1) Cash and cash equivalent liabilities are considered to be of maturity less than one year.

The Group's net financial debt remained virtually stable, and amounted to EUR 225.4 million at December 31, 2013, compared with EUR 223.6 million at December 31, 2012. Over the period the Group made use of the EUR + 25 million of financing lines put in place for investments in concessions under public service delegation contracts, and arranged new credit lines in the amount of EUR 7.4 million back-to-back with these investments.

1.3. Group structure

1.3.1. Parent company: Séché Environnement SA

In K€	Dec. 31, 2011	Dec. 31, 2012	Dec. 31, 2013	Change
Revenue	12 989	12 690	13 578	888
Operating income	1 276	(9 832)	1 790	11 622
Net financial income	41 467	(317 317)	(19 587)	297 730
Extraordinary items	614	(2 201)	(17 145)	(14 944)
Corporation tax (including tax consolidation)	(1 718)	10 807	10 741	(66)
Net income	**41 638**	**(318 543)**	**(24 201)**	**294 342**

Séché Environnement SA posted a net loss for 2013 of EUR – 24.2 million, versus a net loss of EUR – 318.5 million in 2012, a year in which Séché Environnement SA had recognized a total charge of EUR – 305.1 million in respect of the impairment of the entire HIME project. Aside from this exceptional item, the net income of Séché Environnement SA in 2012 would have been EUR – 13.4 million. On a like-for-like basis, the 2013 result represents a decline of EUR – 10.7 million, principally due to variances in provisions for Trédi stock (EUR 43.3 million in 2013; EUR 31.3 million in 2012).

In compliance with the measures prescribed in the French Economic Modernization Act, the following table provides information on payment terms for supplier accounts at December 31:

In K€	Accounts payable (1)	Overdue	30 days	60 days	> 60 days
Dec. 31, 2013	829.5	-	698.5	130.9	-
Dec. 31, 2012	1 775.9	285.0	817.7	401.4	271.7
Dec. 31, 2011	1 117.7	66.8	745.9	305.0	-

(1) Excluding suppliers of financial fixed assets corresponding to non-paid-up capital on investment funds or mutual funds.

On average, in 2013, suppliers (excluding suppliers of financial fixed assets) were paid within 19 days, versus 39 days in 2012 and 32 days in 2011.

1.3.2. Subsidiaries and holdings

In the course of the year 2013, Séché Environnement:

- sold for a symbolic sum its entire interest in HIME (stock and bonds). This sale has no effect on the Group's income, since its entire interest in HIME was provisioned in the 2012 accounts;
- merged Tree into Séché Éco-industries. Since both subsidiaries were held 100% by Séché Environnement, this merger has no effect on the financial statements of the parent company;
- sold its holding in SCI Noiseraie, generating net proceeds of disposal of some EUR 36 000;
- took part in the capital increase of Altergies, in line with its initial commitments, taking the Group's holding in Altergies to 18.84% (versus 12.1% previously). This operation was booked as a relution gain of approximately EUR 73 000.

1.3.3. Research and development expenses

The Group regularly commits funds to its research and development efforts to improve its tools and processes, with a view to:

- responding to its customers' demands, which are of an increasingly technical nature, by elaborating innovative solutions;
- controlling consumption of inputs and reducing waste outputs related to its activities, by, for example, recycling solvents, researching substitutes for carbon-based materials used in metallurgical processes, and researching processes for the treatment of fluorides;
- offering innovative technologies able to anticipate future needs, such as, for example, a project looking for ways of storing renewable energy produced, to be able to release it for later use at times of high energy demand..

For many of these development projects, which have not yet reached the maturity necessary for them to find industrial application in the short term, the Group has benefited from tax credits for research projects for a cumulative total since 2009 of EUR 1.7 million, which break down annually as follows:

In M€	
Dec. 31, 2013	0.3
Dec. 31, 2012	0.5
Dec. 31, 2011	0.3
Dec. 31, 2010	0.4
Dec. 31, 2009	0.2

No research and development expenses have been recognized as assets in the Group's financial statements.

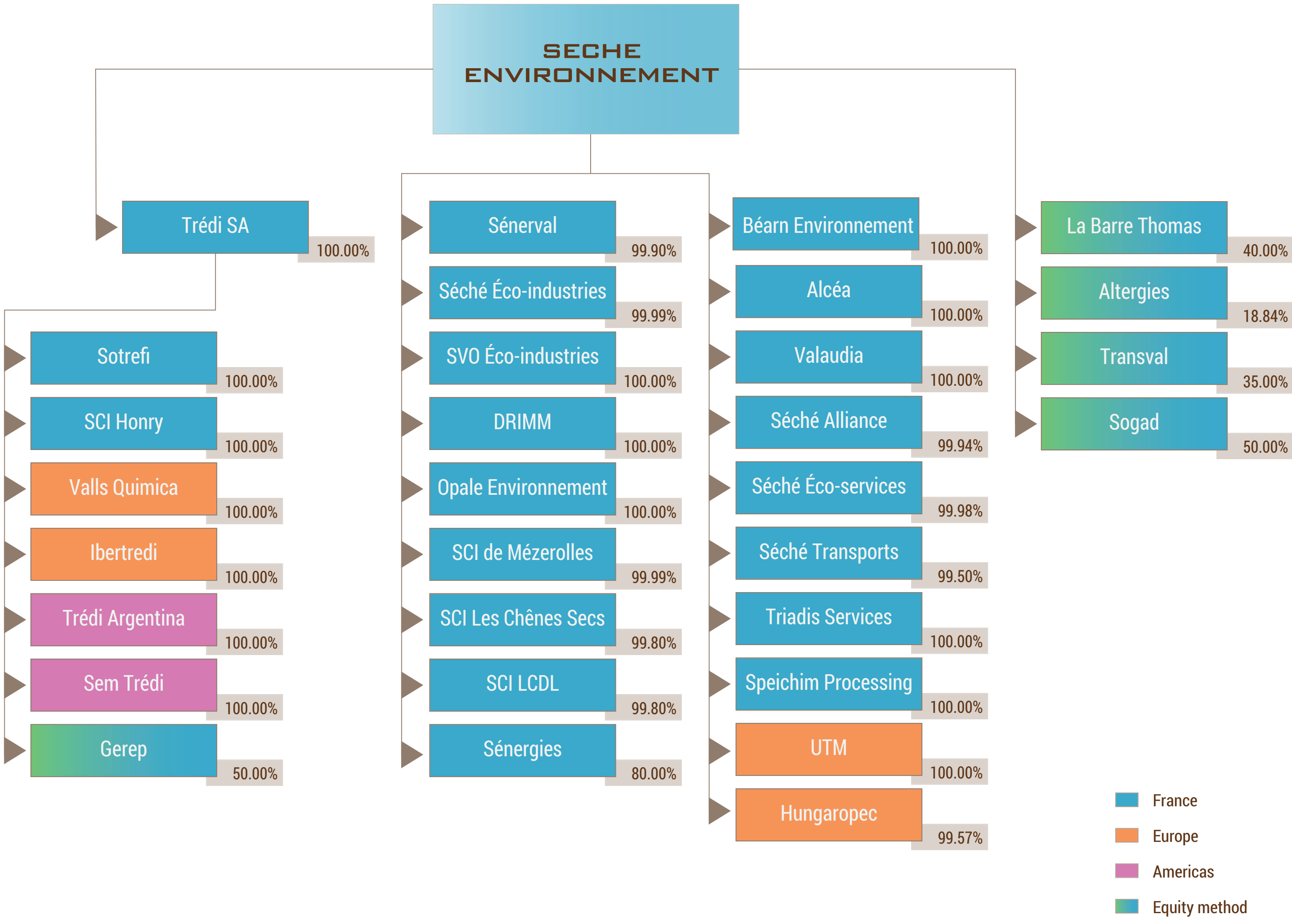
1.3.4. Subsidies

In connection with the expansion of its waste treatment activities, the Group may receive investment or operating subsidies. The total of such subsidies attributed to the Group were:

- in 2013: EUR 3.1 million;
- in 2012: EUR 4.2 million.

1.3.5. Organization Chart

(in % held)



1.4. Financial risk management

The financial risks to which the Group is exposed through its activities are managed centrally at the level of the Group Finance Department. The management and consolidation reporting process makes it possible to identify any potential non-compliance and to implement any necessary corrective action.

Information concerning the appraisal of these risks and methods for managing them, and more generally the information required by IFRS 7, is compiled and presented in Note 18 onward in the notes to the balance sheet in the consolidated financial statements.

1.5. Key events since the closing of accounts

At the time the present management report was drafted, the Group was not aware of any significant event occurring after the closing likely to have a significant impact on the Group's assets, financial position or operating income.

As far as the Company is aware, there were no legal disputes, arbitration or exceptional events occurring after the closing liable to have, or to have had in the recent past, a significant effect on the financial position, earnings, activity or assets of the Company or the Group.

1.6. Outlook for 2014

Séché Environnement specializes in the recovery and treatment of waste products, notably hazardous industrial waste, and intervenes on high value-added markets where barriers to entry are also high.

In a lackluster economic environment, and in a context in which industrial production still lacks dynamism, particularly in France where over 95% of Group sales originate, Séché Environnement will rely on the strength of the recurrent services it provides to industrial customers and local authorities, and will place particular emphasis on improving the profitability of its tools.

The reduction of mix effects (especially with the stabilization of the contribution of PCB markets), the ramping up of newly introduced tools, and in particular the full contribution of Strasbourg-Sénerval and its new urban heating network, are all factors which should enable the Group to continue to progressively improve its profitability from a starting point in the second half of 2013.

The Group envisages capital expenditures in 2014 of the order of EUR 60 million, of which EUR 20 million will be in investments in concessions under public service delegation contracts.

Improvements in operating profitability, together with a return to more normal levels of capital expenditure, should enable the Group to reduce its indebtedness from 2015 onward, tending toward a leverage of around 2.5 times EBITDA in 2016.

1.7. Stakeholders

1.7.1. Share ownership and changes in share capital

1.7.1.1. Breakdown of share capital

At December 31, 2013, share capital amounted to EUR 1 726 974, divided into 8 634 870 shares of par value EUR 0.20 each, fully paid up and fully negotiable.

Operation	Number of new shares	Total number of outstanding shares	Nominal value of share	Nominal amount of capital increase: By contribution in cash or kind	Nominal amount of capital increase: By incorporation of reserves	Additional paid-in capital	Subsequent amount of capital
Feb. 17, 1997							
Share split	-	50 000	100 FRF	-	-	-	5 000 000 FRF
October 8, 1997							
Share split	-	5 000 000	1 FRF	-	-	-	5 000 000 FRF
November 27, 1997							
Capital increase	400 000	5 400 000	1 FRF	400 000 FRF	-	73 600 000 FRF	5 400 000 FRF
December 19, 1997							
Capital increase	5 000	5 405 000	1 FRF	5 000 FRF	-	735 000 FF	5 405 000 FRF
April 26, 2001							
Conversion of capital into EUR	-	5 405 000	0.20 €		257 013,06 €	-	1 081 000 €
October 1, 2001							
Capital increase (1)	160 405	5 565 405	0.20 €	32 081 €	-	10 795 257 €	1 113 081 €
July 5, 2002							
Capital increase (2)	2 473 057	8 038 462	0.20 €	494 611 €	-	19 902 780 €	1 607 692 €
December 12, 2006							
Issuance of 596 408 share subscription warrants	-	-	-	-	-	10 908 302 €	1 607 692 €
April 24, 2007							
Capital increase (3)	596 408	8 634 870	0.20 €	119 282 €	-	74 717 994 €	1 726 974 €

(1) Payment for Alcor stock tendered to the Company.
(2) Payment for Trédi stock tendered to the Company.
(3) Exercise of 596 408 share subscription warrants by CDC.

1.7.1.2. Share ownership and voting rights

Share ownership at Dec. 31, 2013	Number of shares	%	Voting rights (4)	%
Joël Séché	1 702 400	19.72%	3 404 800	32.49%
Amarosa family trust (1)	1 936 036	22.42%	2 052 072	19.58%
Sub-total, Joël Séché family	**3 638 436**	**42.14%**	**5 456 872**	**52.08%**
CDC Group	1 726 974	20.00%	1 726 974	16.48%
Sub-total, core investors (2)	**5 365 410**	**62.14%**	**7 183 846**	**68.56 %**
Treasury stock (3)	62 944	0.73%	62 944	0.60%
Employees' stock	32 350	0.37%	32 350	0.31%
Free float	3 174 166	36.76%	3 199 320	30.53%
Total	**8 634 870**	**100.00%**	**10 478 460**	**100.00%**

(1) The Amarosa family trust is majority controlled by Joël Séché.
(2) In conformity with article L.233-11 of the French Commercial Code.
(3) Treasury stock is stripped of voting rights. However, the table here presents the calculation of voting rights as recommended by the AMF for the disclosure of ownership threshold crossings.
(4) By virtue of a resolution of the Extraordinary General Meeting of Shareholders of October 8, 1997, double voting rights are attributed to all fully paid-up shares for which a named holder has been registered in the same name for at least 4 years.

The Company is controlled as described below; however, the Company considers that there exists no risk that control may be exercised improperly.

Since January 1, 2013 and up to the date of the present Board meeting, Séché Environnement has not been informed of any ownership threshold crossings, in either direction, with the exception of the following:

- the Amarosa family trust declared that on May 31, 2013, it exceeded the threshold of 5% of the share capital of Séché Environnement, and thereafter held 436 036 shares representing 5.05% of the share capital of the Company and 4.49% of the voting rights; consequently, the core investors consisting of Joël Séché, the Amarosa family trust and Fonds Stratégique d'Investissement (FSI) declared that their holding had passed beneath the statutory threshold of 73% of the voting rights and now amounted to 5 365 410 shares representing 62.14% of the share capital of the Company and 72.5% of the voting rights;

On July 26, 2013:

- the Amarosa family trust declared that it had exceeded the statutory thresholds of 22% of the share capital of Séché Environnement (and all lower thresholds being multiples of 1% between 5% and 22% of the share capital), and the statutory thresholds of 19% of the voting rights of Séché Environnement and all lower thresholds being multiples of 1% between 4% and 19% of the voting rights of Séché Environnement.
The Amarosa family trust therefore declared that as a result of this operation, it held 22.42% of the share capital and 19.59% of the voting rights of Séché Environnement;
- Joël Séché declared that he had crossed the statutory thresholds of 20% of the share capital of Séché Environnement and all higher thresholds being multiples of 1% between 20% and 37% (inclusive) of the said share capital, and the statutory thresholds of 33% of the voting rights of Séché Environnement and all higher thresholds being multiples of 1% between 33% and 53% of the voting rights of Séché Environnement.

Consequently, Joël Séché declared that he held 19.72% of the share capital and 32.5% of the voting rights of Séché Environnement.

These threshold crossings were the result of a contribution in kind of 1 500 000 Séché Environnement shares belonging to Joël Séché (with double voting rights). As this contribution in kind brought about the removal of the double voting rights attaching to these shares, this operation:

- had no impact on the number of shares held by the core investors consisting of the Amarosa family trust and Joël Séché, acting in concert with the Caisse des Dépôts et Consignations, in conformity with AMF publication no. 213C0272 dated July 18, 2013;
- brought about a direct upward crossing by the Caisse des Dépôts et Consignations of the statutory threshold of 15% of the voting rights of Séché Environnement, and of the statutory thresholds of 15% and 16% of the voting rights of Séché Environnement. Consequently, the Caisse des Dépôts et Consignations declares that it holds 1 726 974 Séché Environnement shares representing 20% of the share capital and 16.48% of the voting rights of the Company;
- brought about a direct downward crossing by the core investors consisting of Joël Séché, the Amarosa family trust and the Caisse des Dépôts et Consignations, of the statutory thresholds of 72% of the voting rights of Séché Environnement, and of all lower thresholds being multiples of 1% between 69% and 72% of the voting rights of Séché Environnement. Consequently, the core investors declare that they hold 62.14% of the share capital and 68.56% of the voting rights of Séché Environnement.

1.7.1.3. Employee share ownership

A Group savings plan was established in 2007 in accordance with the stated aim of Séché Environnement to give all Group employees access to this type of savings regime.

At December 31, 2013, Séché Group employees held 32 350 Séché Environnement shares via the FCPE Séché Croissance fund. These holdings account for 0.4% of the capital and 0.31% of the voting rights. At December 31, 2012, Séché Group employees held 34 400 Séché Environnement shares via the FCPE Séché Croissance fund. These holdings accounted for 0.4% of the capital and 0.28% of the voting rights.

1.7.1.4. Transactions carried out on Company shares by senior officers, associated persons and their relatives

In 2013, no director in office carried out any transactions totaling more than EUR 5 000 on Company shares.

1.7.1.5. Changes in share ownership over the past three years

Situation at	Dec. 31, 2011	Dec. 31, 2012	Dec. 31, 2013
Joël Séché family (1)	42.1%	42.1%	42.1%
CDC Group/FSI	20.0%	20.0%	20.0%
Sub-total, core investors	**62.1%**	**62.1%**	**62.1%**
Free float	36.9%	36.8%	36.8%
Treasury stock	0.7%	0.7%	0.7%
Employees' stock	0.3%	0.4%	0.4%
Total	**100%**	**100%**	**100%**

(1) Joël Séché and the Amarosa family trust (majority controlled by Joël Séché).

On July 10, 2013, FSI sold back to Caisse des Dépôts et Consignations its shareholding in Séché Environnement, which Caisse des Dépôts et Consignations had sold to FSI on July 15, 2009.

1.7.1.6. Shareholders' agreements

There are no agreements between shareholders of the Company, with the exception of the one described below, signed on October 16, 2006, amended on April 25, 2007 and May 27, 2008, and expiring on April 26, 2017, initially binding Caisse des Dépôts et Consignations, CDC Entreprises Valeurs Moyennes, Joël Séché and the Amarosa family trust.

This shareholders' agreement (registered with the AMF under no. 206C1928 on October 26, 2006) contains the following main provisions, which remain applicable at December 31, 2013:

- representation of Caisse des Dépôts et Consignations on the Board of Directors of Séché Environnement: Caisse des Dépôts et Consignations is entitled to appoint several members of Séché Environnement's Board of Directors, commensurate with its equity stake in the Company;
- management of shareholdings of the parties to the shareholder agreement:
  - shareholder agreement members are not permitted to acquire directly or indirectly securities issued by Séché Environnement, if such acquisition were to lead to one of the members making a public offer for Séché Environnement shares;
  - in the event of any transfer of Séché Environnement shares by Joël Séché, the Amarosa family trust and/or their free transferees to a third party, as long as they jointly hold less than 50.1% of the voting rights of the Company, Caisse des Dépôts et Consignations shall have the option of selling its own shares to such third party at the same price and in the same proportions;
  - Caisse des Dépôts et Consignations shall have the option of subscribing to any issue of Séché Environnement securities, commensurate with its share of the Company's equity, with the exception of securities issued to pay for an acquisition project outside the Group to the benefit of a third party, which would have the effect of diluting all shareholders in the same proportions;
- co-investment rules: as long as Caisse des Dépôts et Consignations holds at least 15% of the equity of Séché Environnement, it shall be entitled to participate as a co-investor in any acquisition project above a certain threshold amount.

It is furthermore specified that this shareholders' agreement shall be terminated automatically if at any time Caisse des Dépôts et Consignations holds less than 10% of the equity of the Company or if the balance of the respective stakes of Caisse des Dépôts et Consignations, on the one hand, and Joël Séché and the Amarosa family trust on the other, are significantly modified to such an extent that would oblige the parties to make a public offer for all the shares.

1.7.1.1. Authorizations to increase or decrease the share capital

In compliance with article L.225-100 of the French Commercial Code, the table below summarizes the currently valid authorizations granted by the Annual General Meeting to the Board of Directors:

AGM	Resolution	Subject	Duration of authorization and expiry date	Limitation or maximum nominal amount
July 6, 2013	9th	increase by incorporation of reserves, profits or bonuses	26 months August 7, 2015	EUR 172 697 (1)
	8th	Reduction of capital by share cancellation	18 months December 7, 2014	10% of share capital
June 8, 2012	16th	Issuance of stocks or marketable securities with preferential subscription rights	23 months May 8, 2014	EUR 172 697 (1)
	17th	Issuance of stocks or marketable securities without preferential subscription rights	23 months May 8, 2014	EUR 172 697 (1)
	18th	Issuance of stocks or marketable securities to remunerate contributions in kind	23 months May 8, 2014	10% of share capital
	20th	Capital increase reserved for Group employees	26 months August 8, 2014	EUR 51 809 (1)

(1) These amounts are deducted from the maximum overall nominal amount of EUR 458 500 set forth by the 21st resolution of the Annual General Meeting of June 8, 2012.

At the time of writing this management report, the Board of Directors had not made use of any of the above-mentioned authorizations, with the exception of the authorization to repurchase the Company's own shares.
This transaction is described in the present report, in the paragraph covering the Company's share buyback transactions.

1.7.1.8. Information on stock option plans

The Extraordinary General Meeting of the Company held on June 8, 2012, in passing its 19th resolution, delegated the necessary powers to the Board of Directors for a period of 26 months, in compliance with articles L.225-177 et seq. of the French Commercial Code, to grant options to salaried employees, senior officers and directors, as authorized by the Commercial Code, entitling them to subscribe for new shares in the Company, provided that the total number of such options attributed, still open but not yet exercised, should not give entitlement to subscribe for more shares than the number authorized by law, and within the maximum limit of EUR 458 500 set by the 21st resolution of the same Extraordinary General Meeting.
This resolution also brought to an end with immediate effect the previous authorization granted by the Annual General Meeting of May 6, 2010, in its 12th resolution.

At the date of writing the present management report, the Board of Directors had not made use of the above-mentioned authorization, and no such stock options had been granted.

1.7.1.9. Information on the awarding of free shares

The Extraordinary General Meeting of May 12, 2011, in passing its 10th resolution, delegated the necessary powers to the Board of Directors for a period of 38 months, in compliance with articles L.225-197-1 and L.225-197-2 of the French Commercial Code, to award existing shares, or shares to be issued in the future, to directors and certain salaried employees, free of charge, up to a limit of 2% of the Company's share capital. This resolution brought to an end with immediate effect the previous authorization granted by the Annual General Meeting of April 25, 2008 in its 7th resolution. At the date of writing the present management report, the Board of Directors had not made use of the authorization described above.

1.7.1.10. Share buybacks

The Annual General Meeting held on June 7, 2013, in passing its 7th resolution, delegated the necessary powers to the Board of Directors, in compliance with article L.225-209 et seq. of the French Commercial Code, and European Commission Regulation No. 2273/2003 dated December 22, 2003 implementing Directive 2003/6/EC of January 28, 2003, and articles 241-1 to 241-6 of the General Regulations of the Autorité des Marchés Financiers, to repurchase the Company's own shares on the stock market or over the counter, within the limit of 10% of shares representing its share capital. This authorization was granted for a period of 18 months.

This resolution terminated the previous authorization granted by the Annual General Meeting of June 8, 2012 under the same terms, the use of which was reported to you at the last Annual General Meeting.

Furthermore, the Annual General Meeting of June 7, 2013, in passing its 7th resolution, delegated the necessary powers to the Board of Directors, in compliance with the provisions of article L.225-109 of the French Commercial Code, to cancel the Company's own shares (within the limit of 10% of its share capital) acquired through share buybacks authorized by the previous successive Annual General Meetings of the Company. This authorization was granted for a period of 18 months, and terminated the previous authorization granted by the Annual General Meeting of June 8, 2012.

In accordance with the provisions of article L.225-209, paragraph 2 of Law No. 2006-842 dated July 26, 2006, the Board of Directors hereby reports the use of this authorization for the period beginning June 7, 2013 and ending December 31, 2013:

Number of shares purchased, sold or transferred since the start of the program	122 749
Percentage of shares held directly or indirectly as treasury stock	0.73%
Number of shares canceled over the last 24 months	-
Number of shares held in portfolio	62 944
Net book value of portfolio (in EUR)	1 729 068
Market value of portfolio at December 31, 2013 (in EUR)	1 768 097

Should the Board of Directors decide to implement the entire share buyback program (excluding shares already acquired at December 31, 2012), it would proceed in compliance with stock market regulations in force.

The theoretical impact of the proposed program on the financial statements of Séché Environnement was measured for information purposes, based on the following assumptions:

- cancellation of 1% of the weighted number of shares in circulation, i.e. 85 753 shares;
- an average repurchase price of EUR 32 per share, which represents the average closing price observed from January 1 through 30, 2014, i.e. a total of EUR 2.7 million for the repurchase of 1% of the share capital;
- a cost of financing this buyback program of 5.1% before taxes.

Based on these assumptions, the impact of the share buyback program on the 2013 consolidated financial statements as presented in this management report would have been as follows:

	Consolidated financial statements as reported at Dec. 31, 2013 [1]	Repurchase of 1% of capital and cancellation (excluding impact of provisions)	Pro forma data after repurchase and cancellation of 1% of capital (excluding impact of provisions)	Impact of buyback (in %)
Shareholders' equity (Group share) (K€)	256 929	(2 744)	254 185	(1.1)%
Shareholders' equity (all consolidated entities) (K€)	257 046	(2 744)	254 302	(1.1)%
Net financial debt (K€) [2]	225 386	2 744	228 130	1.2%
Net income (Group share) (K€)	8 685	(92)	8 593	(1.1)%
Average weighted number of shares in circulation	8 575	(86)	8 489	(1.0)%
Net earnings per share (€)	1.01	(0.01)	1.01	(0.1)%
Average weighted number of shares in circulation, adjusted for dilutive instruments effect	8 575	(86)	8 489	(1)%
Net diluted earnings per share (€)	1.01	(0.01)	1.01	(0.1)%

(1) After closure of the accounts by the Board of Directors' meeting held on February 28, 2014, and subject to their approval by the Annual General Meeting of April 25, 2014.

(2) Financial debt net of cash and cash equivalents.

1.7.1.11. Shares used as collateral

Séché Environnement shares, as is the case for all shares of subsidiaries of the Séché Group, are not used as collateral.

1.7.1.12. Shares not representative of capital

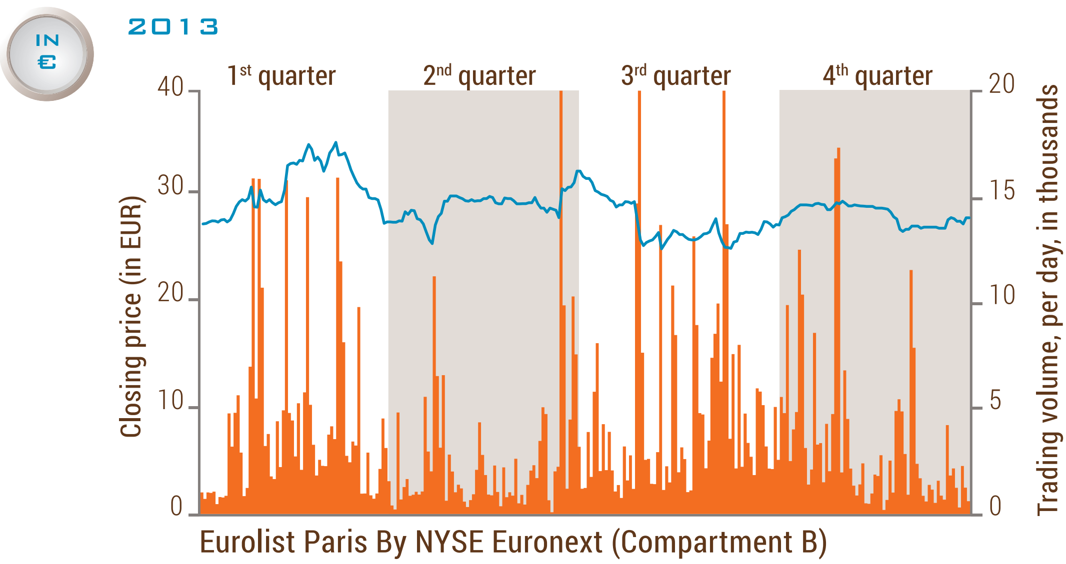
Séché Environnement has not issued any founders' shares or voting rights certificates.

1.7.2. Séché Environnement on the stock market

The shares of Séché Environnement are listed on the Eurolist (Compartment B – mid-100 index) and are not listed on any other stock exchange. Trends in the share price and trading volumes are shown in the table below:

	Share price in EUR			Trading volume	
2013	Low	High	Closing price	Number of shares traded	Value in M€
Month					
January	27.40	31.00	29.58	88 828	2.61
February	29.20	35.88	33.19	91 569	2.99
March	27.51	35.50	27.70	85 975	2.80
April	25.61	30.15	30.14	56 630	1.57
May	29.00	30.20	29.41	32 117	0.96
June	28.05	32.49	32.49	89 346	2.72
July	25.10	32.70	25.75	98 368	2.82
August	25.01	27.55	27.40	100 289	2.64
September	24.89	28.00	27.45	137 719	3.60
October	27.17	29.68	29.45	133 731	3.89
November	26.60	29.50	27.00	44 196	1.25
December	26.90	28.18	28.09	44 791	1.23
Extremes and totals in 2013	**24.89**	**35.88**		**1 003 559**	**29.08**
2014					
January	27.70	34.50	33.00	106 882	3.44

Changes in share price and volumes traded



1.7.3. Composition of the Board of Directors

At December 31, 2013, the Board of Directors of Séché Environnement SA consisted of the following members:

		Date first appointed	Date of AGM at which reappointed	Reappointed until AGM of
Chairman and Chief Executive Officer, and Director	Joël Séché	October 19, 1981	June 8, 2012	2015
Directors	Dominique Cyrot	August 30, 2011	June 8, 2012	2015
	Jean-Pierre Vallée	November 29, 1993	June 8, 2012	2015
	CDC [1], represented by Jean Bensaïd	December 12, 2006	May 12, 2011	2014
	Philippe Valletoux	May 11, 2007	June 7, 2013	2016

(1) CDC entered the Board of Directors of Séché Environnement on December 12, 2006. When it sold its shareholding to FSI on July 15, 2009, CDC ceased to be a member of the Board of Directors. When FSI sold its shareholding back to CDC on July 10, 2013, FSI transferred its seat on the Board of Directors of Séché Environnement back to CDC for the remainder of its mandate, i.e. until May 12, 2014.

The directors' professional addresses are as follows:

Joël Séché	Les Hêtres - CS20020 - 53811 Changé Cedex 09
Jean-Pierre Vallée	
CDC, represented by Jean Bensaïd	56 rue de Lille - 75007 Paris
Philippe Valletoux	
Dominique Cyrot	

1.7.4. Directors' mandates and functions

At December 31, 2013, the directors of Séché Environnement held mandates and functions in the following companies:

Joël Séché:

Current positions		Positions relinquished in the last 5 financial years	
Séché Éco-services SAS	Chairman	HIME SAS	Chairman until May 27, 2012
Séché Transport SAS	Chairman	Saur SAS	Member of the Supervisory Board until May 27, 2012
Séché Éco-industries SAS	Chairman	HIME SAS	Member of the Supervisory Board until July 26, 2013
Séché Alliance SAS	Chairman		
Trédi SA	Director		
SCI La Croix des Landes	Manager		
SCI Les Chênes Secs	Manager		
SCI Mezerolles	Manager		
SCI La Montre	Manager		
SCI de La Censie	Manager		
SCI Saint Kiriec	Manager		
SCI La Perrée	Manager		
SC Amarosa	Manager		
Altamir Amboise SCA	Chairman of the Supervisory Board		

The companies of which Joël Séché is or has been a director are all unlisted.

Jean Bensaïd:

Current positions		Positions relinquished in the last 5 financial years	
Galaxy	Director, representative of CDC	Eutelsat Communication SA	Permanent representative of CDC Infrastructure up to 2012
SANEF	Permanent representative of CDC Infrastructure	SIG	Director up to 2012
GRT GAZ	Director	TDF	Permanent representative of CDC Infrastructure up to April 2010
HIG	Director	MAP SUB	Chairman up to April 2010
		HIME SA	Chairman up to May 27, 2008
		CDC Infrastructures	Director up to October 24, 2008
		HIME SAS	Chairman of the Supervisory Board, representative of FSI up to July 26, 2013

The companies of which Jean Bensaïd is or has been a director are all unlisted, except Eutelsat.

Philippe Valletoux:

Current positions		Positions relinquished in the last 5 financial years	
Société du Parc du Futuroscope (SA)	Member of the Supervisory Board	Dexia Crédit Local	Vice-Chairman of the Management Committee up to September 30, 2009
		Floral	Chairman and Chief Executive Officer up to October 15, 2009
		Dexia Sofaxis	Director up to December 4, 2009
		Dexia Public Finance Switzerland	Director up to April 28, 2009
		HIME SAS	Member of the Supervisory Board up to June 25, 2012

The companies of which Philippe Valletoux is or has been a director are all unlisted, except Dexia Crédit Local.

Dominique Cyrot:

Current positions		Positions relinquished in the last 5 financial years	
Interparfums (SA)	Director since April 2012	Safetic	Director up to 2012

Interparfums SA and Safetic are listed companies.

Jean-Pierre Vallée:

Current positions		Positions relinquished in the last 5 financial years	
		B.C.B. Rennes (35) (subsidiary of Lafarge Group) (SA)	Director up to January 29, 2010
		Simat (12) (subsidiary of Saint-Gobain Group) (SA)	Director up to January 31, 2010
		Letulle Brevets et Modèles (76) (subsidiary of Saint-Gobain Group) (SAS)	Director up to January 31, 2010

The companies of which Jean-Pierre Vallée is or has been a director are all unlisted.

1.7.5. Remuneration of senior officers of Séché Environnement

On December 2, 2008, the Board of Directors of the Séché Group unanimously adopted the MEDEF and AFEP recommendations regarding the remuneration of senior officers of the Company. These recommendations concern the prohibition of holding a work contract concurrently with a mandate of senior officer, the banning of golden parachutes, reinforcement of the supervision of supplementary pension plans, the granting of stock options connected to the policy of encouraging participation in the company's share capital, and improvement of transparency in connection with the components of senior officers' remuneration.

1.7.5.1. Remuneration of senior officers

For the past three fiscal years, the only senior officer has been Joël Séché (Chairman and Chief Executive Officer).

Joël Séché is paid for his role as Chairman and Chief Executive Officer by Séché Environnement SA.

He receives no remuneration from any subsidiary of the Group.

There is no contractual commitment for the payment of any particular indemnities or benefits in the event of cessation or change of position. No stock options or performance shares were granted to senior officers.

Regarding retirement pensions, the senior officer benefits from a supplementary pension plan, with defined contributions. This is a funded pension plan based on 5% of the annual salary received, within the limit of tranche B of the annual social security ceiling.

