



## ENVIRONMENTAL SERVICES



## ENERGY SERVICES



## INDUSTRIAL SERVICES



***Clean Harbors Signs Definitive Agreement  
to Acquire Safety-Kleen, Inc.***

***October 29, 2012***



# Forward Looking Statements

These slides contain (and the accompanying oral discussion will contain) “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements involve known and unknown risks, uncertainties and other factors that could cause the actual results of the Company to differ materially from the results expressed or implied by such statements, including general economic and business conditions, conditions affecting the industries served by the Company and its subsidiaries, conditions affecting the Company’s customers and suppliers, competitor responses to the Company’s products and services, the overall market acceptance of such products and services, the integration of acquisitions and other factors disclosed in the Company’s periodic reports filed with the Securities and Exchange Commission. Such statements may include, but are not limited to, statements about the Company’s ability to close its proposed acquisition of Safety-Kleen, its ability to raise the capital necessary to complete the transaction, expected synergies from the transaction, and other statements that are not historical facts. Consequently such forward-looking statements should be regarded as the Company’s current plans, estimates and beliefs. The Company does not undertake and specifically declines any obligation to publicly release the results of any revisions to these forward-looking statements that may be made to reflect any future events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events.





# Agenda

- **Safety-Kleen Corporate Overview**
- **Acquisition Rationale**
- **Transaction Details**
- **Q&A**

# Safety-Kleen Snapshot

Safety-Kleen is one of North America’s leading providers of comprehensive environmental and recycling services to commercial and industrial customers in both the public and private sectors

- Premier provider of used oil collection, re-refining, parts cleaning and other environmental services
  - Largest used oil collection network in North America provides reliable feedstock supply for the re-refineries
- Leading reputation and brand strength established over ~50 years



Service	Market Position <sup>(1)</sup>	Safety-Kleen’s Competitive Advantage
Small Quantity Generator Program	#1	Largest provider to small quantity generator market – services more than 200,000 customers
Parts Cleaning	#1	Largest collector, recycler and servicer of parts cleaning equipment and used solvent in North America
Used Oil Collection and Re-refining	#1	North America’s largest collector of used oil; largest re-refining capacity in the world, with <i>certainty</i> of feedstock and output

Market leading position combined with a respected and recognized brand drives customer recognition and wins

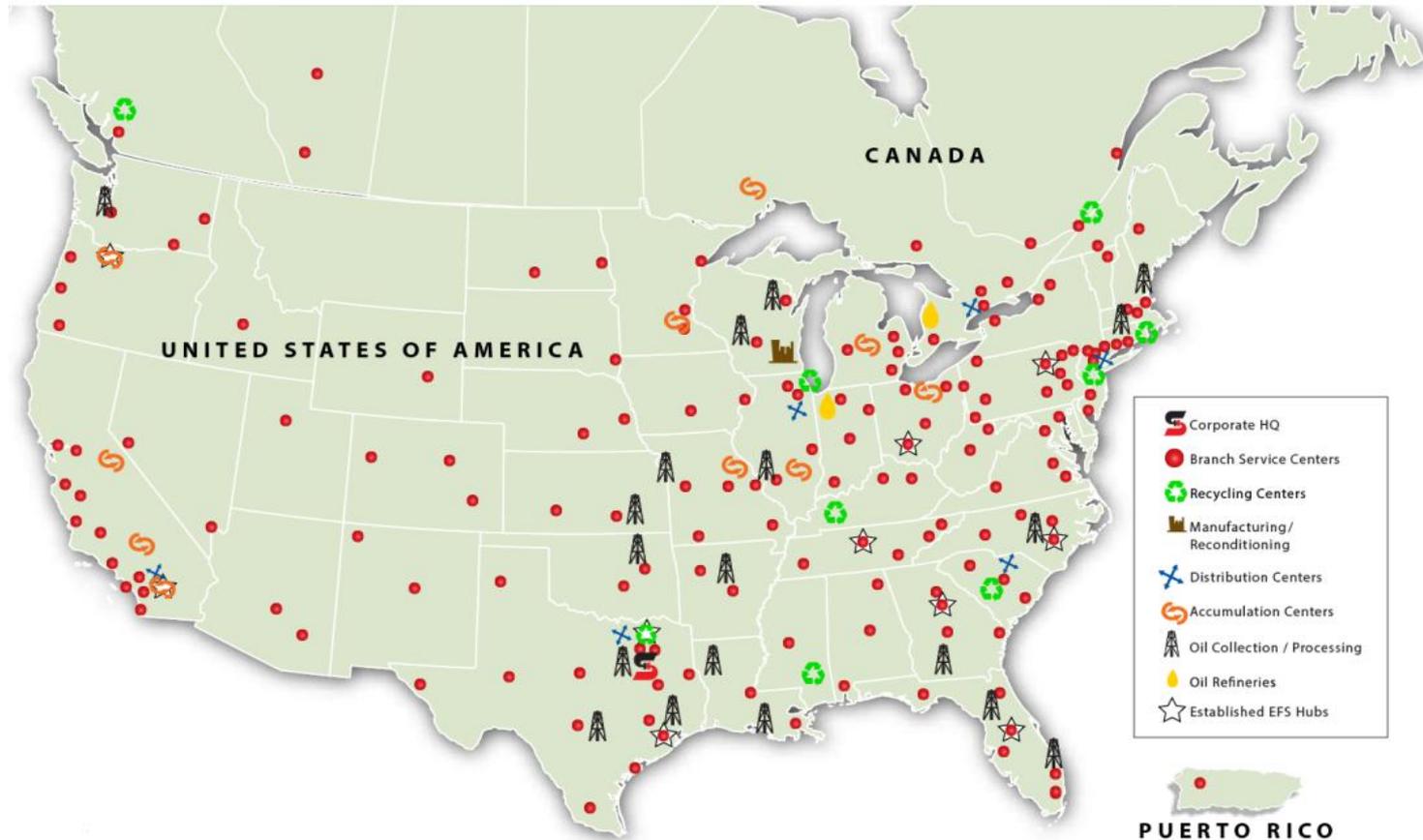
(1) Based on management’s estimates and public filings.

