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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 8-K**

CURRENT REPORT

**Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported) **March 15, 2005**

**CLEAN HARBORS, INC.**

(Exact name of registrant as specified in its charter)

**Massachusetts**  
(State or other jurisdiction of incorporation)

**0-16379**  
(Commission File Number)

**04-2997780**  
(IRS Employer Identification No.)

**1501 Washington Street, Braintree, Massachusetts**  
(Address of principal executive offices)

**02184-7535**  
(Zip Code)

Registrant's telephone number, including area code **(781) 849-1800 ext. 4454**

**Not Applicable**

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02 Results of Operations and Financial Condition.

On March 15, 2005, Clean Harbors, Inc. (“the Company”) issued a press release announcing the Company’s results of operations for the fourth quarter and year ended December 31, 2004. A copy of that press release is furnished with this report as Exhibit 99.1.

Item 4.02 Non-Reliance on Previously Issued Financial Statements or a Related Audit Report or Completed Interior Review.

As part of its Annual Report on Form 10-K for the year ended December 31, 2004, Clean Harbors will restate its previously issued financial statements for the years ended December 31, 2003 and 2002, and financial information for the years ended December 31, 2001, 2000, and 1999, in order to correct errors relating to the methodology it had established for estimating self-insured workers’ compensation and motor vehicle liability claims. Accordingly, the previously issued financial statements for the specified periods, and the quarterly information within those years should no longer be relied upon.

In preparing the Company’s financial statements for 2004, management reassessed its methodology for calculating self-insurance reserves for workers’ compensation and motor vehicle liability claims and determined that the previous methodology was not appropriate. The Company has changed its methodology to an actuarial based method versus the specific reserve method previously used. This change impacted the Company’s 2004 income statement by (\$157,000). The estimated adjustments resulting from the restatement will increase the Company’s previously reported losses for 2003 and 2002 by (\$255,000) and (\$256,000), respectively. This change also will reduce previously reported income for years prior to 2002, which will be recorded as a reduction to retained earnings as of year-end 2001 by (\$1,106,000). The foregoing numbers are unaudited and may change materially upon completion of the audit of the Company’s financial statements for 2004.

Management discussed the proposed restatement of the specified financial statements and information with the Company’s Audit Committee and the Company’s independent auditors. Both the Audit Committee and the independent auditors concur with management’s decision relating to the restatement.

Item 9.01 Financial Statements and Exhibits

(c) Exhibits

99.1 Press Release date March 15, 2005

**SIGNATURES**

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Clean Harbors, Inc.  
(Registrant)

March 15, 2005

/s/ Mark S. Burgess  
Executive Vice President and  
Chief Financial Officer

**Press Release**

Clean Harbors Announces Fourth-Quarter and Year-End 2004 Financial Results

*Company Reports Record Revenue and EBITDA;**Will Restate Prior Years' Financial Statements to Reflect Adjustments to Self-Insurance Reserves for Workers' Compensation and Motor Vehicle Liability Claims*

**Braintree, MA — March 15, 2005** — Clean Harbors, Inc. (“Clean Harbors”) (NASDAQ: CLHB), the leading provider of environmental and hazardous waste management services throughout North America, today announced financial results for the fourth quarter and full year ended December 31, 2004.

Clean Harbors reported fourth-quarter 2004 revenues of \$176.2 million, a 21% increase from \$145.5 million in the fourth quarter of 2003. Income from operations for the fourth quarter of 2004 totaled \$14.7 million, compared with \$5.5 million, as restated, for the fourth quarter of 2003. (A description of the restatement is included below.) The Company generated net income of \$7.5 million, or \$0.42 per diluted share, for the fourth quarter of 2004. This compares with a restated fourth-quarter 2003 net loss of \$(11.0) million, or \$(0.85) per diluted share. The Company’s net loss for the fourth quarter of 2003 included a \$9.6 million non-cash charge associated with the embedded derivative on the Company’s Series C Preferred Stock. Clean Harbors’ Series C Preferred Stock was redeemed in June 2004, eliminating its bottom-line effect for future quarters. EBITDA (see description below) increased by 53% to \$23.9 million in the fourth quarter of 2004 from \$15.6 million, as restated, in the same period a year earlier.