1.7.5.1.1. Joël Séché

REMUNERATION, OPTIONS AND SHARES ALLOCATED TO JOËL SÉCHÉ

In €	2011	2012	2013
Remuneration due for the financial year (details below)	425 109	426 062	426 062
Value of options allocated during the period	-	-	-
Value of performance shares allocated during the period	-	-	-
Total	**425 109**	**426 062**	**426 062**

REMUNERATION SUMMARY

In €	2011		2012		2013	
	Due	Paid	Due	Paid	Due	Paid
Fixed remuneration	400 000	400 000	400 000	400 000	400 000	400 000
Variable remuneration	-	-	-	-	-	-
Exceptional remuneration	-	-	-	-	-	-
Benefits in kind (1)	13 109	13 109	14 062	14 062	14 062	14 062
Directors' fees	12 000	12 000	12 000	12 000	12 000	12 000
Total	**425 109**	**425 109**	**426 062**	**426 062**	**426 062**	**426 062**

(1) Use of company cars.

1.7.5.2. Remuneration of non-executive directors

The only remuneration of non-executive directors consists of directors' fees.

None of the Company's directors received any remuneration or benefits of any kind from any of the companies controlled by the Company. No stock options were granted to the senior officers. Furthermore, no loans or guarantees were granted in favor of any members of the Board of Directors.

Table of directors' fees

In €	2011	2012	2013
Joël Séché	12 000	12 000	12 000
CDC/FSI	12 000	12 000	10 500
Dominique Cyrot	12 000	12 000	10 500
Jean-Pierre Vallée	12 000	12 000	12 000
Philippe Valletoux	12 000	12 000	12 000
Total	**60 000**	**60 000**	**57 000**

1.7.6. Conflicts of interest

To the knowledge of Séché Environnement, no director presents any conflict between his or her interests in Séché Environnement (as a result of his or her mandate from the company) and his or her personal interests. Moreover, no director over the past five fiscal years:

- was convicted of fraud, incriminated and/or publicly sanctioned by the statutory or regulatory authorities;
- was involved, as a member of a Board of Directors or Supervisory Board, or as a general partner, founder or chief executive, in a bankruptcy or receivership;
- was involved, as a member of a Board of Directors or Supervisory Board, or as a general partner, founder or chief executive in a liquidation;
- was prohibited by a court from serving as a member of an administrative, executive or supervisory body of an issuer, or from taking part in the management or conduct of an issuer's affairs.

The Company has entered into no commitments to its senior officers which are due, or liable to come due, as a result of the assumption, termination or modification of their functions, or in the wake of such an event.

1.8. Appropriation and distribution of earnings

1.8.1. Proposed appropriation of earnings

In the resolutions submitted for their approval, shareholders are asked to approve the financial statements for 2013, and after noting the recognition of a net loss of EUR 24 201 222.10, to approve the following appropriation and distribution of earnings proposed by the Board of Directors:

- allocation of EUR – 24 201 222.10 to the retained earnings account;
- distribution of EUR 8 203 126.50 from the premium on shares account;
- recognition of a charge on the retained earnings account of the premium on shares account of EUR – 161 299 475.33.

The dividend payment to be distributed for the year would therefore be set at EUR 0.95 per share. This dividend entitles French-resident individual shareholders to a 40% personal income tax reduction (i.e. EUR 0.38 per share). The dividend would be paid out on or after June 11, 2014.

1.8.2. Dividends

1.8.2.1. Payment of dividends

Dividends are paid annually at the time and places stipulated by the Annual General Meeting, in the nine months following the close of the previous fiscal year.

No recovery of dividends can be demanded from shareholders, except in the event of the distribution of fictitious dividends or fixed or interim interest, which are prohibited by law.

Dividends remaining unclaimed within five years of their allocation for payment are transferred to the State.

1.8.2.2. Dividends paid over the past three fiscal years

In conformity with the provisions of article 243 bis of the French Tax Code, we present below the dividends per share paid out for the past three fiscal years and the corresponding personal income tax reductions.

Fiscal year	Dividend	Personal income tax reduction
2011	1.30 €	40%
2012	1.30 €	40%
2013	0.95 €	40%

1.9. Social, environmental and corporate social data

1.9.1. Principles of reporting methodology (2)

1.9.1.1. Data collection scope

1.9.1.1.1. Definition of data collection scope

Séché Environnement has been listed on Euronext Paris since 1997 and therefore has published consolidated social and environmental indicators according to the stipulations of article 116 of the French Commercial Code since 2002, and those of article 225 of Law no. 2010-788 from 2012 onward.

Séché Environnement SA discloses a balance sheet total for its French company accounts in excess of EUR 100 million. Given its role as a holding company, the non-financial indicators featuring in the above-mentioned article 225 are not considered relevant, and Séché Environnement has accordingly opted for exemption from the requirement to publish social and environmental information concerning it from December 31, 2013 onward (fiscal year 2014), since this information will be published in consolidated form.

Almost all the Group's subsidiaries in France operate on classified sites with compulsory authorizations. Since their activities are consolidated into the overall reporting of Séché Environnement, information on individual sites is not provided.

Trédi SA, the only subsidiary of the Group with more than 500 employees and revenue in excess of EUR 100 million, has opted for exemption from the requirement to publish separately the social and environmental information concerning it from December 31, 2013 onward (fiscal year 2014), since this information will be published by the consolidating parent company. In 2012, Trédi SA had chosen to publish this information itself.

The consolidation scope consists of the parent company Séché Environnement SA and its majority-controlled French subsidiaries which were fully consolidated at year-end 2013.

No social or environmental data has been collected to date for international activities because they are relatively unimportant (4.6% of revenue and 5% of employees in 2013), and because any attempt to consolidate them would be difficult given the different regulatory contexts compared with France.

1.9.1.1.2. Changes in consolidation scope

The rules concerning movements in and out of scope are determined with reference to the rules of consolidation under IFRS 5 and IFRS 10. The consolidation scope for environmental reporting is updated every quarter in line with the consolidation for accounting purposes undertaken by the Group's consolidation department. Social and environmental data are collected on an annual basis for the calendar year.

The scope for environmental data, unlike that for social data, is defined for Séché Environnement as all sites classified for the protection of the environment (IPCE) operated by the Group and for which the Group holds a prefectoral authorization, whether directly or via a subsidiary. This rule, based on responsibility toward the State authorities, applies from 2013 onward.

Up to and including 2012, the environmental scope included the Oléron household waste incinerator and the Scherwiller composting site operated by Séché Éco-industries. However, the prefectoral authorizations for these sites are in the name of the local authorities concerned. For the same reason, the industrial sites on which Séché Eco-industries operates are not included in the environmental reporting scope for Séché Environnement, since they are included in the reporting scope of the companies in question which are themselves the respective holders of the prefectoral authorizations.

Data for 2012 include Gerep, a subsidiary which left the financial consolidation

(2) Reporting principles are explained in a specific, detailed note on procedures which can be obtained on request to the Sustainable Development Department of Séché Environnement, by e-mailing dd@groupe-seche.com.

scope in 2013, and therefore also the social and environmental reporting scopes.

In the case of subsidiaries holding public service delegation (PSD) contracts, such as Sénerval or Alcéa, the subsidiary holding the contract is the legal entity to which prefectoral authorization was granted, and therefore the relevant environmental data are reported with those for Séché Environnement.

	Changes 2012/2011	Changes 2013/2012
Social data		
Entered consolidation scope		Alcéa + Scherwiller
Movements over the year	Oléron	+ Triadis Sces Béziers
Situation at Dec. 31, 2012	Alcéa + Scherwiller + Triadis Sces Béziers	
Left consolidation scope		
Changes over the year and situation at Dec. 31, 2013		Sogad + Gerep
Environmental data		
Entered consolidation scope		
Changes over the year	Oléron	Alcéa + Triadis Sces Béziers
Left consolidation scope		
Changes over the year		Oléron + Sogad + Gerep

1.9.1.2. Reference systems used

The following environmental, social and corporate social data correspond to an economic vision of Séché Environnement (consolidated) as it existed in 2013 in France. It includes information concerning the environmental and social impacts of the Group's operations, as required under article 225 of Law no. 2010-788 of July 10, 2010, and listed in Decree no. 2012-557 of April 24, 2012.

Concerning environmental reporting, this text lists 14 generic information subject headings under which data has to be provided in corporate management reports. New items since the "NRE" decree of 2001 are limited to aspects of climate change and the protection of biodiversity. Consequently, Séché Environnement maintains its mode of reporting under the other 12 headings, and takes as its basis the list of indicators published in Decree no. 2002-221 of February 20, 2002 issued in application of article L.225-102-1 of the French Commercial Code. Information concerning waste generated is given according to the requirements of the Order of April 30, 2002.

Electronic management of EPER (European Pollutant Release and Transfer Register) has been put in place to respond to the recommendations of the European Community concerning the recording of environmental data (Regulation 166/2006). Declarations into this database are obligatory for sites which are classified for environmental protection (ICPE) of the type operated by Séché Environnement (Order dated December 26, 2012 amending Order dated January 31, 2008, relative to annual declarations of pollutants and waste products). The criteria for data to be placed in this database may vary from one site to another according to the particularities of their prefectoral authorizations, especially in relation to the risks and specific impacts of certain activities.

The declarations made by site operators are validated by the competent inspection authorities for the site concerned (DREAL, regional health authorities, police, water agencies, nuclear safety authorities). As these obligatory declarations are made under the control of the authorities, they form the basis for the Group's environmental reporting. Data are validated internally by the management of the Group's laboratories before being integrated into the Group's reports and submission to the authorities.

Concerning social data, Decree no. 2012-557 of April 24, 2012 explicitly adds to reporting requirements the following four aspects of the fundamental conventions of the ILO (International Labor Organization), which must be taken account of in the reporting process:

- the right to freedom of association and the right to collective bargaining;
- the abolition of discrimination in employment and occupation;
- the abolition of forced or compulsory labor;
- the effective abolition of child labor.

As a law-abiding company operating principally in France, Séché Environnement has always applied these standards automatically. The innovations introduced by the 2012 decree are minimal, and concern breakdowns of employee numbers by age, gender and geographical location. These breakdowns were already included in the Group's earlier annual reports, which were drafted in accordance with articles L.2323-70 and R.2323-17 of the French Labor Code relative to the social data content of company reports.

The frames of reference used by Séché Environnement are national and/or international standards or regulations:

- Commitments:
  - OECD guiding principles;
  - ILO (International Labor Organization) conventions;
  - Principles of the United Nations Global Compact;
  - ISO 26000 standard on social responsibility for businesses and organizations.
- Management:
  - ISO 9000 for the certification of production quality;
  - ISO 14001 for environmental management;
  - OHSAS 18001 specification for the management of occupational health and safety;
  - MASE (manual of enterprise safety improvement) certification for integrated management in chemical environments.
- Reporting:
  - GRI3 (Global Reporting Initiative) guidelines;
  - French Commercial Code social data reporting guidelines;
- EPER environmental indicators;
- the "BEGES" greenhouse gas (GHG) accounting methodology as defined by article 75 of French Law no. 2010-788 dated July 12, 2010, based on a specific calculation method developed for the Group by 3E - Performances and ECO_2 Initiative in consistency with:
  - the.Bilan Carbone© carbon accounting method initiated by the French Agency for the Environment and Energy Management (ADEME);
  - the quantification protocol for greenhouse gas emissions from waste management initiated in 2006 by a number of French operators in this sector and the association EpE (Enterprises for the environment). This protocol aims to harmonize quantification, reporting and verification practices for GHG emissions generated and avoided by waste treatment activities. Since its inception it has been updated several times. The most recent critical review is that carried out by the World Resource Institute (WRI) which, with the World Business Council for Sustainable Development, initiated the GHG Protocol, the most widely internationally recognized method for carbon accounting. The French quantification protocol was awarded a WRI label in 2013 and is recognized as an international voluntary frame of reference for carbon reporting in the waste management sector.

The table showing the correspondences between these frames of references is included in a guide to CSR reporting and the new legal and regulatory requirements in France, published by the French employers' federation MEDEF, with the help of the expertise of Deloitte®, in May 2012.

1.9.1.3. Principles

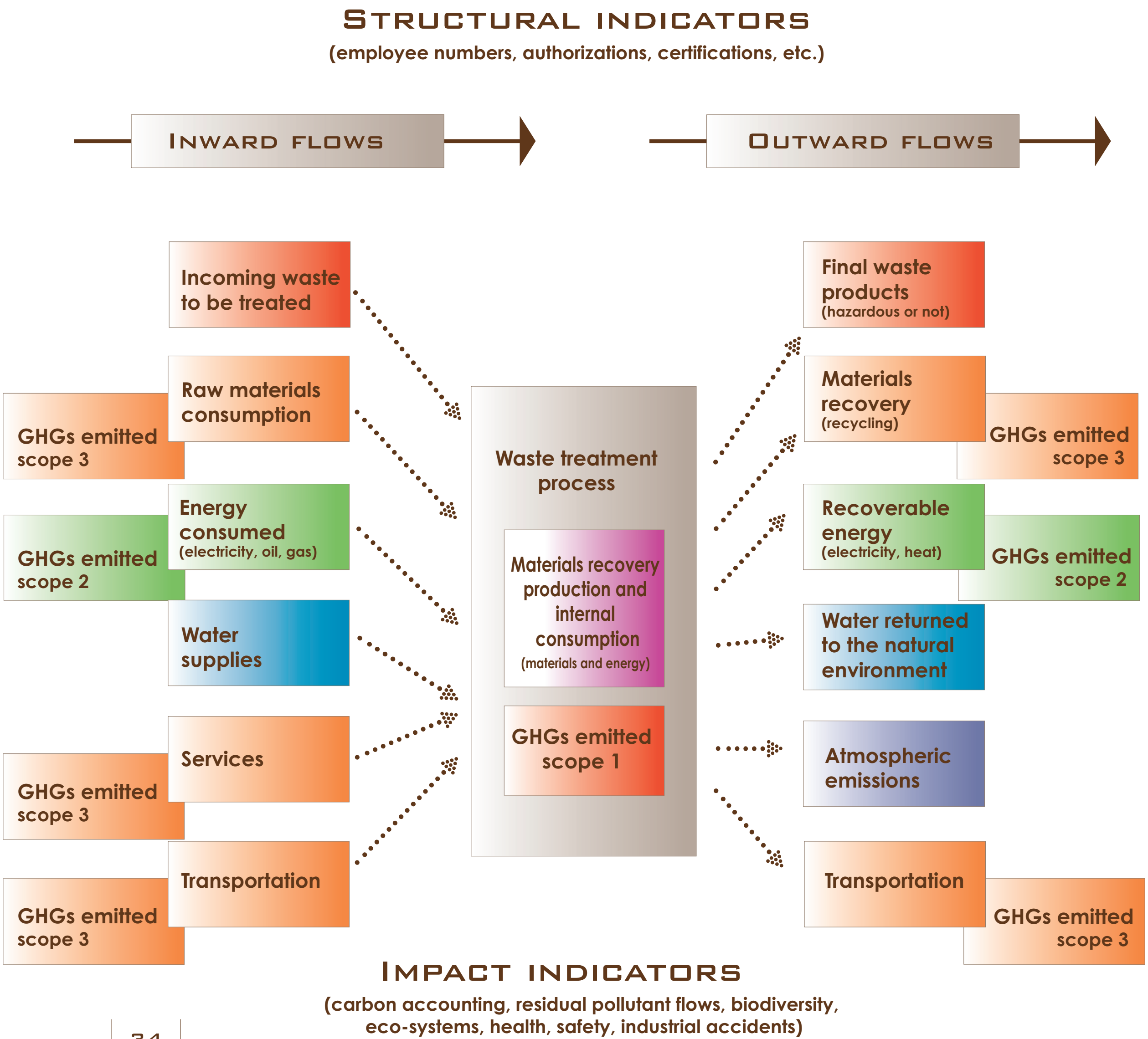
1.9.1.3.1. Measurements

1.9.1.3.1.1. Types of indicator

The indicators used by the Group fall into three categories:

- "Structural or stock" data from documentary sources (for example, land areas or the number of collective bargaining agreements concluded);
- "Simple operational" indicators based on direct measurements, which break down into two sub-categories:
  - standardized flows according to official measurement protocols, recognized in particular by the French authorities in the context of reports on sites classified for the protection of the environment (for example, for pollutant flows);
  - measures adopted by the Group on its own initiative, for example the use of lichens to measure air quality, measurements of biodiversity richness, etc;
- "Complex" indicators derived from calculations involving the choice of certain assumptions and perimeters, conversion factors, consolidation protocols, etc., concerning for example energy, GHGs or carbon accounting.

Indicators for a waste treatment site



1.9.1.3.1.2. Origin of data

The social data presented is drawn from the Human Resources Department database according to the definitions in current use in France, in particular for the compilation of social data reports in respect of the legal entities required to file them. They correspond to the regulatory declarations made to various administrative bodies.

The environmental data in this report are extracted from declarations (including those made electronically for the European Pollutant Emission Register) provided regularly by the Group's industrial sites to the competent government authorities (DREAL, regional health authorities, water agencies) which oversee and regulate them. These data are derived from measurements carried out either internally (self-audits) or by certified organizations.

The economic data in this report are taken from accounting information according to professional standards currently in force, and are certified by the auditors. Accounting data relating to environmental aspects in the individual and consolidated financial statements of the companies concerned are presented according to recommendation no. 2003-r02 dated October 21, 2003 the Conseil National de la Comptabilité (French national council for accounting standards).

1.9.1.3.1.3. Comparability

The results of these measurements have been regularly recorded for several years by means of an environmental reporting software package, and are monitored both site by site and at national level.
Data capture and consolidation methods correspond to the same definitions over the whole of this period, with the exception of the calculation of GHG emissions which migrated in 2011 to those of the Bilan Carbone®.

1.9.1.3.1.4. Materiality

Environmental indicators considered pertinent, given the nature of the Group's activities, are those prescribed in the prefectoral authorizations granted to Group companies.

Certain reporting errors in previous years may be detected during completion of the reporting for the current year, in particular concerning certain environmental indicators. A materiality threshold of 5% of the value of the indicator concerned is observed by default for adjustments to data from past years identified during the year under review. A commentary is provided for any corrections above this threshold.

In the particular case of the BEGES GHG emissions figure, an indicator resulting from several complex calculations, an uncertainty coefficient is applied to correct for possible errors from elementary data sources:

- 1%: data captured by means of legally controlled measurements (metrology);
- 10%: data from invoices;
- 30%: data obtained through calculation or extrapolation;
- 80%: data which is unavailable, and therefore estimated.

Concerning biodiversity indicators, beyond the particular protected status accorded to certain areas (Natura 2000, ZNIEFF, Important Bird Areas, etc.), the Group has for several years deployed programs to monitor various species or groups of fauna on these sites, especially birds and amphibians which are bio-indicators of air and run-off water quality.

A centralized database of biodiversity indicators will be set up in the course of 2014 to fulfill the commitment entered into by the Group in its action plan under the National Biodiversity Strategy (SNB), recognized by the French Ministry for ecology, sustainable development and energy in January 2014.

1.9.1.3.2. Transparency

The following environmental and social data was the focus of a special audit by Bureau Véritas Consulting for fiscal years 2002 through 2012. In compliance with Law no. 2010-788 which prescribes the audit method, Séché Environnement has appointed KPMG to carry out the audit of its social and environmental indicators.

1.9.2. Social data

1.9.2.1. Employment

1.9.2.1.1. Worldwide headcount

At December 31	2011	2012	2013
Séché Environnement (parent company)	29	27	28
Fully consolidated French subsidiaries	1 531	1 605	1 633
Sub-total (scope defined in Article 225 of New Economic Regulations (NRE) law)	**1 560**	**1 632**	**1 661**
Proportionately consolidated French subsidiaries (3)	10	5	
Foreign subsidiaries, Europe (4)	76	64	63
Foreign subsidiaries, Americas (5)	25	27	28
Total	**1 671**	**1 728**	**1 752**

1.9.2.1.2. Headcount in France (6)

1.9.2.1.2.1. Headcount at December 31

1.9.2.1.2.1.1. By category and gender

At December 31	2011			2012			2013		
In headcount units	M	W	Total	M	W	Total	M	W	Total
Executives	213	76	**289**	226	85	**311**	236	92	**328**
Supervisors	326	109	**435**	341	105	**446**	330	101	**431**
Clerical	115	146	**261**	122	144	**266**	115	152	**267**
Workers	543	32	**575**	572	37	**609**	595	40	**635**
Total headcount units	**1 197**	**363**	**1 560**	**1 261**	**371**	**1 632**	**1 276**	**385**	**1 661**
% men/women	**76.7**	**23.3**		**77.3**	**22.7**		**76.8**	**23.2**	

M: men – W: women

1.9.2.1.2.1.2. By type of contract and gender

At December 31	2011			2012			2013		
In headcount units	M	W	Total	M	W	Total	M	W	Total
Permanent contracts	1 153	343	**1 496**	1 220	354	**1 574**	1 243	349	**1 592**
Fixed-term contracts	44	20	**64**	41	17	**58**	33	36	**69**
Total headcount units	**1 197**	**363**	**1 560**	**1 261**	**371**	**1 632**	**1 276**	**385**	**1 661**
% of fixed-term	**3.7**	**5.5**	**4.1**	**3.3**	**4.6**	**3.6**	**2.6**	**9.4**	**4.2**

M: men – W: women

(3) Company 50% held, but without operational control. (4) Spain (solvent regeneration), Germany (gas treatment), Hungary (storage facilities). (5) Mexico and Argentina (decontamination of transformers). (6) LA1.

1.9.2.1.2.1.3. Age distribution (7)

At December 31, 2013	Men	Women	Total
< 25 years	46	27	**73**
From 25 to 30 years	97	39	**136**
From 31 to 35 years	175	61	**236**
From 36 to 40 years	199	58	**257**
From 41 to 45 years	222	88	**310**
From 46 to 50 years	204	57	**261**
From 51 to 55 years	187	32	**219**
From 56 to 60 years	123	18	**141**
> 60 years	23	3	**28**
Proportion of seniors (> 45 years)	**42.1%**	**29.1%**	**39.1%**
Average age	**42**	**39**	**41.5**

1.9.2.2. Average headcount in FTE (full-time equivalents)

At December 31	2011			2012			2013		
In headcount units	M	W	Total	M	W	Total	M	W	Total
Full-time equivalents	1 193	349	**1 542**	1 258	360	**1 618**	1 273	371	**1 644**
Monthly average	1 159	368	**1 527**	1 211	364	**1 575**	1 264	368	**1 632**

M: men – W: women

1.9.2.2.1. Workforce changes over the year (8)

1.9.2.2.1.1. Recruitments by type of contract and gender

At December 31	2011			2012			2013		
In headcount units	M	W	Total	M	W	Total	M	W	Total
Permanent contracts	129	15	**144**	135	39	**174**	102	19	**121**
Fixed-term contracts	55	20	**75**	36	15	**51**	48	39	**87**
Of which due to increased activity	*46*	*14*		*34*	*7*		*44*	*30*	
Of which replacements	*9*	*6*		*2*	*8*		*4*	*9*	
Total	**184**	**35**	**219**	**171**	**54**	**225**	**150**	**58**	**208**
% men/women	**84.0**	**16.0**		**84.0**	**16.0**		**72.1**	**27.9**	

M: men – W: women

(7). The limits of the age classes have been decreased by 1 compared with previous years (for example, old age class limits: from 31 to 35 years; new age class limits: from 30 to 34 years) to realign them with the age classes used in the French "inter-generational work contracts" regulations. (8) LA2.

1.9.2.2.1.2. Departures by reason and gender

At December 31	2011			2012			2013		
In headcount units	M	W	Total	M	W	Total	M	W	Total
Resignations	13	6	**19**	10	7	**17**	11	5	**16**
Individual dismissals	7	0	**7**	22	5	**32**	13	4	**17**
Departures during trial period	3	1	**4**	4	1	**5**	3	0	**3**
Negotiated departures	13	9	**22**	15	5	**20**	6	4	**10**
Redundancies	3	6	**9**	2	5	**7**	0	1	**1**
Intra-Group transfers	5	0	**5**	10	3	**13**	13	4	**17**
Retirements and early retirements	2	0	**2**	6	0	**6**	10	1	**11**
Deaths	1	0	**1**	0	0	**0**	3	0	**3**
End of fixed-term contracts	40	17	**57**	51	23	**74**	31	16	**47**
Other	0	0	**0**	0	0	**0**	7	0	**7**
Total	**87**	**39**	**126**	**120**	**49**	**169**	**97**	**35**	**132**
% men/women	**69**	**31**		**71**	**29**		**73**	**27**	

M: men – W: women

1.9.2.2.1.3. Length of service distribution

At December 31, 2013	Men	Women	Total
< 5 years	374	131	**505**
From 6 to 10 years	293	106	**399**
From 11 to 15 years	237	67	**304**
From 16 to 20 years	158	33	**191**
From 21 to 25 years	94	34	**128**
From 26 to 30 years	77	8	**85**
> 30 years	43	6	**49**
Average length of service	**10**	**9**	**9.7**

1.9.2.2.2. Remuneration [9]

1.9.2.2.2.1. Overall employment cost

In K€	2011	2012	2013
Gross wage bill	56 384	60 133	63 939
Employer SS contributions	27 612	29 633	31 685
Overall employment cost	**83 996**	**89 766**	**95 624**

(9) EC1 & EC5.

1.9.2.2.2.2. Profit-sharing schemes

In K€ or headcount units	2011	2012	2013
Total profit-sharing reserves	2 564	2 168	1 546
Number of beneficiaries	1 355	1 525	687
Total amount distributed	246	435	-
Number of beneficiaries	594	905	-

The Group does not distribute free shares or attribute stock options.

1.9.2.2.2.3. Remuneration of permanent staff (12 months), by gender (10)

2011 In K€ or headcount units	Men K€	Men Units	Women K€	Women Units	Total K€	Total Units
≤ 0.8 x SS ceiling (≤ 28 281 €)	5 397	213	1 684	69	7 082	282
> 0.8 x SS ceiling (> 28 281 €)	8 827	284	2 281	77	11 108	361
> 1.0 x SS ceiling (> 35 352 €)	6 143	159	1 678	46	7 822	205
> 1.2 x SS ceiling (> 42 422 €)	6 636	142	1 090	23	7 727	165
> 1.5 x SS ceiling (> 53 028 €)	1 815	32	626	11	2 441	43
> 1.8 x SS ceiling (> 63 634 €)	1 385	21	330	5	1 716	26
> 2.0 x SS ceiling (> 70 704 €)	8 444	78	1 101	11	9 546	89
Total	38 651	929	8 795	242	47 447	1 171

SS (Social Security) ceiling = 35 352 €

2012 In K€ or headcount units	Men K€	Men Units	Women K€	Women Units	Total K€	Total Units
≤ 0.8 x SS ceiling (≤ 29 098 €)	4 308	214	1 394	74	5 701	288
> 0.8 x SS ceiling (> 29 098 €)	4 380	186	878	56	5 257	242
> 1.0 x SS ceiling (> 36 372 €)	3 238	142	820	31	4 058	173
> 1.2 x SS ceiling (> 43 646 €)	3 727	111	812	21	4 540	132
> 1.5 x SS ceiling (> 54 558 €)	1 285	34	476	6	1 761	40
> 1.8 x SS ceiling (> 65 470 €)	1 222	13	269	4	1 491	17
> 2.0 x SS ceiling (> 72 744 €)	7 324	67	966	8	8 290	75
Total	25 484	767	5 614	200	31 098	967

SS (Social Security) ceiling = 36 372 €

(10) LA14.

In K€ 2013 or headcount units	Men		Women		Total	
	K€	Units	K€	Units	K€	Units
≤ 0.8 x SS ceiling (≤ 29 625 €)	8 335	313	2 968	117	**11 303**	**430**
> 0.8 x SS ceiling (> 29 625 €)	10 331	312	2 420	73	**12 751**	**385**
> 1.0 x SS ceiling (> 37 032 €)	7 360	182	1 785	45	**9 145**	**227**
> 1.2 x SS ceiling (> 44 438 €)	7 491	153	1 394	28	**8 885**	**181**
> 1.5 x SS ceiling (> 55 548 €)	3 724	58	1 098	18	**4 822**	**76**
> 2 x SS ceiling (> 74 064 €)	8 580	77	1 139	11	**9 719**	**88**
Total	45 821	1 095	10 804	292	56 625	1 387

SS (Social Security) ceiling = 37 032 €

1.9.2.3. Organization of work

1.9.2.3.1. Organization of working time

The official working week is 35 hours.

1.9.2.3.1.1. Part-time employment

At December 31	2011			2012			2013		
Number of contracts	M	W	Total	M	W	Total	M	W	Total
At employees' request	6	51	**57**	6	49	**55**	6	55	**61**
Imposed by employer	3	5	**8**	0	1	**1**	0	0	**0**

M: men – W: women

1.9.2.3.1.2. Shift work

Employees at December 31	2011			2012			2013		
working in shifts	F	A	Total	F	A	Total	F	A	Total
2 shifts	18	115	**133**	67	18	**185**	97	172	**269**
3 shifts	0	68	**68**	5	122	**127**	7	23	**30**
> 3 shifts	0	287	**287**	0	212	**212**	0	277	**277**
Total	18	470	488	72	452	524	104	472	576
% shift workers/total			31.3			32.1			34.7

F: fixed – A: alternating

1.9.2.3.1.3. Overtime

Number of overtime hours	2011	2012	2013
Overtime hours worked and paid	39 580	36 438	36 667
% Overtime/theoretical total hours	1.4	1.2	1.2

1.9.2.3.1.4. Temporary employment, by reason

Average headcount (FTE)	2011	2012	2013
Replacement of absentee workers	76	122	63
Increased workload	97	57	104
Total	**173**	**179**	**168**

1.9.2.3.2. Absenteeism (11)

1.9.2.3.2.1. Number of days of absence

Number of days	2011	2012	2013
Total for the whole of the Group	24 445	25 227	22 939
Average per employee	**16.0**	**16.0**	**13.7**

1.9.2.3.2.2. Absenteeism rate, by reason

% of theoretical number of days worked	2011	2012	2013
Sickness	4.78	4.91	4.11
Maternity leave	0.59	0.48	0.47
Occupational and commuting accidents	0.43	0.34	0.36
Family events, other	1.22	1.29	1.23
Total	**7.02**	**7.02**	**6.16**

1.9.2.4. Industrial relations

1.9.2.4.1. Collective bargaining agreements (12)

% of headcount	2011	2012	2013
Union des Industries Chimiques (UIC)	46	41	38
Waste activities	43	44	46
FG3E	4	7	8
Road transportation	4	4	4
Public works	3	3	4
Total headcount France	**100**	**100**	**100**

(11) LA7. (12) LA4.

1.9.2.4.2. Organization of industrial dialog

At December 31	2011			2012			2013		
Number of members of	M	W	Total	M	W	Total	M	W	Total
Works councils	16	5	**21**	17	4	**21**	14	7	**21**
Central works councils	5	2	**7**	5	2	**7**	7	3	**10**
Individual staff delegates	18	10	**28**	24	3	**27**	20	5	**25**
Hygiene, safety and working conditions committees (for sites > 50 employees)	0	0	**0**	0	0	**0**	28	0	**28**

M: men – W: women

Number of meetings of	2011	2012	2013
Works councils	45	72 (13)	57
Central works councils	16	7	12
Individual staff delegates	35	84	67
Hygiene, safety and working conditions committees	46	9	50

M: men – W: women

1.9.2.4.3. Content of collective agreements

The subjects dealt with tend to reflect trends in regulatory change, and the sectors affected by official collective bargaining agreements. At the end of 2013, subjects discussed during the year included:

- forward-looking management of jobs and skills, which was included in agreements with senior employees (covering 100% of the labor force);
- agreements on jobs of an arduous nature, including psycho-social risks;
  - 59% of the labor force are not concerned by this, 37% are covered by an agreement and 4% are still in the analysis phase.
- an agreement on professional equality, covering 89% of the labor force;
  - (this is not compulsory for the other 11%, since they work in structures of fewer than 50 employees);
- management of handicapped workers (100% of the labor force is covered by an agreement at group level);
- training plans (100% of the labor force covered);
- company and/or employee agreements, etc. depending on local conditions.

1.9.2.5. Health and safety

1.9.2.5.1 Health and safety conditions at work (14)

1.9.2.5.1.1. Occupational diseases

The Group has four declared cases of occupational diseases, of which one has been recognized.

1.9.2.5.1.2. Wellbeing at work

An intial study into psycho-social risks has been carried out at Trédi, and concerns approximately 30% of Group employees.

1.9.2.5.1.3. Organization

All sites have their own Health, Safety, Environment and Quality (HSEQ) manager responsible for execution of policy at elementary level. Sites also comply with the requirements of French legislation on health, safety and working conditions committees (CHSCT).

Under article L.4644-1 of the French Labor Code, which modifies the organization of supervisory and preventive health measures in the workplace, the Group appoints in each subsidiary concerned a worker representative for work-related risks. These representatives act in liaison with company medical staff.

(13) Data corrected compared with the 2012 Annual Report. (14) LA6.

1.9.2.5.1.4. Safety training

Specific training modules are provided in the management and optimization of safety behaviors, with the aim of reducing the incidence of risky behavior likely to lead to industrial injuries. Management communicates regularly with workers in special on-the-ground sessions, emphasizing the appropriateness or otherwise of the safety measures implemented. The objective is to put in place any corrective measures needed and to ensure that experience is transferred.

1.9.2.5.1.5. OHSAS 18001 certifications

The Group's activities are to a large extent certified OHSAS 18001. Reasoning in terms of tonnage treated on the sites concerned according to activities (the most relevant item of data) leads to the following coverage rates:

Storage	Incineration	Physico-chemical	Regeneration	Total tonnage
95%	78%	39%	néant	87%

1.9.2.5.1.6. Expenditure on safety

In K€	2011	2012	2013
Expenses for the supply of workers' clothing and individual protection (15)	1 588	1 719	2 113
Investments for the improvement of working conditions	1 058	611	929

1.9.2.5.2. Work-related accidents (16)

Frequency rate with absence from work	2011	2012	2013
FR1 - Employees	17.6	18.5	16.4
FR1 - Employees + temporary personnel	21.2	20.7	18.9

Severity rate	2011	2012	2013
SR - Employees	0.8	0.8	0.8
SR - Employees + temporary personnel	0.8	0.7	0.8

(15) Workers' individual protection: EPI in French. New consolidation method in 2013 including all types of protection equipment; data for 2011 and 2012 restated on 2013 basis. (16) LA7.

1.9.2.6. Training

1.9.2.6.1. Training policies (17)

1.9.2.6.1.1. Budgets allocated

In K€	2011	2012	2013
Excluding value-added tax	936	1 187	1 640
As a % of total employee costs	**1.7**	**2.0**	**2.6**

Each Group company defines its training plans at the level of elementary structures, in conformity with the French law on consultation with works committees. To ensure full account is taken of job and activity specifics, there is no single Group policy document.