# Extensive Infrastructure Network

## Largest used oil and hazardous waste collection capabilities in North America

- Branch network includes over 200 facilities, 2,300 vehicles and 1,000 rail cars to support its route-based customer service model

Facility Type	#
Oil Re-refineries	2
Branches	155
Recycle Centers	9
Accumulation Centers	10
Distribution Facilities	5
Oil Collection / Processing Terminals	19
Manufacturing Facilities	1



# Diverse and Long-Standing Customer Relationships

## **Safety-Kleen serves a large, diverse customer base with limited customer concentration**

- Serves more than 400 of the Fortune 500 companies
- Largest customer represents less than 8% of revenue and top 10 represent only 25% of revenue
- Foremost and trusted provider of sustainable environmental services
- Long history of regulatory compliance and adherence to industry standards

# Environmental Services Snapshot

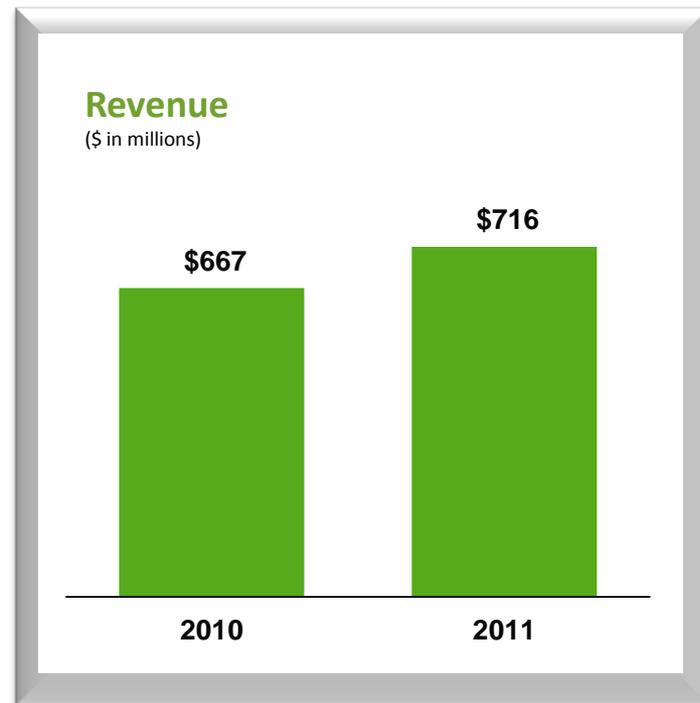
Safety-Kleen's Environmental Services business unit provides a comprehensive array of sustainable and cost effective environmental solutions

## Overview

- Employees: 3,335
- Customer locations: >200,000
- End-markets served: Over 22 end markets, including commercial, industrial and automotive
- Geographies: United States, Puerto Rico and Canada
- Facilities: 155 branches  
19 oil terminals  
19 recycle / accumulation centers
- Service calls: 2 million per year

## Environmental Services

- Parts Cleaning
- Containerized Waste Services
- Vacuum Services
- Project Management
- Allied Products
- Collection/Recycled Fuel Oil



Note: Environmental Services revenue excludes intersegment revenue from oil collection that is transferred to Safety-Kleen's Oil Re-refining segment.

