

PRESS RELEASE



LOXAM S.A.S. ANNOUNCES KEY PRO FORMA INFORMATION AND ANTICIPATED SYNERGIES OF ITS COMBINED GROUP WITH THE LAVENDON GROUP AND HUNE GROUP

Paris — March 27, 2017, 8:00 am. Loxam S.A.S. (the “Company” or “Loxam”) today announced certain pro forma financial information in relation to its combined group, after it acquired Hune Group on February 6, 2017 and control over the Lavendon Group on February 20, 2017 after a successful takeover offer. These acquisitions will strengthen Loxam’s position as a European market leader in equipment rental and broaden its geographical footprint with presence in 21 countries. Its combined group has a total of 750 branches and a fleet of approximately 250,000 units with an aggregate gross book value of €2.8 billion as of December 31, 2016. On a pro forma basis, as if the acquisitions had occurred as of January 1, 2016, the combined group’s revenues would have been €1,330 million (compared to €927 million for Loxam on a historical basis), and its pro forma adjusted EBITDA would have been approximately €450 million (excluding synergies) representing a pro forma adjusted EBITDA margin of 34% (compared to Loxam’s historical EBITDA of €305 million and EBITDA margin of 33% in 2016). The acquisitions are also expected to generate annual synergies of approximately €15 million per year starting in 2019, with approximately €30 million gross synergies expected over the first three years. Exhibit A includes further information on the rationale for the acquisitions, including a discussion of key indicators, certain pro forma financial information and anticipated synergies.

This press release constitutes a public disclosure of inside information by Loxam S.A.S. under Regulation (EU) 596/2014 (16 April 2014) and Implementing Regulation (EU) No 2016/1055 (10 June 2016).

Forward Looking Statements

This press release may include forward looking statements. These forward looking statements can be identified by the use of forward looking terminology, including the terms as “believe”, “expect”, “anticipate”, “may”, “assume”, “plan”, “intend”, “will”, “should”, “estimate”, “risk” and or, in each case, their negative, or other variations or comparable terminology. These forward looking statements include all matters that are not historical facts and include statements regarding the Company’s or any of its affiliates’ intentions, beliefs or current expectations concerning, among other things, the Company’s or any of its affiliates’ results of operations, financial condition, liquidity, prospects, growth, strategies and the industries in which they operate. By their nature, forward looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Readers are cautioned that forward looking statements are not guarantees of future performance and that the Company’s or any of its affiliates’ actual results of operations, financial condition and liquidity, and the development of the industries in which they operate may differ materially from those made in or suggested by the forward looking statements contained in this press release. In addition, even if the Company’s or any of its affiliates’ results of operations, financial condition and liquidity, and the development of the industries in which they operate are consistent with the forward looking statements contained in this press release, those results or developments may not be indicative of results or developments in subsequent periods.

Pro Forma Financial Information

In this press release, the Company presents certain financial information on a pro forma basis, as if the acquisitions of the Lavendon Group and the Hune Group had occurred on January 1, 2016 (for income statement purposes) or December 31, 2016 (for balance sheet purposes). The pro forma financial information has been prepared for illustrative purposes only and does not purport to represent what the actual results of operations or financial condition would have been if the acquisitions had occurred on those dates, nor does it purport to be indicative of the Company’s future results of operations or financial position. Such pro forma financial information is based on available information and certain assumptions and estimates that the Company believes are reasonable and may differ materially from the actual amounts that would have been achieved had the acquisitions occurred on January 1, 2016 or December 31, 2016. The pro forma financial information has not been prepared in accordance with Article 11 of Regulation S-X under the Securities Act or any generally accepted accounting standards. Additionally, the financial information for the Lavendon Group is presented in pounds sterling and for purposes of the pro forma calculations presented herein has been converted to euros using a fixed exchange rate.



