
**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): **February 20, 2013**

CLEAN HARBORS, INC.

(Exact name of registrant as specified in its charter)

Massachusetts
(State or other jurisdiction
of incorporation)

001-34223
(Commission
File Number)

04-2997780
(IRS Employer
Identification No.)

**42 Longwater Drive, Norwell,
Massachusetts**
(Address of principal executive offices)

02061-9149
(Zip Code)

(781) 792-5000
(Registrant's telephone number, including area code)

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 February 20, 2013, 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, 2012. A copy of that press release is furnished with this report as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits

99.1 Press Release dated February 20, 2013

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)

February 20, 2013

/s/ James M. Rutledge
Vice Chairman, President and Chief Financial Officer

Press Release

**Clean Harbors Reports Fourth-Quarter and
Year-End 2012 Financial Results**

- *Company Achieves Q4 Revenue of \$559 Million and \$2.19 Billion for 2012*
- *2012 Net Income of \$129.7 Million Reflects Release of Unrecognized Tax Benefits*
- *Adjusted EBITDA Increases 7% in 2012 to \$373.8 Million*
- *Company Confirms 2013 Annual Guidance*

Norwell, Mass. — February 20, 2013 — Clean Harbors, Inc. (“Clean Harbors”) (NYSE: CLH), the leading provider of environmental, energy and industrial services throughout North America, today announced financial results for the fourth quarter and year ended December 31, 2012.

Revenues for the fourth quarter increased to \$559.0 million compared with \$545.9 million in the same period in 2011. Income from operations in the fourth quarter of 2012 decreased to \$36.2 million from \$59.2 million in the same period of 2011 primarily based on costs associated with the Safety-Kleen acquisition and an increase in depreciation and amortization expense.

Fourth quarter 2012 net income was \$61.9 million, or \$1.11 per diluted share, compared with \$38.2 million, or \$0.72 per diluted share, in the fourth quarter of 2011. Fourth-quarter 2012 net income included a \$52.4 million benefit from the release of unrecognized tax benefits due to expired statute of limitation periods, partially offset by approximately \$7.5 million (net of tax) in costs related to the Safety-Kleen acquisition. Adjusted EBITDA (see description below) in the fourth quarter of 2012, which includes the costs related to Safety-Kleen, was \$83.6 million compared with \$97.4 million in the same period of 2011.

Comments on the Fourth Quarter

“We achieved year-over-year revenue growth in the fourth quarter as strong contributions in our Industrial Services and Field Services segments offset a slowdown in our Oil & Gas Field Services segment,” said Alan S. McKim, Chairman and Chief Executive Officer. “Our margins in the quarter were affected by both external and internal costs associated with our \$1.25 billion acquisition of Safety-Kleen, which we completed in late December. Our bottom-line benefited from the reversal of reserves we had previously accrued related to unrecognized tax benefits.”

“Within our operating segments, Technical Services had a solid quarter with 90% utilization at our incineration facilities and very high landfill volumes, driven again by Bakken-related work and large-scale projects,” McKim said. “Field Services generated double-digit growth in its base business, along with approximately \$12 million in clean-up work associated with Hurricane Sandy. Within Industrial Services, lodging, specialty services and Oil Sands-related work all contributed to a strong quarterly performance in this segment. Within Oil & Gas Field Services, the winter drilling season was not as robust as the same period in 2011 with lower rig counts in Western Canada and margin pressure in the U.S. related to the shift away from natural gas.”



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Press Release

**Clean Harbors Reports Fourth-Quarter and
Year-End 2012 Financial Results**

Full-Year 2012 Results

Revenues for 2012 increased 10% to a record \$2.19 billion from \$1.98 billion in 2011. Income from operations in 2012 was \$202.2 million compared with \$217.7 million in 2011. 2012 net income was \$129.7 million, or \$2.40 per diluted share, compared with \$127.3 million, or \$2.39 per diluted share, in 2011. Adjusted EBITDA (see description below) increased 7% in 2012 to a record \$373.8 million from \$350.0 million for 2011.