1.9.2.6.1.2. Subjects of training

% of budgets spent	2011	2012	2013
Environment, quality, security	54	56	50
Job-specific	36	26	26
Management and communication	2	9	7
Administrative, HR	2	2	8
Other	6	7	9

The Group trains its employees in approved training institutions, and in parallel develops its own training modules internally with the aid of specially trained staff members.

What is original about this process is the integrated nature of the instruction provided. Compulsory regulatory training (for example, of heavy equipment drivers, or crane hands), because of its repetitive character, risks seeming "disconnected" from everyday realities, bringing about a general demotivation on the part of the employees concerned. These types of training are therefore integrated, as far as possible, into broader subject areas. As an illustration, an employee receiving training as a handling machine driver may also receive training on the subject of waste product packing, storage and labeling.

(17) LA11.

1.9.2.6.2. Training modules taught

1.9.2.6.2.1. Total

Number of employees or hours taught	2011	2012	2013
Number of training modules taught	2 606	2 579	3 540
Number of employees trained			1 280
Number of hours taught	19 429	24 328	30 196

1.9.2.6.2.2. Breakdown of training modules taught, by category of trainees

Number	2011			2012			2013		
	M	W	Total	M	W	Total	M	W	Total
Executives	269	112	**381**	267	123	**390**	449	196	**645**
Supervisors	872	204	**1 076**	910	179	**1 089**	1 177	183	**1 360**
Clerical	214	127	**341**	272	98	**370**	339	171	**510**
Workers	768	40	**808**	722	8	**730**	1 015	10	**1 025**
Total	2 123	483	2 606	2 171	408	2 579	2 980	560	3 540
% men/women	*81.5*	*18.5*		*84.2*	*15.8*		*84.2*	*15.8*	

M: men – W: women

1.9.2.6.2.3. Breakdown of number of trainees, by category (18)

Number	2011			2012			2013		
	M	W	Total	M	W	Total	M	W	Total
Executives							174	70	**244**
Supervisors							303	88	**391**
Clerical							112	101	**213**
Workers							424	8	**432**
Total							1 013	267	1 280
% men/women							*79.1*	*20.9*	

M: men – W: women

1.9.2.6.2.4. Breakdown of training hours taught by category of trainees

In hours	2011			2012			2013		
	M	W	Total	M	W	Total	M	W	Total
Executives	2 517	1 019	**3 536**	3 054	1 287	**4 341**	3 872	1 697	**5 569**
Supervisors	5 836	1 430	**7 266**	7 459	1 533	**8 992**	8 315	1 175	**9 490**
Clerical	2 047	764	**2 811**	2 492	605	**3 097**	3 070	1 301	**4 371**
Workers	5 575	241	**5 816**	7 792	106	**7 898**	10 704	64	**10 768**
Total	15 975	3 454	19 429	20 797	3 531	24 328	25 961	4 237	30 198
% men/women	*82.2*	*17.8*		*85.5*	*14.5*		*86.0*	*14.0*	

M: men – W: women

(18) New indicator from 2013.

1.9.2.6.2.5. Individual training rights (DIF)

At Dec. 31 of previous year (in hours)	2011	2012	2013
Cumulative training rights not used	136 286	154 531	153 507
Rights converted into commitments to future training	834	704	428

1.9.2.7. Equality of treatment

1.9.2.7.1. Male/female equality [19]

Please refer to the chapter on the promotion and respect of ILO conventions.

1.9.2.7.2. Handicapped persons [20]

100% of employees work in a structure which has concluded an agreement on handicapped workers. The Group has signed an agreement with the French organization AGEFIPH (Fund Management Organization for the Professional Integration of People with Disabilities) under which Séché Environnement undertakes to recruit handicapped persons and to maintain them in employment.

Number of beneficiaries [21]	2011	2012	2013
Company	38	44	53
Sub-contractors in the protected sector	6	6	6
Total	**44**	**50**	**59**

1.9.2.8. Promotion and respect of ILO conventions

1.9.2.8.1. Freedom of association and the right to collective bargaining [22]

1.9.2.8.1.1. General policy

The Group's position is expressed in Point 4 of its Code of Behaviors and Actions, which was updated in 2013:

"Séché Environnement, as a key participant in society, strictly respects political, religious and philosophical neutrality:

- *the Group refuses to contribute financially to candidates, elected representatives or political parties;*
- *any employee may of course take part individually in political life, outside the workplace and outside working hours, but no employee may make use of the Group's image in support of his or her commitment;*
- *the Group restricts its participation to the financing of associations, foundations or sponsoring operations under current legislation, provided that such operations respect the framework of values and priorities defined by the Group."*

1.9.2.8.1.2. Participation in labor unions

Number of labor union delegates	2011	2012	2013
Total	**21**	**22**	**20**

1.9.2.8.1.3. Employee representatives

Employee representatives	2011	2012	2013
Number	22	27	28
Number of meetings	50	51	31

(19) LA14. (20) LA13. (21) Values determined in February at the time of making the official declarations. (22) HR5 ; LA4.

1.9.2.8.2. Abolition of discrimination in employment and occupation [23]

The Group considers itself concerned by the respect of human rights in their various forms (freedom to join labor unions, prohibition of forced, compulsory and child labor, respect of indigenous populations, etc.) However, it does not regard itself as highly exposed to these risks, since the Group's operations are mainly located in France, where all salaried employees are covered by a collective bargaining agreement, and where union and employee representative meetings take place under regulations governing industrial relations, and where application of the law prohibits any behavior contrary to human dignity.

The Group will not allow itself to practice discrimination of any kind, whether based on race, color, creed, gender, sexuality or anything else, whether in the areas of recruitment or appointment, or during the execution or at the conclusion of the work contract.

The Group usually recruits locally, and is rarely faced with problems of this kind. It intends to continue striving to maintain balance in the following key areas:

- gender: in an industry where complete gender parity is not achievable because of the arduous nature of certain jobs, the Group offers equality of opportunity (for example: 26% of executives are women, while 23% of employees in general are women);
- generation: the age distribution is balanced, with an average employee age of 41 years and employees over the age of 45 representing 39% of all employees;
- experience: the length of service distribution is balanced, at around an average of 10 years.

89% of all employees are covered by a professional equality agreement. The other 11% are not covered by such an agreement because they work in structures of less than 50 employees, where such agreements are not compulsory.

Séche Environnement is committed to respecting employees' private lives, and has never been the subject of a complaint of any kind in this respect, either from employees or third parties.

1.9.2.8.3. Abolition of child labor [24] *and elimination of forced or compulsory labor* [25]

Séché Environnement refuses to countenance child labor and forced or compulsory labor, either directly or through the intermediary of sub-contractors working in or on the Group's sites and facilities. The Group does not purchase supplies or investments from or in countries which do not respect this ethic. Given the geographies in which the Group is active, it is not significantly exposed to this risk.

1.9.3. Environmental information

1.9.3.1. General policy on environmental matters

1.9.3.1.1. Organization to take account of environmental aspects

1.9.3.1.1.1. General policy

Séché Environnement's activity is the recovery and treatment of waste products (except radioactive waste), for all types of customers (private sector and local authorities).

All Séche Environnement sites are officially classified "IPCE" (for the protection of the environment), and respect the stipulations of the prefectoral authorization needed to operate each site (volume and nature of waste to be treated, standards for atmospheric emissions and water-borne effluents, etc.). The traceability of waste throughout the recovery and treatment process, and the observance of environmental standards, are controlled by the administration.

Thus it is part of the very nature of Séché Environnement to adapt its industrial facilities to reduce their impact on the environment, as soon as new regulations prescribe new maximum or minimum values. These measures are undertaken under the control of the regional environmental authorities (DREAL) using a broad range of measuring techniques for physico-chemical and biological

(23) HR4 ; LA13 & LA14. (24) HR6. (25) HR6 & HR7.

measurements, such as biodiversity or measuring air quality using lichens. The Group's objective is to treat waste in the interests of the planet, while respecting regulatory standards.

Séche Environnement cannot however fix absolute environmental objectives for itself, since the Group's emissions and effluent depend on the quality and mix of the waste products it receives from its customers for treatment. This is particularly true for industrial waste, which tends to be more heterogeneous.

NB: This means that the Group is unable to commit to an absolute level of performance in terms of atmospheric emissions of sulfur, for example, since such emissions depend on the volume and sulfur content of the waste received from its customers for treatment. Another example illustrates the complete dependence of the Group on the nature of the waste received from its customers for treatment: its inability to limit through proactive policies the amount of final waste it produces. Final waste is almost non-existent in the case of incineration of liquid waste, but, at the other extreme, in the case of treatment of polluted land, the same weight of pollutant will remain as final waste at the end of the process. On average, the mass of clinker produced is about 20% of waste entering the process.

ISO 14001 and MASE certifications

All the Group's industrial activities are certified ISO 14001. Only transportation is not so certified, since the ISO 14001 standard does not deal with this activity. However, it does adhere to other reference systems such as Charte CO_2 for transportation, which aims to reduce greenhouse gas emissions in that sector.

1.9.3.1.2. Organization and information

1.9.3.1.2.1. Internal organization

This policy is managed by the Director of Industrial Operations who is a member of general management.

A specific post of Director, Health, Safety and Eco-responsibility reports to him. This manager is responsible for monitoring and coordinating the day-to-day actions in this area of different sites. On the ground, each site has its own Health, Safety, Environment and Quality (HSEQ) Manager.

1.9.3.1.2.2. Information policy

1.9.3.1.2.2.1. Regulatory level

Local environmental policies are monitored and discussed in local information and monitoring committees (CLIS) [26] which bring together industry, the authorities, local council members, local associations and residents, etc. At these meetings, environmental results are presented annually, in addition to the returns made to the regional environmental authorities (DREAL) [27].

1.9.3.1.2.2.2. Open sites policy and site visits

Opening its sites to customers is not only a process for getting to know each other, it is the expression of Séché Environnement's desire for transparency, and part of its corporate culture. It is also an act of giving information to and educating the public, in which Séché Environnement can proudly show off the pride of its employees and explain the future of waste management, and the resources that waste may still contain provided it has been properly sorted at the appropriate stage.

Visitors are invited to discover the methods and concrete actions implemented in order to protect health, the environment in general, and biodiversity, in particular on storage sites. These are often located in rural areas, which lend themselves best to these demonstrations.

In 2013, more than 6 800 visitors were welcomed, in over 460 visits, to whom should be added visitors arriving for specific open day events.

1.9.3.1.2.2.3. New communications technologies

Séche Environnement began implementing new communications tools as early as 2011 to broaden the means of communicating with its stakeholders (employees, associations, institutions, etc.) through the modern facilities offered by the internet: corporate website, blog and Facebook.

1.9.3.1.3. Resources devoted to preventing risks and pollution [28]

1.9.3.1.3.1. Organization

All Group sites are classified for the protection of the environment, and therefore hold internal operations plans

(26) CLIS: local information and supervision committees. (27) DREAL : DREAL: regional environment, territorial planning and housing authorities. (28) EN 30.

(POI) and prevention and intervention plans (PPI) related to their geographical locations.

Safety audits are performed with insurance companies in particular, and verifications are carried out by the authorities (DREAL). Simulation exercises are held with outside emergency services (SDIS) [29] such as firefighters, with the objective of mutual instruction.

The Group has set up at general management level an emergency room which can be activated in times of crisis, to mobilize resources as necessary to restore people and property to safety, and to ensure a rapid return to orderly existence. The emergency room will also manage communications fully transparently.

1.9.3.1.3.2. Illustrations

We give below a few examples of measures taken which go beyond technical requirements.

- Noise: management of truck and heavy equipment movements (itineraries and timings) and installation of sound-proofing hoods on certain types of technical installation such as motors;
- Dust: water sprinkling and/or the planting of shrubs to prevent dust fly-off; gas washing and electrostatic precipitators for incinerator emissions;
- Odors: working in the windward direction on limited surfaces and covering sites with an active carbon filter at nights and on weekends, and masking odors from the storage of household waste; for incinerator pits, closed buildings equipped with air extractors.

1.9.3.1.4. Provisions and guarantees for environmental risks [30]

1.9.3.1.4.1. Current activities

As of the date of writing the present report, Séché Environnement has no knowledge of any pollution generated by its activities and/or for which the necessary measures have not been taken to ensure complete rectification of the problem.

1.9.3.1.4.2. Supplemental expenses [31]

Only identifiable supplemental expenses may be taken into account. For example, building a sewage processing plant constitutes an environmental expense. However, the maintenance costs incurred over the following years lose their "environmental" character, while supplemental expenses incurred to increase the sewage treatment capacity beyond their initial level are environmental expenses.

The following are excluded from the scope of this definition:

- fines and penalties;
- expenses whose prime objective is not the protection of the environment;
- expenses which could have a positive influence on the environment, but whose primary objective is to satisfy other needs, such as to improve profitability, hygiene or safety in the workplace (for example, new sorting centers).

(29) SDIS: local fire and rescue service. (30) EC 2. (31) As defined in Recommendation no. 2003-r02 dated October 21, 2003 of the Conseil National de la Comptabilité (French national accounting standards council).

In K€

Eurostat classification	Changes in provisions for environmental expenses and risks: Jan. 1, 2013	Allocations	Write-backs used	Write-backs not used	Other changes	Dec. 31, 2013	Operating expenses: Non-provisioned expenses	Investments: Capitalized expenses	Total expenses: Dec. 31, 2013
1.9.3.1.4.2.1. By category									
Protection of ambient air and the climate	-	-	-	-	-	**-**	67	110	**176**
Waste water treatment	-	-	-	-	-	**-**	-	441	**441**
Waste management	-	-	-	-	-	**-**	-	569	**569**
Protection and cleansing of soil, underground water and surface water	272	(272)	-	-	-	**-**	-	75	**(197)**
Actions to combat noise and vibrations	-	-	-	-	-	**-**	-	27	**27**
Protection of biodiversity and the landscape	-	-	-	-	-	**-**	13	-	**13**
Protection against radiation	-	-	-	-	-	**-**	-	-	**-**
Research and development	-	-	-	-	-	**-**	-	-	**-**
Other activities for the protection of the environment	13 281	3 822	110	745	-	**16 248**	-	-	**3 077**
Total	**13 553**	**3 550**	**110**	**745**	**-**	**16 248**	**80**	**1 222**	**4 107**

1.9.3.1.4.2.2. By type of action

Eurostat classification	Jan. 1, 2013	Allocations	Write-backs used	Write-backs not used	Other changes	Dec. 31, 2013	Non-provisioned expenses	Capitalized expenses	Total expenses Dec. 31, 2013
Pre-treatment, treatment and elimination	-	-	-	-	-	**-**	-	344	**344**
Measurements and controls	-	-	-	-	-	**-**	81	4	**85**
Recycling, recovery	-	-	-	-	-	**-**	-	-	**-**
Prevention of pollution	13 553	3 550	110	745	-	**16 248**	-	874	**3 679**
Total	**13 553**	**3 550**	**110**	**745**	**-**	**16 248**	**81**	**1 222**	**4 107**

1.9.3.2. Environmental impacts of waste management

1.9.3.2.1. Water supply, consumption and discharge

1.9.3.2.1.1. Water policy

Concerning the management of water (rainwater and water from treatment processes), working areas are watertight, and water is collected and treated on site. Most of the treated water will be re-used on site, either as process inputs (stabilization), for washing trucks, for cleaning the site or for watering garden areas. Aside from water used for sanitation, certain sites are self-sufficient (such as Changé) or return greater quantities to the natural environment than they consume (for example, the physico-chemical plant at Hombourg).

1.9.3.2.1.2. Water consumption (32)

Consumption in thousands of cubic meters	2011	2012	2013
Incineration	4 151	4 057	3 927
Other	267	233	192
Total in thousands of cubic meters	**4 418**	**4 290**	**4 119**

In addition to water consumed for sanitation and cleaning purposes, certain treatment techniques consume significant quantities of water. This is notably the case for purification systems associated with the wet treatment of exhaust gases from incinerators, and the stabilization of final waste before storage. Significant programs aimed at achieving savings and improving recycling have been implemented in recent years, leading to a constant reduction in water consumption.

1.9.3.2.1.3. Origin of water consumed (33)

Sources of supply in thousands of cubic meters	2011	2012	2013
Total consumed, in thousands of cubic meters	**4 418**	**4 290**	**4 119**
Of which extracted from water table	*3 883*	*3 785*	*3 748*
Of which taken from drinking water networks	*-*	*-*	*364*
Proportion extracted from water table	**87.9%**	**88.2%**	**94.9%**
Water recycled from treatment processes (consumption avoided)	-	-	193

Water is taken either from water mains or watercourses, or by pumping it from wells, none of which is situated in a RAMSAR-protected wetlands area. The quantity of water drawn from the water table is not significant in relation to ground water reserves (less than 5%), and there is no risk that the level of these reserves will be caused to fall. Most ground water is drawn at Saint-Vulbas (Ain) and Salaise (Isère) from the reserves maintained in large quantities by Alpine run-off.

In the absence of an industrial water supply, drawing water from the water

(32) EN8. (33) EN9 - only water recycled as part of the treatment process is counted here, to the exclusion of water re-used for watering vegetation or washing vehicles or roads.

table in this way has a lesser environmental impact than taking it from a drinking water supply network, where the water would have been previously treated to make it fit for human use, whereas this is not necessary for industrial use.

Recovery initiatives have been implemented on certain sites, for example recycling rainwater or the use of leachates from stored waste in treatment processes, in particular for pre-storage stabilization of hazardous waste products.

1.9.3.2.1.4. Water returned to the natural environment [34]

Water returned, in thousands of cubic meters	2011	2012	2013
Total in thousands of cubic meters	**2 686**	**2 542**	**2 812**
Of which returned via a waste water treatment facility	*-*	*-*	*2 714*
Relative to consumption	**60.8%**	**59.3%**	**68.4%**

Part of the water discharge occurs as water vapor from thermal processes. Discharges of water in liquid form are made after the water has been treated and its quality checked in terms of the different chemical substances it may contain. The parameters used are, for example, the METOX index for heavy metals, chemical oxygen demand (COD) and suspended solids.

It goes without saying that Séché Environnement, because of its activities and the way it is organized, never voluntarily discharges any chemical substance, oil or hydrocarbons into the natural environment, and no accidental discharge has been observed in recent years.

The principal sources of discharges into the aquatic environment are:

- leachates from storage, which are relatively pure, and are partially re-used in stabilization;
- physico-chemical treatment facilities;
- wet treatment of exhaust gases from incinerators.

The aquatic environment receives discharges via special waste water treatment facilities into fast-moving watercourses (e.g. the discharge from Salaise at 100 cubic meters per hour into the Rhône river, which flows at an average rate of 3.7 million cubic meters per hour). No discharges are made into sensitive areas or milieus.

1.9.3.2.1.5. Quality of water returned to the natural environment [35]

Contaminants in tonnes per year	2011	2012	2013
Soluble salts	5 114	5 132	8 921
Chemical oxygen demand (COD)	782	759	249
Suspended solids	43.3	50.3	22.7
Total metals	1.9	2.1	1.7
METOX index	6.5	7.3	6.0
AOX	0.6	0.9	1.1

(34) EN10. (35) EN21 - the large increase in soluble salts is explained by an understatement of this line in 2011 and 2012, when, in error, Trédi Saint-Vulbas was not consolidated against this criterion.

1.9.3.2.2. Raw materials consumed: quantities and origins [36]

Consumption in thousands of tonnes	2011	2012	2013
From internal recovery from waste	ND	93	NEW CLASSIFICATION FROM 2013 ONWARD
External purchases	ND	45	
Total in thousands of tonnes	**85**	**138**	
% of tonnage treated	**3.5%**	**6.3%**	
% recovered from waste	**-**	**67.4%**	

The activities which consume the most raw materials as a proportion of tonnage of waste treated are storage and stabilization, followed by physico-chemical treatment and incineration. Consumption of raw materials depends on the nature of the waste to be treated (reactive or "chemical" products) and the work to be performed (construction of storage cells, building materials, etc.) Part of the Group's raw materials needs are covered by internal recycling: waste products, once sorted and treated, can constitute raw materials for the Group's own activities.

This new approach to analyzing consumption of inputs began in 2013. The list of raw materials comprising "consumption" has been widened to include products entering into the calculation of GHG emissions, in anticipation of a future move by the Group to scope 3.

Consumption in thousands of tonnes	2011	2012	2013
Raw materials purchased (chemicals)	-	-	29
Raw materials purchased (building works)	-	-	96
Total raw materials in thousands of tonnes	**-**	**-**	**126**
Raw materials recovered from recycling (building works)	-	-	147
Total raw materials used	**-**	**-**	**273**
% recovered from waste	**-**	**-**	**53.8%**

1.9.3.2.3. Impact of atmospheric emissions [37]

Emissions in tonnes per year	2011	2012	2013
Nitrogen oxides in tonnes of NO_2	517	546	485
Sulfur dioxide in tonnes of SO_2	418	339	159
Hydrochloric acid in tonnes of HCl	6.6	6.1	9.7
Dust in tonnes	9.9	13.9	10.5
Dioxins and furans in grams	0.082	0.092	0.149

(36) EN1 & EN2 - in 2013, there was a change in raw materials listed, related to their GHG impact. (37) EN19 & EN20.

Incineration plants discharge gaseous effluents and dust particles, the cleaning of which is checked very carefully. The principal gases which are verified are hydrochloric acid (HCl), sulfur dioxide (SO_2) because of its acidifying power, carbon monoxide (CO) and nitrogen oxides (NOx), a source of eutrophication.

Emissions in tonnes per year	2011	2012	2013
Volatile organic compounds (VOCs) in tonnes	-	-	-
Incineration (channeled sources)	5.5	11.4	4.2
Chemical recovery	35.4	39.0	38.3
Storage	1.5	33.9	11.7
Total	**42.4**	**84.3**	**54.2**

Photochemical pollution consists of a set of complex phenomena which lead to the formation of ozone and other oxidizing compounds. Among the sources of these substances are volatile organic compounds (VOCs), produced in the Group's solvent regeneration and incineration activities. Measuring these substances being a delicate task, and one that only began recently, the perimeters of these measurements will be extended from year to year. Increases in the values measured should not therefore be analyzed as increases in quantities emitted, but rather as improving knowledge of these flows in view of their capture.

1.9.3.2.4. Land use (38)

A team of ecologists has been active since 1994 ensuring integration of storage sites into the surrounding landscape. Overall plans are drawn up, preserving sensitive ecological areas such as wetlands in particular. Simulations are carried out to facilitate exchanges with local residents. During ongoing operations, this team works to ensure a good natural balance, planting local species of trees and plants. It checks that sites are in good order using scientific indicators (IBGN biotic index, bird counting according to the methods of the French National Museum of Natural History, amphibian counting, etc.). The countryside is monitored by means of a dashboard which points up the extent of surfaces as seen from outside the site, showing natural areas, industrial facilities, temporarily visible waste, etc.

Areas by land use, in hectares at Dec. 31	2011	2012	2013
Incineration	33.1	33.1	Survey to be conducted in 2014 according to the National Biodiversity Strategy
Physico-chemical	12.0	12.0	
Stabilization and storage	260.0	260.0	
Chemical recovery	5.8	5.8	
Sorting, recovery, transportation	22.3	22.3	
Total in hectares	**333.0**	**333.0**	

(38) EN11.

1.9.3.2.5. Prevention, recycling and elimination of waste [39]

Séché Environnement's business being waste treatment, the Group produces final waste which merely constitutes the remainder of the 2.324 million tonnes of waste received from its customers for treatment.

Similarly, and with the same reservations as to the nature and volume of waste received for treatment, Séché Environnement sets itself the priority of recovering energy and/or materials where possible (for example, chromic acid baths or sludge containing metals such as nickel, zinc or molybdenum).

The success of materials recovery depends on the quality of the sorting carried out beforehand on the waste received from customers. The quality of sorting by the waste producer is of the greatest importance, but lies outside the Group's influence. To optimize its own sorting operations, especially the sorting of used packaging, the Group has embarked on modernizing its non-hazardous waste sorting platforms since 2011, introducing a high degree of automation and state-of-the art technologies such as optical sorting and ballistic sorting. The Group's initial investments in facilities to manufacture solid recovered fuel (SRF) for sale form part of this logic of materials recovery.

Hence, Séché Environnement does not itself generate waste, but rather treats waste, extracting value from it, reducing its volume and concentrating its hazardous character into "waste waste" or final waste which is then placed in secure storage, insulated from any possible contact with the biosphere.

From 2013 onward, statistics in this connection are based on the European system, which distinguishes between recycling (R) and disposal (D). This concerns only waste from operations, and no longer includes volumes of materials recovery carried out on behalf of customers (solvent regeneration, sorting of household waste, etc.)

RECOVERY IN THOUSANDS OF TONNES (CRITERION R)	2011	2012	2013
Recovery from production of hazardous waste	CHANGE OF FRAME OF REFERENCE		8
Recovery from production of non-hazardous waste			93
TOTAL IN THOUSANDS OF TONNES	-	-	**101**

WASTE PRODUCTION IN THOUSANDS OF TONNES (CRITERION D)	2011	2012	2013
TOTAL HAZARDOUS WASTE IN THOUSANDS OF TONNES			**136**
Of which redirected to another Group site	CHANGE OF FRAME OF REFERENCE		*92*
TOTAL NON-HAZARDOUS WASTE IN THOUSANDS OF TONNES			**81**
Of which redirected to another Group site			*36*

(39) EN2.

1.9.3.2.6. Energy [40]

TOTAL IN GWH/YEAR	2011	2012	2013
ENERGY PRODUCTION			1 014.0
External sales of energy	644.4	659.2	763.8
Internal production and consumption			250.2
Purchases of energy	301.7	295.7	246.8
CONSUMPTION OF ENERGY			497.0
Energy self-sufficiency			204%

The improvement in 2013 was the result of investments in energy optimization and changes in the consolidation scope (net consuming sites such as Oléron and Gerep left the scope, and net producing sites such as Alcéa joined the scope). The formula for calculating energy self-sufficiency was revised in 2013 to include the Group's own energy consumption, and now constitutes the present indicator.

Development prospects are related to the volumes and mix of waste received from customers.

1.9.3.3. Climate change

1.9.3.3.1. Carbon accounting (article 75 of the "Grenelle" Law) [41]

Article 75 of French Law no. 2010-788 dated July 12, 2010, requires companies to account for greenhouse gas (GHG) emissions under the BEGES system. Séché Environnement began calculating its GHG emissions several years ago. Since 2011, it has applied the regulatory BEGES carbon accounting methods based on Bilan Carbone® V7, initiated by ADEME, the French agency for energy use and the environment, and now managed by the Association Bilan Carbone®. The reference period for the first GHG report conducted under these arrangements was the fiscal year 2011.

In compliance with regulations, the operating scope includes all sites likely to emit GHGs directly or indirectly in connection with energy use, i.e. categories or scopes 1 (GHG emissions from either fixed or moveable sources which are controlled by the corporate entity) and 2 (GHG emissions from the production of electricity, steam or heat, imported and consumed by the corporate entity for the benefit of its own operations).

The carbon cycle is a bio-geo-chemical cycle resulting from complex exchanges between the atmosphere, the oceans, living matter and mineral substances.

The short-term biomass carbon cycle

While it grows, biomass assimilates carbon by photosynthesis. Later, its natural degradation through putrefaction in the form of CO_2 and CH_4 naturally releases the carbon stored earlier: this is the short, or biogenic carbon cycle. In this natural, balanced cycle, the impact on the greenhouse effect of biogenic CO_2 is considered to be close to zero.

Consequently, it is generally admitted that carbon originating in biomass (biodegradable matter, cardboard, organic household waste, etc.) and reemitted as CO_2 during waste treatment, has little or no impact on the greenhouse effect. The global warming potential (GWP) of CH_4, however, is much greater, and often attributable to human activity, for example the partly anaerobic storage of waste, and must therefore also be taken into account.

The very long-term fossil carbon cycle

The carbon contained in fossil matter was trapped in cycles of several million years in “geological reservoirs”, practically without any exchange with the atmosphere over numerous millennia. Burning fossil fuels or matter containing carbon of fossil origin, such as plastics, throws the “natural” carbon cycle out

(40) EN3, EN4 & EN5. (41) EN16 & EN17.

of balance by injecting massive quantities of CO_2 and CH_4 into the atmosphere, adding net carbon to the atmosphere on a time scale of the order of 100 years.

As a result:

Carbon of fossil origin contributes, on this time scale, to increasing the concentration of CO_2 in the atmosphere and **has a decisive impact on climate change.**

Biogenic carbon must be quantified separately, since it is considered to have no impact on climate change.

In the case of waste treatment, biogenic carbon comes from the fermentable component of waste.

GHG emissions for scopes 1 + 2

In kt eqCO$_2$	2011	2012	2013
Bilan Carbone - fossil carbon	682.0	ARTICLE 75 METHOD NOT CALCULATED IN 2012	726.2
Bilan Carbone - biogenic carbon	325.6		439.9
Bilan Carbone (BEGES) - Total carbon	**1 007.6**		**1 166.1**
Uncertainty of the Bilan Carbone measurement	**367.3**		**226.7**

1.9.3.3.2. GHG emissions avoided [42]

1.9.3.3.2.1. Principle

Atmospheric emissions from the treatment of waste depend on the type of waste and the process employed.
For example:

- Storage with production of methane: the regulations provide only for the flaring off of methane produced, in order to reduce its global warming potential, which is 25 times greater than carbon dioxide. The Group recovers this methane by producing electricity and steam: the reduction is the same, but the Group avoids GHG emissions because of this energy production which would otherwise have necessitated consumption of a fossil fuel. Since the carbon concerned here is biogenic carbon, these emissions avoided will no longer be accounted for as such;
- Incineration with production of energy: first and foremost, the Group possesses smoke treatment equipment which enables it to comply with regulations. Energy production gives rise to a certain quantity of GHG emissions avoided. R&D efforts have also made it possible to reduce other GHG emissions such as nitrogen oxides by injecting urea into the smoke treatment process, and by capturing the CO_2 present in smoke by means of membrane techniques which have recently been patented.
- Treatment of industrial gases: these techniques make it possible to reduce considerably GHG emissions, especially when applied to CFCs or sulfur hexafluoride (SF_6) which have a global warming potential of 25 000 to 29 000 times that of CO_2.

1.9.3.3.2.2. Emissions avoided by energy recovery

GHGs avoided for scopes 1 + 2

In kt eqCO$_2$	2011	2012	2013
Bilan Carbone - excluding own energy consumption	86.0	ND	40.0

(42) EN18.

1.9.3.3.2.3. Emissions reduced by the treatment of industrial gases with high global warming potential

Emissions are reduced by the treatment of gases such as CHCs, halons, sulfur hexafluoride (SF_6) with a very high global warming potential (25 000 to 29 000 times that of CO_2)..

GHGs reduced in Kt eqCO_2	2011	2012	2013
GHGs reduced excluding industrial gases treated [43]	ND	2 507	4 776

1.9.3.3.3. Adaptive measures

1.9.3.3.3.1. Transportation of waste

By road

An important part of Séché Environnement's striving to offer its customers a complete service is its waste transportation subsidiary, which in December 2010 was awarded the "Target CO_2: Carriers Undertake" accreditation, in recognition of its efforts in the context of a voluntary approach to reducing CO_2 emissions.

By waterway

Aware of the impact of road transportation on densely populated areas, Séché Environnement has also initiated in recent months an alternative transportation solution based on the use of waterways for inert waste from the Paris region, destined to be recovered for use in a landscaping operation in the lower Seine valley. To this end, the Group opened a 4 000-square-meter platform in the port of Gennevilliers, near Paris, for this waterway traffic.

By rail

Séché Environnement is a partner in a multimodal platform project in the Mayenne department, which opened in 2013. A stretch of disused railroad has been brought back into service at Longuefuye, to convey waste to the Changé site. Partnering with a transportation company and other local industrial operators enabled enough volume to be created to justify reopening the line.

Double multimodal site at Salaise-sur-Sanne

Since 2012, a portion of the tonnages dispatched by customers for treatment have been received at this site by barge, while clinker is sent to Changé by rail.

1.9.3.4. Protection of biodiversity

By virtue of its activity, Séché Environnement is in permanent contact with nature, both on its own sites and elsewhere, through its relationships with its neighbors and its role as a land occupier. Its activity is not so much dependent on the environment, as having a potential impact on it.

The link which unites Séché Environnement with the biodiversity surrounding its sites is all the stronger because, as a significant landowner, it is able to implement coherent actions for the preservation and monitoring of animal and plant species. The fruits of these actions go beyond the neighborhoods of its own sites because of the exchanges which exist from one territory to another by means of so-called ecological corridors.

The biodiversity which the Group seeks to preserve is that which surrounds it on a daily basis, that which often goes unnoticed, and is often considered common or ordinary. But it is biodiversity that will bring about the territorial richness of tomorrow. This is the guiding philosophy behind Séché Environnement's environmental policy, respecting that which exists in order not to mortgage the future.

In this spirit, Séché Environnement subscribes to France's National Biodiversity Strategy (SNB). Its commitment was recognized by the Ministry for ecology, sustainable development and energy in January 2014, marking the launch of implementation of the Group's three-year plan. The Group takes advantage of the expertise of the LPO (French League for the Protection of Birds) to formalize its commitments. The LPO will accompany the deployment of the Group's action plan.

(43) Values recalculated for 2012 on the basis of a precise inventory of gases received, known only after treatment is ended, at the end of year n+1, with extrapolation to 2013.

The Group's commitment is fourfold:

1. Place actions in favor of biodiversity in a continuum of space and time, stimulating progress widely throughout the subsidiaries of the Group.

2. Make biodiversity a cause that will bring people together within the Group.

3. Use biodiversity as a lever to invigorate stakeholders and customers.

4. Develop people's interest in preserving biodiversity by means of an artistic or cultural approach.

The idea of shared biodiversity has been integrated by the Group into its global approach toward protecting natural milieus from the very beginning of every industrial project, aiming to preserve typical landscapes with well-defined characteristics and special interrelationships.

Based on the results of the studies it carries out, and resolute in its desire to preserve local natural heritage, Séché Environnement integrates its sites, from the design stage onward, into a customized landscape plan, designating the natural areas to be protected, and setting out the broad outlines of rehabilitation programs. These "ecologically sensitive" areas belong to geographical regions where the most vulnerable species and/or prominent features of the landscape such as rare trees have been identified. It has been a purely internal decision by the Group to list them, independently from and in addition to regulatory requirements to list protect spaces (such as Natura 2000, ZNIEFF or natural areas of ecological, flora and fauna interest, ZICO or bird protection area, etc.) Beyond the particular protection status granted to such areas, the different species of flora and fauna present are systematically monitored, especially avifauna and amphibians, species which are bio-indicators of air and run-off water quality.

