



Consolidated annual results 2006

Upturn in the “asbestos” activity

Reorganisation of General Management

Crédit Suisse Private investment of €33M

Consolidated figures in €K*	31/12/2005	31/12/2006
Turnover	12,278	13,159
Operating result	-27	-3,981
Net result group share	148	- 4,011
Net cash position	19,265	13,850

* Non audited figures. Europe Environnement consolidated since 1 October 2006.

2006 Annual Results:

As anticipated in our press release dated 20 November 2006, the net result for the financial year 2006 is substantially down compared to 2005 with an approximate €4M loss for a slightly improved turnover figure (+7.2%). This operating loss can be explained by a postponement of most of the investment projects for the engineering activity and a lack of material to process on the Inertam-COFAL site. Because of this, line 3 was unable to operate to break-even point for profitability, which entailed productivity losses. The Europe Environnement Group –consolidated in the accounts of Europlasma since 01 October 2006– generated turnover of €3,603K, a profit in the region of €100K (Group share).

The “asbestos” activity sees a sharp upturn:

The acceleration of the “asbestos” market over the past several months, coupled with a strengthening of the Inertam-COFAL sales team, has led us to observe for Q1 2007**:

- better performance over the past 6 years: **+51%** of inwards volume
- an average sales price exceeding €1,600/tonne: **+7.5%** on the average sales figure
- a twofold increase in the order book: **+108%**

** compared to Q1 2006.

This upturn in activity linked to the satisfactory technical operation of line 3 at the very beginning of the year will allow a return to profitability on the Inertam-COFAL site in 2007.

2007 Objectives

In 2007, the Europlasma group has set itself the objective of a return to profit, with a Turnover figure of €30M in its traditional trades. The most significant investments will centre on the implementation of a pilot gasification unit on the Morcenx site. 2007 should reflect the group's strategic will, namely:

- to develop partnerships with eco-industries in order to encourage access to the world market
- to strengthen its leader position in the ash processing and asbestos sector
- to develop a new process in the gasification domain. In the short term, this process is aimed at generating electricity from household waste and in the longer term, at producing bio-fuel from biomass.

Reorganisation of General Management

Jean Claude REBISHUNG takes the role of Assistant Executive Officer in charge of the development of Europe Environnement and partnerships with other eco-industries.

Didier PINEAU, Chief Executive Officer, will be more specifically in charge of significant developments linked to plasma-based gasification.

An Assistant Executive Officer will soon be appointed, who will be in charge of spearheading traditional activities (vitrification of dangerous waste, opening of new sites and manufacture of plasma torches) and their development.

Crédit Suisse enters the company's capital

The company has received from Crédit Suisse, one of the world's leading banks that provides its clients with investment banking, private banking and asset management services worldwide, a proposal aimed at acquiring a stake in Europlasma through a capital increase being reserved to Crédit Suisse, for the issuance of 2 million shares of common stock with attached equity warrants (the "ABSA") at a price of 5.5 Euros per share, with two equity warrants (the "BSA") being attached to each of these shares, making a total of 4 million BSAs. Each BSA gives entitlement to a new ordinary share at a price of 5.5 euros per share. In all, the transaction represents an investment of 33 million euros for Crédit Suisse for 6 million shares of common stock.

The company's share capital is currently divided into 9,127,252 shares of common stock. In addition, 2,895,748 unexercised equity warrants that were issued at the time of successive increases in the share capital carried out in 2005 remain outstanding. After subscription of all the ABSA and exercise by Crédit Suisse of all its BSAs, the capital would be divided into 15,127,252 shares of common stock, with 6 million shares being held by Crédit Suisse, which would give it a stake of approximately 39.66% in the share capital of Europlasma. After all the equity warrants issued in 2005 have been exercised (on a fully diluted basis), the share capital would be divided into 18,023,000 shares of common stock, with a stake of 33.29% being held by Crédit Suisse.

Given the strategic value that a partnership with Crédit Suisse carries for the company, and the potential of such a partnership to place our company on a path for international expansion, the Board of Directors views this proposal as a unique opportunity to take Europlasma's enterprise value to another level, and is therefore, strongly favorable to it. Resolutions approved by the Board will be presented to the shareholder's vote during the shareholder's meeting that will be held on June 22nd.

Relying on its leading position as an investor in Clean Technologies, the interest of Crédit Suisse is based on a long term investment strategy, aiming at putting to work its strategic expertise and its know how to develop biomass gasification processes through the use of plasma, should the transaction go forward as currently envisaged. Crédit Suisse also intends to serve on the company's Board and bring an active contribution to refine the company's strategy and optimize the use of capital, therefore aligning its interests with those of current shareholders. Further, in line with its goal of value creation for the benefit of all shareholders, Crédit Suisse will actively work alongside the other shareholders represented on the Board in order to enlarge and complement the management team in Europlasma.

The Board of Directors and the Management of Europlasma, after the successful private placement and capital increase in 2005, aimed at developing new units of Waste Vitrification (still on the agenda) and at launching the development of Waste Gasification, finds in the Crédit Suisse proposal and the platform it brings to the company, the ideal transition into the renewable energy space.

EUROPLASMA

Founded in 1992, Europlasma specialises in the destruction of hazardous waste. Positioned in high value-added niche markets, the Group treats waste such as asbestos and incineration residue. Europlasma thus offers an alternative to using landfills, in line with the law and EU goals of cutting waste generation and toxicity as well as of encouraging recycling.

Europlasma is listed on the Euronext Paris Marché Libre (ticker: MLEUP; ISIN code: FR0000044810).

Contacts :

EUROPLASMA : Didier PINEAU – C.E.O. Tél. +33 (0)5 56 49 70 00

contactbourse@europlasma.fr

If you want to receive every news from our company, do not hesitate to send us your e-mail details at the address as above.

Media relations: Chantal FARANT – ACTUS - Tél. +33 (0)1 53 67 35 86

cfarant@actus.fr

www.europlasma.com

www.inertam.com

www.europe-environnement.com