Information materials



Disclaimer

This presentation has been prepared by Loxam S.A.S ("Loxam"). No representation or warranty, express or implied, is made as to, and no reliance should be placed upon, the fairness, accuracy, completeness or correctness of the information or opinions contained in this document.

This presentation presents combinations of the financial and operating information of Loxam, Lavendon Group plc ("Lavendon") and Hune Rental S.L. ("Hune"), which have been prepared for illustrative purposes only and do not purport to represent what Loxam's actual results of operations or financial position would have been if the acquisitions of Lavendon and Hune (the "Acquisitions") had actually occurred as of January 1, 2016 or December 31, 2016, as applicable, nor do they purport to project Loxam's consolidated results of operations or financial position at any future date. Such financial and operating information is based on available information and certain assumptions and estimates that the Company believes are reasonable and may differ materially from the actual amounts that would have been achieved had the Acquisitions occurred on January 1, 2016 or December 31, 2016. Such information has not been prepared in accordance with Article 11 of Regulation S-X under the Securities Act or any generally accepted accounting standards. The financial information of Loxam and Lavendon is presented in accordance with IFRS, and the financial information of Hune is presented in accordance with Spanish GAAP. Because of these differences in reporting standards, the financial information of Loxam and Hune are not directly comparable, and results may differ from these amounts. Additionally, Lavendon's financial information is presented in British pounds sterling and for the purposes of the pro forma calculations presented herein has been converted to euros using a fixed exchange rate.

This presentation contains measures and ratios that do not comply with International Financial Reporting Standards, including EBITDA, free cash flow and net debt, among others. Loxam presents these non-IFRS measures because it believes that they and similar measures are widely used by certain investors as supplemental measures of performance and liquidity. These non-IFRS measures may not be comparable to other similarly titled measures of other companies and may have limitations as analytical tools. Non-IFRS measures and ratios are not measurements of Loxam's performance or liquidity under IFRS and should not be considered to be alternatives to operating income or any other performance measures derived in accordance with IFRS. Furthermore, they should not be considered to be alternatives to cash flows from operating, investing or financing activities as a measure of our liquidity as derived in accordance with IFRS.

The market data and certain industry forecasts included in this presentation were obtained from internal surveys, estimates, reports and studies, where appropriate, as well as external market research, publicly available information and industry publications. Loxam, its affiliates, directors, officers, advisors and employees have not independently verified the accuracy of any such market data and industry forecasts and make no representations or warranties in relation thereto. Such data and forecasts are included herein for information purposes only.

This document contains certain statements that are forward-looking. These statements refer in particular to Loxam management's business strategies, its expansion and growth of operations, future events, trends or objectives and expectations, including estimated synergies from the Acquisitions. By their nature, forward looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Readers are cautioned that forward looking statements are not guarantees of future performance and that the Company's or any of its affiliates' actual results of operations, financial condition and liquidity, and the development of the industries in which they operate may differ materially from those made in or suggested by the forward looking statements contained in this presentation. In addition, even if the Company's or any of its affiliates' results of operations, financial condition and liquidity, and the development of the industries in which they operate are consistent with the forward looking statements contained in this press release, those results or developments may not be indicative of results or developments in subsequent periods. Loxam, its affiliates, directors, advisors, employees and representatives expressly disclaim any liability whatsoever for such forward-looking statements. Loxam does not undertake to update or revise the forward-looking statements that may be presented in this document to reflect new information, future events or for any other reason and any opinion expressed in this presentation is subject to change without notice.