“In 2012, we again achieved double-digit growth and delivered Adjusted EBITDA margins (Adjusted EBITDA divided by revenues) for the year of 17%,” McKim said. “A number of our businesses — ranging from landfills to turnaround services to lodging — generated record results in 2012, which offset some of the near-term challenges we experienced in the energy space. With the completion of the Safety-Kleen acquisition at year-end, we exited 2012 with significant momentum and many exciting growth opportunities.”

Business Outlook and Financial Guidance

“Our outlook for 2013 and beyond is enhanced by our acquisition of Safety-Kleen in late December,” McKim said. “Safety-Kleen brings well-established leadership positions in several important lines of business, including parts cleaning, small quantity waste generators, used oil collection and recycling. The transaction significantly broadens our portfolio of services and will generate a substantial increase in disposal volumes. The addition of Safety-Kleen also enhances our commitment to sustainability and enables us to capitalize on the growing demand for recycled products including re-refined oil. We remain confident that this acquisition will enhance our cash flow generation going forward and build significant long-term value for our shareholders.”

“Following the completion of the Safety-Kleen acquisition, we are aggressively moving forward with our integration plans,” McKim said. “Our integration teams are identifying areas where we believe we can reduce costs and improve efficiencies by streamlining functions. Through reductions in redundant headcount, increased asset utilization and economies of scale in areas such as procurement and IT, we are currently targeting \$60 to \$65 million in acquisition-related synergies in 2013 — up from our previously announced target of \$30 million. At the same time, we are seeing a near-term pricing imbalance in the Group 2 lubricants market. These additional costs savings will help offset this pricing pressure. We are confident that we can leverage the operational efficiencies of our combined organization to further enhance the long-term profitability of Clean Harbors.”

“Looking ahead, we are optimistic about our overall prospects for profitable growth based on favorable industry trends. We see substantial cross-selling and long-term growth opportunities within each of our segments. Within Technical Services and Field Services, we have a healthy pipeline of ongoing and potential projects that should continue to drive considerable waste volumes into our disposal network. Throughout 2012, our Industrial Services business consistently delivered strong results based on steady demand, and we



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Press Release

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Year-End 2012 Financial Results

expect that to continue in the coming year. Our Oil & Gas Field Services segment is well-positioned to rebound from the slowdown we experienced in 2012 as the transformation and growth of the North American energy market continues in the years ahead,” McKim concluded.

Based on its 2012 performance and current market conditions, Clean Harbors is confirming its previously announced 2013 annual revenue and Adjusted EBITDA guidance. The Company continues to expect 2013 revenues in the range of \$3.72 billion to \$3.77 billion. For 2013, the Company expects Adjusted EBITDA in the range of \$605 million to \$620 million. A reconciliation of the Company’s Adjusted EBITDA guidance to net income guidance is included below. The Company’s full-year Adjusted EBITDA guidance excludes an estimated \$20 million of one-time non-cash acquisition-related fair value adjustments to inventory values and deferred revenue to be amortized in the Company’s first-quarter results.

Non-GAAP Results

Clean Harbors reports Adjusted EBITDA results, which is a non-GAAP financial measure, as a complement to results provided in accordance with accounting principles generally accepted in the United States (GAAP). The Company believes that Adjusted EBITDA provides additional useful information to investors since the Company’s loan covenants are based upon levels of Adjusted EBITDA achieved. The Company defines Adjusted EBITDA in accordance with its existing credit agreement, as described in the following reconciliation showing the differences between reported net income and Adjusted EBITDA for the fourth quarter and full-year 2012 and 2011 (in thousands):