# Environmental Services

## *Parts Cleaning*

### **Placement, maintenance and service of parts cleaning equipment and associated cleaning fluids**

- Safety-Kleen receives a recurring service fee to provide parts washers, scheduled service, cleaning solution change-out, waste disposal and support
  - Services more than 200,000 parts cleaners on a recurring basis
  - Provides more than 1,000,000 parts cleaning services annually to 22 market segments
- Offers over thirty models of parts washers for:
  - Solvent cleaning
  - Manual cleaning
  - Aqueous cleaning
  - Automated cleaning
- Largest collector and recycler of solvent in North America
  - Used solvent recycled into clean new solvent (closed-loop)
  - Lower cost, environmentally responsible solution



# Oil Re-refining Snapshot

**Industry leader in the collection and re-refining of used oil into base and blended lube oils**

## Overview

- Employees: 281
- Customers: Distributors, retailers, government agencies, fleets, railroads and industrials
- Geographies: United States and Canada
- Facilities: 2 oil re-refineries and blending facilities
- Throughput: ~160 million gallons of used oil
- Output: ~120 million gallons of base and blended lubricating oils



# Re-refineries



## East Chicago, IN

- Largest base oil re-refinery in the world
- Annual throughput: ~120 million gallons of used oil
- Onsite blending capabilities
- Operating since 1991