Revenues for the year ended December 31, 2004 were \$643.2 million, up 5% compared with \$611.0 million for full year 2003. Operating income for full year 2004 grew 239% to \$39.4 million versus \$11.6 million, as restated, in the prior year. The Company generated net income of \$2.6 million, or \$(0.65) per diluted share, for the full year 2004. This compares with a restated 2003 net loss of \$(17.6) million, or \$(1.54) per diluted share. EBITDA (see description below) for 2004 grew 48% to \$74.7 million from \$50.5 million, as restated, for 2003.

**Comments on the Fourth Quarter**

“Clean Harbors closed 2004 with the best quarter in our history,” said Alan McKim, Chief Executive Officer. “During the fourth quarter, we continued to gain market share in our Technical Services business through our vertical market approach and cross-selling initiatives. Our results for the quarter also reflect successful growth within our Site Services business, including several emergency response events that added over \$10 million of revenue. Volumes at our incinerators were strong, and Clean Harbors benefited from favorable weather conditions during the period. All of these factors combined to help us post record revenue for both the quarter and the year.”

“We also made further refinements and reductions to our cost structure during the quarter as we continued to better utilize our asset base and internalize more transportation costs. Our operating leverage improved and gross margins have remained steady,” McKim said. “This is a particularly notable accomplishment given the competitive pricing environment.”

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“Cash generation was a key highlight for Clean Harbors in the fourth quarter,” continued McKim. “The Company’s cash and marketable securities balances increased by approximately \$23 million during the quarter and ended the year around \$48 million. A majority of this improvement was derived from productivity in operations, improved collection of aged receivables, and careful management of our environmental and capital spending. Timing associated with \$8.5 million in bond interest payments, not scheduled and subsequently made on January 15, 2005, also positively impacted cash flow during the quarter.

### Non-GAAP Fourth-Quarter Results

Clean Harbors reports EBITDA results, which are non-GAAP, as a complement to results provided in accordance with accounting principles generally accepted in the United States (GAAP) and believes that such information provides an additional measurement of the Company’s performance. The Company defines EBITDA in accordance with its outstanding credit agreement, as described in the following reconciliation showing the differences between reported income and EBITDA for 2004 and 2003 (in thousands):

|  | For the three months ended: |                                 | For the year ended: |                                 |
|--|-----------------------------|---------------------------------|---------------------|---------------------------------|
|  | December 31, 2004           | December 31, 2003<br>(Restated) | December 31, 2004   | December 31, 2003<br>(Restated) |
| Net (loss) income                      | 7,469                       | (11,016)                        | 2,600               | (17,600)                        |
| Accretion of environmental liabilities | 2,641                       | 2,853                           | 10,394              | 11,114                          |
| Depreciation and amortization          | 6,630                       | 6,607                           | 24,094              | 26,482                          |
| Interest expense, net                  | 5,920                       | 6,187                           | 22,297              | 23,724                          |
| Provision for income taxes             | 1,380                       | 1,326                           | 6,043               | 5,322                           |
| Other                                  | (314)                       | 88                              | (699)               | 1,031                           |
| Loss on refinancing                    | —                           | —                               | 7,099               | —                               |
| Refinancing related expenses           | 140                         | —                               | 1,326               | —                               |
| Change in value of embedded derivative | —                           | 9,573                           | 1,590               | 379                             |
| EBITDA                                 | 23,866                      | 15,618                          | 74,744              | 50,452                          |

### Restatement of Prior Financial Statements

As part of its Annual Report on Form 10-K for the year ended December 31, 2004, Clean Harbors will restate its previously issued financial statements for the years ended December 31, 2003 and 2002, and financial information for the years ended December 31, 2001, 2000, and 1999, in order to correct errors relating to the methodology it had established for estimating self-insured workers’ compensation and motor vehicle liability claims. Accordingly, the previously issued financial statements for the specified periods, and the quarterly information within those years should no longer be relied upon.