These monitoring campaigns are carried out by naturalists who belong to trained operating teams set up for the purpose, especially for the monitoring of amphibians, urodeles or chiroptera. In the case of avifauna, the monitoring protocol is provided by the French National Natural History Museum, whose STOC program for monitoring bird populations over time is based on observations by local naturalists' associations, or by members of the LPO (the League for the Protection of Birds, a member of BirdLife International).

The process can be summarized in a few points:

- preservation of areas of heritage significance identified at the beginning of the design stage of the project;
- monitoring the maintenance of biodiversity;
- non-dissociation of landscapes and biodiversity, i.e. integrating into landscape or renaturization programs those elements which can contribute to enriching biodiversity, paying particular attention to choice of plants, shrubs, trees, and seeds (preferably endogenous);
- management methods suitable for application in natural areas, especially using differentiated tools to determine resources and timing for the maintenance of protected natural areas and nearby areas (late mowing, ecological engineering of ponds and watercourses, conservation of dead trees etc.) Pastoralism can be useful in policies of this kind, for example using highland cattle to maintain wetlands, or ditch-dwelling goats of a disappearing local species to clear undergrowth from hilly areas which may be inaccessible to humans.

From the outset, the Group has been sensitive to this dimension and has worked on the ground with associations and individuals who share these values. Its historical site has been an LPO bird sanctuary since 1994, and the Group's ISO 14001 certification for protection of the environment was achieved as early as 1996, a worldwide first for any company in this business.

20 years ago the Group appointed a naturalist-ecologist to ensure that this dimension of respect for biodiversity is integrated into every decision and every action. This team has expanded over the years, during which time collaboration with the National Natural History Museum began. Today, all sites have long since integrated the STOC program for monitoring common bird populations over time. Other projects are in progress, studying amphibians, chiroptera and other species present on the Group's sites. These projects are open to the public in a spirit of sharing knowledge.

The Group's social responsibility report gives the details of these measures, and their results over the years.

1.9.4. Commitments to society (44)

1.9.4.1. Territorial, economic and social impacts

1.9.4.1.1. Employment and regional development (45)

1.9.4.1.1.1. Redistribution of revenue

In M€	2011	2012	2013
Employees (wage bill and employer charges)	80.6	98.8	101.1
Suppliers	210.9	245.5	270.5
Shareholders (dividends)	11.2	11.2	8.2
Financial establishments	7.4	10.7	12.0
State and local authorities	31.8	35.1	35.7
Value retained by the enterprise	80.6	51.9	41.6
Total revenue	**424.4**	**441.9**	**469.1**

1.9.4.1.1.2. Links to the local community

1.9.4.1.1.2.1. Employees' places of residence

% of employees	2011	2012	2013
% of employees living < 50 km from the workplace	87	90	90

1.9.4.1.1.2.2. Local taxation: economic contribution to the local economy

	2011	2012	2013
In k€	**5 084**	**2 606**	**4 487**
In local jobs equivalent	116	59	102

1.9.4.1.1.3. Cooperation with educational establishments

1.9.4.1.1.3.1. Work placements (internships) for > 1 month

Number	2011	2012	2013
Executives	4	3	6
Other employees	37	24	18
Total	**41**	**27**	**24**

(44) The Group's commitments to society are detailed in its corporate social responsibility report. (45) EC8 & EC9.

1.9.4.1.1.3.2. Apprenticeship tax paid

In K€ Payments	2011			2012			2013		
	E	Other	Total	E	Other	Total	E	Other	Total
Regional	26	64	**80**	21	186	**207**	31	221	**252**
National	5	30	**35**	6	1	**7**	5	3	**8**
Total	**31**	**94**	**115**	**27**	**187**	**214**	**36**	**224**	**260**

E: executives

1.9.4.1.1.3.3. Contributions to education and teaching

The Group opens its sites to customers, elected representatives, local residents, associations and school groups. Visitors are invited to discover the means implemented and the concrete actions carried out to protect public health, the environment in general and biodiversity, especially on storage sites which, being situated in rural areas, tend to be the most appropriate for this purpose.

Finally, the Group continues to develop privileged relationships with higher education establishments in a framework of exchanges between industry and universities.

1.9.4.1.2. Neighboring or local populations [46]

Séché Environnement, with its national footprint of waste treatment and storage facilities in various regions of France, contributes to the development of those regions both by the local recruitment of most of its employees (90% of employees live less than 50 km from their workplace) and by indirect job creation in local communities.

Employee purchasing power fuels local economies. The same is true for recourse to subcontracting for activities that are remote from the core business of the Group (security, cleaning and maintenance, among others).

Indirect job creation in local communities should be added to these direct effects, in the transport, hotel and restaurant services which the Group regularly uses, although it is difficult to quantify these.

Finally, the fact that a region has a waste treatment unit in its area of influence is an asset for its industrialization policy: the plant is an essential part of its infrastructure, in the same way as the development of industrial land, the availability of utilities (energy, water and industrial gases) or connections to communication networks.

1.9.4.2. Sub-contractors and suppliers

In K€	2011	2012	2013 [47]
Total sub-contracting expense	**65 441**	**80 972**	**86 260**
% sub-contracting/revenue	**15.4%**	**18.4%**	**18.4%**

(46) EC1 & EC6. (47) Change in accounting method in 2013. The corresponding amount would have been EUR 80 972 thousand.

1.9.4.3. Relations with stakeholders

1.9.4.3.1. Regulatory communication

As the main sites of the Group are designated for environmental protection, their prefectoral operating authorizations require them to convene local information and monitoring committees (CLIS) under the control of the authorities. These committees are tripartite bodies for dialog, bringing together industry, citizens (local residents, associations, etc.) and the authorities. During the revision of some of these prefectoral authorizations, complete impact statements are made available to local residents, daily dialog is initiated and public meetings make it possible to answer questions from interested parties.

1.9.4.3.2. Dialog with stakeholders

Séché Environnement carries out its activities in a spirit of partnership, or at least complementarity, with major active non-governmental organizations (NGOs), especially in the fields of protection of the environment and the preservation of public health.

Apart from this permanent dialog with associations for the protection of the environment concerning the usefulness to society of the Group's activities and its manner of carrying them out, Séché Environnement also initiates targeted partnerships for operations to preserve biodiversity around its sites. In 2012 and 2013, an agreement was implemented with the French League for the Protection of Birds (LPO) on the occasion of the latter's centenary, and marking the launch of Séché Environnement's strategic plan for biodiversity.

Séché Environnement is convinced that the protection of biodiversity will be a major issue over the coming decades, both as regards its own activities and on a broader scale.

The identification and value analysis of an environment, including appraisal of its biodiversity, must make it possible to reconcile as far as possible the management of so-called natural areas, on the one hand, with areas for industrial or domestic use, on the other, principally where activities needing large land areas are concerned.

To this end, it is necessary to identify the different environmental pressures on these land areas, including sites other than those classified Natura 2000 or situated in regional natural parks or similar areas. Biodiversity is at the very heart of human activity, so its preservation must be taken into account intrinsically in all human activities, as is the case for water and air outputs from industrial processes.

The eco-compatibility of plants, the choice of seeds, differentiated land management and the restoration of wetlands are other factors contributing to protecting biodiversity at the Group's sites. The results from monitoring, particularly from the STOC program to monitor avifauna populations, in collaboration with the French National Natural History Museum, attest to the effectiveness of the measures adopted in past years. In line with our aim of continuous improvement, new ecosystem monitoring programs for other fauna groups are currently being implemented.

1.9.4.4. Fair practice

1.9.4.4.1. Good business practice

The Code of Behaviors and Actions issued to all employees (Point no. 3) contains the following instructions issued by the Group:

"Clearly express to customers and suppliers the Company's corporate social responsibility, to promote sustainable development both in terms of production methods and in terms of modes of consumption.

Séché Environnement strives to go beyond simply satisfying its customers' elementary needs for waste management, by providing them with:

- *guarantees of the proper execution of the tasks entrusted to the Group, as the customer has a right to expect (management of the environmental impact of its activity, in compliance with regulations in force, and managing all risks);*
- *services at a cost compatible with the general economic environment;*
- *but also, as a promoter of sustainable development, help in managing waste positively, as opposed to the frequent initial reaction that waste is a constraint, by offering them an opportunity to take an active role in protecting the*

environment in all its social and societal aspects, thus contributing to the protection of health and nature in general.

Together with its suppliers, Séché Environnement applies a responsible purchasing policy based on principles essentially derived from the following considerations:

- *production methods and modes of consumption absolutely must reduce the environmental and social risks which today weigh on the planet;*
- *purchases are an important lever with which to extend and generalize good sustainable development practices, by involving the entire value chain, including suppliers;*
- *our responsible purchasing policy must favor a global cost approach.*

In this spirit, Séché Environnement develops partnering relationships to optimize the cost/benefit ratio of each operation."

No bad practice has been detected over the period.

1.9.4.4.2. Influence strategies and representation of interests

Séché Environnement does not practice isolated lobbying actions. The Group expresses itself through the professional structures of which it is a member. The person in charge is the Group Marketing Director, a member of general management.

1.9.4.4.2.1. Representation of interests to stakeholders

Séché Environnement shares its experience within professional associations and think tanks whose interests coincide with the Group's activities. The advanced technical nature of many subjects and the diversity of their areas of influence mean that a high degree of specialization is required.

The subjects treated are highly technical and necessitate the intervention of experts. The objective of this work is to decipher this complexity and make it understandable to our talking partners, whatever their background, without however misrepresenting it, so that they can form their own considered opinions, and take informed decisions.

This work is essential if the Group is to communicate clearly and in an informed manner to decision-makers, to establish a transparent and lasting dialog in view of future regulatory activity which will foster sustainable growth while preserving the environment.

1.9.4.4.2.2. Acting as a source of propositions and taking up public positions

Since regulatory changes stem largely from consultations between national and European authorities, industry organizations representing the environmental sector take part in various working groups set up to draft future regulations.

These industry organizations make known and defend their positions to public authorities and elected representatives, bringing to the debate their expert knowledge and technical skills, and positioning themselves as a source of propositions in a spirit of transparency and dialog with all stakeholders as they strive toward sustainable development.

1.9.4.4.3. Actions to prevent corruption in all its forms

The Code of Behaviors and Actions issued to all employees (Point no. 7) contains the following instructions issued by the Group:

"Ethics, integrity and legality in commercial relations are all related. No employee may accept from a competitor, customer or supplier of the Group, or offer to them, any remuneration, gift or other advantage. Only gifts or invitations within acceptable limits according to common usage and anti-corruption laws may be tolerated. On no account may an employee solicit a gift or invitation. It is prohibited to pay, offer or to accept to pay bribes, or to grant undue advantages, directly or via an intermediary, to a public service agent or private person in any country with the intention of obtaining favorable treatment or of influencing the outcome of a negotiation in which the Group has a stake. Such practices are contrary to the law and international conventions on the fight against corruption in most countries.

Ethics and integrity require of all employees total probity in their working practices. All employees must avoid any situation which might give rise to a conflict between the interests of the Group and their own personal interests or those of their families. No employee may hold an interest in a supplier or customer company except by means of quoted shares purchased in the context of a share portfolio, and in compliance with rules prohibiting the use of privileged information. It is likewise prohibited to work for an existing or potential competitor, customer and/or supplier without the agreement of the Group."

At the time of issuing these instructions, two meetings, run by Transparency International France, were held to ensure management awareness of these issues.

No bad practice has been detected over the period.

1.9.4.5. Other actions in support of human rights

The Group has put in place an ethics alert mechanism accessible by all employees (Point no. 8 of the Code of Behaviors and Actions):

"The ethics alert mechanism enables any employee, in case of difficulty in interpreting the rules given in the Code of Behaviors and Actions, or in case of doubt as to their application in a particular situation which might call into question the Group's responsibility or bring it or its image into disrepute, to refer the matter directly to the Director of Sustainable Development.

Its scope is limited to acts contrary to laws and regulations, or likely to cause serious damage to the functioning of society in general, or concerning the local community to which the originator of the alert belongs.

Alerts must be originated by an identified employee, and may be protected by a confidentiality agreement. In all cases, the act of originating an alert imposes a heavy responsibility on, and engages the ethics of, the originator. Alerts can only function on the basis of factual information communicated in good faith."

1.9.5. The consolidated sub-group Trédi SA

This chapter concerns specific data on Trédi SA in the context of responding to the requirements of article 225 of the French "Grenelle" law on the environment, according to the definitions of scope and data pertinence adopted for the entire Group.

1.9.5.1. Social data

1.9.5.1.1. Employment

1.9.5.1.1.1. Headcount in France

1.9.5.1.1.1.1. By category and gender

At December 31	2011			2012			2013		
In headcount units	M	W	Total	M	W	Total	M	W	Total
Executives	64	30	**94**	66	30	**96**	66	29	**95**
Supervisors	170	71	**241**	156	62	**218**	156	64	**220**
Clerical	6	36	**42**	6	34	**40**	3	37	**40**
Workers	173	2	**175**	166	2	**168**	152	1	**153**
Total in headcount units	**413**	**139**	**552**	**394**	**128**	**522**	**377**	**131**	**508**
% men/women	**75**	**25**		**75**	**25**		**74**	**26**	

M: men – W: women

1.9.5.1.1.1.2. By type of contract and gender

At December 31	2011			2012			2013		
In headcount units	M	W	Total	M	W	Total	M	W	Total
Permanent contracts	388	135	523	373	126	499	365	123	488
Fixed-term contracts	25	4	29	21	2	23	12	8	20
Total in headcount units	**413**	**139**	**552**	**394**	**128**	**522**	**377**	**131**	**508**
% of fixed-term contracts to total headcount	6.1	2.9	5.3	5.6	1.5	4.4	3.2	6.1	3.9

M: men – W: women

1.9.5.1.1.1.3. Age distribution

At December 31, 2013	Men	Women	Total
< 25 years	6	7	13
From 25 to 30 years	25	5	30
From 31 to 35 years	46	18	64
From 36 to 40 years	46	16	62
From 41 to 45 years	56	29	85
From 46 to 50 years	71	28	99
From 51 to 55 years	68	15	83
From 56 to 60 years	47	11	58
> 60 years	10	2	12
Proportion of seniors (> 45 years)	52%	43%	50%
Average age	**44**	**42**	**44**

1.9.5.1.1.1.4. Average headcount in full-time equivalents (FTE)

At December 31	2011			2012			2013		
In headcount units	M	W	Total	M	W	Total	M	W	Total
Full-time equivalents	418.5	134.3	552.8	393.5	121.8	515.3	377.0	125.4	502.4
Monthly average	419.9	141.8	561.7	401.7	133.4	535.1	385.7	128.7	514.4

M: men – W: women

1.9.5.1.1.2. Workforce changes over the year

1.9.5.1.1.2.1. Recruitments by type of contract and gender

At December 31	2011			2012			2013		
In headcount units	M	W	Total	M	W	Total	M	W	Total
Permanent contracts	21	12	**33**	11	3	**14**	5	3	**8**
Fixed-term contracts	28	3	**31**	20	2	**22**	15	12	**27**
Total	49	15	64	31	5	36	20	15	35
% men/women	77	23		86	14		57	43	

M: men – W: women

1.9.5.1.1.2.2. Departures by reason and gender

At December 31	2011			2012			2013		
In headcount units	M	W	Total	M	W	Total	M	W	Total
Resignations	5	-	**5**	2	2	**4**	1	-	**1**
Individual dismissals	2	-	**2**	14	4	**18**	9	2	**11**
Departures during trial period	1	1	**2**	-	1	**1**	-	-	**-**
Negotiated departures	4	1	**5**	5	3	**8**	-	1	**1**
Redundancies	3	6	**9**	2	5	**7**	-	-	**-**
Intra-Group transfers	4	-	**4**	2	-	**2**	1	-	**1**
Retirements and early retirements	1	-	**1**	1	-	**1**	2	1	**3**
Deaths	1	-	**1**	-	-	**-**	1		**1**
End of fixed-term contracts	27	5	**32**	27	8	**35**	23	6	**29**
Other	-	-	**-**	-	-	**-**	-	-	**-**
Total	48	13	61	53	23	76	37	10	47
% men/women	79	21		70	30		79	21	

M: men – W: women

1.9.5.1.1.2.3. Length of service distribution

At December 31, 2013	Men	Women	Total
< 5 years	74	26	**100**
From 6 to 10 years	68	33	**101**
From 11 to 15 years	67	18	**85**
From 16 to 20 years	41	16	**57**
From 21 to 25 years	53	26	**79**
From 26 to 30 years	50	8	**58**
> 30 years	24	4	**28**
Average length of service	15	14	15

1.9.5.1.1.3. Remuneration

1.9.5.1.1.3.1. Overall employment cost

In K€	2011	2012	2013
Gross wage bill	22 014	21 881	21 992
Employer SS contributions	11 140	11 043	11 042
Overall employment cost	**33 154**	**32 245**	**33 034**

1.9.5.1.1.3.2. Employee profit-sharing schemes

In K€ or headcount units	2011	2012	2013
Total profit-sharing reserves	699	215	-
Number of beneficiaries	**574**	**595**	**-**
Total amount of profit share distributed	-	167	-
Number of beneficiaries	**-**	**595**	**-**

1.9.5.1.2. Organization of work

1.9.5.1.2.1. Organization of working time

The official working week is 35 hours (33.6 hours for shift workers).

1.9.5.1.2.1.1. Part-time employment

At December 31	2011			2012			2013		
Number of contracts	M	W	Total	M	W	Total	M	W	Total
Number	4	29	**33**	2	26	**28**	-	24	**24**

M: men – W: women

There was no recourse to short-time working during the period.

1.9.5.1.2.1.2. Shift work

Employees at December 31	2011			2012			2013		
working in shifts	F	A	Total	F	A	Total	F	A	Total
2 shifts	4	51	**55**	-	53	**53**	6	46	**52**
3 shifts	-	29	**29**	-	8	**8**	-	-	**-**
> 3 shifts	-	151	**151**	-	144	**144**	-	136	**136**
Total	**4**	**231**	**235**	**-**	**205**	**205**	**6**	**182**	**188**
% shift workers/total			**43**			**39**			**37**

F: fixed – A: alternating

No employees are engaged in repetitive activities according to the definition of assembly line workers [48].

(48) As defined by the Decree of May 10, 1976.

1.9.5.1.2.1.3. External (temporary) workers

Number of hours worked	2011	2012	2013
Total hours worked by temporary staff	99 060	71 440	71 623

1.9.5.1.2.2. Absenteeism

1.9.5.1.2.2.1. Number of days of absence

Number of days	2011	2012	2013
Total	12 241	13 707	8 866
Average per employee	22.1	25.6	17.5

1.9.5.1.2.2.2. Absenteeism rate, by reason

Number of days	2011	2012	2013
Sickness/long-term sickness	10 045	10 967	6 780
Maternity/paternity	670	481	521
Occupational and commuting accidents	604	257	507
Family events	180	236	266
Other	742	1 767	792
Total	12 241	13 707	8 866

1.9.5.1.2.3. Collective bargaining agreement

Union des Industries Chimiques (UIC) for all employees.

1.9.5.1.2.4. Organization of industrial dialog and collective agreements

These subjects are dealt with at Group level.

1.9.5.1.2.5. Diversity and equality of opportunity

These subjects are dealt with at Group level.

Worker activities: funds allocated to works councils

In K€	2011	2012	2013
Total	572	568	617

1.9.5.1.3. Health and safety

These subjects are dealt with at Group level.

1.9.5.1.3.1. Work-related accidents

Frequency rate with absence from work	2011	2012	2013
FR1 - Employees	26.7	16.1	17.9
FR1 - Employees + temporary personnel	-	-	17.7

Severity rate	2011	2012	2013
SR - Employees	1.25	0.45	0.82
SR - Employees + temporary personnel	-	-	0.76

1.9.5.1.3.2. Expenditure to improve working conditions

In K€	2011	2012	2013
Total	482	1 216	673

1.9.5.1.4. Training

This is dealt with at Group level.

1.9.5.1.4.1. Budgets allocated

	2011	2012	2013
As a % of total employment costs	2.94	2.95	2.9

1.9.5.1.4.2. Training modules taught

Total number of modules or hours	2011	2012	2013
Number of modules taught	1 483	1 379	1 636
Number of hours taught	8 901	10 294	11 680

Number of trainees	2011 M	2011 W	2011 Total	2012 M	2012 W	2012 Total	2013 M	2013 W	2013 Total
Executives	139	69	**208**	116	54	**170**	176	79	**255**
Supervisors	608	154	**762**	601	133	**734**	700	128	**828**
Clerical	6	67	**73**	6	60	**66**	6	72	**78**
Workers	431	9	**440**	407	2	**409**	473	2	**475**
Total	1 184	299	1 483	1 130	249	1 379	1 355	281	1 636
% men/women	80	20		82	18		83	17	

M: men – W: women

Employees trained	2011 M	2011 W	2011 Total	2012 M	2012 W	2012 Total	2013 M	2013 W	2013 Total
Executives	-	-	-	-	-	-	53	25	78
Supervisors							153	59	212
Clerical	-	-	-	-	-	-	4	36	40
Workers	-	-	-	-	-	-	149	1	150
Total	-	-	-	-	-	-	359	121	480
% men/women	-	-	-	-	-	-	75	25	

M: men – W: women

1.9.5.2. Environmental information

1.9.5.2.1. Water supply, consumption and discharge

1.9.5.2.1.1. Water consumption

Consumption in thousands of cubic meters	2011	2012	2013
Total consumed, in thousands of cubic meters	3 016	3 052	2 769
Of which extracted from water table	*2 782*	*2 824*	*2 644*
Of which recycled from treatment processes	*85*	*64*	*98*
Of which taken from drinking water networks	*119*	*106*	*122*
Proportion extracted from water table	93%	93%	96%

1.9.5.2.1.2. Water returned to the natural environment

Water returned, in thousands of cubic meters	2011	2012	2013
Total in thousands of cubic meters	2 221	2 174	2 168
Relative to consumption	74%	71%	78%

1.9.5.2.1.3. Quality of water returned to the natural environment

Contaminants in tonnes per year	2011	2012	2013
Soluble salts	5 114	5 132	7 350
Chemical oxygen demand (COD)	62.7	130.7	138.0
Suspended solids	20.1	31.7	16.7
Total metals	1.6	2.0	1.2
AOX	0.5	0.8	0.9
Index in tonnes per year	**2011**	**2012**	**2013**
METOX index	5.5	6.9	4.6

1.9.5.2.2. Impact of atmospheric emissions

The volume and nature of atmospheric emissions depend on the level of activity (volumes treated), but also on the mix of waste received and its chemical composition, especially its content of sulfur, halogens and other molecules. The residual content of these substances remaining in chimneys after smoke treatment has taken place are strictly controlled by the prefectoral authorization to operate.

Emissions per year	2011	2012	2013
Nitrogen oxides in tonnes of NO_2	257.9	252.5	198.4
Sulfur dioxide in tonnes of SO_2	31.2	35.7	37.3
Hydrochloric acid in tonnes of HCl	2.3	2.1	3.1
Volatile organic compounds (VOCs) in tonnes	3.1	2.9	3.3
Dust in tonnes	4.0	3.6	5.8
Dioxins and furans in grams	0.0473	0.0674	0.0787

1.9.5.2.3. Sustainable use of resources

1.9.5.2.3.1. Raw materials consumed

Consumption in thousands of tonnes	2011	2012	2013
Total in kt	22.1	25.8	
New list of chemical substances			22.7

1.9.5.2.3.2. Materials recovery

Trédi specializes in the treatment of hazardous waste. Its priority objective being to ensure the health and safety of property and people, Trédi employs detoxification processes. This sector of activity provides few possibilities for recycling, in general only possible following a decontamination process or chemical treatment.

Materials recovery principally yields metallic masses (from the decontamination of transformers), scrap iron (including that derived from clinker) and hydroxide sludge, which can be used in pyro-metallurgy.

Materials recovery in thousands of tonnes	2011	2012	2013
Internally in the Group	0.2	0.1	3.6
Externally	25.0	24.8	10.5
Total in kt	25.2	24.9	14.1

The reporting method was changed in 2013 (see Group pages).

1.9.5.2.3.3. Production of final waste

The main technology used by Trédi is incineration (approximately 95% of the tonnage of waste received). This inevitably leads to production of clinker, of about 20% of the tonnage incinerated. Under current regulations, the origin of this clinker (from incineration of waste) means that it must be stored as hazardous final waste. Any attempted material recovery is prohibited, and it cannot even be used in substrates in road construction. Other final waste includes residues from smoke treatment and sludge from gas neutralization and cleaning (about 6% of tonnages incinerated).

Production of final waste in kt	2011	2012	2013
Hazardous waste	93.8	100.8	103.4
Non-hazardous waste	2.1	0.4	0.0

1.9.5.2.4. Energy

In GWh per year	2011	2012	2013
Energy production	-	-	**242.2**
External sales of energy	93.81	164.7	225.2
Internal production and consumption	-	-	17.0
Purchases of energy	97.60	130.4	69.6
Consumption of energy	-	-	**86.6**
Energy self-sufficiency	-	-	358%

1.9.5.2.5. Climate change

1.9.5.2.5.1. Greenhouse gases (GHGs) and carbon accounting

Since Trédi has more than 500 employees, it is affected by article 75 of French Law no. 2010-788 dated July 12, 2010, which requires companies to account for greenhouse gas (GHG) emissions. The reference period for the first GHG report conducted under these arrangements is the fiscal year 2011.

In compliance with these regulations, the operating scope includes all sites emitting GHGs directly or indirectly in connection with energy use, i.e. categories or scopes 1 (GHG emissions from either fixed or moveable sources, controlled by the corporate entity) and 2 (GHG emissions from the production of electricity, steam or heat, imported and consumed by the corporate entity for the benefit of its own operations).

Emissions for scopes 1 + 2 in Kt eqCO_2	2011	2012	2013
Bilan Carbone - fossil carbon	-	ARTICLE 75 METHOD NOT CALCULATED IN 2012	351.3
Bilan Carbone - biogenic carbon	-		15.6
Bilan Carbone (BEGES) - Total carbon	**355.6**		**366.9**
Uncertainty of the Bilan Carbone measurement	**151.2**		**44.2**

1.9.5.2.5.2. Greenhouse gases avoided

In incineration, when the ovens have reached their operating temperature, waste burns by itself without using external fossil fuel sources (such as gas or petrol derivatives). The heat produced by this combustion is recuperated in a boiler in the form of water vapor which, in its turn, activates a turbine-alternator group to produce electricity. Energy recovery thus functions at these two levels (steam and electricity).

By convention, emissions avoided are considered equivalent to the emissions which would have been caused by producing the same quantities of energy or raw materials by classical production methods (average local energy system/production from raw materials).

In Kt eqCO$_2$ under French system	2011	2012	2013
Bilan Carbone	11.0	ARTICLE 75 METHOD NOT CALCULATED IN 2012	3.8

1.9.5.2.5.3. GHG emissions reduced industrially

Please refer to the Group pages on this subject, Trédi being the only subsidiary using this type of technology.

1.10 Documents annexed to the Annual Report

The following are annexed to this Report:

- Table of results of the last 5 fiscal years;
- Report by the Chairman of the Board of Directors on the conditions in which the work of the Board was prepared and organized, and on the internal control procedures put in place by the Company.

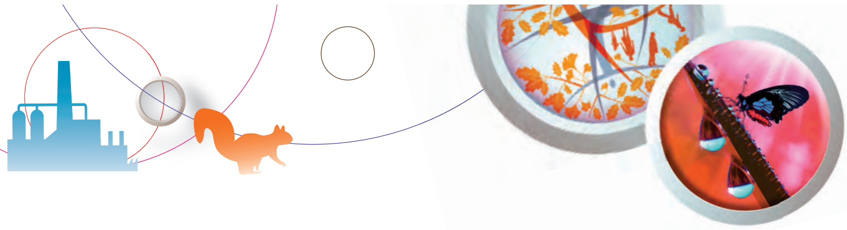
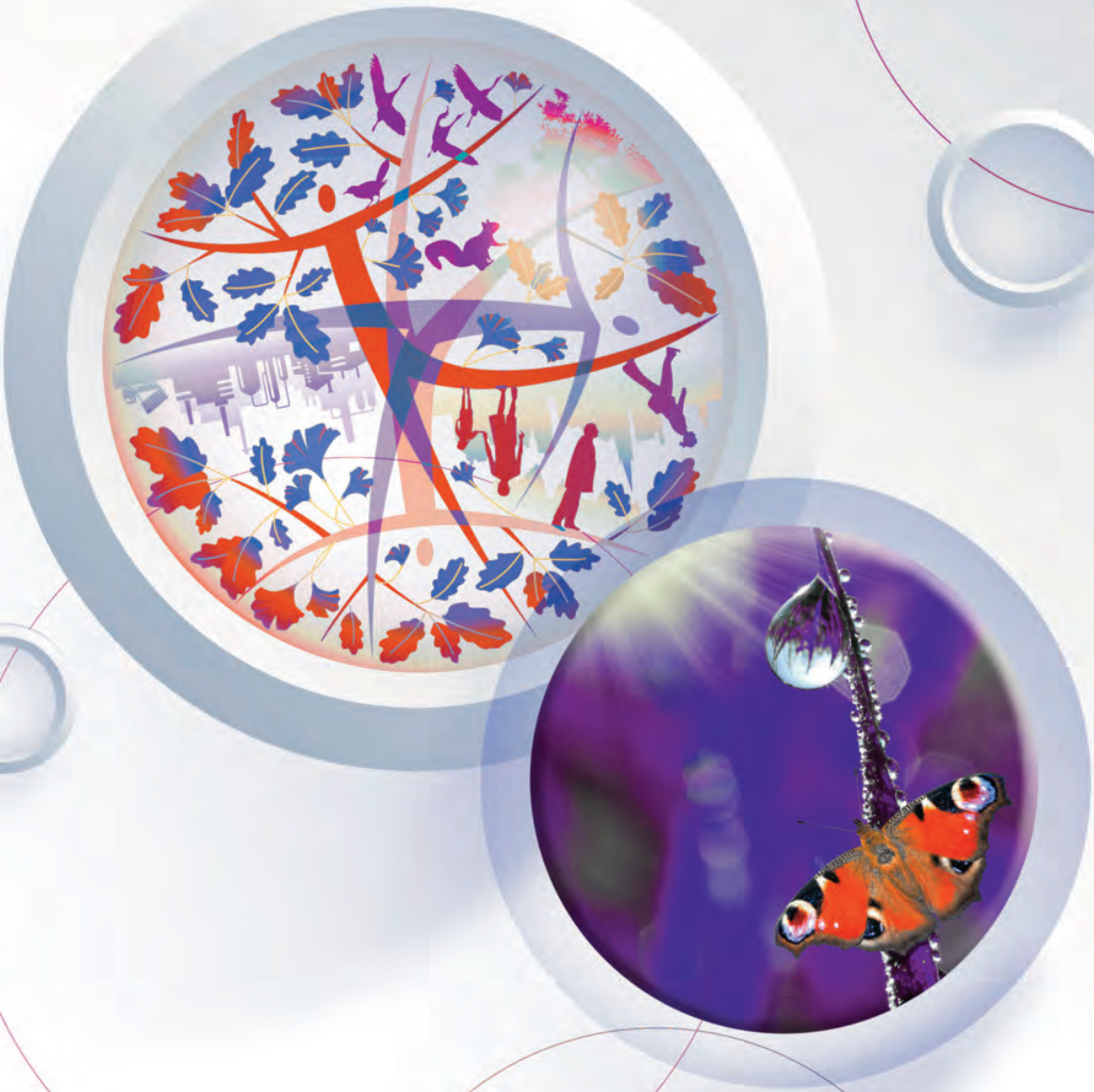


Table of results of the last five fiscal years

In €	2009	2010	2011	2012	2013
Financial position at year-end					
Share capital	1 726 974	1 726 974	1 726 974	1 726 974	1 726 974
Number of outstanding ordinary shares	8 634 870	8 634 870	8 634 870	8 634 870	8 634 870
Total earnings from actual operations					
Revenue excluding taxes	13 156 722	14 683 448	12 989 543	12 689 963	13 578 188
Income before taxes, profit-sharing, amortization and provisions	39 431 380	41 316 461	44 145 678	22 206 481	(301 468 805)
Corporation tax	748 062	2 583 433	1 718 231	(10 807 179)	(10 741 295)
Employee profit-sharing due for the year	-	-	-	-	-
Income after taxes, profit-sharing, amortization and provisions	39 959 705	42 900 877	41 638 368	(318 543 509)	(24 201 222)
Amount of income distributed (1)	11 225 331	11 225 331	11 225 331	8 203 126	8 203 126
Income from operations, per share					
Income from operations after taxes, profit-sharing, but before amortization and provisions	4.48	4.49	4.91	3.82	(33.67)
Income after taxes, profit-sharing, amortization and provisions	4.63	4.97	4.82	(36.89)	(2.8)
Dividends paid (1)	1.30	1.30	1.30	0.95	0.95
Tax credit/reduction on dividends	0.52	0.52	0.52	0.38	0.38
Employment					
Number of employees	25	25	29	27	25
Total employment costs	2 768 212	2 592 260	2 884 815	2 852 951	2 813 525
Amount of benefits paid	1 101 746	1 054 263	1 191 603	1 171 758	1 174 828

(1) Subject to approval by the Annual General Meeting.