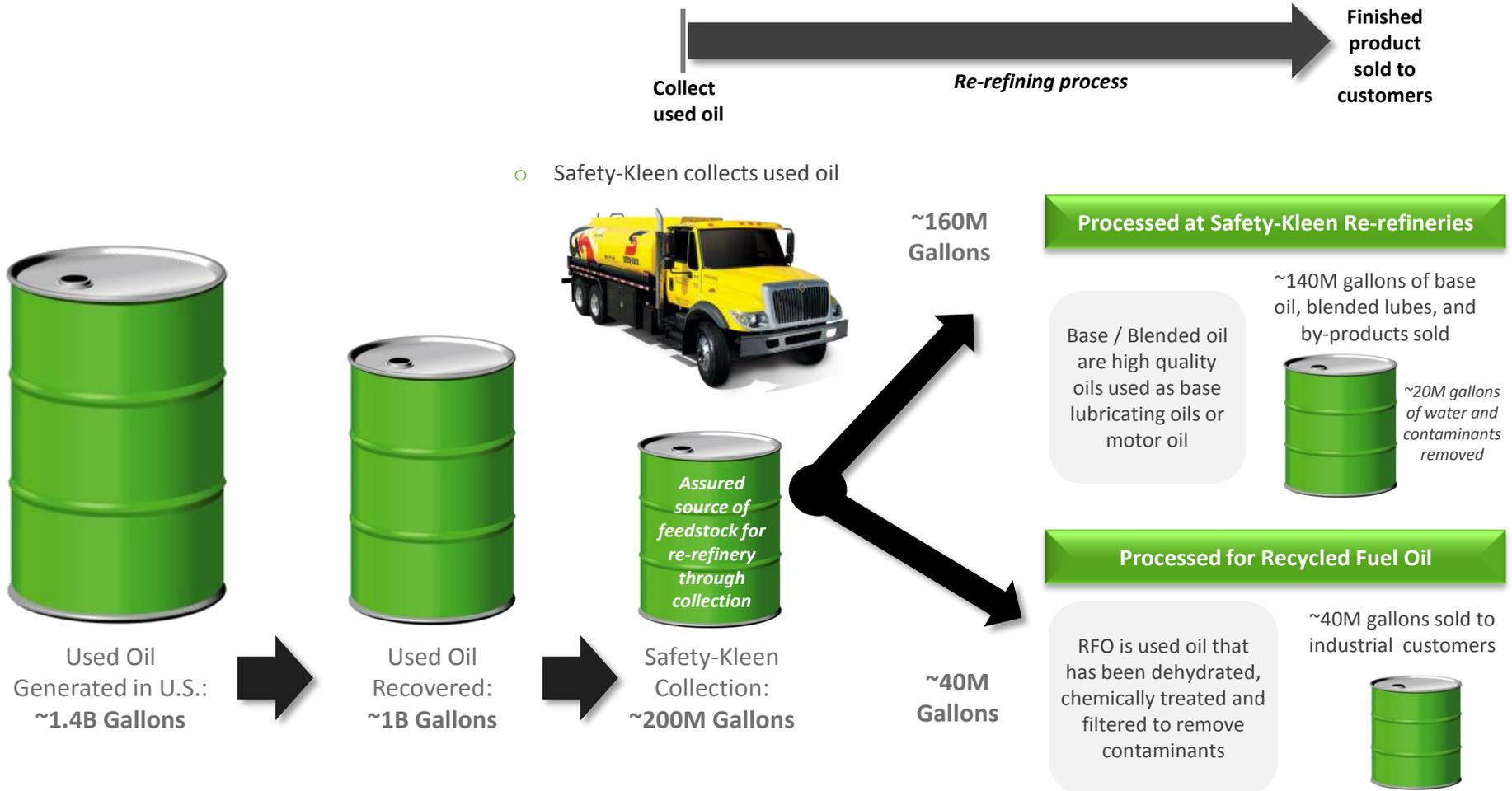


## Breslau, ON

- Largest base oil re-refinery in Canada
- Annual throughput: ~40 million gallons of used oil
- Additional 10 million gallon expansion in Q4 2012
- Onsite blending capabilities
- Operating since 1983

# Re-refining Industry Overview

Re-refine. Renew. Reuse: Protecting the Environment – Making Oil Renewable

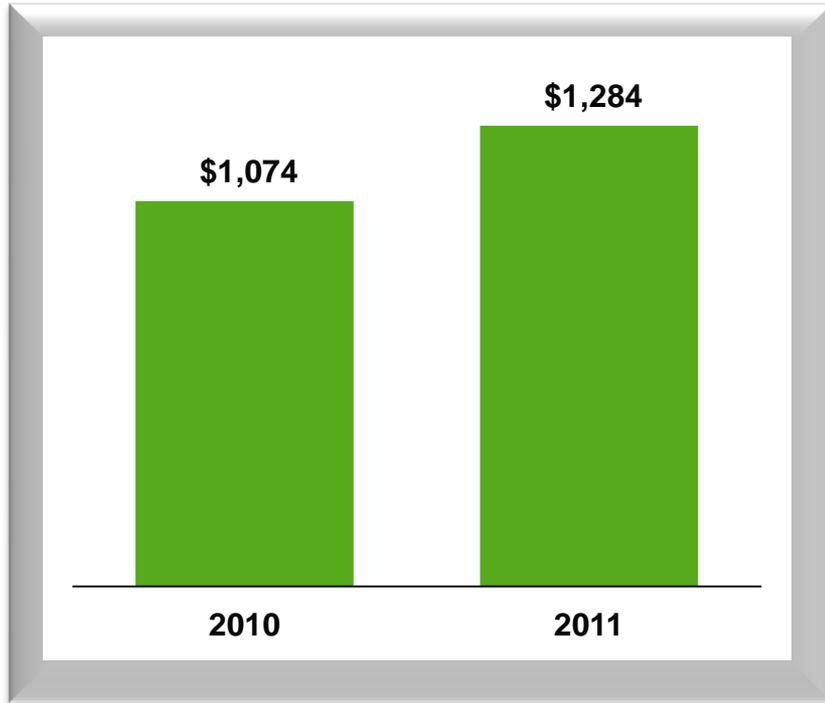


Source: Based on management's estimates, public filings and industry publications.

# Financial Performance

## Revenue

(\$ in millions)



## Adjusted EBITDA<sup>(1)</sup>

(\$ in millions)



<sup>(1)</sup> See “Summary Consolidated Financial and Other Data” on pages 8-11 of Amendment No. 1 to Safety-Kleen’s Registration Statement on Form S-1 filed with the SEC on September 28, 2012, for a reconciliation of Adjusted EBITDA to GAAP Net Income.



# Acquisition Rationale

- Penetrate the small quantity waste generator market
- Broaden waste treatment capabilities to include re-refining waste oil and expanded solvent recycling capabilities
- Drive substantial increase in waste volumes into existing waste disposal treatment network
- Capitalize on the growing demand for recycled products including re-refined oil
- Strengthen commitment to sustainability
- Leverage the combined sales forces to maximize cross-selling opportunities
- Add an immediately accretive business to accelerate growth
- Leverage operating efficiencies through the combined company
- Enhance strong cash flow generation



# Transaction Details

- Acquisition Cost: \$1.25 billion in cash
- Received financing commitment from Goldman Sachs Bank USA
- Considering several financing options for the transaction that may include a combination of existing cash, debt and equity
- Acquisition pending regulatory approvals and customary closing conditions
- Deal expected to close by year-end
- Expect acquisition to be immediately accretive (excluding one-time fees and acquisition-related expenses)
- No guidance provided at this time



## **Wrap-Up** *Questions & Answers*