

Press release

Eindhoven, 25 April 2013

The year 2012 was one of transition

Van Gansewinkel Groep records stable performances in a difficult market

- Revenue: €1.245 billion (+5%)
- EBITDAE: €250 million (-2%)
- EBIT: €36 million (-39%)
- Net loss: €65 million
- Higher operating results at recycling businesses and energy-from-waste plants
- Continuous pressure on volumes and prices in Collection division
- More waste (58%) converted into raw materials (+0.5%)
- More CO₂ (1.38 Mtons) prevented in the chain (+13%)
- 240,000 households supplied with energy (+20%)
- Financing conditions renewed with added scope

'The past year was one of transition, and our focus was on improving the competitive position of our collection business. The restructuring is going well and we are rapidly creating a new organisation, one that reflects better the requirements of the present-day market. Our recycling businesses and energy-from-waste plants are performing well and we are visibly reaping the fruits of measures taken earlier.' Cees van Gent, CEO

Revenue and results

Revenue rose from €1.189 billion in 2011 to €1.245 billion in 2012. The full year effect of Veolia Belgium, which had been acquired in 2011, and the acquisition of German recycling business RDE contributed to that growth. EBITDAE came to €250 million, compared with €254 million in 2011, primarily as a result of lower volumes and continuous pressure on volumes and prices in the collection market, partially compensated by improvement measures. In addition, the entire group suffered from volatility in the markets for raw materials and energy. The net loss came to €65 million, partially due to non-recurring restructuring costs of approximately €23 million.

Despite the poor economic environment, Van Gansewinkel Groep succeeded in giving more waste a second life. In 2012, 79% of the waste was used as a raw material or to generate green energy. By giving 58% of the waste a second life in the form of raw materials or building materials, we also prevented the emission of 1.38 million tons of CO₂ in the chain (1.22 Mtons of CO₂ in 2011). This represents 5% of the Dutch target in the European climate policy of reducing CO₂ emissions by 20% by 2020 compared with 1990.

Van Gansewinkel Groep uses waste that cannot be recycled as fuel for the production of green energy, in the form of district heating, steam for industrial processes or electricity. With AVR's two energy-from-waste plants in Duiven and Rozenburg, the company supplied 805 GWh of electricity to the grid in 2012, and more than 1,200 TJ of heat. The amount of electricity supplied corresponds to the energy used by around 240,000 households. During the previous year the company produced enough electricity for 200,000 households. The volumes of heat and steam supplied will increase during the coming years. The projects that are currently being realised will put Van Gansewinkel Groep in the top 3 of largest producers of district heating in the Netherlands by 2015.

The residual ashes from the incineration processes are now also given a new life. Metals are filtered from the ashes to be returned to the metal industry. The residual materials are then used as an innovative and sustainable building material in road construction and other applications, under the name of FORZ.

Financing conditions renewed with added scope

Last week Van Gansewinkel Groep came to an agreement with its banking syndicate about changes to the existing facilities. The changes will apply with immediate effect. With the new financing conditions, Van Gansewinkel Groep has put off the most important repayment obligations until 2017 and 2018. Added scope was also created in the financial covenants, giving the company a favourable starting position to support the further implementation of its strategy.

Forecasts for 2013

Van Gansewinkel Groep expects the pressure on the recovering collection volumes to continue in 2013, owing to the unfavourable economic environment, particularly in the industrial and construction sectors.

Van Gansewinkel Groep expects that the restructuring process that was initiated in 2012 will enable the company to implement the efficiency and quality improvements that are needed, particularly in the Collection division. The company will also continue to investigate strategic possibilities that are available for the future.

Considering the continued uncertain economy and volatile market conditions, the company will not issue any financial forecasts for 2013.

Sustainability report

Van Gansewinkel Groep's Sustainability Report 2012 will be made available on the company's website (www.vangansewinkelgroep.com) today. The report is based on the G3.1 Guidelines of the Global Reporting Initiative and has A⁺ status. More in-depth information about the company's financial results can be found in the Report of the Board of Directors 2012 and the Financial Statements, which have also been published on Van Gansewinkel Groep's website.

Further information

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About Van Gansewinkel Groep

Van Gansewinkel Groep is a waste service provider as well as a raw materials and energy supplier, realising annual revenues in excess of €1.2 billion. The company collects waste and processes waste into raw materials and energy. Benelux is our home market, but Van Gansewinkel Groep is also active in Germany, France, Portugal, the Czech Republic, Poland and Hungary. Waste No More. That is Van Gansewinkel Groep's credo. The central vision is that waste products serve as raw materials for new products.