In preparing the Company’s financial statements for 2004, management reassessed its methodology for calculating self-insurance reserves for workers’ compensation and motor vehicle liability claims and

determined that the previous methodology was not appropriate. The Company has changed its methodology to an actuarial based method versus the specific reserve method previously used. This change impacted the Company's 2004 income statement by (\$157,000). The estimated adjustments resulting from the restatement will increase the Company's previously reported losses for 2003 and 2002 by (\$255,000) and (\$256,000), respectively. This change also will reduce previously reported income for years prior to 2002, which will be recorded as a reduction to retained earnings as of year-end 2001 by (\$1,106,000).

Management discussed the proposed restatement of the specified financial statements and information with the Company's Audit Committee and the Company's independent auditors. Both the Audit Committee and the independent auditors concur with management's decision relating to the restatement.

#### **Extension of Filing Date for 2004 Form 10-K Annual Report**

As permitted by SEC rules, Clean Harbors will file a notification requesting an extension of the filing date for the Company's Form 10-K Annual Report until March 31, 2005. This extension is being made in order to provide the Company with additional time to complete the Company's 2004 financial statements and restated financial statements described above. The Company also now anticipates that, as permitted by the SEC's exemptive order dated November 30, 2004, the Company will file by amendment to its 2004 Form 10-K Annual Report, management's report on internal control over financial reporting together with the report of the independent registered public accounting firm on the effectiveness of the Company's internal controls over financial reporting as of December 31, 2004. Since the Company will be restating as described above in its 2004 Annual Report certain previously filed financial statements, the Company has determined that management's report will indicate that it had a "material weakness" for its accounting of self-insured workers' compensation and motor vehicle liability reserves as defined under SOX 404.

#### **Business Outlook**

"The initiatives we have taken to increase our revenue streams while reducing costs are working," said McKim. "Clean Harbors continues to lead the industry through technological innovation and reliable customer service. Activity in our core business has been solid, and Site Services has a healthy pipeline of pending business and over \$8 million in emergency spill related revenue in Q1. Therefore, despite the unfavorable weather conditions we have experienced thus far in 2005, we expect to achieve solid growth in the first quarter."

For the first quarter of 2005, the Company expects to grow revenue by 10% to 11% year over year and generate EBITDA in the range of \$15.5 to \$17.0 million.

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## **Conference Call Information**

Clean Harbors will conduct a conference call for investors to discuss the information contained in this news release today, Tuesday, March 15, 2005 at 9:00 a.m. (ET). Investors who want to hear a webcast of the call should log onto [www.cleanharbors.com](http://www.cleanharbors.com) and select "Investor Relations." The call will be available on the investor relations section for one week.

## **About Clean Harbors, Inc.**

Clean Harbors, Inc. is North America's leading provider of environmental and hazardous waste management services. With an unmatched infrastructure of 48 waste management facilities, including nine landfills, five incineration locations and seven wastewater treatment centers, the Company provides essential services to more than 30,000 customers, including more than 175 Fortune 500 companies, thousands of smaller private entities and numerous federal, state and local governmental agencies. Headquartered in Braintree, Massachusetts, Clean Harbors has more than 100 locations strategically positioned throughout North America in 36 U.S. states, six Canadian provinces, Mexico and Puerto Rico. For more information, visit [www.cleanharbors.com](http://www.cleanharbors.com).

## **Safe Harbor Statement**

Any statements contained herein that are not historical facts are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, and involve risks and uncertainties. These forward-looking statements are generally identifiable by use of the words "believes," "expects," "intends," "anticipates," "plans to," "estimates," "projects," or similar expressions. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those reflected in these forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect management's opinions only as of the date hereof. The Company undertakes no obligation to revise or publicly release the results of any revision to these forward-looking statements. Furthermore, all financial information in this press release is unaudited, and may change materially upon completion of the audit of the Company's financial statements for 2004. A variety of factors beyond the control of the Company affect the Company's performance, including, but not limited to:

- The effects of general economic conditions in the United States, Canada and other territories and countries where the Company does business;
  - The effect of economic forces and competition in specific marketplaces where the Company competes;
  - The possible impact of new regulations or laws pertaining to all activities of the Company's operations;
  - The outcome of litigation or threatened litigation or regulatory actions;
  - The effect of commodity pricing on overall revenues and profitability;
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- The final completion of adjustments necessary to restate prior year financial statements may differ materially from current estimates;
- The potential existence of “material weaknesses” in its internal controls over financial reporting (in addition to that relating to reserves for certain self-insurance claims described above) that may be identified during the completion of testing to meet the requirements of SOX 404;
- Possible fluctuations in quarterly or annual results or adverse impacts on the Company’s results caused by the adoption of new accounting standards or interpretations or regulatory rules and regulations;
- The effect of weather conditions or other aspects of the forces of nature on field or facility operations;
- The effects of industry trends in the environmental services and waste handling marketplace;
- The effects of conditions in the financial services industry on the availability of capital and financing;
- The Company’s ability to manage the significant environmental liabilities which it assumed in connection with the CSD acquisition; and
- The availability and costs of liability insurance and financial assurance required by governmental entities relating to our facilities.

Any of the above factors and numerous others not listed nor foreseen may adversely impact the Company’s financial performance. Additional information on the potential factors that could affect the Company’s actual results of operations is included in its filings with the Securities and Exchange Commission, including but not limited to its Annual Report on Form 10-K, in its entirety and specifically Factors That May Affect Future Results under Item 7, for the fiscal year ended December 31, 2003, and its subsequent reports on Form 10-Q, which are filed with the SEC and the Annual Report on Form 10-K for the fiscal year ended December 31, 2004, which the Company plans to file on March 31, 2005.

Contacts:

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**CLEAN HARBORS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
**Unaudited**

(in thousands except per share amounts)

|  | Three Months Ended<br>December 31, |                    | Year Ended<br>December 31, |                    |
|--|------------------------------------|--------------------|----------------------------|--------------------|
|  | 2004                               | (Restated)<br>2003 | 2004                       | (Restated)<br>2003 |
| Revenues   | \$ 176,181                         | \$ 145,544         | \$ 643,219                 | \$ 610,969         |
| Cost of revenues   | 124,701                            | 106,363            | 464,838                    | 453,461            |
| Selling, general and administrative expenses   | 27,528                             | 24,196             | 104,509                    | 108,430            |
| Accretion of environmental liabilities   | 2,641                              | 2,853              | 10,394                     | 11,114             |
| Depreciation and amortization  | 6,630                              | 6,607              | 24,094                     | 26,482             |
| Restructuring  | —                                  | —                  | —                          | (124)              |
| Income from operations   | 14,681                             | 5,525              | 39,384                     | 11,606             |
| Other income (expense)   | 88                                 | (9,028)            | (1,345)                    | (94)               |
| Loss on refinancing  | —                                  | —                  | (7,099)                    | —                  |
| Interest (expense), net  | (5,920)                            | (6,187)            | (22,297)                   | (23,724)           |
| Income (loss) before provision for income taxes and cumulative effect<br>of change in accounting principle | 8,849                              | (9,690)            | 8,643                      | (12,212)           |
| Provision for income taxes   | 1,380                              | 1,326              | 6,043                      | 5,322              |
| Net income (loss) before cumulative effect of change in accounting<br>principle                            | 7,469                              | (11,016)           | 2,600                      | (17,534)           |
| Cumulative effect of change in accounting principle, net of tax  | —                                  | —                  | —                          | 66                 |
| Net income (loss)  | 7,469                              | (11,016)           | 2,600                      | (17,600)           |
| Redemption of Series C preferred stock and dividends and accretion on<br>preferred stock                   | 70                                 | 841                | 11,798                     | 3,287              |
| Net income (loss) attributable to common shareholders  | \$ 7,399                           | \$ (11,857)        | \$ (9,198)                 | \$ (20,887)        |
| Basic earnings (loss) per share:   |                                    |                    |                            |                    |
| Earnings (loss) before cumulative effect of change in accounting<br>principle                              | \$ 0.52                            | \$ (0.85)          | \$ (0.65)                  | \$ (1.54)          |
| Cumulative effect of change in accounting principle, net of tax  | \$ —                               | \$ —               | \$ —                       | \$ —               |
| Earnings (loss) attributable to common shareholders  | \$ 0.52                            | \$ (0.85)          | \$ (0.65)                  | \$ (1.54)          |
| Diluted earnings (loss) per share:   |                                    |                    |                            |                    |
| Earnings (loss) before cumulative effect of change in accounting<br>principle                              | \$ 0.42                            | \$ (0.85)          | \$ (0.65)                  | \$ (1.54)          |
| Cumulative effect of change in accounting principle, net of tax  | \$ —                               | \$ —               | \$ —                       | \$ —               |
| Earnings (loss) attributable to common shareholders  | \$ 0.42                            | \$ (0.85)          | \$ (0.65)                  | \$ (1.54)          |
| Weighted average common shares outstanding   | 14,279                             | 13,881             | 14,099                     | 13,553             |
| Weighted average common shares outstanding plus potentially dilutive<br>common shares                      | 17,850                             | 13,881             | 14,099                     | 13,553             |

