

Consolidated annual results 2007
2007 Turnover: €29.6 million
A return to operating profitability: €0.9 million

EUROPLASMA, an integrated firm, leader in the Clean Technology and Renewable Energy segments is pleased to announce its consolidated financial results for the Financial Year ending 2007⁽¹⁾.

Consolidated data ⁽¹⁾ in €M	31/12/2007	31/12/2006 ⁽²⁾
Net Revenue	29.59	12.99
EBITDA	2.67	-2.99
Operating result (EBIT)	0.92	-3.98
Net income	0.25	-3.98
Net income group share	-0.18	-4.01
Closing Cash Position	22.24	13.85

⁽¹⁾ Preliminary Audited data - Audit under finalization

⁽²⁾ Europe Environnement consolidated since 01/10/2006

All KPIs in the green

- **Maiden operating profit of €0.9m delivered (FY06 operating loss €3.9m)**
- **Gross margin of €12.3m, up 28% on FY06**
- **Revenue up 127% to €29.6m with improved revenue quality (like for like revenue growth of 24%)**
 - The Hazardous Waste Disposal business has experienced consistent results, with a turnover of €12.2 million, up 32.6%,
 - And, the air processing solutions business (fully consolidated) is up 19.18% to stand at €17.4 million.
- **Operating costs as a % of revenues under control after four years of losses**
- **Strong balance sheet with NAV of €40m (up 40% YoY)**
- **A strong Business Plan to create value in a down cycle**

Return to operating profitability

The positive operating result of €917,865 reflects continuous sales efforts and focus on the company's historical business, together with the targeted diversification towards the air cleaning solutions market segment. The clear strategy of the Group's management has enabled a substantial improvement in profitability at the Inertam plant, via the increase in processing capacity and the integration of asbestos-related waste. This year, the plant at Inertam is back to profitability.

The consolidated net result for the financial year stands at €247,746, compared with a loss of €3.9 million in 2006.

A solid balance sheet structure

The structure of the balance sheet at 31 December 2007 highlights equity capital up more than 37%. It now makes up more than 70% of the balance sheet total. With an available closing cash balance of €22.24 million, and negative gearing, Europlasma has the financial strength to execute its strategy in the renewable regulated electric utility operations market segment.

2008, continued growth in traditional market segment

Europlasma continues the deployment of its strategy across its historical market segments. The start of 2008 was very active, with:

- The signing of a contract with the French Public Hospital service, based on the permanent destruction by vitrification of all waste resulting from asbestos removal works.
- The sale of a plasma torch system to fit out a sludge incinerator in Korea.

Via its air processing solutions business, and strengthened by a high-performance product range, Europlasma is set to continue its ambitious international development policy.

Thanks to this dynamism, Europlasma remains confident in the prospect of long-term continued solid and sustained growth in its activities.

A buoyant market: the production of renewable regulated energy

Through the recent investment round by Credit Suisse, the Group has been focused on the utilization of the company's technology for application in the renewable energy market.

The Group intends to become an essential player in the production of renewable regulated electric utility production. With this in mind, the first unit, of 12MW in power, will be built in Morcenx beside the asbestos vitrification plant. This project is the first WTE (Waste To Energy) unit in France of this new generation which brings together high performance, low CO2 emissions and very small surface area. Start-up is scheduled for 2009. [is this of high certainty? given it will be closely followed]

In addition, Europlasma signed a cooperation agreement with the SUNBAY ENERGY CORPORATION developer, for the implementation of a plant producing regulated electricity from waste in Canada. The establishment will process over 400 tonnes of waste per day and generate over 20MW of electricity. This is the first North American project that the company undertakes, which reflects the change in strategy, which the company embarked in as of July 2007.

With those two major initiatives on both sides of the Atlantic, the company is firmly asserting its goal of becoming a global renewable energy actor, in the waste and biomass gasification sector. The Group will also continue to add to its management and infrastructure to support its growth.

By 2012, the Group intends to produce over 100MW net to the grid, with units under construction equivalent and projects under permitting to provide an additional production capacity.

Didier PINEAU, Europlasma's Chief Executive Officer indicated " recovery in the Group's historical business, continued sound performance in business linked to air processing solutions, and new leads on a very buoyant market via the renewable regulated electric utility production business, means that our future looks very bright indeed".

Press Release

Bordeaux, 21 April 2008

About Europlasma (www.europlasma.com)

Created in 1992, the Europlasma company specialises in industrial processes based on plasma torch technology. The processes developed allow the processing and use of sundry types of waste (asbestos, toxic ash, etc.).

The latest development is the valorisation of waste via a gasification process with an additional plasma stage for the production of electricity.

Europlasma has been registered on the Open Market via Euronext Paris since 2001

mnemo code: **MLEUP** – ISIN code: **FR0000044810**



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