

Walker Guidelines:

Biffa Group Limited 2010/11 Mid-Year Update

In August 2010 the Group acquired Greenstar UK bringing a new dynamic to the Group with Greenstar's approach to providing customers with innovative solutions to their waste needs. On the back of this acquisition the Group has reorganised its structure so that we now approach the market by business instead of function. Our five business divisions: Industrial & Commercial Collections, Municipal, Landfill and Energy provide an increased level of focus and ability to customise the approach and service offered to our customers. The Greenstar businesses have been combined with the equivalent or complementary Biffa businesses and while back office integration will take some months to complete the two businesses are already offer an integrated service offering. As a result of the integration there have been consequent changes to management and the resulting team has approached the challenges of the current economic climate with enthusiasm and vigour identifying opportunities rather than impediments.

The UK economy is in the midst of a unique set of economic circumstances manifested not only by slower economic activity and absence of meaningful growth but without a general level of confidence as to how and when these circumstances may change for the better. Our customer base, whether large multi site national customers or smaller owner operated local businesses are both experiencing the effects of this level of depressed activity and lack of future certainty. The reduced level of activity in our customer base has resulted in generally lower levels of volumes of waste and has seen our customers to continue to seek the very best value for money in the services that they buy. This increasingly competitive marketplace is challenging but has also offered the Group increased opportunities to enhance the customer experience and deliver greater levels of value for money. The Group's offerings in the area of recycling have been well received and the enactment of our strategy in this area is well underway. Our new Anaerobic Digestion plant in the Midlands will be operational in the first quarter of 2011, roughly 2 quarters ahead of schedule. This plant, along with our three major and a number of smaller local recycling facilities provide a range of recycling options for our customers.

Whilst the economic conditions and competitive environment have created challenges the combination of Biffa and Greenstar has created a unique offering and force in the waste management arena. Whilst the conditions will inevitably carry consequences for the trading in 2010/11 the steps we have and will take in this period will place us well for the future as the momentum in the economy starts to increase.

Ian Wakelin

Chief Executive Officer

31 December 2010