| | For the three months ended: | | For the year ended: | |
|--|-----------------------------|----------------------|----------------------|----------------------|
| | December 31, 2012 | December 31, 2011 | December 31, 2012 | December 31, 2011 |
| Net income | \$ 61,874 | \$ 38,233 | \$ 129,674 | \$ 127,252 |
| Accretion of environmental liabilities | 2,508 | 2,449 | 9,917 | 9,680 |
| Depreciation and amortization | 44,852 | 35,663 | 161,646 | 122,663 |
| Other expense (income) | 337 | (471) | 802 | (6,402) |
| Loss on early extinguishment of debt | — | — | 26,385 | — |
| Interest expense, net | 13,451 | 11,342 | 47,287 | 39,389 |
| (Benefit) provision for income taxes | (39,431) | 10,143 | (1,944) | 57,426 |
| Adjusted EBITDA | <u>\$ 83,591</u> | <u>\$ 97,359</u> | <u>\$ 373,767</u> | <u>\$ 350,008</u> |



Press Release

Clean Harbors Reports Fourth-Quarter and
Year-End 2012 Financial Results

Adjusted EBITDA Guidance Reconciliation

An itemized reconciliation between projected net income and projected Adjusted EBITDA is as follows:

| | For the Year Ended December 31, 2013 | | | | | |
|--|--------------------------------------|-------|----|--------------|-------|----------------|
| | Amount | | | Margin % (1) | | |
| | (In millions) | | | | | |
| Projected GAAP net income | \$ | 141 | to | \$ | 164 | 3.8% to 4.3% |
| Adjustments: | | | | | | |
| Amortization of acquisition-related fair value adjustments to inventory and deferred revenue | | 20 | to | 20 | 0.5% | to 0.5% |
| Accretion of environmental liabilities | | 13 | to | 11 | 0.4% | to 0.3% |
| Depreciation and amortization | | 265 | to | 255 | 7.1% | to 6.8% |
| Other (income) expense | | — | to | — | 0.0% | to 0.0% |
| Loss on early extinguishment of debt | | — | to | — | 0.0% | to 0.0% |
| Interest expense, net | | 79 | to | 78 | 2.1% | to 2.1% |
| Provision for income taxes | | 87 | to | 92 | 2.4% | to 2.4% |
| Projected Adjusted EBITDA | \$ | 605 | to | \$ | 620 | 16.3% to 16.4% |
| Revenues (In millions) | \$ | 3,720 | to | \$ | 3,770 | |

(1) The Margin % indicates the percentage that the line-item represents to total revenues for the respective reporting period, calculated by dividing the dollar amount for the line-item by total revenues for the reporting period.

Conference Call Information

Clean Harbors will conduct a conference call for investors today at 9:00 a.m. (ET) to discuss the information contained in this press release. On the call, management will discuss Clean Harbors' financial results, business outlook and growth strategy.

Investors who wish to listen to the webcast should visit the Investor Relations section of the Company's website at www.cleanharbors.com. The live call also can be accessed by dialing 201.689.8881 or 877.709.8155 prior to the start of the call. If you are unable to listen to the live call, the webcast will be archived on the Company's website.



Press Release

**Clean Harbors Reports Fourth-Quarter and
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About Clean Harbors

Clean Harbors (NYSE: CLH) is the leading provider of environmental, energy and industrial services throughout North America. The Company serves a diverse customer base, including a majority of the Fortune 500 companies, thousands of smaller private entities and numerous federal, state, provincial and local governmental agencies. Through its Safety-Kleen subsidiary, Clean Harbors also is a premier provider of used oil recycling and re-refining, parts cleaning and environmental services for the small quantity generator market.