1 Management report



Chapter 2

Financial data

2.1. Consolidated financial statements at Dec. 31, 2013

2.1.1. Consolidated balance sheet

In K€	Dec. 31, 2011 restated	Dec. 31, 2012 restated	Dec. 31, 2013	Note
Goodwill	212 875	228 150	227 604	1.1
Intangible fixed assets included in concessions	2 055	19 212	43 620	
Other intangible fixed assets	6 914	6 480	11 328	1.2
Property, plant and equipment	167 496	168 882	164 925	2.1
Investments in affiliates	552	434	753	3
Non-current financial assets	161 060	4 778	5 358	4
Hedging instruments – non-current assets	-	-	-	4.3
Other non-current assets	1 291	2 105	1 501	4
Deferred non-current corporation tax assets	-	677	-	
Deferred tax assets	14 995	55 965	48 617	6
Non-current assets	**567 238**	**486 683**	**503 707**	
Inventories	9 732	10 502	10 894	
Trade and other receivables	114 683	126 540	133 821	
Corporation tax receivables	2 572	12 593	2 171	
Current financial assets	76	131	90	
Hedging instruments – current assets	-	-	-	4.3
Other current assets	17 696	21 954	25 092	4
Cash and cash equivalents	24 145	22 597	28 032	4.1.3
Current assets	**168 905**	**194 318**	**200 099**	
Assets held for sale	5 123	4 111	714	
Total assets	**741 266**	**685 111**	**704 520**	
Share capital	1 727	1 727	1 727	8
Additional paid-in capital	299 079	299 079	290 931	9
Reserves	38 651	37 726	(44 414)	10
Net income (Group share)	15 856	(82 377)	8 685	
Shareholders' equity (Group share)	355 312	256 155	256 929	
Minority interests	781	378	117	
Total shareholders' equity	**356 093**	**256 532**	**257 046**	
Other equity	-	31	102	
Non-current financial debt	43 740	218 154	222 630	4.2.1
Hedging instruments – non-current liabilities	3 491	3 307	1 773	4.3
Employee benefits	192	809	599	5.3
Deferred tax liabilities	14	-	-	6
Other non-current provisions	3 250	3 961	7 254	5
Other non-current liabilities	251	189	2 911	4.2.2
Non-current liabilities	**50 938**	**226 420**	**235 166**	
Current financial debt	172 899	28 000	30 788	4.2.1
Hedging instruments – current liabilities	304	744	155	4.3
Current provisions	15 883	9 872	8 842	5
Taxes payable	218	904	294	
Other current liabilities	143 950	162 123	171 413	4.2.2
Current liabilities	**333 255**	**201 643**	**211 491**	
Liabilities held for sale	980	486	714	
Total liabilities	**741 266**	**685 111**	**704 520**	

Consolidated financial statements at Dec. 31, 2013

2.1.2. Consolidated income statement

In K€	Note	2011 Restated	2012 Restated	2013
Revenue	12	420 564	439 904	469 082
Other business income		6 090	5 247	4 294
Transfers of expenses		3 373	2 163	1 469
Purchases used for operational purposes		(63 501)	(64 604)	(73 340)
Other purchases and outside expenses		(145 052)	(170 426)	(186 065)
Taxes other than on income		(31 761)	(34 973)	(35 710)
Employee benefits expenses		(93 214)	(98 503)	(101 119)
EBITDA	13	96 499	78 808	78 610
Expenses for rehabilitation and/or maintenance of sites included in concessions		(6 735)	(8 805)	(10 574)
Other net operating expenses		(523)	(992)	(566)
Net allocations to provisions	14.2	(856)	630	(2 729)
Net allocations to amortization	14.3	(31 497)	(32 363)	(32 084)
Current operating income	14.1	56 888	37 278	32 658
Income on sales of fixed assets		(609)	325	5
Impairment of assets		-	(395)	(191)
Consolidation scope variation effects		(891)	(1 025)	(413)
Other operating income and expenditure		(682)	(7 282)	(255)
Operating income	15	54 706	28 902	31 803
Income from cash and cash equivalents		14 742	495	514
Gross financial borrowing costs		(7 371)	(10 739)	(12 015)
Cost of net financial debt		7 371	(10 244)	(11 501)
Other financial income	16.2	8 739	502	557
Other financial expenses		(7 591)	(146 382)	(989)
Financial income	16.1	8 519	(156 124)	(11 933)
Corporation tax	17	(19 465)	54 029	(6 747)
Income of consolidated companies		43 760	(73 193)	13 124
Share of income of affiliates		(28 326)	(9 606)	(556)
Net income from ongoing operations		15 434	(82 799)	12 568
Income from discontinued operations		250	26	(3 855)
Total net income of consolidation scope		15 684	(82 773)	8 713
Of which minority interests		*(172)*	*(396)*	*28*
Of which attributable to equity holders of the parent		*15 856*	*(82 377)*	*8 685*
Net earnings per share		1.85 €	(9.61 €)	1.01 €
Diluted earnings per share		1.85 €	(9.61 €)	1.01 €

2.1.3. Statement of net income and profits and losses directly recognized in equity

In K€	2011	2012	2013
Foreign currency differences	(909)	(130)	(395)
Change in fair value of financial hedging instruments	(1 279)	(459)	1 885
Change in fair value of available-for-sale financial assets	(221)	(179)	(205)
Actuarial differences	-	(1 173)	(529)
Share of profits and losses of affiliates booked directly under shareholders' equity and accounted for by the equity method	(15 989)	(4 115)	-
Tax effects	440	553	(479)
Sub-total of gains and losses booked directly under shareholders' equity	**(17 958)**	**(5 503)**	**277**
Net income for the period	**15 684**	**(82 773)**	**8 713**
Net income and profits and losses booked directly under shareholders' equity	**(2 274)**	**(88 276)**	**8 990**
Of which attributable to equity holders of the parent company	*(2 102)*	*(87 881)*	*8 962*
Of which attributable to minority interests	*(172)*	*(395)*	*28*

Consolidated financial statements at Dec. 31, 2013

2.1.4. Statement of changes in consolidated shareholders' equity

In K€	Share capital Note 8	Additional paid-in capital Note 9	Number of shares held as treasury stock
Shareholders' equity at Dec. 31, 2010	**1 727**	**299 078**	**(3 170)**
Profits and losses booked directly in equity	-	-	-
Net income at December 31, 2011			
Net income and profit and losses booked directly in equity	**-**	**-**	**-**
Dividends paid	-	-	-
Treasury stock	-	-	(178)
Other changes	-	-	-
Shareholders' equity at Dec. 31, 2011	**1 727**	**299 078**	**(3 348)**
Profits and losses booked directly in equity	-	-	-
Net income at December 31, 2012			
Net income and profit and losses booked directly in equity	**-**	**-**	**-**
Dividends paid	-	-	-
Treasury stock	-	-	19
Other changes	-	-	-
Shareholders' equity at Dec. 31, 2012	**1 727**	**299 078**	**(3 329)**
Profits and losses booked directly in equity	-	-	-
Net income at December 31, 2013	-	-	-
Net income and profit and losses booked directly in equity	**-**	**-**	**-**
Dividends paid	-	(8 148)	-
Treasury stock	-	-	(108)
Other changes	-	-	-
Shareholders' equity at Dec. 31, 2013	**1 727**	**290 931**	**(3 437)**

Consolidated financial statements at Dec. 31, 2013

Consolidated reserves and net income	Profits and losses booked directly in equity	Total attributable to equity holders of the parent	Total attributable to holders of minority interests	Total shareholders' equity
Note 10				
114 369	(43 232)	368 772	955	369 727
-	(17 958)	(17 958)	-	(17 958)
15 856	-	15 856	(172)	15 684
15 856	(17 958)	(2 102)	(172)	(2 274)
(11 145)	-	(11 145)	(1)	(11 146)
-	-	(178)	-	(178)
(36)	-	(36)	(1)	(37)
119 045	(61 190)	355 313	781	356 093
1 234	(6 738)	(5 504)	1	(5 503)
(82 377)	-	(82 377)	(396)	(82 773)
(81 143)	(6 738)	(87 881)	(395)	(88 276)
(11 140)	-	(11 140)	(10)	(11 150)
-	-	19	-	19
(156)	-	(156)	3	(153)
26 606	(67 928)	256 154	378	256 532
(60 535)	60 812	277	-	277
8 685	-	8 685	28	8 713
(51 850)	60 812	8 962	28	8 990
-	-	(8 148)	(29)	(8 177)
-	-	(108)	-	(108)
69	-	69	(260)	(191)
(25 175)	(7 116)	256 929	117	257 046

2.1.5. Consolidated statement of cash flows

In K€	2011 Restated	2012 Restated	2013
Income of consolidated companies	**43 760**	**(73 193)**	**13 124**
Dividends received from companies consolidated by the equity method			*250*
Elimination of income and expenses with no cash impact or not related to operating activities:			
■ Amortization and provisions	23 050	199 649	(276 522)
■ Net capital gains on disposals	7 404	(313)	324 198
■ Deferred taxes	2 692	(54 533)	6 352
■ Other income and expenses	206	30	(114)
Cash flow from operating activities	**77 112**	**71 640**	**67 286**
Corporation tax	16 773	504	395
Cost of gross financial debt before long-term investments	(7 326)	(5 402)	(1 659)
Cash flow from operating activities before taxes and financing costs	**86 560**	**66 743**	**66 023**
Change in working capital requirement	10 605	(3 866)	(911)
Tax paid	(23 560)	(10 569)	11 093
Net cash flow from operating activities (A)	**73 605**	**52 307**	**76 204**
Cost of acquisition of fixed assets	(50 911)	(43 586)	(56 978)
Proceeds from disposals of fixed assets	1 607	2 648	2 083
Outflows for acquisitions of financial investments	(427)	(776)	(1 271)
Inflows from disposals of financial investments	335	101	172
Net cash outflows for acquisitions of subsidiaries	(224)	(16 319)	(239)
Net cash inflows from disposals of subsidiaries	-	-	120
Net cash flow from investment activities (B)	**(49 619)**	**(57 933)**	**(56 113)**
Dividends paid to equity holders of the parent	(11 145)	(11 140)	(8 148)
Dividends paid to minority shareholders of consolidated companies	(1)	(10)	(29)
Capital increases in cash	-	-	-
Treasury stock movements	(333)	37	(31)
Changes in other shareholders' equity	2	-	-
Borrowings	21 643	206 563	32 780
Repayment of borrowings	(46 066)	(176 141)	(27 485)
Interest paid	(6 854)	(14 986)	(11 359)
Net cash flow from financing activities (C)	**(42 755)**	**4 322**	**(14 271)**
Total cash flow for the period, ongoing operations (A) + (B) + (C)	**(18 770)**	**(1 303)**	**5 820**
Net cash flow from discontinued operations	**44**	**(129)**	**(241)**
Total cash flow for the period	**(18 725)**	**(1 433)**	**5 579**
Cash and cash equivalents at beginning of year	42 849	24 005	22 516
Of which in ongoing operations	*42 282*	*23 464*	*22 062*
Of which in discontinued operations	*567*	*541*	*454*
Cash and cash equivalents at end of year	24 005	22 516	27 733
Of which in ongoing operations (1)	*23 464*	*22 062*	*27 527*
Of which in discontinued operations	*541*	*454*	*205*
Effect of changes in foreign exchange rates	(118)	(56)	(362)
Of which in ongoing operations	*(47)*	*(99)*	*(355)*
Of which in discontinued operations	*(71)*	*42*	*(8)*
(1) Of which:			
Cash and cash equivalents	*24 145*	*22 597*	*28 032*
Short-term bank borrowings (current financial debts)	*(681)*	*(534)*	*(505)*

2.1.6. Notes to the 2013 consolidated financial statements

2.1.6.1. Accounting principles and methods

Point 1 - Accounting standards

Since January 1, 2005, the Group's consolidated financial statements have been prepared in accordance with IFRS as adopted in the European Union through EU Regulation 1606/2002 of July 19, 2002, which instituted the IFRS reporting framework.

When drawing up the financial statements at December 31, 2013, the Group applied the new standards and interpretations which had already come into compulsory effect on January 1, 2013. These are:

- amendments to IAS 1 "presentation of profit and loss and other comprehensive income" and amendments to IAS 19 "employee benefits". The Group had already applied these two standards in advance of their becoming compulsory in drawing up its annual financial statements for the year 2012;
- amendments to IFRS 7 "disclosures: offsetting financial assets and financial liabilities";
- the "annual improvements to IFRS" process;
- IFRS 13 "fair value measurement".

Moreover, the Group has elected to anticipate application of the IFRS 10, IFRS 11, IFRS 12, IAS 27R and IAS 28R standards and their amendments.
The impact of early application of these standards is presented in Point 7.2 below.

Except for the standards mentioned above, the Group has not elected to anticipate any other standards or interpretations applicable on or after January 1, 2013 where early application was permissible. These are:

- amendments to IAS 32 "financial instruments: presentation - offsetting financial assets and financial liabilities";
- IFRIC 21 "levies imposed by a public authority".

Early application of these standards would have had no material impact on the financial statements of the Group.
The financial statements were approved by the Board of Directors of Séché Environnement on February 28, 2014 and will be submitted for approval to the next Annual General Meeting.
Financial data is presented in euros rounded to the nearest thousand.
The financial statements have been prepared on the historical cost basis, except for derivative instruments which are recognized at fair value.

In order to prepare consolidated financial statements in accordance with IFRS, management is required to exercise its judgment and make estimates and assumptions that impact the application of the Group's accounting policies and the amounts of assets and liabilities, and income and expenses. The estimates and underlying assumptions are based on past experience and other factors considered reasonable under the circumstances. They serve as the basis for any judgment required for determining the book value of assets and liabilities when such amounts cannot be obtained directly from other sources. Due to the inherent uncertainty of any such valuation processes, estimates and underlying assumptions are continuously reviewed. Actual future results from these operations may differ from these estimates. The estimates made by the Group primarily concern the recoverable amount of tangible and intangible assets and the recognition of provisions (particularly, provisions for employee benefits). Point 10.4 in these notes to the financial statements outlines the key assumptions made by management to estimate the recoverable value of tangible and intangible assets, whereas Point 16.4 outlines those used to estimate provisions for employee benefits.

The accounting standards mentioned in the following notes were applied in the preparation of the financial statements at December 31, 2013.

Point 2 - Consolidation scope and consolidation method

The consolidation scope of Séché Environnement includes the consolidating parent company Séché Environnement SA and all the companies it controls, directly or indirectly, exclusively or jointly, or over which it exercises significant influence, and whatever their legal form. The subsidiaries are consolidated as of the effective date on which control was taken and until the date on which control was lost. In determining control and in compliance with the provisions of IAS 27, potential voting rights attached to financial instruments – which, if exercised, may provide Séché Environnement or its subsidiaries with a voting right – are taken into consideration.

Companies over which the Séché Group exercises exclusive control, either directly or indirectly, are fully consolidated. In compliance with IFRS 10, which the Group early adopted on January 1, 2013, control requires exposure or rights to variable returns and the ability to affect those returns through power over an investee.

In conformity with IFRS 11, which the Group early adopted on January 1, 2013, the Group classifies its interests in partnerships either as a joint arrangement, or as a joint venture, depending on the parties' rights to the assets, and obligations for the liabilities relating to the arrangement. When determining this, the Group takes account of the structure and form of the arrangement, the legal form of the distinct vehicle, the terms agreed by the parties in the contractual arrangement, and where appropriate, other facts and circumstances. Having examined these new measures, the Group has concluded that it is involved only in joint ventures. Therefore, accounting data concerning these are consolidated by the equity method, in accordance with IFRS 11.

Point 3 - Discontinued operations

A discontinued operation is a component of the Group whose activities and cash flows are clearly distinct from the rest of the Group's activities, and which:

- represents either a separate major line of business or geographical area of operations;
- is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, or
- is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation takes place at the moment of sale, or earlier if the activity meets the criteria for consideration as assets held for sale (for this, the group of assets concerned must be available for immediate sale in its present state, and the sale must be highly probable). Such classification consists in accounting for:

- all assets and all liabilities concerned by the said activity on a distinct line at the foot of the balance sheet, separated from assets and liabilities concerning ongoing operations;
- all components of the income of the said activity on a distinct line in the income statement, separated from the income of ongoing operations.

When an activity is classified as a discontinued operation, comparative income statement data must be restated as if the said activity had complied with the criteria for discontinued operations from the beginning of the comparison period.

Point 4 - Major transactions and comparability

Point 4.1 - Major transactions: acquisition or sale of subsidiaries

HIME

In 2007, Séché Environnement's commitments to HIME took the following forms:

- a 33% equity holding in HIME (2007);
- subscription, in 2007, to 33% of the issue of HIME convertible bonds;
- obtaining from Caisse des Dépôts et Consignations of a call option of 18% of the equity of HIME, exercisable from May 27, 2008 to May 26, 2012.

On June 30, 2013, the Group signed a conciliation protocol between the shareholders of HIME and its creditor banks. Under the terms of this protocol, which was registered by the commercial court of Versailles on July 26, 2013, Séché Environnement agreed to sell for a symbolic sum its entire interest in HIME (stocks and bonds). This sale took place on October 8, 2013. Since the Séché Group’s entire interest in HIME was provisioned in the 2012 accounts, this sale has no effect on the financial statements for 2013. The impact of the sale on the two preceding financial years (2012 and 2011) is limited to the share of income of affiliates and financial income lines.

Therefore the financial statements for 2012 and 2011 have not been restated in connection with this transaction.

Consolidated financial statements at Dec. 31, 2013

Other transactions

The year 2012 was marked by the acquisition of Tree (on October 1, 2012). In a full year, this subsidiary represents less than 5% of the balance sheet total and less than 5% of operating income.

For this reason, the financial statements for 2012 and 2011 have not been restated in connection with this transaction.

Point 4.2 - Early application of standards

The Group implemented early application of the following standards at January 1, 2013: IFRS 10 "consolidated financial statements", IFRS 11 "joint arrangements", IFRS 12 "disclosure of interests in other entities", IAS 27R “separate financial statements" and IAS 28R "investments in associates and joint ventures". The impact of the Group's financial statements of these implementations concerns the consolidation method for the subsidiaries Gerep and Sogad, previously consolidated under the full consolidation and proportionate methods respectively. Application of the criteria for joint arrangements laid down in IFRS 10 and 11 led the Group to apply the equity method to these two companies with effect from January 1, 2013. Retrospective application of this standard would have required restatement of:

- in 2012, revenue of EUR – 4.9 million, EBITDA of EUR – 7 thousand and current operating income of EUR + 0.6 million;
- in 2011, revenue of EUR – 5.4 million, EBITDA of EUR – 0.6 million and current operating income of EUR + 14 thousand.

In view of the insignificant nature of these items, restated income statement data for 2011 and 2012 is not presented.

Point 4.3 - Major transactions: discontinued operations

In the course of 2013, as a result of the recurrent administrative difficulties experienced by the Group in Hungary, hampering the smooth operation of its activities, the Group decided by resolution of the Board of Directors of Séché Environnement to sell its business interests in that geography. The Group therefore began the process of disposing of Hungaropec with the help of a local agent.

The disposal of Hungaropec, being a sale of a separate line of business in a specific geographical area of operations, comes under IFRS 5.

Therefore:

- the assets and liabilities of this business have been reclassified as assets and liabilities held for sale;
- the income of this business has been isolated on a separate line of the income statement (income from discontinued operations);
- cash flows from this business are detailed in the table of consolidated cash flows.

For comparability purposes, and in conformity with IFRS 5, the financial statements for 2012 and 2011 have been restated according to the same principles:

- a table showing the changes from published data to restated data is presented in Point 1.6.3.13 of these notes;
- information on discontinued activities required by IFRS 5.33 is presented in Point 1.6.3.14 of these notes.

Point 4.4 - Comparability

From January 1, 2013, the time difference between recognizing expenses for site rehabilitation and making the corresponding payments is booked under current liabilities as accrued charges, rather than as current provisions.

For comparability purposes, the financial statements for 2012 and 2011 have been restated according to the same principles. A table showing the changes from published data to restated data is presented in Note 2.1.6.3.13. of these notes.

Point 5 - Conversion method

Séché Environnement's consolidated financial statements are presented in euros.

Point 6 - Conversion of transactions in foreign currencies

Transactions in foreign currencies are converted into euros at the exchange rate in effect on the transaction date. At the closing of the accounts, all assets and liabilities denominated in foreign currencies are converted at the exchange rate in effect on the closing date. Translation differences arising from this conversion are booked in the income statement.

Any current account advance made to a subsidiary abroad which is an integral part of the Group, when such advance is not expected or likely to be repaid in the foreseeable future, is considered as a net investment by the Group in that activity. For this reason, and in application of IAS 21, exchange differences attributable to such advances are booked as translation differences directly under shareholders' equity. When withdrawn from net investment, they are booked under income.

Point 7 - Conversion of the financial statements of foreign subsidiaries

The accounts of foreign subsidiaries are drawn up in the operational currency of each company. In the Group's consolidated financial statements, balance sheet items are converted at the exchange rate in effect at the closing date. Income statement and cash flow statement items are converted using the average exchange rate for the year.

Foreign currency differences booked on both the balance sheet (difference between closing rates of the previous year and those applicable to the current year) and the income statement (difference between average rates and closing rates) are booked as follows:

- for the Group share, in consolidated shareholders' equity, under translation differences;
- for the third-party share, under minority interests.

Point 8 - Sector information

The CODM (chief operating decision maker) has access to financial data for each legal entity. These legal entities variously provide waste treatment services for hazardous and non-hazardous waste, for a highly diversified customer base consisting of local authorities and industrial companies, in a variety of industrial facilities, under a single regulatory framework, principally in France.

It should be noted that no single type of customer or treatment corresponds to a particular type of waste. No specific type of waste, waste treatment or customer corresponds to a particular legal entity. The offers made by the Group to its customers take account of this diversity in the nature of waste products and in methods for dealing with them. The continuing integration of the Group's activities serves increasingly to underline this fact.

Therefore performance evaluations and allocations of the Group's resources made by the CODM are based on the analysis of performance indicators which are undifferentiated in terms of legal entity, and which present the same economic characteristics across all legal entities.

Indeed, the Group considers itself as operating in a single sector, that of waste management.

Point 9 - Changes in accounting and accounting valuation methods

Point 9.1 Changes in accounting methods

The Group did not implement any changes in the accounting principles and methods applied. It opted for early application of the standards package IFRS 10, 11 and 12. The impact of these on the Group's financial statements is presented under Point 4.2 above.

Point 9.2 - Changes in accounting valuation methods

The Group did not implement any changes in accounting valuation methods.

Point 10 - Tangible and intangible fixed assets

Point 10.1 - Goodwill

Goodwill is the difference between the purchase price of the Group's stake in an entity, and the fair value of that entity's net assets, liabilities, and identifiable potential liabilities at the date of acquisition. The fair value of acquired assets and liabilities can be corrected or adjusted during the 12 months following the acquisition, and goodwill will then be reassessed retrospectively.

If the recorded fair value of assets, liabilities, and identifiable potential liabilities exceeds the purchase price, the difference is immediately recognized as income.

If additional shares are purchased in a subsidiary which is already fully consolidated, no additional goodwill is recorded: such operations are considered as transactions between shareholders, and are therefore booked under shareholders' equity.

The value of goodwill is reassessed at least once a year, and whenever there is an indication of impairment. In such cases, the difference between book value and recoverable value is recognized as an operating expense, under asset depreciation, and is irreversible.

Point 10.2 - Other intangible fixed assets

The Group's other intangible fixed assets, booked as assets in conformity with IAS 38, consist mainly of:

- potential or actual operating rights; these represent the value paid out for a site in view of its intrinsic properties which make it particularly suitable for landfill operations;
- the intangible right recognized in application of IFRIC 12 relative to public service delegation arrangements (concessions). The intangible assets recognized under this heading represent the right of the operator to charge the public for use of the infrastructure;
- development costs: these correspond to studies relating to technological innovation or improvements in the efficiency of facilities, safety and environmental protection. They are booked as assets when they meet the recognition criteria prescribed by IAS 38;
- patents and software.

Intangible assets with identifiable useful lives are amortized over their useful life expectancies.

Intangible assets with indefinite useful lives are reassessed for impairment under the procedure described in Point 10.4 of the present note on the accounting principles applied.

Point 10.3 - Property, plant and equipment

Property, plant and equipment are carried at their historical purchase or production cost, or at the cost of their constitutive components on their arrival in the Group, less cumulative amortization and any impairment recognized. When the components of property, plant and equipment have different useful lives, they are booked as separate assets.

The book value of property, plant and equipment is not revalued.

Amortization is determined on a straight-line basis according to the useful life of each component of property, plant or equipment. Amortization is calculated based on the book value of the asset, where appropriate net of residual value.

Property, plant and equipment	Amortization period (in years)
Buildings	10 to 25 years
Complex plant	5 to 10 years
Other equipment	3 to 10 years

Assets which are the subject of finance leases are restated on the balance sheet, in accordance with IAS 17, and outstanding lease payments are recorded as financial liabilities based on the original value of the assets:

- such assets are amortized according to the duration and method applied to equivalent goods owned by consolidated companies. However, where lease contracts do not provide for the certain, or highly probable, transfer of ownership at the end of the lease term, assets are amortized over the shorter of the lease term or the useful life of the asset;
- the debt thus recognized is amortized according to a schedule that determines the interest expense over a given period using the implicit interest rate set in the contract, applied to the capital remaining due at the start of the period;
- deferred taxes resulting from this restatement are recognized in the Group's financial statements according to the recognition principles for deferred taxes outlined in Point 18 of the present note on the accounting principles applied.

Point 10.4 - Recoverable value of tangible and intangible fixed assets

Tangible and intangible fixed assets must be subjected to impairment tests in certain circumstances:

- for intangible fixed assets with indefinite useful lives, and for intangible fixed assets in progress, impairment testing is performed at least once a year;
- for other fixed assets, testing is performed whenever there is an indication of impairment.

Fixed assets (tangible and intangible) subjected to impairment tests are grouped into cash-generating units (CGUs), i.e. groups of similar assets which generate independent cash flows. Due to the increasing integration of the Group’s activities, the development of its global offering, and consequently the nature of intra-Group transactions and flows, Séché Environnement deems it appropriate to divide its scope of activity into two CGUs: France and International. However, the interdependence of flows in the international CGU is penalized by increasingly demanding regulations which complicate cross-border flows between the countries where the Group operates. For this reason, the Group has deemed it appropriate to divide the international CGU into five CGUs representing the five countries in which it operates: Spain, Mexico, Argentina, Hungary and Germany.

The goodwill of the international CGU has been reallocated to the Spain and Germany CGUs, at the initial value booked when those geographies entered the consolidation scope. The impairment of goodwill recognized in the accounts of the Spanish subsidiaries before implementation of the IFRS standard was entirely allocated to the Spain CGU.

No goodwill was booked for the Mexico, Argentina and Hungary CGUs.

When the recoverable value of a CGU is lower than its book value, an impairment is recognized. Recoverable value corresponds to the higher of value in use, and fair value minus cost of sale.

Value in use is determined on the basis of estimated discounted cash flows. It should be noted that:

- estimated cash flows are calculated based on the consolidated business plans of each CGU, covering a period of 3 fiscal years excluding the current fiscal year, with years 4 and 5 being projected as identical to year 3. Like budgets, these business plans are drawn up based on the most accurate operational information available regarding past experience and trends in markets and techniques, and are reviewed by Group management to ensure consistency with existing strategy and the resulting investment policy;
- a terminal value is calculated for the sixth year, using year 5 flows on the basis of an annual perpetual growth rate of 1.56%. In 2012, the annual perpetual growth rate used was 1.6%;
- the discount rate used for 2013 is 6.51%. In 2012, the discount rate used was 6.62% and in 2011, 7.06%. The discount rate is chosen to reflect current market estimates of the average cost of capital. The choice of a single discount rate is justified by the fact that goodwill and intangible fixed assets with indefinite useful lives are almost entirely accounted for by companies in Europe which carry out their business almost entirely in Europe only. This discount rate is an after-tax rate applied to after-tax cash flows, and results in the same recoverable values as those

calculated by applying pre-tax rates to pre-tax cash flows (as recommended by IAS 36).

Goodwill impairment is not reversible, and is recorded as an operating loss under impairment of assets. Impairment of property, plant and equipment is reversible, and is also recorded as an operating loss under impairment of assets.

The reallocation of CGUs in 2013, if it had been carried out earlier, would have had no impact on the recoverable value of goodwill as recorded in the financial statements.

Point 11 - Public service delegation (concession) contracts

The Group is extending the portion of its activities carried out as a concessionaire of public services. The contracts concerned are currently held by Bearn Environnement, Sénerval, Séché Éco-industries, Alcéa and Valaudia.

These contracts provide for transfer by the grantors of the right to operate certain dedicated infrastructures in exchange for remuneration:

- these infrastructures are either placed at the disposal of the operator free of charge, and may be improved by the operator while the contract is in force, or they may be constructed and then operated by the operator;
- the assets conceded must be employed in priority to the benefit of the activities conceded by the grantor authority (without any guarantee of volume or minimum remuneration). These contracts generally provide also for payment of a commission or indemnity to the authority, based on the results derived from business from other users of the service;
- the contracts also normally provide for the transfer to the grantor authority at the end of the concession of the assets conceded, under agreed conditions;
- the remuneration of the services provided may be subject to a price revision clause, usually based on movements in industrial price indices. When revenue from construction activities is clearly identifiable as such, and is distinct from revenue from use of the assets, the revision clauses concerning revenue from construction activities are closely correlated with changes in the cost of financing construction work;
- these contracts also generally provide for an obligation to maintain and repair the assets conceded.

Concession contracts are accounted for according to the interpretation IFRIC 12 “service concession arrangements”, published in November 2006, and mandatory since January 1, 2010:

- infrastructures received free of charge from the grantor are not booked in the balance sheet as assets;
- the right to operate the infrastructures is recognized in the balance sheet, either as a financial asset if analysis of the contract concludes that the operator has an unconditional right to receive cash from the grantor, or as an intangible asset if analysis of the contract concludes that the operator should be considered as receiving from the grantor a right to charge users of the public service. Intangible assets recognized under the latter case are amortized on a straight-line basis over the useful life of the infrastructures generating the right;
- the construction or upgrading of existing infrastructures is booked at fair value in the income statement, according to IAS 11, and revenues from operating the services are booked according to IAS 18 as stated in Point 19 “Accounting treatment of revenues” of these notes;
- the costs of maintenance and repair are booked under expenses. They may be booked as accrued charges if there exists a time lag between the contractual commitment and its realization.

The main features of the various contracts in operation are as follows:

Contract	Type of service	Duration	Price revision clause	Contractual revision of contract	Renewal option	Cancellation option
BÉARN	construction operation	until 2024 until 2024	annual according to index	no	no	yes
SÉNERVAL	construction operation	until 2030	monthly according to index	five-yearly	no	yes - in case of serious failure, or in public interest
OLÉRON	operation	until 2013	annual according to index	no	no	yes
ALCÉA	construction operation	until 2024	annual according to index	no	no	yes
VALAUDIA	construction operation	20 years	monthly according to index	five-yearly	no	yes - in case of serious failure, or in public interest

In the case of the Oléron contract, the annual renewal clause was activated, and this contract therefore remains in force until the end of 2014.

In the case of the Valaudia contract, on December 9, 2013, the Marseille administrative court of appeal confirmed the judgment of the Marseille administrative tribunal dated December 3, 2010 concerning alleged non-validity of the attribution of the public service delegation contract to the Séché Group (Séché Éco-industries and Valaudia) concerning the construction of a technical landfill site in the Aude département. The local authority and the Séché Group decided to contest this decision in the supreme court.
In parallel, the application for prefectoral authorization to operate has been suspended. Valaudia, the subsidiary which was to operate this concession, has not yet begun its activities.

Point 12 - Public subsidies

The subsidies booked by the Group are mainly related to assets. These investment subsidies are booked in the balance sheet as other current liabilities under deferred income. Their carrying value is determined by the rate of amortization of the asset to which they are linked, and is booked under other operating income.

Any operating subsidies received are booked directly as revenue, under other operating income.

Point 13 - Financial instruments

Financial instruments used by the Group include:

- non-derivative financial assets: assets available for sale, loans and receivables, cash and cash equivalents;
- non-derivative financial liabilities: borrowings and other financings, current bank loans, operating debts;
- hybrid or derivative financial instruments: convertible bonds, subscription options, cash flow hedging instruments.

These are booked by the Group according to the principles laid down in IAS 39: they are initially booked at fair value, plus directly attributable transaction costs in the case of those instruments not booked at fair value through the income statement.

Point 13.1 - Non-derivative financial assets

Available-for-sale financial assets

Available-for-sale financial assets include mainly:

- shares in non-consolidated companies, whose fair value is determined by taking into account the last known Group share in shareholders' equity;
- other securities not meeting the definition of other financial assets, i.e. for the Group, other investments.

Any changes in the fair value initially recorded are booked directly in shareholders' equity, except where a prolonged or significant reduction in fair value is recognized (i.e. a reduction of more than 30% over a period of six consecutive months).

When these financial assets are sold, the amounts booked in shareholders' equity are restated as income.

Loans and receivables

This category includes receivables on non-consolidated equity investments, loans, deposits and bonds, as well as customer accounts receivable and other operating receivables (fiscal, social, and other).

This asset category is recorded at fair value when initially booked (which in most cases corresponds to their nominal value), then at their amortized cost (under the effective interest rate method) minus any impairment.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, sight deposits, term deposits and liquid investments in marketable securities. Callable overdrafts, which are an integral part of the Group's cash management policy, represent a portion of cash and cash equivalents for the purposes of the statement of cash flows.

Cash equivalents are predominantly comprised of money market SICAVs (open-ended mutual funds). They are recorded at fair value, and any changes in fair value are recorded as income.

Term deposits are available at any time, with a minimum guaranteed remuneration for each successive six-monthly tranche. Repayment on demand before maturity is possible without penalty. Interest receivable on these deposits is calculated for the period between the subscription date and the maturity date.

Point 13.2 - Non-derivative financial liabilities

The financial liabilities of the Group are recorded initially at their fair value less transaction costs, then at their amortized cost according to the effective interest rate method.

Point 13.3 - Derivative instruments

Hedging instruments

In order to manage its exposure to interest rate risk, the Group uses financial instruments that are listed on organized, over-the-counter markets with high-quality counterparties.

The Group mainly uses interest rate swaps, swaptions, caps, floors and collars to hedge the interest rate risk incurred on its financing commitments:

- swaps are used by the Group to switch from a variable rate to a fixed rate of interest. Gains or losses from these interest rate swaps used to hedge financial liabilities are booked symmetrically to any gains or losses from the liabilities hedged. The differential between interest payable and the interest receivable is booked as interest income or expense over the life of the liabilities hedged;
- swaptions are used by the Group to switch optionally from a variable rate to a fixed rate. When the option is exercised, the accounting principles governing swaps apply;
- caps, floors and collars are used to limit the risk of interest rate fluctuations in either direction on variable rate debt. Gains or losses from these instruments are booked symmetrically to any gains or losses arising from the liabilities hedged.

With respect to the hedging instruments used to hedge cash flows, the Group measures its derivative instruments at fair value:

- for derivative instruments eligible for hedge accounting, the effective portion of the hedging derivative's gain or loss is directly recorded under equity (re-booked on the income statement when the transaction takes place);

- for derivative instruments eligible for hedge accounting, the ineffective portion of the hedging derivative's gain or loss is recorded in the income statement.

Point 14 - Treasury stock

Treasury stock is recorded as a reduction in shareholders' equity. Profits and losses resulting from the sale of treasury stock, and related dividends, net of tax, are booked directly to shareholders' equity.

Point 15 - Inventories

In compliance with IAS 2, inventories are valued at the lower of cost and net realizable value. Net realizable value represents the estimated selling price in the ordinary course of business, minus the anticipated costs of completing the sale.

Point 16 - Provisions

Provisions are booked to the balance sheet when the Group has a present obligation (legal or implied) vis-à-vis a third party, and it is likely that the Group will have to draw on resources representing future economic benefits in order to extinguish that obligation.