Snapshot of the Loxam / Hune / Lavendon combination

Business overview

- 🔗 Largest European equipment rental group by revenues (€1,330m) and fleet size (250,000)
- 🔗 Broad geographical footprint with presence in 21 countries^(a) and top 3 positions in all core markets
- 🔗 Diversification across end markets, regions and improved balance between generalist and specialist products

€m FY2016	LOXAM	HUNE	Lavendon ^(b)	Combined group before synergies ^(c)
Revenue	927	66	345	1,330
Adj. EBITDA	305	20	125	450
margin %	33%	30%	36%	34%
Fleet size	220,000	8,800	21,000	c.250,000
# branches	643	41	70	750

(a) Including Brazil and Colombia

(b) Based on a yearly average €:£ exchange rate of 0.81894

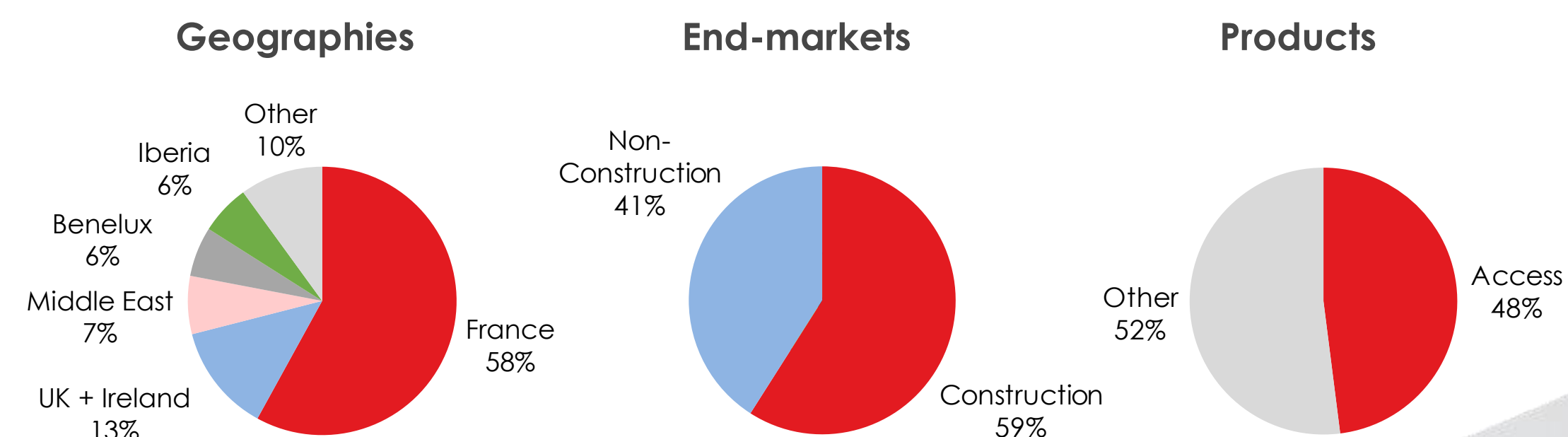
(c) Including €(7.8)m and €4.1m of adjustments to revenue and EBITDA, respectively