**CLEAN HARBORS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**ASSETS**  
(dollars in thousands)

|  | <b>December 31, 2004</b> | <b>December 31, 2003</b><br>(Restated) |
|--|--------------------------|--|
| <b>Current assets:</b>                 |                          |  |
| Cash and cash equivalents              | \$ 31,081                | \$ 6,331                               |
| Marketable securities                  | 16,800                   | —                                      |
| Accounts receivable, net               | 120,886                  | 114,429                                |
| Unbilled accounts receivable           | 5,377                    | 9,476                                  |
| Deferred costs                         | 4,923                    | 5,395                                  |
| Prepaid expenses                       | 13,407                   | 8,582                                  |
| Supplies inventories                   | 10,318                   | 9,018                                  |
| Deferred tax asset                     | 188                      | 178                                    |
| Properties held for sale               | 8,849                    | 12,690                                 |
| Total current assets                   | 211,829                  | 166,099                                |
| <br>Property, plant and equipment, net | <br>180,526              | <br>166,542                            |
| <br><b>Other assets:</b>               |                          |  |
| Restricted cash                        | —                        | 88,817                                 |
| Deferred financing costs               | 8,950                    | 6,297                                  |
| Goodwill                               | 19,032                   | 19,032                                 |
| Permits and other intangibles, net     | 80,463                   | 79,811                                 |
| Deferred tax asset                     | 488                      | 6,594                                  |
| Other                                  | 3,414                    | 6,967                                  |
| Total assets                           | \$ 504,702               | \$ 540,159                             |

**CONSOLIDATED BALANCE SHEETS**  
**LIABILITIES, REDEEMABLE CONVERTIBLE PREFERRED STOCK**  
**AND STOCKHOLDERS' EQUITY**  
(dollars in thousands)

|  | December 31, 2004 | December 31, 2003<br>(Restated) |
|--|-------------------|---------------------------------|
| <b>Current liabilities:</b>  |                   |                                 |
| Uncashed checks  | \$ 6,542          | \$ 5,983                        |
| Revolving credit facility  | —                 | 35,291                          |
| Current portion of capital lease obligations                                       | 1,522             | 1,207                           |
| Accounts payable   | 70,363            | 60,611                          |
| Accrued disposal costs   | 3,032             | 2,021                           |
| Deferred revenue   | 22,060            | 22,799                          |
| Other accrued expenses   | 41,054            | 33,857                          |
| Current portion of closure, post-closure and remedial liabilities                  | 14,258            | 21,282                          |
| Income taxes payable   | 2,302             | 2,623                           |
| Total current liabilities  | 161,133           | 185,674                         |
| <b>Other liabilities:</b>  |                   |                                 |
| Closure and post-closure liabilities, less current portion                         | 22,721            | 19,215                          |
| Remedial liabilities, less current portion   | 144,289           | 142,634                         |
| Long-term obligations, less current maturities                                     | 148,122           | 147,209                         |
| Capital lease obligations, less current portion                                    | 3,485             | 3,412                           |
| Other long-term liabilities  | 13,298            | 18,055                          |
| Accrued pension cost   | 616               | 633                             |
| Total other liabilities  | 332,531           | 331,158                         |
| <b>Commitments and contingent liabilities</b>                                      |                   |                                 |
| Redeemable Series C Convertible Preferred Stock                                    | —                 | 15,631                          |
| <b>Stockholders' equity</b>  | <b>11,038</b>     | <b>7,696</b>                    |
| Total liabilities, redeemable convertible preferred stock and stockholders' equity | \$ 504,702        | \$ 540,159                      |