A provision is booked to the Group's financial statements only on the condition that the amount of the resources outflow necessary to meet the obligation can be measured in a reliable fashion. In the absence of a reliable estimate, and/or where the Group believes it has strong and relevant arguments in its favor with regard to a contentious claim, no provision is booked. Any such information is presented in the chapter on disputes and exceptional events in the present notes to the consolidated financial statements.

The main provisions booked by the Group relate to site rehabilitation, thirty-year monitoring costs, site de-contamination and various other risks and disputes.

Point 16.1 - Provisions for thirty-year monitoring

The European Parliament adopted a new European Directive on April 26, 1999 relating to the landfill of waste. Under this Directive, all costs related to the use of landfill sites must be included in the price for eliminating waste using this method, including installation and operation of the site, financial guarantees, site decommissioning and maintenance.

Furthermore, a French regulation dated September 9, 1997 requires long-term monitoring over 30 years of all facilities operating after June 14, 1999.

Accordingly, the Group books provisions for the thirty-year monitoring of its final waste storage sites.

These are determined authorization by authorization, and are constituted over the duration of their operation, pro rata to the site's estimated life expectancy. Costs are estimated for each authorization according to the Memorandum of the French Ministry for the environment dated April 23, 1999, the site's operating methods, and any specific requirements stipulated by the Prefect.

These estimated costs are subject to a detailed review every three years, when financial guarantees are renewed. Thirty-year monitoring provisions covering more than 12 months are recalculated using an appropriate financial discount rate.

Point 16.2 - Provisions for site decontamination

Séché Environnement's activities can generate two different types of pollution: "accidental" or "chronic". In both cases, the Group implements the controls required to detect pollution of any kind generated by its activities. In addition to organized supervision of all discharged waste products and their impacts, the Group has also prepared an impact reduction plan to respond to any accidental incidents.

Provisions for site decontamination are booked once the Group is aware of a case of contamination and has been required to decontaminate the site by the relevant authorities (e.g. DREAL - the regional government department for the environment, land use and housing). Based on all available sources of information to date, Séché Environnement has no knowledge of any pollution resulting from the Group's activities.

Point 16.3 - Provisions for other risks and disputes

These are booked on the basis of the most likely assumptions.

In particular, in the event of a tax audit, the amount of the adjustment notified (or in the process of being notified) by

Consolidated financial statements at Dec. 31, 2013

the tax authorities is not the subject of a provision if both the company in question and the Group consider that the points raised are unfounded, or that its own position is reasonably likely to prevail in the course of the dispute with the authorities.

Point 16.4 - Employee benefits

Post-employment benefits consist of the Group's commitments in respect of end-of-career payments to retiring employees, and medals for long service.

Group commitments for long-service medals, an official French institution, are recorded as non-current provisions.

The Group's end-of-career commitments in respect of employees of its fully consolidated subsidiaries in France are accounted for in the form of contributions to independent organizations which manage these assets on behalf of Group companies. If the accumulated total of end-of-career payments made exceeds the amount of the commitment at the balance sheet date, an accrued expense for the difference is recorded in the financial statements.

In the case of subsidiaries consolidated by the equity method (Gerep and Sogad), the commitment is recognized in the form of provisions.

Regardless of the nature of the commitment (end-of-career payment or medals for long service), and whatever the accounting treatment used to recognize the commitment (expense or provision), the commitment is calculated on the basis of actuarial evaluations using the prospective, or projected unit credit method, taking into account:

- statistical data drawn from the TPF 2005 generational mortality table
- a turnover rate for each activity and socio-professional category determined on the basis of the historical data to which the Group has access, and a salary reassessment rate based on seniority, expected career profile, sustained purchasing power and collective bargaining agreements;

	2011	2012	2013
Turnover	between 3.5% and 7.5%	between 3% and 7%	between 3% and 7%
Reassessment of salaries	between 3.5% and 5.0%	between 3% and 5%	between 3% and 5%

- a discount rate of 3.67% (versus 4.11% in 2012 and 4.71 % in 2011);
- an inflation rate of 1.75% (versus 2% in 2012 and 2011);
- a retirement age for executives of 67 years at the initiative of the company, and for non-executives of 65 years at their own initiative. The amount of the commitment is determined inclusive of social security contributions.

Actuarial variances are recorded under shareholders' equity, in accordance with amended IAS 19.

Point 17 - Borrowing costs

Interest on loans is booked in expenses in the fiscal year in which it was accrued, with the following exceptions:

- borrowing costs directly attributable to the purchase, construction or production of assets requiring a long preparation period before being able to be used or sold are incorporated directly into the costs of the assets;
- costs directly attributable to the establishment of financing or re-financing arrangements are deducted from the loan in question and recycled through the income statement using the effective interest rate method.

Point 18 - Income tax

Point 18.1 - Tax consolidation

The Group adopted the tax consolidation regime on January 1, 2000. The option for the tax consolidation regime was renewed on January 1, 2005 for a further five-year period, and is renewable automatically for further periods of five years. All French commercial companies in which Séché Environnement owns at least a 95% interest come under the scope of this regime.

Point 18.2 - Deferred taxes

In general, deferred taxes are computed on the timing differences that may exist between the book value of assets and liabilities and their tax base. They are calculated company by company using the liability method of tax allocation. In accordance with IAS 12, no deferred taxes are booked for the timing differences generated by goodwill, for which amortization is not deductible for tax purposes.

The net balance of deferred taxes is determined based on the situation of each tax entity. A deferred tax asset is booked only if the Company has a reasonable assurance of recovering the amount over the next few years, having due regard to the prospects for its activities and the tax regulations in force.

Point 19 - Accounting treatment of revenue

Revenue from the sale of goods is recognized under revenue from ordinary activities where:

- the majority of the risks and benefits associated with the ownership of said goods have been transferred to the buyer;
- the Group is no longer involved in the management of the goods, and no longer maintains effective control thereof;
- transaction costs incurred or likely to be incurred relative to the transaction can be measured in a reliable fashion.

Revenue from sales is recognized as follows:

- for the sale of services (the major part of the Group's activity), in compliance with IAS 18, i.e. at the time of completion of the service, and when it is probable that any related economic benefits will flow to entities of the Group.
- for construction contracts, in accordance with IAS 11, based on the percentage of completion method defined by that standard. The percentage of completion is measured on the basis of the amount of work actually completed. When it seems likely that the total cost of the contract will exceed the total amount of revenue, a loss on completion for the total difference is booked for the period.

Revenue received from the Group’s activities governed by mandates is recorded net of the expenses incurred by these same activities.

Revenue received from the Group’s ordinary activities in the framework of public service concession contracts is booked according to interpretation IFRIC 12, and explained in Point 11 of the present notes.

Point 20 - Financial items on the income statement

Point 20.1 - Income from cash and cash equivalents

Income from cash and cash equivalents mainly covers income from financial instruments held by the Group (convertible bonds), net of any provisions recorded, and income from the sale of cash equivalents, net of any impairment of cash equivalents booked as assets.

Point 20.2 - Financial borrowing costs

Gross financial borrowing costs include interest accrued on loans, calculated at the effective interest rate, and the cost of hedging interest rates on these same loans.

Net financial borrowing costs correspond to gross financial borrowing costs, minus income from cash and cash equivalents.

Point 20.3 - Other financial income and expenses

Other financial income and expenses correspond to income from loans and financial receivables, dividends paid by non-consolidated companies, foreign exchange gains, accretion of provisions and impairments on financial assets.

2.1.6.2. Consolidation scope

2.1.6.2.1. Parent company

Séché Environnement
A French limited company (Société Anonyme) with share capital of EUR 1 726 974
Les Hêtres - CS 200200 - 53811 Changé Cedex 09

2.1.6.2.2. Consolidated subsidiaries

Company name		SIREN registration number	% holding	Consolidation method
Alcéa	Nantes (France)	751 380 569	100.00	Full
Béarn Environnement	Pau (France)	393 439 203	100.00	Full
Drimm	Montech (France)	339 278 871	100.00	Full
IberTrédi Medioambiental	Barcelona (Spain)		100.00	Full
Opale Environnement	Calais (France)	332 359 637	100.00	Full
Séche Alliance	Changé (France)	556 850 279	99.94	Full
Séché Éco-services	Changé (France)	393 307 053	99.98	Full
Séché Éco-industries	Changé (France)	334 055 183	99.99	Full
Séché Transports	Changé (France)	391 918 885	99.50	Full
Sénergies	Changé (France)	306 919 535	80.00	Full
SCI LCDL	Changé (France)	410 629 752	99.80	Full
SCI Les Chênes Secs	Changé (France)	397 475 138	99.80	Full
SCI Mézerolles	Changé (France)	340 493 840	99.99	Full
Sem Trédi	(Mexico)		100.00	Full
Sotrefi	Étupes (France)	315 669 218	100.00	Full
Sénerval	Strasbourg (France)	519 253 355	99.90	Full
Speichim Processing	Saint Vulbas (France)	389 218 850	100.00	Full
SVO Éco-industries	Le Vigeant (France)	317 538 767	100.00	Full
Trédi Argentina	Buenos Aires (Argentina)		100.00	Full
Trédi SA	Saint Vulbas (France)	338 185 762	100.00	Full
Triadis Services	Étampes (France)	384 545 281	100.00	Full
UTM	Lübeck (Germany)		100.00	Full
Valls Quimica	Valls (Spain)		100.00	Full
Valaudia	Changé (France)	514 944 867	100.00	Full
Sogad	Le Passage (France)	322 323 783	50.00	Equity
Gerep	Paris (France)	320 179 559	50.00	Equity
Altergies	Paris (France)	510 346 133	18.84	Equity
SAEM Transval	Saint-Georges-les-Baillargeaux (France)	539 131 698	35.00	Equity
La Barre Thomas	Rennes (France)	392 583 563	40.00	Equity
Hungaropec	Budapest (Hungary)		99.57	Operation discontinued

2.1.6.2.3. Non-consolidated subsidiaries

Certain equity investments were excluded from the consolidation scope. At December 31, these concerned only companies undergoing liquidation.

In K€	% held by group	Share capital	Latest profit or loss	Fair value of holding
Companies trading				
Trédi New Zealand [1]	100.00%	NC	NC	-

(1) Company for which the decision to liquidate has been taken.

2.1.6.3. Explanatory notes to the financial statements

2.1.6.3.1. Notes to the balance sheet

Note 1 - Intangible fixed assets

Note 1.1 - Goodwill

Goodwill breaks down by CGU as follows:

In K€	France	Germany	Spain	Total
Gross value				
Dec. 31, 2011 restated	**228 396**	**3 582**	**6 790**	**238 769**
Changes in consolidation scope	-	-	-	-
Increases	15 275	-	-	**15 275**
Decreases	-	-	-	-
Dec. 31, 2012 restated	**243 671**	**3 582**	**6 790**	**254 044**
Changes in consolidation scope	(546)	-	-	**(546)**
Increases	-	-	-	-
Decreases	-	-	-	-
Dec. 31, 2013	**243 125**	**3 582**	**6 790**	**253 498**
Impairments				
Dec. 31, 2011 restated	**(20 220)**	**-**	**(5 674)**	**(25 894)**
Changes in consolidation scope	-	-	-	-
Increases	-	-	-	-
Decreases	-	-	-	-
Dec. 31, 2012 restated	**(20 220)**	**-**	**(5 674)**	**(25 894)**
Changes in consolidation scope	-	-	-	-
Increases	-	-	-	-
Decreases	-	-	-	-
Dec. 31, 2013	**(20 220)**	**-**	**(5 674)**	**(25 894)**
Net value				
Dec. 31, 2011 restated	**208 176**	**3 582**	**1 117**	**212 875**
Changes in consolidation scope	-	-	-	-
Increases	15 275	-	-	**15 275**
Decreases	-	-	-	-
Dec. 31, 2012 restated	**223 451**	**3 582**	**1 117**	**228 150**
Changes in consolidation scope	(546)	-	-	**(546)**
Increases	-	-	-	-
Decreases	-	-	-	-
Dec. 31, 2013	**222 906**	**3 582**	**1 117**	**227 604**

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In the absence of indications of impairment losses, impairment tests are performed annually, on December 31. As a result of the impairment test carried out in 2013 (using the methods described in these notes to the consolidated financial statements, under accounting principles and valuation methods – recoverable value of tangible and intangible fixed assets), it was not necessary to book any impairment.

The most sensitive assumptions made in the evaluation of impairment tests are the discount rate and the perpetual growth rate on the one hand, and the revenue growth rate on the other:

- a 0.5 basis point increase in the discount rate would have the effect of understating the fair value of all of the Group's goodwill by EUR 71 million. Such a decrease would not lead the Group to recognize an impairment;
- a 0.5 point decrease in the perpetual growth rate would have the effect of understating the fair value of all of the Group's goodwill by EUR 56 million, and would lead the Group to recognize an impairment of goodwill in the Germany CGU of EUR 0.2 million;
- a 1 point decrease in the annual revenue growth rate in the first three years of the business plan would have the effect of understating the fair value of all of the Group's goodwill by EUR 13 million, but would not lead the Group to recognize an impairment.

Furthermore, the discount rate sensitivity analysis did not reveal any probable scenario under which the recoverable value of any CGU would fall below its net book value.

Note 1.2 - Table of changes in other intangible fixed assets

In K€	Software, patents	Intangible fixed assets included in concessions	Other intangible fixed assets	Total
Gross value				
Dec. 31, 2011	7 430	2 055	9 418	18 904
Discontinued operations	-	-	-	-
Dec. 31, 2011 restated	7 430	2 055	9 418	18 904
Increases (investments)	398	17 158	709	18 265
Disposals	(224)	-	(3 752)	(3 976)
Other changes	153	-	(121)	32
Discontinued operations	(14)	-	-	(14)
Dec. 31, 2012 restated	7 742	19 212	6 255	33 210
Increases (investments)	455	25 377	772	26 604
Disposals	(223)	-	-	(223)
Other changes	125	-	8 190	8 315
Discontinued operations	(2)	-	-	(2)
Dec. 31, 2013	8 098	44 590	15 218	67 905
Amortization				
Dec. 31, 2011	(7 070)	-	(2 862)	(9 931)
Discontinued operations	-	-	-	-
Dec. 31, 2011 restated	(7 070)	-	(2 862)	(9 931)
Allocations	(425)	-	(18)	(443)
Write-backs	224	-	2 635	2 859
Other changes	(31)	-	31	-
Discontinued operations	2	-	-	2
Dec. 31, 2012 restated	(7 300)	-	(214)	(7 514)
Allocations	(461)	(969)	(8)	(1 438)
Write-backs	223	-	-	223
Other changes	46	-	(4 270)	(4 224)
Dec. 31, 2013	(7 492)	(969)	(4 492)	(12 953)
Impairments				
Dec. 31, 2011	(4)	-	-	(4)
Discontinued operations	-	-	-	-
Dec. 31, 2011 restated	(4)	-	-	(4)
Allocations	-	-	-	-
Write-backs	-	-	-	-
Other changes	-	-	-	-
Discontinued operations	-	-	-	-
Dec. 31, 2012 restated	(4)	-	-	(4)
Allocations	-	-	-	-
Write-backs	-	-	-	-
Other changes	-	-	-	-
Discontinued operations	-	-	-	-
Dec. 31, 2013	(4)	-	-	(4)
Net value				
Dec. 31, 2011	356	2 055	6 558	8 969
Discontinued operations	-	-	-	-
Dec. 31, 2011 restated	356	2 055	6 558	8 969
Increases (investments)	(27)	17 158	690	17 821
Disposals	-	-	(1 118)	(1 118)
Other changes	122	-	(90)	32
Discontinued operations	(12)	-	-	(12)
Dec. 31, 2012 restated	439	19 212	6 041	25 693
Increases (investments)	(7)	24 408	764	25 165
Disposals	-	-	-	-
Other changes	170	-	3 920	4 091
Dec. 31, 2013	602	43 620	10 726	54 948

No intangible fixed assets were generated internally.

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Note 1.3 - Breakdown of other changes in other intangible fixed assets

In K€ Net value	Software, patents	Intangible fixed assets included in concessions	Other intangible fixed assets	Total
Business combinations	-	-	-	-
Translation differences	-	-	-	-
Other changes	122	-	(90)	**32**
Total at Dec. 31, 2012 restated	**122**	**-**	**(90)**	**32**
Business combinations	-	-	-	-
Translation differences	-	-	-	-
Other changes	170	-	3 920	**4 091**
Total at Dec. 31, 2013	**170**	**-**	**3 920**	**4 091**

Other changes consist principally of items reclassified as tangible fixed assets, and accrued expenses reclassified as intangible fixed assets.

Note 2 - Tangible fixed assets: property, plant and equipment

Note 2.1 - Table of changes in property, plant and equipment

In K€	Land	Buildings	Technical facilities	Transportation equipment
Gross value				
Dec. 31, 2011	24 782	171 192	308 935	16 959
Discontinued operations	(101)	(5 257)	(1 493)	-
Dec. 31, 2011 restated	24 682	165 934	307 443	16 959
Increases (investments)	2 520	6 758	9 611	2 354
Disposals (sale or scrap)	(8)	(96)	(3 048)	(2 402)
Other changes	703	9 434	(396)	10
Discontinued operations	(14)	(859)	(126)	-
Dec. 31, 2012 restated	27 884	181 172	313 484	16 921
Increases (investments)	133	1 702	7 611	2 039
Disposals (sale or scrap)	(386)	(42 523)	(1 316)	(2 178)
Other changes	1 998	(800)	(6 214)	(589)
Dec. 31, 2013	29 629	139 550	313 566	16 193
Amortization				
Dec. 31, 2011	(3 570)	(136 582)	(240 410)	(13 246)
Discontinued operations	-	3 402	1 311	-
Dec. 31, 2011 restated	(3 570)	(133 180)	(239 099)	(13 246)
Allocations	(256)	(11 144)	(13 920)	(2 017)
Write-backs	-	69	3 172	2 365
Other changes	(103)	(1 212)	(228)	(12)
Discontinued operations	56	621	252	-
Dec. 31, 2012 restated	(3 874)	(144 847)	(249 823)	(12 910)
Allocations	(263)	(9 531)	(13 645)	(2 020)
Write-backs	-	42 522	1 258	2 175
Other changes	24	2 705	9 305	(157)
Dec. 31, 2013	(4 113)	(109 151)	(252 905)	(12 912)
Impairment				
Dec. 31, 2011	(299)	-	(174)	-
Discontinued operations	-	-	-	-
Dec. 31, 2011 restated	(299)	-	(174)	-
Allocations	-	-	(395)	-
Write-backs	-	-	-	-
Other changes	-	-	-	-
Discontinued operations	-	-	-	-
Dec. 31, 2012 restated	(299)	-	(569)	-
Allocations	-	-	(47)	-
Write-backs	-	-	-	-
Other changes	-	-	-	-
Dec. 31, 2013	(299)	-	(616)	-
Net value				
Dec. 31, 2011	20 913	34 610	68 351	3 713
Discontinued operations	(101)	(1 856)	(182)	-
Dec. 31, 2011 restated	20 812	32 754	68 169	3 713
Increases (investments)	2 264	(4 386)	(4 705)	337
Disposals (sale or scrap)	(8)	(27)	124	(37)
Other changes	601	8 222	(623)	(2)
Discontinued operations	42	(238)	126	-
Dec. 31, 2012 restated	23 712	36 325	63 091	4 011
Increases (investments)	(131)	(7 830)	(6 081)	19
Disposals (sale or scrap)	(386)	(1)	(58)	(3)
Other changes	2 022	1 905	3 091	(746)
Dec. 31, 2013	25 217	30 399	60 044	3 281

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Fixtures and fittings	Office equipment and furniture	Fixed assets under construction	Fixed assets under financial leases	Total
45 473	**7 709**	**12 904**	**46 030**	**633 985**
-	(37)	(747)	-	**(7 635)**
45 473	**7 673**	**12 157**	**46 030**	**626 351**
2 423	399	7 106	516	**31 688**
(290)	(452)	(147)	-	**(6 443)**
(60)	22	(7 848)	2 241	**4 108**
-	(5)	93	-	**(911)**
47 546	**7 636**	**11 362**	**48 788**	**654 792**
2 427	591	15 064	412	**29 976**
(8 094)	(348)	(36)	(525)	**(55 405)**
2 218	(242)	(12 785)	(1 759)	**(18 173)**
44 096	**7 636**	**13 605**	**46 916**	**611 192**
(28 754)	**(6 274)**	**-**	**(33 946)**	**(462 783)**
-	33	-	-	**4 746**
(28 754)	**(6 241)**	**-**	**(33 946)**	**(458 037)**
(2 643)	(683)	-	(1 836)	**(32 500)**
242	443	-	-	**6 291**
(133)	(14)	-	314	**(1 386)**
-	6	-	-	**935**
(31 288)	**(6 489)**	**-**	**(35 468)**	**(484 697)**
(2 692)	(702)	-	(1 936)	**(30 790)**
8 008	347	-	517	**54 826**
866	237	-	2 675	**15 655**
(25 106)	**(6 607)**	**-**	**(34 212)**	**(445 006)**
-	**-**	**(344)**	**-**	**(818)**
-	-	-	-	**-**
-	**-**	**(344)**	**-**	**(818)**
-	-	-	-	**(395)**
-	-	-	-	**-**
-	-	-	-	**-**
-	-	-	-	**-**
-	**-**	**(344)**	**-**	**(1 213)**
-	-	-	-	**(47)**
-	-	-	-	**-**
-	-	-	-	**-**
-	**-**	**(344)**	**-**	**(1 260)**
16 718	**1 435**	**12 560**	**12 085**	**170 385**
-	(3)	(747)	-	(2 889)
16 718	**1 432**	**11 813**	**12 085**	**167 496**
(220)	(284)	7 106	(1 320)	**(1 207)**
(48)	(9)	(147)	-	**(152)**
(193)	8	(7 848)	2 555	**2 721**
-	-	93	-	**24**
16 258	**1 147**	**11 018**	**13 320**	**168 882**
(265)	(111)	15 064	(1 525)	**(860)**
(86)	(2)	(36)	(8)	**(579)**
3 083	(5)	(12 785)	916	**(2 517)**
18 990	**1 029**	**13 261**	**12 704**	**164 925**

Note 2.2 - Breakdown of other changes in property, plant and equipment

In K€	Land	Buildings	Technical facilities	Transportation equipment
Net value				
2012				
Business combinations	616	1 062	67	-
Translation differences	21	156	13	(2)
Other changes	(36)	7 004	(703)	-
Total at Dec. 31, 2012 restated	**601**	**8 222**	**(623)**	**(2)**
2013				
Business combinations	(626)	(1 578)	(869)	(11)
Translation differences	(13)	(13)	(8)	(7)
Other changes	2 661	3 496	3 968	(727)
Total at Dec. 31, 2013	**2 022**	**1 905**	**3 091**	**(746)**

Most of the other changes corresponded to fixed assets under construction being commissioned, and reclassifications from one account to another. In 2013, they also reflected the change of consolidation method of Gerep and Sogad, previously consolidated under the full consolidation and proportionate methods respectively. Also, a number of fully amortized storage cells were scrapped, for a value of EUR 42 418 thousand.

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Fixtures and fittings	Office equipment and furniture	Fixed assets under construction	Fixed assets under financial leases	Total
16	1	430	314	**2 506**
-	1	58	-	**247**
(209)	6	(8 336)	2 241	**(32)**
(193)	**8**	**(7 848)**	**2 555**	**2 721**
866	(7)	60	(525)	**(2 691)**
-	-	-	-	**(42)**
2 218	2	(12 845)	1 442	**215**
3 083	**(5)**	**(12 785)**	**916**	**(2 517)**

Note 3 - Investments in affiliates

Note 3.1 - Summary of investments in affiliates

The investments in affiliates held by the Group are as follows:

In K€	% held by Group	Shareholders' equity	Latest profit or loss	Net book value of holding
La Barre Thomas	40%	505	36	202
Altergies	18.84%	1 032	(271)	195
Transval	35%	135	(16)	47
SCI Noiseraie (1)	0%	185	8	-
Gerep	50%	(756)	(1 276)	-
Sogad	50%	(1 630)	211	310
Total				**753**

(1) SCI Noiseraie, in which Séché Environnement previously held 20%, was sold on December 30, 2013.

Note 3.2 - Changes to investments in affiliates

Changes in investments in affiliates held by the Group break down as follows:

In K€	Value at Dec. 31, 2011 restated	Value at Dec. 31, 2012 restated	Income	Change in fair value through equity	Transl. diff.	Change in consolidation scope	Other changes	Value at Dec. 31, 2013
La Barre Thomas	197	188	15	-	-	-	-	**202**
Altergies	265	158	(37)	(1)	-	74	-	**195**
Transval	53	53	(6)	-	-	-	-	**47**
SCI Noiseraie	38	35	2	-	-	(37)	-	**-**
Gerep	-	-	(635)	-	-	260	375	**-**
Sogad	-	-	105	(24)	-	477	(249)	**310**
Total	**552**	**434**	**(556)**	**(25)**	**-**	**774**	**126**	**753**

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Note 3.3 - Financial information on affiliates

A summary of financial information on affiliates is provided below:

in k€	La Barre Thomas	Altergies	Transval	SCI Noiseraie	Gerep	Sogad
Date of most recent financial information known	Dec. 31, 2013	Dec. 31, 2013	Dec. 31, 2013	Dec. 31, 2013	Dec. 31, 2013	Dec. 31, 2013
% held	40%	18.84%	35%	20%	50%	50%
Non-current assets	22	101	-	1 195	1 107	1 277
Current assets	1 362	1 885	171	19	1 856	1 438
Shareholders' equity	505	1 032	135	185	(756)	(1 630)
Non-current liabilities	-	-	-	1 017	1 932	2 631
Current liabilities	879	954	37	12	1 786	1 714
Revenue	3 121	69	160	243	4 987	4 448
EBITDA	(8)	(259)	(16)	189	(454)	772
Current operating income	34	(259)	(16)	57	(1 269)	344
Operating income	34	(259)	(16)	57	(1 272)	345
Net income	36	(271)	(16)	8	(1 276)	211

Note 3.4 - Transactions with affiliates

The Group did not carry out any significant transactions with its affiliates.

Note 4 - Financial instruments

In K€	2011 restated NC	2011 restated C	2011 restated Total	2012 restated NC	2012 restated C	2012 restated Total	2013 NC	2013 C	2013 Total
Available-for-sale financial instruments	158 596	-	**158 596**	1 978	-	**1 978**	1 755	-	**1 755**
Financial loans and receivables at amortized cost	2 465	76	**2 541**	2 799	131	**2 930**	3 602	90	**3 692**
Financial assets	161 060	76	161 136	4 778	131	4 909	5 358	90	5 448
Trade and other receivables	1 291	114 683	**115 974**	2 105	126 540	**128 645**	1 501	133 821	**135 322**
Other current assets (incl. corporation tax receivables)	-	20 268	**20 268**	677	34 547	**35 224**	-	27 262	**27 262**
Loans and receivables at amortized cost	1 291	134 952	136 243	2 782	161 088	163 870	1 501	161 083	162 584
Hedging instruments - assets	-	-	-	-	-	-	-	-	-
Other instruments at fair value by the income statement	-	-	-	-	-	-	-	-	-
Financial assets at fair value by the income statement	-	-	-	-	-	-	-	-	-
Cash and cash equivalents	-	24 145	24 145	-	22 597	22 597	-	28 032	28 032
Total financial assets	162 351	159 173	321 523	7 560	183 815	191 375	6 859	189 205	196 064
Financial debts	43 740	172 899	**216 639**	218 154	28 000	**246 154**	222 630	30 788	**253 418**
Hedging instruments - liabilities	3 491	304	**3 795**	3 307	744	**4 051**	1 773	155	**1 928**
Other liabilities	251	144 168	**144 419**	189	163 027	**163 216**	2 911	171 707	**174 618**
Total financial liabilities	47 482	317 371	364 854	221 650	191 770	413 420	227 314	202 649	429 963

Note 4.1 - Financial assets

Note 4.1.1 - Available-for-sale financial assets

Available-for-sale financial assets consist of:

- equity investments in non-consolidated companies, in connection with an ongoing liquidation process;
- securities treated as financial assets (mainly the Group's investment in Emertec funds).

Their net value breaks down as follows:

In K€	Dec. 31, 2011 restated	Dec. 31, 2012 restated	Changes in fair value through equity	Acquisitions	Other changes	Disposals/ repayments	Dec. 31, 2013
Bonds (principal + capitalized interest)	146 642	202 253	-	-	15 938	(218 191)	-
Bonds (non-capitalized interest)	9 734	10 698	-	12 965	(15 938)	(7 725)	-
Total bond portion, gross	156 376	212 951	-	12 965	-	(225 916)	-
Provision on bond portion	-	(212 951)	-	(12 965)	-	(225 916)	-
Total bond portion, net	156 376	-	-	-	-	-	-
Trédi New Zealand	-	-	-	-	-	-	-
Total non-consolidated investments	-	-	-	-	-	-	-
Emertec	2 086	1 907	(205)	-	-	-	1 703
Other securities	134	71	-	-	(15)	(4)	52
Total other investments	2 220	1 978	(205)	-	(15)	(4)	1 755
Total available-for-sale financial assets	158 596	1 978	(205)	-	(15)	(4)	1 755

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Note 4.1.2 - Loans and receivables at amortized cost

Loans and receivables consist of:

- financial loans, deposits and bonds of indemnity of a financial nature received, booked under financial assets (current and non-current);
- trade receivables and other debtors;
- other current and non-current assets.

In K€	2011 restated NC	2011 restated C	2011 restated Total	2012 restated NC	2012 restated C	2012 restated Total	2013 NC	2013 C	2013 Total
Deposits and bonds of indemnity	1 256	2	**1 258**	1 638	20	**1 658**	1 711	12	**1 723**
Loans	1 208	74	**1 282**	1 161	111	**1 273**	1 892	78	**1 970**
Financial loans and receivables	2 464	76	2 540	2 799	131	2 930	3 603	90	3 692
Trade receivables and other debtors	1 291	114 683	**115 974**	2 105	126 540	**128 645**	1 501	133 821	**135 322**
State	-	13 430	**13 430**	-	16 772	**16 772**	-	16 257	**16 257**
Corporation tax receivables	-	2 572	**2 572**	677	12 593	**13 270**	-	2 171	**2 171**
Prepaid accounts	-	815	**815**	-	496	**496**	-	3 700	**3 700**
Social security receivables	-	160	**160**	-	89	**89**	-	126	**126**
Receivables from disposal of fixed assets	-	1 948	**1 948**	-	2 828	**2 828**	-	2 177	**2 177**
Other receivables	-	629	**629**	-	999	**999**	-	2 571	**2 571**
Current accounts receivable	-	715	**715**	-	769	**769**	-	261	**261**
Other current assets	-	20 268	**20 268**	677	34 547	**35 225**	-	27 262	**27 262**
Operational loans and receivables	1 291	134 952	136 243	2 782	161 088	163 870	1 501	161 083	162 584
Loans and receivables at amortized cost	3 755	135 027	138 782	5 581	161 219	166 800	5 104	161 173	166 277

Depreciation and impairment on loans and receivables at amortized cost break down as follows:

In K€	2011 restated Gross	2011 restated Deprec/ impairment	2011 restated Net	2012 restated Gross	2012 restated Deprec/ impairment	2012 restated Net	2013 Gross	2013 Deprec/ impairment	2013 Net
Loans and financial receivables	2 540	-	**2 540**	2 930	-	**2 930**	3 692	-	**3 692**
Trade receivables and other debtors	119 636	(3 662)	**115 974**	132 123	(3 478)	**128 645**	138 480	(3 158)	**135 322**
Other assets	21 055	(787)	**20 268**	35 846	(621)	**35 225**	27 847	(584)	**27 262**
Loans and receivables at amortized cost	143 231	(4 449)	138 782	170 899	(4 099)	166 800	170 018	(3 742)	166 277

Note 4.1.3 - Financial assets at fair value by the income statement

	2011 restated NC	2011 restated C	2011 restated Total	2012 restated NC	2012 restated C	2012 restated Total	2013 NC	2013 C	2013 Total
Hedging instruments - assets	-	-	-	-	-	-	-	-	-
Financial assets at fair value by the income statement	-	-	-	-	-	-	-	-	-

Hedging instruments - assets

Hedging instruments have been put in place by the Group as part of its policy for managing interest rate risk, and are analyzed in note 4.3.

Note 4.1.4 - Cash and cash equivalents

In K€	2011 restated	2012 restated	2013
Cash equivalents	15 953	9 182	9 183
Cash	8 192	13 415	18 850
Total	**24 145**	**22 597**	**28 032**

Cash equivalents correspond to SICAVs (open-ended mutual funds). Income from the sale of mutual funds came out at EUR 0.3 million and was booked in the income statement under income from cash and cash equivalents.