Headquartered in Massachusetts, Clean Harbors has waste disposal facilities and service locations throughout the United States and Canada, as well as Mexico and Puerto Rico. For more information, visit 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. These forward-looking statements are generally identifiable by use of the words “believes,” “expects,” “intends,” “anticipates,” “plans to,” “estimates,” “projects,” or similar expressions. Such statements may include, but are not limited to, statements about the benefits of the acquisition of Safety-Kleen, including future financial and operating results, the combined company’s plans, objectives, expectations and intentions and other statements that are not historical facts. Such statements are based upon the beliefs and expectations of Clean Harbors’ management as of this date only and are subject to certain risks and uncertainties that could cause actual results to differ materially, including, without limitation, those items identified as “risk factors” in Clean Harbors’ most recently filed Form 10-K and Form 10-Q. Therefore, readers are cautioned not to place undue reliance on these forward-looking statements. Clean Harbors undertakes no obligation to revise or publicly release the results of any revision to these forward-looking statements other than through its filings with the Securities and Exchange Commission, which may be viewed in the “Investors” section of Clean Harbors’ website at www.cleanharbors.com.

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**Clean Harbors Reports Fourth-Quarter and
Year-End 2012 Financial Results**

CLEAN HARBORS, INC. AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENTS OF INCOME
(in thousands except per share amounts)

| | For the three months ended: | | For the year ended: | |
|--|-----------------------------|----------------------|----------------------|----------------------|
| | December 31, 2012 | December 31, 2011 | December 31, 2012 | December 31, 2011 |
| Revenues | \$ 558,962 | \$ 545,886 | \$ 2,187,908 | \$ 1,984,136 |
| Cost of revenues (exclusive of items shown separately below) | 399,743 | 373,142 | 1,540,621 | 1,379,991 |
| Selling, general and administrative expenses | 75,628 | 75,385 | 273,520 | 254,137 |
| Accretion of environmental liabilities | 2,508 | 2,449 | 9,917 | 9,680 |
| Depreciation and amortization | 44,852 | 35,663 | 161,646 | 122,663 |
| Income from operations | 36,231 | 59,247 | 202,204 | 217,665 |
| Other (expense) income | (337) | 471 | (802) | 6,402 |
| Loss on early extinguishment of debt | — | — | (26,385) | — |
| Interest (expense), net | (13,451) | (11,342) | (47,287) | (39,389) |
| Income before (benefit) provision for income taxes | 22,443 | 48,376 | 127,730 | 184,678 |
| (Benefit) provision for income taxes | (39,431) | 10,143 | (1,944) | 57,426 |
| Net income | \$ 61,874 | \$ 38,233 | \$ 129,674 | \$ 127,252 |
| Earnings per share: | | | | |
| Basic | \$ 1.11 | \$ 0.72 | \$ 2.41 | \$ 2.40 |
| Diluted | \$ 1.11 | \$ 0.72 | \$ 2.40 | \$ 2.39 |
| Weighted average common shares outstanding | 55,614 | 53,081 | 53,884 | 52,931 |
| Weighted average common shares outstanding plus potentially dilutive common shares | 55,746 | 53,401 | 54,079 | 53,324 |



**Clean Harbors Reports Fourth-Quarter and
Year-End 2012 Financial Results**

CLEAN HARBORS, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS
ASSETS
(in thousands)

| | December 31, 2012 | December 31, 2011 |
|---|----------------------|----------------------|
| Current assets: | | |
| Cash and cash equivalents | \$ 229,836 | \$ 260,723 |
| Marketable securities | 11,778 | 111 |
| Accounts receivable, net | 541,423 | 449,553 |
| Unbilled accounts receivable | 27,072 | 29,385 |
| Deferred costs | 6,888 | 5,903 |
| Prepaid expenses and other current assets | 75,778 | 73,349 |
| Supplies inventories | 171,441 | 56,242 |
| Deferred tax assets | 22,577 | 16,602 |
| Total current assets | <u>1,086,793</u> | <u>891,868</u> |
| Property, plant and equipment, net | <u>1,531,763</u> | <u>903,947</u> |
| Other assets: | | |
| Long-term investments | 4,354 | 4,245 |
| Deferred financing costs | 21,657 | 13,607 |
| Goodwill | 593,771 | 122,392 |
| Permits and other intangibles, net | 572,817 | 139,644 |
| Other | 14,651 | 10,100 |
| Total other assets | <u>1,207,250</u> | <u>289,988</u> |
| Total assets | <u>\$ 3,825,806</u> | <u>\$ 2,085,803</u> |