Note 4.2 - Financial liabilities

Note 4.2.1 - Financial debts

Changes in debt

In K€	2011 restated			2012 restated			2013		
	NC	C	Total	NC	C	Total	NC	C	Total
Financial debt liabilities	*30 116*	*167 696*	***197 812***	*185 472*	*22 431*	***207 903***	*193 011*	*25 122*	***218 132***
Effective interest rate impact	*(13)*	*(163)*	***(176)***	*(1 797)*	*(693)*	***(2 490)***	*(1 174)*	*(606)*	***(1 779)***
Bank loans	**30 103**	**167 533**	**197 636**	**183 675**	**21 739**	**205 413**	**191 837**	**24 516**	**216 353**
Bonds outstanding	-	-	-	*25 000*	-	***25 000***	*25 000*	-	***25 000***
Effective interest rate impact	-	-	-	*(2 069)*	*(279)*	***(2 348)***	*(1 759)*	*(309)*	***(2 068)***
Bonds	-	-	-	**22 931**	**(279)**	**22 653**	**23 241**	**(309)**	**22 931**
Financial leases	12 629	4 637	**17 265**	10 705	5 191	**15 896**	6 952	5 172	**12 124**
Other financial debt	1 008	49	**1 057**	843	815	**1 658**	600	904	**1 504**
Short-term bank borrowings	-	681	**681**	-	534	**534**	-	505	**505**
Total	**43 740**	**172 899**	**216 640**	**218 154**	**28 000**	**246 154**	**222 630**	**30 788**	**253 418**

Changes in debt over the year can be analyzed as follows:

In K€	Dec. 31, 2011 restated	Dec. 31, 2012 restated	Increases	Repayments	Changes in scope	Amortized cost	Transl. diff.	Other changes	Dec. 31, 2013
Bank loans	197 636	205 413	32 437	(22 083)	-	-	-	586	216 353
Bonds	-	22 653	-	-	-	-	-	279	22 931
Financial leases	17 265	15 896	412	(4 879)	(739)	-	-	1 434	12 124
Other financial debt	1 057	1 658	353	(522)	16	-	-	-	1 504
Short-term bank borrowings	681	534	477	-	(506)	-	-	-	505
Total	**216 640**	**246 154**	**33 679**	**(27 484)**	**(1 229)**	**-**	**-**	**2 299**	**253 418**

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Debt table

At December 31, 2013, Group debt broke down as follows:

In K€	Type of rate (before hedging)		Amount	Maturity	Hedging
Other bank loans	Variable		17 703	less than 1 year	Debt contracted at a variable interest rate
			134 393	from 1 to 5 years	
			329	more than 5 years	Interest rate hedge of EUR 112.5 M
	Fixed	between 0% and 4%	6 813	less than 1 year	
			25 241	from 1 to 5 years	
			31 874	more than 5 years	
	Total		**216 353**		
Bonds	Variable		-	less than 1 year	
			-	from 1 to 5 years	
			-	more than 5 years	
	Fixed	11.0%	(309)	less than 1 year	
			(1 619)	from 1 to 5 years	
			24 860	more than 5 years	
	Total		**22 931**		
Financial leases	Variable		3 957	less than 1 year	Interest rate hedge of EUR 2.4 M
			1 812	from 1 to 5 years	
			715	more than 5 years	
	Fixed	between 4% and 13%	1 215	less than 1 year	
			4 282	from 1 to 5 years	
			144	more than 5 years	
	Total		**12 124**		
Other miscellaneous financial debt	Variable		232	less than 1 year	
			515	from 1 to 5 years	
			-	more than 5 years	
	Fixed		673	less than 1 year	
			85	from 1 to 5 years	
			-	more than 5 years	
	Total		**1 504**		
Short-term bank borrowings	Variable		505	less than 1 year	
	Total		**253 418**		
Of which current			*30 788*	*less than 1 year*	
Of which non-current			*222 630*	*more than 1 year*	

Financial lease agreements

In K€ Dec. 31, 2013	Net book value	Total minimum future payments: Total	< 1 year	1 - 5 yrs	> 5 yrs	Total sub-lease payments, discounted
Land	-	-	-	-	-	-
Buildings	7 296	4 008	1 605	1 678	725	-
Technical facilities, equipment and industrial plant	4 189	6 079	2 350	3 648	81	-
Transportation equipment, vehicles	1 219	1 406	327	1 016	64	-
Fixtures and fittings	-	1 248	1 134	114	-	-
Office equipment and furniture	-	-	-	-	-	-

In K€ Dec. 31, 2013	Net book value	Total minimum future payments, discounted: Total	< 1 year	1 - 5 yrs	> 5 yrs	Total sub-lease payments, discounted
Land	-	-	-	-	-	-
Buildings	7 296	3 686	1 560	1 524	603	-
Technical facilities, equipment and industrial plant	4 189	5 672	2 284	3 320	68	-
Transportation equipment, vehicles	1 219	1 301	317	930	54	-
Fixtures and fittings	-	1 210	1 102	108	-	-
Office equipment and furniture	-	-	-	-	-	-

Most of the Group's financial lease agreements are lease financing agreements with option to purchase. 53% of the agreements (as a percentage of the associated debt) are at variable interest rates (before factoring in any interest rate hedges), primarily indexed on the 3-month Euribor.

Note 4.2.2 - Financial liabilities at fair value by the income statement

Financial liabilities at fair value by the income statement correspond to the derivative instruments used for hedging put in place by the Group to manage its interest rate risk. They are analyzed in Note 4.3.

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Note 4.2.3 - Other liabilities at amortized cost

In K€	2011 restated NC	2011 restated C	2011 restated Total	2012 restated NC	2012 restated C	2012 restated Total	2013 NC	2013 C	2013 Total
Trade payables	2	67 929	**67 932**	3	73 390	**73 393**	-	75 958	**75 958**
Debts on acquisition of fixed assets	248	13 358	**13 606**	186	18 332	**18 517**	2 911	16 901	**19 812**
Advance payments received	-	2 789	**2 789**	-	4 566	**4 566**	-	7 116	**7 116**
Social security and related payments	-	21 471	**21 471**	-	22 534	**22 534**	-	23 302	**23 302**
State (excluding corporation tax)	-	22 224	**22 224**	-	21 829	**21 829**	-	24 386	**24 386**
Corporation tax	-	218	**218**	-	904	**904**	-	294	**294**
Current account credit balances	-	218	**218**	-	141	**141**	-	-	-
Other debts	-	633	**633**	-	1 159	**1 159**	-	1 847	**1 847**
Liabilities for replacing assets in concessions	-	9 101	**9 101**	-	10 591	**10 591**	-	11 078	**11 078**
Prepayments	-	6 226	**6 226**	-	9 580	**9 580**	-	10 825	**10 825**
Other liabilities	**251**	**144 168**	**144 419**	**189**	**163 027**	**163 215**	**2 911**	**171 707**	**174 617**

Note 4.3 - Financial hedging instruments

In K€	2011 restated NC	2011 restated C	2011 restated Total	2012 restated NC	2012 restated C	2012 restated Total	2013 NC	2013 C	2013 Total
Hedging instruments - assets	-	-	**-**	-	-	**-**	-	-	**-**
Hedging instruments - liabilities	3 491	304	**3 795**	3 307	744	**4 051**	1 773	155	**1 928**

The financial instruments used by the Group are for hedging cash flows related to its financing. These instruments, which are traded on organized markets, are managed by the Group's Finance Department.

In K€	2011 restated Nominal transaction	2011 restated Fair value	2012 restated Nominal transaction	2012 restated Fair value	2013 Nominal transaction	2013 Fair value
Swaps	128 014	(3 119)	114 382	(3 724)	83 711	(1 891)
Collars	61 014	(542)	34 882	(221)	31 211	(52)
Hybrid instruments	15 000	(134)	7 500	(107)	-	-
Total	**204 028**	**(3 795)**	**156 764**	**(4 051)**	**114 922**	**(1 929)**

At December 31, 2013, the maturity of the cash flow hedging instruments was as follows:

	< 1 year	1 - 5 yrs	> 5 yrs	Total
Swaps	13 711	70 000	-	**83 711**
Collars	16 211	15 000	-	**31 211**
Hybrid instruments	-	-	-	-
Total	**29 922**	**85 000**	**-**	**114 922**

The gains and losses booked in equity over the period amounted to EUR 1.9 million, and the cumulative total at December 31, 2013 of gains and losses booked in equity amounted to EUR –1.9 million. The ineffective portion of this hedging booked as income in 2013 was not significant.

No part of the shareholders' equity was recycled and booked in income for the period.

Note 5 - Current and non-current provisions

Note 5.1 - Changes in current and non-current provisions

In K€	2011 restated	2012 restated	Other changes	Allocations	Write-backs used	Write-backs unused	2013
Employee benefits (1)	**192**	**809**	(278)	59	9	-	**599**
Other non-current provisions (2)	**3 250**	**3 961**	46	3 255	(8)	-	7 254
Non-current provisions	**3 442**	**4 770**	**(232)**	**3 313**	**2**	**-**	**7 853**
Provisions for litigation	**1 384**	**858**	-	345	(237)	(298)	**669**
Provisions for BEFS (sub-contractor)	**663**	**659**	-	70	-	(4)	**725**
Provisions for other risks	**11 621**	**373**	(13)	27	-	(360)	**27**
Provisions for tax risks	**-**	**6 780**	-	-	(446)	-	**6 335**
Provisions for waste to be treated	**147**	**154**	-	97	(111)	-	**140**
Provisions for other costs	**2 069**	**1 048**	(143)	583	(97)	(444)	**947**
Current provisions	**15 883**	**9 872**	**(156)**	**1 122**	**(891)**	**(1 106)**	**8 842**
Total	**19 326**	**14 642**	**(388)**	**4 435**	**(889)**	**(1 106)**	**16 695**

(1) Provisions for end-of-career payment and long-service medal commitments are calculated according to the method described in the accounting principles and methods section of this report.

(2) Provision for 30-year monitoring period.

Expenses for site rehabilitation, not yet carried out, which were previously recognized in the form of provisions, are reclassified with other liabilities under liabilities for replacing assets in concessions.

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Note 5.2 - Breakdown of other changes

In K€	Business combinations	Translation differences	Other changes	Total
Employee benefits	(243)	(1)	(34)	**(278)**
Other non-current provisions	(472)	-	518	**46**
Non-current provisions	**(715)**	**(1)**	**484**	**(232)**
Provisions for litigation	-	-	-	-
Provisions for BEFS (sub-contractor)	-	-	-	-
Provisions for other risks	(13)	-	-	**(13)**
Provisions for tax risks	-	-	-	-
Provisions for waste to be treated	-	-	-	-
Provisions for other costs	-	-	(143)	**(143)**
Current provisions	**(13)**	**-**	**(143)**	**(156)**
Total	**(727)**	**(1)**	**341**	**(388)**

Note 5.3 - Post-employment benefits - end-of-career payments and long-service medals

The only benefits offered to Group employees consists of long-service medals and post-employment benefits in the form of end-of-career payments to retiring employees.

Post-employment benefits - end-of-career payments

The Group's end-of-career commitments to employees of its French subsidiaries which do not cover these through an insurance contract, are accounted for as provisions. Only Sem Trédi was concerned by this as at December 31, 2013; Gerep and Sogad, the only other companies in the Group to have covered these commitments by means of provisions, are consolidated by the equity method with effect from January 1, 2013.

The following should be noted:

- when Séneval began operations, since it took over a number of employees from the preceding operator, it also took over commitments in respect of the past services of those same employees, in the amount of some EUR 450 thousand. The Group recorded an asset of EUR 450 thousand in respect of the commitments taken over, which was booked in accrued income. This asset was to be amortized over 18 years from July 1, 2010, i.e. the average time remaining until the employees taken over reach retirement age. In application of amended IAS 19, applied retrospectively, this sum was booked in equity at July 1, 2012;
- when the Group took over management of the household waste incinerator and its workforce at Lescar, the Group also took over commitments in respect of the past services of those same employees. In view of the amount represented by these commitments, they were booked directly in the income statement;
- when the Group took over management of the Nantes incinerator and its workforce, the Group also took over commitments in respect of the past services of those same employees. In application of amended IAS 19, these were recorded in the income statement.

The Group's total commitment (however managed) changed as follows:

In K€	2011 restated	2012 restated	2013
Amount of commitment at beginning of year	**4 838**	**6 057**	**7 569**
Cost of services rendered during the year	352	406	466
Interest credited over the year	226	278	309
Payments made over the year	(61)	(125)	(396)
Acquisition/sale of subsidiaries	194	99	-
Actuarial gains (losses)	508	854	509
Other (scope changes, translation differences)	-	-	(235)
Amount of commitment at end of year	**6 057**	**7 569**	**8 224**
Of which outsourced	*5 865*	*7 316*	*8 200*
Of which provisioned	*192*	*253*	*23*

Changes in the fair value of funds invested to hedge the commitment are as follows:

In K€	2011 restated	2012 restated	2013
Fair value of assets hedged at beginning of year	**4 707**	**5 864**	**7 465**
Contributions paid in	1 430	1 344	-
Amounts paid out	(61)	(125)	(396)
Expected return on investments	160	241	274
Management costs	(21)	(26)	(26)
Acquisition/sale of subsidiaries	-	99	-
Actuarial gains (losses)	(351)	68	(34)
Fair value of assets hedged at end of year	**5 864**	**7 465**	**7 284**

If the value of the funds invested exceeds the amount of the commitment, an item of accrued income is recorded. In the inverse case, an accrued expense is booked. The analysis is made company by company. At December 31, 2013, the following were recognized:

- accrued expenses of EUR 1 035 thousand;
- accrued income of EUR 119 thousand.

Hedging assets break down as follows:

	Dec. 31, 2011	Dec. 31, 2012	Dec. 31, 2013
Diversified investments	73%	74%	76%
Monetary investments	27%	26%	24%

Long-service medal commitments

The Group's commitments in respect of long-service medals were as follows:

In K€	Dec. 31, 2013
Amount of commitment at beginning of year	**556**
Cost of services rendered during the year	23
Interest credited over the year	21
Payments made over the year	17
Acquisition/sale of subsidiaries	-
Actuarial gains (losses)	(34)
Other (scope changes, translation differences)	(8)
Amount of commitment at end of year	**575**

Note 5.4 - Disputes and exceptional events

BEFS-PEC

Following the completion of the Salaise 3 site, a project undertaken by BEFS-PEC for Trédi in 1999, Trédi SA received various payment demands from subcontractors who had not been paid by BEFS-PEC, in accordance with article 12 of the Law of December 31, 1975 on subcontracting. Trédi SA booked a provision in its financial statements for the entire sum claimed in connection with this dispute. As of December 31, 2013, the residual provision concerning this affair amounted to EUR 0.7 million.

VALLS QUIMICA

Valls Quimica, a Spanish subsidiary of the Group, was audited in 2003 by the tax authorities, who then claimed a principal amount of EUR 3.8 million (for the period 1999 to 2001) and EUR 1.8 million (for the period from 2002 to 2003) in respect of back VAT payments and indirect duties alleged to be due concerning the production of certain petroleum products.

- Concerning the period 2002-2003, a ruling was obtained on December 22, 2007 to the effect that no payments were due;
- Valls Quimica contested the claim pertaining to 1999-2001 before the Spanish administrative court, the national administrative court in Madrid (in 2008), and the supreme court in Madrid (in 2010). During the procedure Valls Quimica was asked to provide guarantees covering 100% of the amount claimed, in exchange for suspension of the demand for payment. The supreme court rejected the appeal in October 2011, without considering the substance of the case, on the grounds that the prejudice for Valls Quimica, calculated on a per month basis, did not exceed the minimum of EUR 150 thousand which the court set itself as a condition for considering cases submitted to it. Valls Quimica obtained suspension of the demand for payment from the tax authorities and lodged an appeal in the constitutional court. Moreover, the process was begun of lodging a petition of nullity against the national administrative court judgment, on the basis of the decision of the supreme court. In 2012 Valls Quimica, although justified in its claim, nevertheless provisioned in its accounts the entire amount claimed by the administration, including interest, for EUR 6.8 million. At December 31, 2013, Valls Quimica is still awaiting the decision of the constitutional court as to whether its demands are admissible. In parallel, the company has made a payment on account to the tax administration of EUR 0.4 million.

There are no other government, legal or arbitration procedures, including any procedures of which the Company is aware, which are pending or threatened, and/or likely to have or, during the last twelve months, to have had significant impacts on the financial situation or the profitability of the Company and/or the Group.

Note 6 - Deferred taxes

The analysis of deferred taxes by type is as follows:

In K€	2011 restated	2012 restated	2013
Employee profit-sharing	739	537	537
Social solidarity contribution	261	244	275
Paid leave	639	638	661
Tax loss carry-forwards	1 159	11 233	55 726
Deferred amortization and regulatory provisions	(7 815)	(7 731)	(7 624)
Financial leases	1 643	781	(234)
Internal income	220	231	208
Deferred charges	(7)	(7)	(7)
Intra-group provisions	-	-	-
Provisions for deferred tax	48	90	90
Restated provision for thirty-year monitoring	(1 165)	(1 175)	(1 190)
Harmonization of amortization	597	529	462
Securities acquisition costs	402	-	-
Restatement of convertible bonds	15 125	-	-
Fair value of hedging instruments	1 307	1 395	664
Provision on convertible bonds	-	50 760	-
Other temporary differences	1 830	(1 561)	(952)
Total	**14 981**	**55 965**	**48 617**
Of which deferred tax assets	*14 995*	*55 965*	*48 617*
Of which deferred tax liabilities	*14*	*-*	*-*

Tax loss carry-forwards correspond to:

- deficits which arose before fiscal consolidation. Their activation is decided on a subsidiary-by-subsidiary basis according to the business plan of each subsidiary;
- the deficit recognized in the tax consolidation group for 2012 and 2013, related to the provisioning of the Group's entire stake in HIME. Recognition of this tax credit as an asset was enabled by the fact that the tax consolidation group was able to recover this credit within a reasonable period of time;
- the deficit recorded for Valls Quimica as a result of the provision for its tax dispute, given that the sum involved is deemed in its business plan to be recoverable. Apart from this exception, any tax losses incurred by foreign subsidiaries are not carried forward.

At December 31, 2013, the amount of deferred tax assets not carried forward relative to qualifying deficits was EUR 0.3 million.

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Changes in deferred tax assets over the fiscal year can be analyzed as follows:

In K€	Deferred tax assets	Deferred tax liabilities	Net
Balance at December 31, 2011, restated	**14 995**	**14**	**14 981**
Income	54 533	-	**54 533**
Changes in fair value by shareholders' equity	408	(158)	**566**
Changes in consolidation scope and other changes	25	-	**25**
Foreign currency differences	-	-	-
Cancellation of deferred asset on derivative portion	(14 140)	-	**(14 140)**
Compensation of deferred taxes among subsidiaries in the tax consolidation scope	(1 032)	(1 032)	-
Compensation of deferred tax assets and deferred tax liabilities	1 176	1 176	-
Balance at December 31, 2012, restated	**55 965**	**-**	**55 965**
Income	(6 351)	-	**(6 351)**
Changes in fair value by shareholders' equity	26	649	**(623)**
Changes in consolidation scope and other changes	(14)	360	**(374)**
Foreign currency differences	-	-	-
Compensation of deferred taxes among subsidiaries in the tax consolidation scope	(261)	(261)	-
Compensation of deferred tax assets and deferred tax liabilities	(748)	(748)	-
Balance at December 31, 2013	**48 617**	**-**	**48 617**

Note 7 - Off-balance sheet commitments

Note 7.1 - Off-balance sheet commitments arising from current operations

In K€	2011 restated	2012 restated	2013
Loans ceded before maturity (bills, Dailly Act)	-	-	-
Sureties	**38 848**	**42 234**	**60 239**
■ Financial guarantees (1)	22 551	23 594	26 963
■ Other guarantees	16 297	18 640	33 276
Secured guarantees	-	-	-
■ Tangible and intangible assets pledged as collateral	-	-	-
■ Securities pledged as collateral	-	-	-
Arising from partner's responsibilities in property companies	-	-	-
Total off-balance sheet commitments related to current operations	**38 848**	**42 234**	**60 239**

(1) This concerns a EUR 27 million surety granted to a financial institution during the setting up of financial guarantees extended by it under the Ministerial Order of February 1, 1996.

Note 7.2 - Off-balance sheet commitments given or received in connection with Group debt

In K€	2011 restated	2012 restated	2013
Business loans ceded	**895**	**418**	**496**
Sureties and letters of intent	**10 972**	**15 349**	**27 902**
Secured guarantees	**9 828**	**9 828**	**9 828**
■ Tangible and intangible assets pledged as guarantees and collateral	9 828	9 828	9 828
■ Securities pledged as guarantees and collateral	-	-	-
■ Mortgages	-	-	-
Borrowing commitments received	**34 262**	**34 132**	**23 173**
Total off-balance sheet commitments related to debt	**55 957**	**59 727**	**61 399**

As part of its asset financing, the company signed commitments not to sell its shareholdings in Sénergies, Séché Éco-industries and Mézerolles.

Borrowing commitments at December 31, 2013 principally concern the financing of assets conceded in the framework of the Strasbourg public service delegation contract by a loan of EUR 18.2 million, released in tranches and amortizable over the residual duration of the contract, at a rate which has still to be set.

All the above-mentioned off-balance sheet commitments cover balance sheet debt, with the exception of a EUR 0.8 million guarantee.

Note 7.3 - Other off-balance sheet commitments

A shareholders' agreement was signed on October 16, 2006 (bearing the AMF registration number 206C1928) containing the following main provisions:

- representation of Caisse des Dépôts et Consignations on the Board of Directors of Séché Environnement: Caisse des Dépôts et Consignations is entitled to appoint several members to the Board of Directors of Séché Environnement, commensurate with its equity stake in the Group;
- management of the stakes of members of the shareholder agreement:
  - shareholder agreement members agree not to acquire, directly or indirectly, any securities issued by Séché Environnement if such acquisition would oblige one of the signatories to make a public offer for Séché Environnement shares;
  - in the event of any transfer of Séché Environnement shares by Joël Séché, Amarosa family trust and/or their free transferees to a third party, as long as they together hold less than 50.1% of the Company voting rights, Caisse des Dépôts et Consignations shall have the option of selling its own shares to this third party at the same price and in the same proportions;
  - Caisse des Dépôts et Consignations has the option of subscribing to any issue of Séché Environnement securities, commensurate with its share of the equity, with the exception of securities issued to pay a third party for an external acquisition, and which would have the effect of diluting all shareholders' holdings in the same proportions;
  - co-investment rules: as long as Caisse des Dépôts et Consignations holds at least 15% of the equity of Séché Environnement, it is entitled

to take part as a co-investor in any expansion project above a certain threshold amount.

The shareholders' agreement further states that it will be canceled automatically without penalty if at any time:

- Caisse des Dépôts et Consignations holds less than 10% of the capital of the Company;
- the balance of the respective stakes of Caisse des Dépôts et Consignations, on the one hand, and Joël Séché and the Amarosa family trust on the other hand, are significantly modified in such a way as to oblige either of the parties to make a public offer for all the shares.

A codicil to the shareholders' agreement dated April 25, 2007 stipulates that the agreement will be valid for 10 years, beginning on April 26, 2007.

The current breakdown of the Group's off-balance sheet commitments includes all significant commitments as defined by current accounting standards.

2.1.6.3.2. Notes to the table of changes in shareholders' equity

Note 8 - Breakdown of share capital

Share category	Number	Par value
1- Shares comprising the share capital at the start of the year	**8 634 870**	**EUR 0.20**
Capital increase	-	
2- Shares comprising the share capital at the end of the year	**8 634 870**	**EUR 0.20**
Of which shares with single voting rights	*6 791 280*	
Of which shares with double voting rights	*1 843 590*	

Note 9 - Additional paid-in capital

This line is made up exclusively of additional paid-in capital from the different capital increases, net of charges:

	In K€
Capital increase of November 27, 1997	11 220
Capital increase of December 19, 1997	112
Capital increase of October 1, 2001 (to pay for Alcor shares)	10 795
Capital increase of July 5, 2002 (to pay for Trédi shares)	192 903
Charges on additional paid-in capital	(1 578)
Issuance of 596 408 share subscription warrants in favor of Caisse des Dépôts et Consignations on December 12, 2006	10 908
Exercise of share subscription warrants by Caisse des Dépôts et Consignations on April 24, 2007	74 718
Payout of dividends	(8 148)
Total	**290 931**

Note 10 - Breakdown of consolidated reserves

	Dec. 31, 2011 restated	Dec. 31, 2012 restated	Increases	Decreases	Dec. 31, 2013
Legal reserve	173	173	-	-	173
Regulatory reserves	-	-	-	-	-
Retained earnings	150 947	181 445	-	(318 544)	(137 098)
Other reserves	6 037	6 037	-	-	6 037
Sub-total - legal and regulatory reserves	**157 156**	**187 655**	**-**	**(318 544)**	**(130 889)**
Consolidated reserves (excluding translation differences)	(116 393)	(147 685)	-	236 798	89 112
Total reserves (excluding translation differences)	**40 763**	**39 970**	**-**	**(81 746)**	**(41 776)**
Translation differences	(2 113)	(2 243)	-	(394)	(2 638)
Total reserves (including translation differences)	**38 651**	**37 726**	**-**	**(82 140)**	**(44 414)**

Note 11 - Information on treasury stock

By virtue of the authorizations granted by the Annual General Meetings of June 7, 2013 and June 8, 2012, the Board of Directors ordered in 2013 the repurchase of a certain number of its own shares under a liquidity contract concluded with an independent organization. Funds totalling EUR 1.4 million were made available to that organization for the repurchase of 4 862 shares. At December 31, 2013, these share buybacks broke down as follows:

Number of shares held as treasury stock (1)	62 944
Percentage of shares held as treasury stock	0.73%
Net book value of shares held as treasury stock (EUR)	1 729 068
Market value of shares held as treasury stock at December 31, 2013 (EUR) (2)	1 768 097

(1) Including shares acquired under previous share buyback programs.
(2) On the basis of the closing price of the Séché Environnement share in December 2013, i.e. EUR 28.09.

2.1.6.3.3. Notes to the income statement

Note 12 - Income from ordinary activities

Note 12.1 - Breakdown by nature

In K€	2011 restated	2012 restated	2013
Revenue	420 564	439 904	469 082
Of which sales of goods	*51 604*	*62 884*	*66 974*
Of which sales of services	*368 960*	*377 020*	*402 108*
Other business income	6 090	5 247	4 294
Transfers of expenses	3 373	2 163	1 469
Income from ordinary activities	**430 027**	**447 314**	**474 844**

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Note 12.2 - Breakdown of revenue by type of waste

In K€	2011 restated	2012 restated	2013
HW treatment	262 747	263 626	274 924
NHW treatment	157 817	176 279	194 157
Of which revenue under IFRIC 12	*1 343*	*16 906*	*25 115*
Total	**420 564**	**439 904**	**469 082**

Note 13 - Earnings before interest, taxes, depreciation and amortization (EBITDA)

Note 13.1 - Breakdown of EBITDA

In K€	2011 restated	2012 restated	2013
Income from ordinary activities	**430 027**	**447 314**	**474 844**
Purchases used for operational purposes	**(63 501)**	**(64 604)**	**(73 340)**
■ Stored purchases	(38 932)	(39 518)	(43 528)
■ Non-stored purchases	(24 568)	(25 086)	(29 812)
External expenses	**(145 052)**	**(170 426)**	**(186 065)**
■ Subcontracting	(84 478)	(106 747)	(118 390)
■ Rental expenses	(10 104)	(11 249)	(15 879)
■ Maintenance and repairs	(18 965)	(19 988)	(20 089)
■ Insurance	(4 620)	(4 958)	(5 431)
■ Other external expenses	(26 885)	(27 483)	(26 276)
Taxes other than on income	**(31 761)**	**(34 973)**	**(35 710)**
Employee benefit expenses	**(93 214)**	**(98 503)**	**(101 119)**
■ Staff costs	(89 462)	(96 406)	(99 089)
■ Profit-sharing schemes	(2 502)	(1 588)	(1 537)
■ Contributions towards end-of-career payments	(1 251)	(508)	(492)
■ Remuneration in shares	-	-	-
EBITDA	**96 499**	**78 808**	**78 610**

External services purchased mainly concern subcontracting (transportation, upstream activities and landfill).

Note 13.2 - Simple leasing agreements

In K€	Total minimum future payments, discounted				Expenses for the year (non-cancelable contracts)	Total sub-lease payments
	Total	< 1 year	1 - 5 yrs	> 5 yrs		
Intangible fixed assets	280	42	110	127	42	-
Land	3 100	290	1 079	1 732	321	-
Buildings	3 825	776	2 674	376	1 338	-
Technical facilities, equipment and industrial plant	20 418	2 199	7 347	10 872	5 481	-
Transportation equipment, vehicles	147	59	87	-	224	-
Fixtures and fittings	-	-	-	-	-	-
Office equipment and furniture	63	54	9	-	72	-

Note 14 - Current operating income

Note 14.1 - Breakdown of current operating income

In K€	2011 restated	2012 restated	2013
EBITDA	**96 499**	**78 808**	**78 610**
Cost of renewal of assets included in concessions and rehabilitation of treatment sites	**(6 735)**	**(8 805)**	**(10 574)**
Other operating income and expenses	**(523)**	**(992)**	**(566)**
▪ Other operating expenses	(651)	(1 132)	(636)
▪ Other operating income	128	140	70
Net allocations to provisions	**(856)**	**630**	**(2 729)**
▪ Allocations to provisions	(3 587)	(2 462)	(4 866)
▪ Write-backs of provisions	2 731	3 092	2 137
Net allocations to amortization	**(31 497)**	**(32 363)**	**(32 084)**
▪ Allocations to amortization	(31 497)	(32 363)	(32 084)
▪ Write-backs of amortization	-	-	-
Current operating income	**56 888**	**37 278**	**32 658**

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Note 14.2 - Net allocations to provisions

In K€	2011 restated	2012 restated	2013
Net allocations to on-site provisions	(514)	(31)	(162)
Net allocations to provisions for current assets	(265)	26	233
Net allocations to other operating provisions	(78)	636	(2 800)
Total	(856)	630	(2 729)

With effect from January 1, 2013, on-site provisions correspond only to provisions for thirty-year monitoring. Previously, this line also included provisions for site rehabilitation, which are now recorded under cost of renewal of assets included in concessions and rehabilitation of treatment sites.

Note 14.3 - Net allocations to amortization

In K€	2011 restated	2012 restated	2013
Net allocations to intangible fixed assets	(826)	(442)	(1 438)
Net allocations to tangible fixed assets	(30 671)	(31 921)	(30 645)
Total	(31 497)	(32 363)	(32 084)

Note 15 - Operating income

In K€	2011 restated	2012 restated	2013
Current operating income	56 888	37 278	32 658
Reassessment of fixed assets	-	-	-
Income on disposal of fixed assets	**(609)**	**325**	**5**
■ Disposals of intangible fixed assets	(251)	72	-
■ Disposals of property, plant and equipment	(359)	253	(78)
■ Disposals of consolidated investments	-	-	83
Impairment of assets	-	**(395)**	**(191)**
■ Goodwill	-	-	-
■ Other intangible fixed assets	-	-	-
■ Property, plant and equipment	-	(395)	(191)
Business combination effects	**(891)**	**(1 025)**	**(413)**
Other	**(682)**	**(7 282)**	**(255)**
Operating income	54 706	28 902	31 803

The amounts recorded on the business combinations effects line refer to the funds expended to create the Séché-HIME business combination, which was discontinued in the course of 2013 with the sale of the Group's holding in HIME.

The amounts recorded on the "other" line concern principally:

- the cost of moving the Paris premises of Trédi SA (income of EUR 0.2 million in 2013, a charge of EUR 0.2 million in 2012, and a charge of EUR 0.7 million in 2011);
- the cost of closing down the Izeaux site (charges of EUR – 0.5 million in 2013 and EUR – 0.7 million in 2012);
- in 2012, the provision created in respect of the tax risk concerning Valls Quimica.

Note 16 - Net financial income

Note 16.1 - Breakdown of net financial income

In k€	2011 restated	2012 restated	2013
Income from cash and cash equivalents	14 742	495	514
Gross financial borrowing costs	(7 371)	(10 739)	(12 015)
Other financial income and expenses	1 148	(145 880)	(432)
Total	8 519	(156 124)	(11 933)

The cost of gross financial debt evolved under the influence of the increased cost of debt, net of hedging effects, as a result of new interest rate terms put in place under the refinancing operation undertaken in April 2012:

In k€	2011 restated	2012 restated	2013
Financial liabilities at amortized cost	(5 304)	(8 451)	(10 140)
Gain (loss) on hedging instruments	(2 067)	(2 288)	(1 875)
Cost of gross financial debt	(7 371)	(10 739)	(12 015)

Note 16.2 - Breakdown of other financial income and expenses

In k€	2011 restated	2012 restated	2013
Foreign exchange gain (loss)	253	(193)	(60)
Net gain (loss) on the sale of financial fixed assets	1 198	(13)	-
Net impairment on financial assets	(92)	(145 510)	(379)
Other financial income and expenses	(212)	(165)	7
Total	1 148	(145 880)	(432)

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Other financial income and expenses were principally impacted in 2012 by the provisioning of HIME convertible bonds, both principal and interest accrued to December 31, 2011 (EUR 145.5 million).

The foreign exchange loss was essentially due to unrealized positions on Group prepayments to its international subsidiaries which do not meet the definition of net investments under IAS 21. To date, the Group holds no instruments or other means of hedging against foreign exchange risk.

In 2011, the net gain on the sale of financial fixed assets corresponded to the effects of deconsolidation or company liquidation.

Note 17 - Taxes

In K€	2011 restated	2012 restated	2013
Corporation tax payable	(16 773)	(504)	(395)
Deferred tax	(2 692)	54 533	(6 352)
Total tax expense	**(19 465)**	**54 029**	**(6 747)**

The transition from the theoretical tax at the statutory tax rate to the actual rate of tax paid can be analyzed as follows:

In K€	2011 restated	2012 restated	2013
Theoretical tax at current statutory tax rate	**(21 768)**	**45 711**	**(6 841)**
Change in tax rate applicable to parent company (1)	(2)	11	(7)
Differences in tax rates applicable to subsidiaries	247	(2 400)	177
Unrecognized tax assets	(224)	(405)	(617)
Use of previous losses not previously carried forward	72	385	-
Permanently non-taxable income and expenses	2 210	10 727	541
Total tax expense	**(19 465)**	**54 029**	**(6 747)**

(1) The tax rate (excluding social security contributions) on profits is 33.33%. Including social security contributions on profits, the Group's tax rate is 34.43%.

Within the tax consolidation group headed by Séché Environnement, which includes all French companies more than 95%-held, directly or indirectly, by Séché Environnement, tax savings of EUR 10.9 million were achieved.

2.1.6.3.4. Financial risk management

Note 18 - Financial instruments at fair value

Financial instruments break down as follows in terms of their different levels of fair value assessment:

In K€	Level 1	Level 2	Level 3	Total
		2013		
Available-for-sale securities	-	1 703	3	**1 705**
Bond portion	-	-	-	**-**
Hedging instruments	-	-	-	**-**
Other financial assets at fair value by the income statement	-	-	-	**-**
Financial assets	**-**	**1 703**	**3**	**1 705**
Financial debts	-	253 418	-	**253 418**
Hedging instruments	-	1 928	-	**1 928**
Other financial liabilities at fair value by the income statement	-	-	-	**-**
Financial liabilities	**-**	**255 346**	**-**	**255 346**

For comparison purposes, the breakdown in terms of fair value of the Group's financial instruments for the last two fiscal years was as follows:

In K€	L1	L2	L3	Total	L1	L2	L3	Total
	2011 restated				2012 restated			
Available-for-sale securities	-	2 149	17	**2 166**	-	1 907	18	**1 925**
Bond portion	-	-	156 376	**156 376**	-	-	-	**-**
Hedging instruments	-	-	-	**-**	-	-	-	**-**
Other financial assets at fair value by the income statement	-	-	-	**-**	-	-	-	**-**
Financial assets	**-**	**2 149**	**156 393**	**158 542**	**-**	**1 907**	**18**	**1 925**
Financial debts	-	216 640	-	**216 640**	-	246 154	-	**246 154**
Hedging instruments	-	3 795	-	**3 795**	-	4 051	-	**4 051**
Other financial liabilities at fair value by the income statement	-	-	-	**-**	-	-	-	**-**
Financial liabilities	**-**	**220 435**	**-**	**220 435**	**-**	**250 205**	**-**	**250 205**

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Available-for-sale securities

- Quoted securities valued at their stock exchange closing price are considered to be of level 1;
- non-quoted securities whose fair value can be determined on the basis of observable data, such as valuation by an independent expert, are considered to be of level 2;
- non-quoted securities whose fair value can be determined on the basis of a valuation model (such as discounted cash flow, multiples, etc.) are considered to be of level 3.

Bond portion

At December 31, 2012, the bond portion was entirely provisioned. At December 31, 2013, it had been sold.

Hedging instruments

The fair value of the hedging instruments used by the Group (swaps, collars, swaptions, hybrid instruments) is determined by reference to a valuation model using observable data (notably, interest rates) and is therefore considered to be of level 2.

Financial debts

The fair value of financial debts can be determined on the basis of observable data (interest rates) and is considered to be of level 2.

Note 19 - Exposure to credit risk

Credit risk is the risk of financial loss incurred by the Group in the event that a customer or counterparty to a given asset were to fail to meet its contractual obligations.

At present this risk arises mainly from trade receivables.

The Group manages the credit risk associated with trade receivables by means of an active receivables collection policy operated at each of its French subsidiaries. This policy is operated using a centralized software program which issues formal reminders and provides real-time information on the various parties concerned. An analysis of actual payment dates is monitored on a monthly basis, and any incidents are the subject of corrective actions.

The book value of the Group's financial assets represents its maximum exposure to credit risk. At the close of the year, maximum credit risk exposure broke down as follows:

In K€	2011 restated			2012 restated			2013		
	NC	C	Total	NC	C	Total	NC	C	Total
Available-for-sale financial assets	158 596	-	**158 596**	1 978	-	**1 978**	1 755	-	**1 755**
Financial loans and receivables at amortized cost	2 465	76	**2 541**	2 799	131	**2 930**	3 602	90	**3 692**
Non-current financial assets	161 060	76	161 136	4 778	131	4 909	5 358	90	5 448
Trade and other receivables	1 291	114 683	**115 974**	2 105	126 540	**128 645**	1 501	133 821	**135 322**
Other current assets (incl. corporation tax credits)	-	20 268	**20 268**	677	34 547	**35 224**	-	27 262	**27 262**
Loans and receivables at amortized cost	1 291	134 952	136 243	2 782	161 088	163 870	1 501	161 083	162 584
Hedging instruments - assets	-	-	**-**	-	-	**-**	-	-	**-**
Other instruments at fair value by the income statement	-	-	**-**	-	-	**-**	-	-	**-**
Financial assets at fair value by the income statement	-	-	-	-	-	-	-	-	-
Cash and cash equivalents	-	24 145	24 145	-	22 597	**22 597**	-	28 032	**28 032**
Total financial assets	162 351	159 173	321 523	7 560	183 815	191 375	6 859	189 205	196 064
Derivative portion of convertible bonds	26 929	-	**26 929**	-	-	-	-	-	-
Total	189 280	159 173	348 452	7 560	183 815	191 375	6 859	189 205	196 064

Revenues, expenses, income and impairments recognized in the financial statements for 2013 as financial assets were almost exclusively related to marketable securities.

Note 20 - Exposure to counterparty risk

Counterparty risk corresponds to the loss that the Group could suffer if one or more counterparties were to fail to fulfill their obligations. It concerns loans and receivables at amortized cost (financial or operational) and short-term investments of excess cash.

The aged balance of loans and receivables at amortized cost at year-end stood as follows:

2013

In K€	Net value (C and NC)	Of which not due	Of which due 0-6 months	Of which due 6 months -1 yr	Of which due > 1 year
Financial loans and receivables at amortized cost	3 692	3 692	-	-	-
Trade and other receivables	135 322	105 137	25 238	4 427	430
Other assets	27 262	26 621	-	-	641
Total	**166 277**	**135 450**	**25 238**	**4 427**	**1 071**

The aged balance of loans and receivables at amortized cost at the end of the preceding two fiscal years was as follows:

2012 restated

In K€	Net value (C and NC)	Of which not due	Of which due 0-6 months	Of which due 6 months -1 yr	Of which due > 1 year
Financial loans and receivables at amortized cost	2 930	2 930	-	-	-
Trade and other receivables	128 645	103 885	23 498	676	586
Other assets	35 225	34 605	4	24	592
Total	**166 800**	**141 420**	**23 501**	**700**	**1 179**

2011 restated

In K€	Net value (C and NC)	Of which not due	Of which due 0-6 months	Of which due 6 months -1 yr	Of which due > 1 year
Financial loans and receivables at amortized cost	2 540	2 540	-	-	-
Trade and other receivables	115 974	94 661	20 410	492	411
Other assets	20 268	18 923	391	10	944
Total	**138 782**	**116 124**	**20 801**	**502**	**1 355**

In the Group's opinion, it is not exposed to any significant counterparty risk.

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Note 21 - Exposure to liquidity risk

Liquidity risk is the risk that the Group may have difficulty honoring its debts at their maturity.

The Group manages its financing centrally. A cash management report is prepared, with the aim of providing a regularly updated overview of the Group's short-, medium- and long-term financing requirements. Nearly all of the Group's financing is arranged centrally, as is the balancing of its sources of financing (capital markets, banks).

At December 31, 2013, the residual contractual maturities of the Group's financial liabilities broke down as follows:

In K€ Dec. 31, 2013	Book value	Contractual cash flows	< 1 year	1 - 5 yrs	> 5 yrs
Bank loans	239 284	279 683	33 171	181 996	64 516
Lease finance debt	12 124	12 741	5 415	6 456	870
Other financial debt	1 504	1 504	905	565	34
Short-term bank borrowings	505	505	505	-	-
Trade and other payables (incl. corporation tax debts)	163 539	163 539	160 628	2 911	-
Liabilities for renewal of assets included in concessions	11 078	11 078	11 078	-	-
Total non-derivative financial liabilities	**428 035**	**469 050**	**211 702**	**191 928**	**65 420**
Hedging instruments	1 928	1 928	155	1 773	-
Total derivative financial liabilities	**1 928**	**1 928**	**155**	**1 773**	**-**

For comparison purposes, the residual contractual maturities of the Group's financial liabilities in 2011 and 2011 were as follows:

In K€ Dec. 31, 2012 restated	Book value	Contractual cash flows	< 1 year	1 - 5 yrs	> 5 yrs
Bank loans	228 066	296 369	29 562	190 877	75 930
Lease finance debt	15 896	16 568	5 373	9 652	1 544
Other financial debt	1 658	1 658	640	251	767
Short-term bank borrowings	534	534	534	-	-
Trade and other payables (incl. corporation tax debts)	152 624	152 624	152 435	189	-
Liabilities for renewal of assets included in concessions	10 591	10 591	10 591	-	-
Total non-derivative financial liabilities	**409 369**	**478 344**	**199 135**	**200 969**	**78 241**
Hedging instruments	4 051	4 051	744	3 307	-
Total derivative financial liabilities	**4 051**	**4 051**	**744**	**3 307**	**-**

In K€ Dec. 31, 2011 restated	Book value	Contractual cash flows	< 1 year	1 - 5 yrs	> 5 yrs
Bank loans	197 636	203 099	169 308	25 160	8 631
Lease finance debt	17 265	18 520	5 167	11 524	1 829
Other financial debt	1 057	1 057	49	250	758
Short-term bank borrowings	681	681	681	-	-
Trade and other payables (incl. corporation tax debts)	135 317	135 317	135 066	251	-
Liabilities for renewal of assets included in concessions	9 101	9 101	9 101	-	-
Total non-derivative financial liabilities	**361 058**	**367 775**	**319 372**	**37 185**	**11 218**
Hedging instruments	3 795	3 795	304	3 491	-
Total derivative financial liabilities	**3 795**	**3 795**	**304**	**3 491**	**-**

The Group's credit covenant signed on April 12, 2012 includes a commitment to respect two financial ratios based on the Group's consolidated financial statements. Compliance with these financial ratios is checked twice per year for the twelve-month periods ending December 31 and June 30.

Non-compliance with these ratios would constitute default and, in the case of most lenders, would render all debt immediately due.

The financial ratios to be complied with are as follows:

Ratio	Commitment
Net financial debt/equity	< 1.1
Net financial debt/EBITDA	< 3

The above assumes the following, on a consolidated basis:

- net financial debt means the aggregate of all financial debt as reported in the consolidated financial statements of Séché Environnement under the heading of bank loans and other financial debt, less cash and cash equivalents and investments in mutual funds, as indicated in the Group's consolidated financial statements, with the exception of non-recourse financings. Non-recourse financings refers to any financing arranged to finance the acquisition, deficit, operation, upkeep or maintenance of an asset or project where the entity to whom the debt is due has no recourse to any member of the Séché Group for the payment of any sum relative to such financing, and where reimbursement results essentially from the financial flows deriving from operation of the asset or project in question;
- equity means the totality of the shareholders' equity (Group share), with the exception of the fair value of the hedging instruments used to hedge flows related to HIME;
- EBITDA means consolidated operating income before deduction of all net allocations to amortization and provisions and other operating income and charges, excepting, where applicable, the EBITDA of the HIME-Saur group.

At December 31, 2013, the Group's bank gearing stood at 0.71 and bank-debt-to-earnings at 2.85, both ratios lying within the required range.

Note 22 - Exposure to interest rate risk

Séché Environnement's corporate debt, before hedging, is subject to a variable rate of interest.

The Group uses hedging instruments to cover itself against any rise in interest rates, and to optimize the cost of its debt. The credit covenant requires a minimum of 50% hedging over a

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three-year period. The instruments used include swaps, caps, floors and collars. Their use is managed directly by the Group Finance Department.

Interest-rate risk is analyzed on the basis of projected trends in financial debt on the credit lines and maturities of interest-rate hedges:

- a 50 basis point decline in interest rates would have a positive impact on shareholders' equity of EUR 2.6 million;
- a 1 point instantaneous upward change in interest rates would have a negative impact of EUR 0.8 million on the Group's financial costs in 2013, based on its indebtedness at December 31 and its reimbursement profile at that date.

Note 23 - Exposure to exchange rate risk

The exchange rate risk to which the Group is exposed arises from:

- the conversion of contributions from foreign subsidiaries outside the euro zone to its balance sheet and income statement. However, this risk is increasingly limited thanks to the Group's ongoing efforts to refocus on its European activities in the euro zone;
- bank debt financing, denominated almost exclusively in euros, of the investments of its foreign subsidiaries carried out in local currencies (for those subsidiaries not considered as long-term foreign investments).

Changes in foreign exchange income break down as follows:

In K€	2011 restated	2012 restated	2013
Foreign exchange income, Europe	207	(23)	33
Foreign exchange income, Americas	46	(169)	(93)
Total	**253**	**(193)**	**(60)**

To date, this risk is not the subject of specific hedging at the Group level.

2.1.6.3.5. Joint ventures - proportional consolidation

Sogad, previously the only subsidiary consolidated under the proportionate method, is with effect from January 1, 2013 consolidated under the equity method, as a result of early adoption of IFRS 10 and 11. Since that date, the Group no longer possesses any subsidiary consolidated under the proportionate method.

2.1.6.3.6. Breakdown by geographical area

Note 24 - Breakdown of ordinary activities by geographical area

In K€	2011 restated	2012 restated	2013
France	408 752	423 048	453 252
Europe (outside France)	19 756	19 268	18 570
Outside Europe	1 520	4 998	3 021
Total	**430 027**	**447 314**	**474 844**

Note 25 - Non-current assets by geographical area

At December 31, 2013

In K€	France	Europe (outside France)	Outside Europe	Total
Goodwill	222 906	4 699	-	**227 604**
Other intangible fixed assets	54 946	2	-	**54 948**
Property, plant and equipment	161 537	2 807	581	**164 925**
Non-current financial assets	5 043	315	-	**5 358**
Shareholdings in affiliates	753	-	-	**753**
Other non-current operating assets	1 501	-	-	**1 501**
Deferred tax assets	46 793	1 824	-	**48 617**
Total non-current assets	**493 479**	**9 647**	**581**	**503 707**

At December 31, 2012, restated

In K€	France	Europe (outside France)	Outside Europe	Total
Goodwill	223 451	4 699	-	**228 150**
Other intangible fixed assets	25 674	18	-	**25 692**
Property, plant and equipment	165 317	2 939	626	**168 882**
Non-current financial assets	4 462	315	-	**4 778**
Shareholdings in affiliates	434	-	-	**434**
Other non-current operating assets	2 105	-	-	**2 105**
Non-current corporation tax assets	677	-	-	**677**
Deferred tax assets	53 586	2 379	-	**55 965**
Total non-current assets	**475 707**	**10 350**	**626**	**486 683**

At December 31, 2011, restated

In K€	France	Europe (outside France)	Outside Europe	Total
Goodwill	208 176	4 699	-	**212 875**
Other intangible fixed assets	8 933	36	-	**8 969**
Property, plant and equipment	163 960	2 894	642	**167 496**
Non-current financial assets	160 683	314	63	**161 060**
Shareholdings in affiliates	552	-	-	**552**
Other non-current operating assets	1 291	-	-	**1 291**
Deferred tax assets	14 396	599	-	**14 995**
Total non-current assets	**557 991**	**8 542**	**705**	**567 238**

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2.1.6.3.7. Earnings per share

The earnings per share figure presented at the foot of the income statement is the ratio of the net income attributable to shareholders of the parent company, to the weighted average number of shares making up the share capital of the parent company which were in circulation over the period, i.e. 8 575 296.

The Group has no dilutive instruments, therefore diluted EPS is equal to net EPS.

2.1.6.3.8. Dividends

In 2013, Séché Environnement paid out EUR 8 203 126.50 in dividends, or EUR 0.95 per share, regardless of the type of share. Dividends concerning treasury stock were booked in additional paid-in capital in the amount of EUR 55 116.15.

The Board of Directors resolved on February 28, 2014 to propose to the Annual General Meeting a dividend payout of EUR 8 203 126.50 (or EUR 0.95 per share).

2.1.6.3.9. Transactions with related parties

The Group maintains relations with the following related parties:

- non-consolidated Group subsidiaries and affiliates: the Group maintains no significant relations with these related parties;
- the members of the Board of Directors and the Executive Committee: their remuneration and benefits of all kinds are presented in the section below

2.1.6.3.10. Remuneration of senior management

Remuneration of the senior officers and directors breaks down as follows:

In €	2011 restated	2012 restated	2013
Short-term benefits	1 904 684	1 918 381	1 932 500
Post-employment benefits	-	-	-
Share-based payments	-	-	-
Total	**1 904 684**	**1 918 381**	**1 932 500**

2.1.6.3.11. Key events since the closing of accounts

We are aware of no significant event occurring after the closing of accounts likely to have a significant impact on the Group's assets, financial position or operating results.

As far as the company is aware, there was no litigation, arbitration or exceptional event occurring after the closing likely to have, or to have had in the recent past, a significant effect on the financial position, earnings, business or assets of the Company or the Group.

2.1.6.3.12. Fees of the statutory auditors

Fees paid by the Group to its statutory auditors and members of their networks were as follows:

IN K€	KPMG		ACOREX	
	2012 RESTATED	2013	2012 RESTATED	2013
Auditing assignments				
Statutory audit, examination of individual and consolidated accounts, certification of accounts				
■ Séché Environnement	101	108	98	100
■ Fully consolidated subsidiaries	240	222	170	183
Additional assignments directly related to the auditors' mission				
■ Séché Environnement	-	-	-	-
■ Fully consolidated subsidiaries	2	2	-	-
SUB-TOTAL 1	**342**	**332**	**268**	**283**
Other services				
Other services rendered by the auditors' networks to fully consolidated subsidiaries				
■ Legal, tax and corporate	-	-	-	-
■ Other	-	-	-	-
SUB-TOTAL 2	-	-	-	-
TOTAL	**342**	**332**	**268**	**283**

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2.1.6.3.13. Transition from published accounts to restated accounts

In K€ 2011	Dec. 31, 2011 published	IFRS 5 - discontinued operations	Reclassification of provisions for site rehabilitation	Dec. 31, 2011 restated
Goodwill	212 875	-	-	212 875
Intangible fixed assets included in concessions	2 055	-	-	2 055
Other intangible fixed assets	6 914	-	-	6 914
Property, plant and equipment	170 385	(2 889)	-	167 496
Investments in affiliates	552	-	-	552
Non-current financial assets	161 061	(1)	-	161 060
Hedging instruments – non-current assets	-	-	-	-
Other non-current assets	1 291	-	-	1 291
Deferred non-current corporation tax assets	-	-	-	-
Deferred tax assets	14 995	-	-	14 995
Non-current assets	**570 128**	**(2 890)**	**-**	**567 238**
Inventories	9 737	(5)	-	9 732
Trade and other receivables	116 288	(1 605)	-	114 683
Corporation tax receivables	2 572	-	-	2 572
Current financial assets	76	-	-	76
Hedging instruments – current assets	-	-	-	-
Other current assets	17 738	(42)	-	17 696
Cash and cash equivalents	24 686	(541)	-	24 145
Current assets	**171 097**	**(2 193)**	**-**	**168 905**
Assets held for sale	-	5 123	-	5 123
Total assets	**741 225**	**41**	**-**	**741 266**
Share capital	1 727	-	-	1 727
Additional paid-in capital	299 079	-	-	299 079
Reserves	38 651	-	-	38 651
Net income (Group share)	15 856	-	-	15 856
Shareholders' equity (Group share)	355 312	-	-	355 312
Minority interests	781	-	-	781
Total shareholders' equity	**356 093**	**-**	**-**	**356 093**
Other equity	-	-	-	-
Non-current financial debt	43 740	-	-	43 740
Hedging instruments – non-current liabilities	3 491	-	-	3 491
Employee benefits	192	-	-	192
Deferred tax liabilities	14	-	-	14
Other non-current provisions	3 270	(20)	-	3 250
Other non-current liabilities	251	-	-	251
Non-current liabilities	**50 958**	**(20)**	**-**	**50 938**
Current financial debt	172 899	-	-	172 899
Hedging instruments – current liabilities	304	-	-	304
Current provisions	24 917	(103)	(8 931)	15 883
Taxes payable	218	-	-	218
Other current liabilities	135 835	(817)	8 931	143 950
Current liabilities	**334 174**	**(920)**	**-**	**333 255**
Liabilities held for sale	-	980	-	980
Total liabilities	**741 225**	**41**	**-**	**741 266**

In K€ 2011	Dec. 31, 2011 published	IFRS 5 - discontinued operations	Reclassification of provisions for site rehabilitation	Dec. 31, 2011 restated
Revenue	**424 158**	**(3 594)**	**-**	**420 564**
Other business income	6 090	-	-	6 090
Transfers of expenses	3 373	-	-	3 373
Purchases used for operational purposes	(63 622)	121	-	(63 501)
Other purchases and outside expenses	(147 252)	2 199	-	(145 052)
Taxes other than on income	(31 803)	42	-	(31 761)
Employee benefits expenses	(93 507)	293	-	(93 214)
EBITDA	**97 438**	**(939)**	**-**	**96 499**
Expenses for rehabilitation and/or maintenance of sites included in concessions	(7 525)	-	790	(6 735)
Other net operating expenses	(535)	12	-	(523)
Net allocations to provisions	22	(88)	(790)	(856)
Net allocations to amortization	(32 038)	541	-	(31 497)
Current operating income	**57 362**	**(474)**	**-**	**56 888**
Income on sales of fixed assets	(609)	-	-	(609)
Impairment of assets	-	-	-	-
Consolidation scope variation effects	(891)	-	-	(891)
Other operating income and expenditure	(682)	-	-	(682)
Operating income	**55 180**	**(474)**	**-**	**54 706**
Income from cash and cash equivalents	14 705	37	-	14 742
Gross financial borrowing costs	(7 371)	-	-	(7 371)
Cost of net financial debt	**7 334**	**37**	**-**	**7 371**
Other financial income	8 765	(26)	-	8 739
Other financial expenses	(7 781)	190	-	(7 591)
Financial income	**8 318**	**201**	**-**	**8 519**
Corporation tax	(19 489)	24	-	(19 465)
Income of consolidated companies	**44 010**	**(250)**	**-**	**43 760**
Share of income of affiliates	(28 326)	-	-	(28 326)
Net income from ongoing operations	15 684	(250)	-	15 434
Income from discontinued operations	-	250	-	250
Total net income of consolidation scope	**15 684**	**-**	**-**	**15 683**
Of which minority interests	*(172)*	-	-	*(172)*
Of which attributable to equity holders of the parent	*15 856*	-	-	*15 856*
Net earnings per share	1.85 €	-	-	1.85 €
Diluted earnings per share	1.85 €	-	-	1.85 €

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In K€ 2011	Dec. 31, 2011 published	IFRS 5 - discontinued operations	Reclassification of provisions for site rehabilitation	Dec. 31, 2011 restated
Income of consolidated companies	**44 010**	**(250)**	**-**	**43 760**
Elimination of income and expenses with no cash impact or not related to operating activities:				
■ Amortization and provisions	22 726	(543)	867	23 050
■ Net capital gains on disposals	7 404	-	-	7 404
■ Deferred taxes	2 692	-	-	2 692
■ Other income and expenses	434	(228)	-	206
Cash flow from operating activities	**77 267**	**(1 021)**	**867**	**77 112**
Corporation tax	16 796	(23)	-	16 773
Cost of gross financial debt before long-term investments	(7 289)	(37)	-	(7 326)
Cash flow from operating activities before taxes and financing costs	**86 774**	**(1 081)**	**867**	**86 560**
Change in working capital requirement	11 338	134	(867)	10 605
Tax paid	(23 584)	24	-	(23 560)
Net cash flow from operating activities	**74 529**	**(923)**	**-**	**73 605**
Cost of acquisition of fixed assets	(51 754)	843	-	(50 911)
Proceeds from disposals of fixed assets	1 607	-	-	1 607
Outflows for acquisitions of financial investments	(427)	-	-	(427)
Inflows from disposals of financial investments	336	(1)	-	335
Net cash outflows for acquisitions of subsidiaries	(224)	-	-	(224)
Net cash inflows from disposals of subsidiaries	-	-	-	-
Net cash flow from investment activities	**(50 462)**	**843**	**-**	**(49 619)**
Dividends paid to equity holders of the parent	(11 145)	-	-	(11 145)
Dividends paid to minority shareholders of consolidated companies	(1)	-	-	(1)
Capital increases in cash	-	-	-	-
Treasury stock movements	(333)	-	-	(333)
Changes in other shareholders' equity	2	-	-	2
Borrowings	21 643	-	-	21 643
Repayment of borrowings	(46 066)	-		(46 066)
Interest paid	(6 891)	37	-	(6 854)
Net cash flow from financing activities	**(42 793)**	**37**	**-**	**(42 755)**
Total cash flow for the period, ongoing operations	**(18 725)**	**(44)**	**-**	**(18 770)**
Net cash flow from discontinued operations	**-**	**44**	**-**	**44**
Total cash flow for the period	**(18 725)**	**-**	**-**	**(18 725)**
Cash and cash equivalents at beginning of year	42 849	-	-	42 849
Of which in ongoing operations	*42 849*	*(567)*	*-*	*42 282*
Of which in discontinued operations	*-*	*567*	*-*	*567*
Cash and cash equivalents at end of year	24 005	-	-	24 005
Of which in ongoing operations (1)	*24 005*	*(541)*	*-*	*23 464*
Of which in discontinued operations	*-*	*541*	*-*	*541*
Effect of changes in foreign exchange rates	(118)	-	-	(118)
Of which in ongoing operations	*(118)*	*71*	*-*	*(47)*
Of which in discontinued operations	*-*	*(71)*	*-*	*(71)*

(1) Of which:

Cash and cash equivalents	24 686			24 145
Short-term bank borrowings (current financial debts)	(681)			(681)

In K€ 2012	Dec. 31, 2012 published	IFRS 5 - discontinued operations	Reclassification of provisions for site rehabilitation	Dec. 31, 2012 restated
Goodwill	228 150	-	-	228 150
Intangible fixed assets included in concessions	19 212	-	-	19 212
Other intangible fixed assets	6 492	(12)	-	6 480
Property, plant and equipment	171 747	(2 865)	-	168 882
Investments in affiliates	434	-	-	434
Non-current financial assets	4 786	(9)	-	4 778
Hedging instruments – non-current assets	-	-	-	-
Other non-current assets	2 105	-	-	2 105
Deferred non-current corporation tax assets	677	-	-	677
Deferred tax assets	55 965	-	-	55 965
Non-current assets	**489 570**	**(2 886)**	**-**	**486 683**
Inventories	10 507	(5)	-	10 502
Trade and other receivables	127 204	(663)	-	126 540
Corporation tax receivables	12 593	-	-	12 593
Current financial assets	131	-	-	131
Hedging instruments – current assets	-	-	-	-
Other current assets	21 997	(42)	-	21 954
Cash and cash equivalents	23 050	(453)	-	22 597
Current assets	**195 482**	**(1 164)**		**194 318**
Assets held for sale	-	4 111	-	4 111
Total assets	**685 051**	**60**	**-**	**685 111**
Share capital	1 727	-	-	1 727
Additional paid-in capital	299 079	-	-	299 079
Reserves	37 726	-	-	37 726
Net income (Group share)	(82 377)	-	-	(82 377)
Shareholders' equity (Group share)	256 155	-	-	256 155
Minority interests	378	-	-	378
Total shareholders' equity	**256 532**	**-**	**-**	**256 532**
Other equity	31	-	-	31
Non-current financial debt	218 154	-	-	218 154
Hedging instruments – non-current liabilities	3 307	-	-	3 307
Employee benefits	809	-	-	809
Deferred tax liabilities	11	(11)	-	-
Other non-current provisions	3 988	(27)	-	3 961
Other non-current liabilities	189	-	-	189
Non-current liabilities	**226 458**	**(38)**	**-**	**226 420**
Current financial debt	28 000	-	-	28 000
Hedging instruments – current liabilities	744	-	-	744
Current provisions	20 416	(188)	(10 355)	9 872
Taxes payable	904	-	-	904
Other current liabilities	151 967	(200)	10 355	162 123
Current liabilities	**202 031**	**(388)**	**-**	**201 643**
Liabilities held for sale	-	486	-	486
Total liabilities	**685 051**	**60**	**-**	**685 111**

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In K€ 2012	Dec. 31, 2012 published	IFRS 5 - discontinued operations	Reclassification of provisions for site rehabilitation	Dec. 31, 2012 restated
Revenue	**441 881**	**(1 977)**	**-**	**439 904**
Other business income	5 247	-	-	5 247
Transfers of expenses	2 164	(1)	-	2 163
Purchases used for operational purposes	(64 957)	353	-	(64 604)
Other purchases and outside expenses	(170 919)	493	-	(170 426)
Taxes other than on income	(35 019)	46	-	(34 973)
Employee benefits expenses	(98 804)	301	-	(98 503)
EBITDA	**79 592**	**(784)**	**-**	**78 808**
Expenses for rehabilitation and/or maintenance of sites included in concessions	(8 594)	117	(328)	(8 805)
Other net operating expenses	(995)	3	-	(992)
Net allocations to provisions	196	106	328	630
Net allocations to amortization	(32 944)	581	-	(32 363)
Current operating income	**37 255**	**24**	**-**	**37 278**
Income on sales of fixed assets	325	-	-	325
Impairment of assets	(395)	-	-	(395)
Consolidation scope variation effects	(1 025)	-	-	(1 025)
Other operating income and expenditure	(7 282)	-	-	(7 282)
Operating income	**28 878**	**24**	**-**	**28 902**
Income from cash and cash equivalents	438	57	-	495
Gross financial borrowing costs	(10 739)		-	(10 739)
Cost of net financial debt	**(10 301)**	**57**	**-**	**(10 244)**
Other financial income	639	(137)	-	502
Other financial expenses	(146 390)	8	-	(146 382)
Financial income	**(156 052)**	**(71)**	**-**	**(156 124)**
Corporation tax	54 007	22	-	54 029
Income of consolidated companies	**(73 167)**	**(26)**	**-**	**(73 193)**
Share of income of affiliates	(9 606)	-	-	(9 606)
Net income from ongoing operations	(82 773)	(26)	-	(82 799)
Income from discontinued operations	-	26	-	26
Total net income of consolidation scope	**(82 773)**	**-**	**-**	**(82 773)**
Of which minority interests	*(396)*	*-*	*-*	*(396)*
Of which attributable to equity holders of the parent	*(82 377)*	*-*	*-*	*(82 377)*
Net earnings per share	(9.61€)	-	-	(9.61€)
Diluted earnings per share	(9.61€)	-	-	(9.61€)

IN K€ 2012	Dec. 31, 2012 published	IFRS 5 - discontinued operations	Reclassification of provisions for site rehabilitation	Dec. 31, 2012 restated
Income of consolidated companies	**(73 167)**	**(26)**	**-**	**(73 193)**
Elimination of income and expenses with no cash impact or not related to operating activities:				
■ Amortization and provisions	200 992	(587)	(756)	199 649
■ Net capital gains on disposals	(313)	-	-	(313)
■ Deferred taxes	(54 522)	(11)	-	(54 533)
■ Other income and expenses	(113)	142	-	30
Cash flow from operating activities	**72 878**	**(482)**	**(756)**	**71 640**
Corporation tax	514	(10)	-	504
Cost of gross financial debt before long-term investments	(5 345)	(57)	-	(5 402)
Cash flow from operating activities before taxes and financing costs	**68 048**	**(549)**	**(756)**	**66 743**
Change in working capital requirement	(4 878)	256	756	(3 866)
Tax paid	(10 579)	10	-	(10 569)
Net cash flow from operating activities	**52 590**	**(283)**	**-**	**52 307**
Cost of acquisition of fixed assets	(43 934)	348	-	(43 586)
Proceeds from disposals of fixed assets	2 648	-	-	2 648
Outflows for acquisitions of financial investments	(784)	8	-	(776)
Inflows from disposals of financial investments	101	-	-	101
Net cash outflows for acquisitions of subsidiaries	(16 319)	-	-	(16 319)
Net cash inflows from disposals of subsidiaries	-	-	-	-
Net cash flow from investment activities	**(58 289)**	**356**	**-**	**(57 933)**
Dividends paid to equity holders of the parent	(11 140)	-	-	(11 140)
Dividends paid to minority shareholders of consolidated companies	(10)	-	-	(10)
Capital increases in cash	-	-	-	-
Treasury stock movements	6	-	-	6
Changes in other shareholders' equity	31	-	-	31
Borrowings	206 563	-	-	206 563
Repayment of borrowings	(176 141)	-	-	(176 141)
Interest paid	(15 042)	57	-	(14 986)
Net cash flow from financing activities	**4 265**	**57**	**-**	**4 322**
Total cash flow for the period, ongoing operations	**(1 433)**	**129**	**-**	**(1 303)**
Net cash flow from discontinued operations	**-**	**(129)**	**-**	**(129)**
Total cash flow for the period	**(1 433)**	**-**	**-**	**(1 433)**
Cash and cash equivalents at beginning of year	24 005	-	-	24 005
Of which in ongoing operations	*24 005*	*(541)*	*-*	*23 464*
Of which in discontinued operations	*-*	*541*	*-*	*541*
Cash and cash equivalents at end of year	22 516	-	-	22 516
Of which in ongoing operations (1)	*22 516*	*(454)*	*-*	*22 062*
Of which in discontinued operations	*-*	*454*	*-*	*454*
Effect of changes in foreign exchange rates	(56)	-	-	(56)
Of which in ongoing operations	*(56)*	*(42)*	*-*	*(99)*
Of which in discontinued operations	*-*	*42*	*-*	*42*

(1) Of which:

Cash and cash equivalents	23 050	22 597
Short-term bank borrowings (current financial debts)	(534)	(534)

2.1.6.3.14. Discontinued operations

In accordance with IFRS 5.33, the following table presents the detail of net income and the cash flows concerning discontinued operations:

In K€ Income statement	2011	2012	2013
Revenue	**3 665**	**2 316**	**297**
Other business income	-	-	-
Transfers of expenses	-	-	-
Purchases used for operational purposes	(122)	(354)	(220)
Other purchases and outside expenses	(2 270)	(832)	(821)
Taxes other than on income	(42)	(46)	(73)
Employee benefits expenses	(292)	(301)	(275)
EBITDA	**939**	**784**	**(1 091)**
Expenses for rehabilitation and/or maintenance of sites included in concessions	76	(195)	(14)
Other net operating expenses	(12)	(3)	(18)
Net allocations to provisions	12	(28)	(2 434)
Net allocations to amortization	(541)	(581)	(248)
Current operating income	**474**	**(24)**	**(3 806)**
Income on sales of fixed assets	-	-	16
Impairment of assets	-	-	-
Consolidation scope variation effects	-	-	-
Other operating income and expenditure	-	-	-
Operating income	**474**	**(24)**	**(3 789)**
Income from cash and cash equivalents	(37)	(57)	(45)
Gross financial borrowing costs	-	-	-
Cost of net financial debt	**(37)**	**(57)**	**(45)**
Other financial income	26	137	16
Other financial expenses	(190)	(8)	(24)
Financial income	**(201)**	**71**	**(53)**
Corporation tax	(24)	(22)	(12)
Income of consolidated companies	250	26	(3 855)

In K€ — Statement of cash flows	2011	2012	2013
Income of consolidated companies	**250**	**26**	**(3 855)**
Elimination of income and expenses with no cash impact or not related to operating activities:			
■ Amortization and provisions	543	587	2 718
■ Net capital gains on disposals	-	-	(17)
■ Deferred taxes	-	11	-
■ Other income and expenses	228	(143)	16
Cash flow from operating activities	**1 021**	**482**	**(1 136)**
Corporation tax	23	10	12
Cost of gross financial debt before long-term investments	37	57	45
Cash flow from operating activities before taxes and financing costs	**1 081**	**549**	**(1 079)**
Change in working capital requirement	(148)	(244)	884
Tax paid	(24)	(10)	(12)
Net cash flow from operating activities	**910**	**294**	**(208)**
Cost of acquisition of fixed assets	(843)	(348)	(74)
Proceeds from disposals of fixed assets	-	-	34
Outflows for acquisitions of financial investments	-	(8)	-
Inflows from disposals of financial investments	1	-	7
Net cash outflows for acquisitions of subsidiaries	-	-	-
Net cash inflows from disposals of subsidiaries	-	-	-
Net cash flow from investment activities	**(843)**	**(356)**	**(33)**
Dividends paid to equity holders of the parent	-	-	-
Dividends paid to minority shareholders of consolidated companies	-	-	-
Capital increases in cash	-	-	-
Treasury stock movements	-	-	-
Changes in other shareholders' equity	-	-	-
Borrowings	-	-	-
Repayment of borrowings	-	-	-
Interest paid	(22)	(68)	-
Total cash flow for the period, ongoing operations	**(22)**	**(68)**	**-**
Cash flow for the period from discontinued operations	**44**	**(130)**	**(241)**

Consolidated financial statements at Dec. 31, 2013

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