**Clean Harbors Reports Fourth-Quarter and
Year-End 2012 Financial Results**

CLEAN HARBORS, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS
LIABILITIES AND STOCKHOLDERS' EQUITY
(in thousands)

| | December 31, 2012 | December 31, 2011 |
|---|----------------------|----------------------|
| Current liabilities: | | |
| Current portion of capital lease obligations | \$ 5,092 | \$ 8,310 |
| Accounts payable | 256,468 | 178,084 |
| Deferred revenue | 50,942 | 32,297 |
| Accrued expenses | 232,429 | 147,992 |
| Current portion of closure, post-closure and remedial liabilities | 24,121 | 15,059 |
| Total current liabilities | <u>569,052</u> | <u>381,742</u> |
| Other liabilities: | | |
| Closure and post-closure liabilities, less current portion | 45,457 | 30,996 |
| Remedial liabilities, less current portion | 151,890 | 124,146 |
| Long-term obligations | 1,400,000 | 524,203 |
| Capital lease obligations, less current portion | 2,879 | 6,375 |
| Unrecognized tax benefits and other long-term liabilities | 224,456 | 117,354 |
| Total other liabilities | <u>1,824,682</u> | <u>803,074</u> |
| Total stockholders' equity, net | <u>1,432,072</u> | <u>900,987</u> |
| Total liabilities and stockholders' equity | <u>\$ 3,825,806</u> | <u>\$ 2,085,803</u> |



**Clean Harbors Reports Fourth-Quarter and
Year-End 2012 Financial Results**

Supplemental Segment Data (in thousands)

| Revenue | For the three months ended: | | For the twelve months ended: | |
|--------------------------|-----------------------------|----------------------|------------------------------|----------------------|
| | December 31, 2012 | December 31, 2011 | December 31, 2012 | December 31, 2011 |
| Technical Services | \$ 238,901 | \$ 235,006 | \$ 937,754 | \$ 885,374 |
| Field Services | 75,720 | 57,214 | 239,968 | 260,312 |
| Industrial Services | 142,760 | 125,633 | 581,648 | 469,950 |
| Oil & Gas Field Services | 101,812 | 127,778 | 428,932 | 369,190 |
| Corporate Items | (231) | 255 | (394) | (690) |
| Total | <u>\$ 558,962</u> | <u>\$ 545,886</u> | <u>\$ 2,187,908</u> | <u>\$ 1,984,136</u> |

Non-GAAP Results

Clean Harbors reports Adjusted EBITDA results, which is a non-GAAP financial measure, as a complement to results provided in accordance with accounting principles generally accepted in the United States (GAAP) and believes that such information provides additional useful information to investors since the Company's loan covenants are based upon levels of Adjusted EBITDA achieved. The Company defines Adjusted EBITDA in accordance with its existing credit agreement. See "Non-GAAP Results" for a reconciliation of the Company's total Adjusted EBITDA to GAAP net income.

| Adjusted EBITDA | For the three months ended: | | For the twelve months ended: | |
|--------------------------|-----------------------------|----------------------|------------------------------|----------------------|
| | December 31, 2012 | December 31, 2011 | December 31, 2012 | December 31, 2011 |
| Technical Services | \$ 60,115 | \$ 61,641 | \$ 244,989 | \$ 235,674 |
| Field Services | 9,488 | 7,625 | 25,087 | 39,152 |
| Industrial Services | 32,471 | 25,905 | 139,923 | 103,535 |
| Oil & Gas Field Services | 14,848 | 30,635 | 75,809 | 76,383 |
| Corporate Items | (33,331) | (28,447) | (112,041) | (104,736) |
| Total | <u>\$ 83,591</u> | <u>\$ 97,359</u> | <u>\$ 373,767</u> | <u>\$ 350,008</u> |