(d) In powered access market

European No 1 with local leadership



Combined 2016 revenue split





Summary transactions rationale

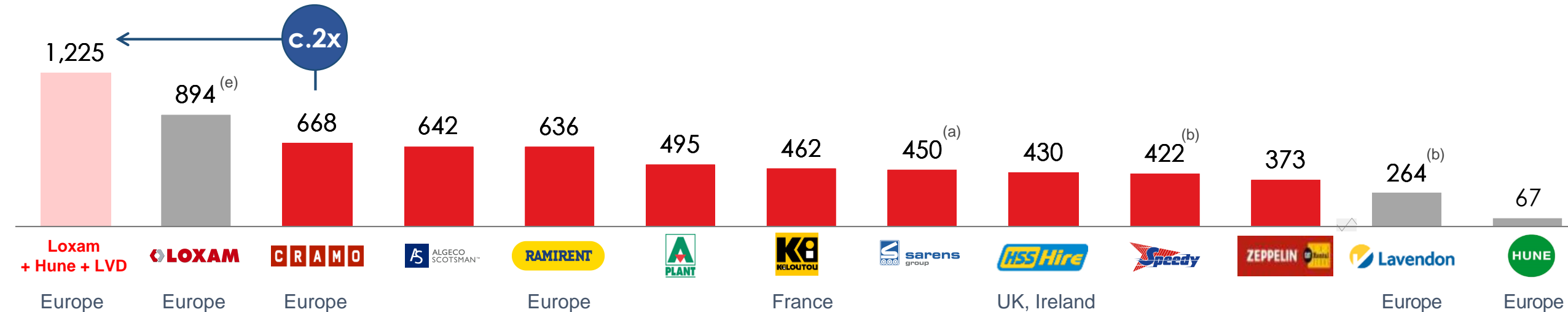
Consolidate leadership position in EMEA equipment rental	<ul style="list-style-type: none">✓ c. 2x the size of No.2 player in Europe✓ c. 2x the size of No.2 player in access in Europe
Increased diversification across geographies, end-markets and products	<ul style="list-style-type: none">✓ Increase share of international operations to c.40% of revenue✓ Increase focus on highly resilient powered access segment to c.50% of revenue✓ Enlarge customer base
Strong, performing and attractive businesses	<ul style="list-style-type: none">✓ Lavendon<ul style="list-style-type: none">✓ #1 player in EMEA powered access rental✓ Well-maintained and invested fleet✓ Consolidates positions in UK, France, Belgium and Germany and brings new leadership in the Middle East✓ Hune<ul style="list-style-type: none">✓ #2 in Spain equipment rental✓ Consolidates positions in Spain and brings new positions in Portugal and Colombia
Opportune timing	<ul style="list-style-type: none">✓ Lavendon and Hune momentum✓ European construction outlook
Enhanced, resilient and flexible financial profile augmented by potential synergies	<ul style="list-style-type: none">✓ Increased scale and diversification and attractive margins



A European leader

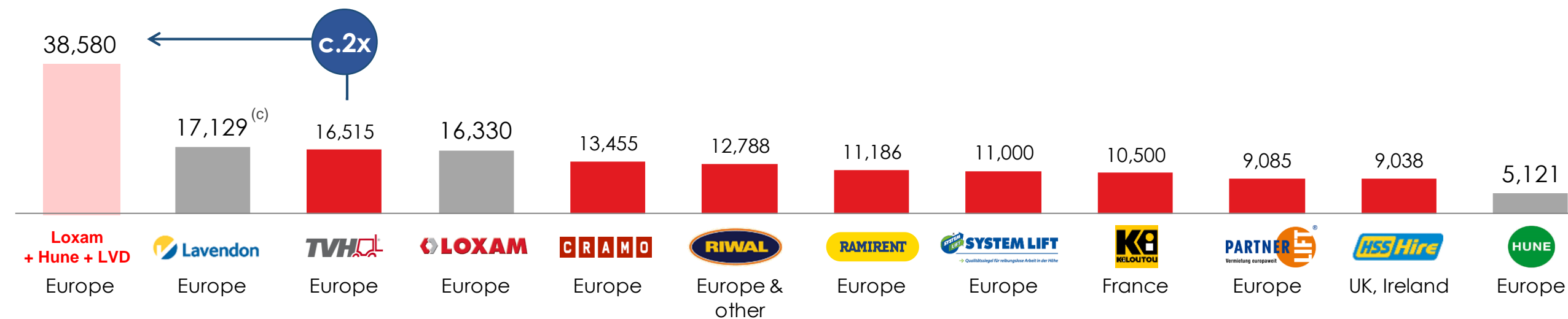
Clear #1 in Europe for equipment rental

(European players by 2015 revenue €m)



Clear #1 in Europe for powered access equipment rental

(2016, AWP fleet size)



Leading positions



Benefits of scale

- Consolidate local positions
- Procurement
- Brand
- Innovation
- Training / talent attraction
- Barriers to entry
- Best practices sharing

(a) Estimate - IRN June 2016 report

(b) Excluding Middle East

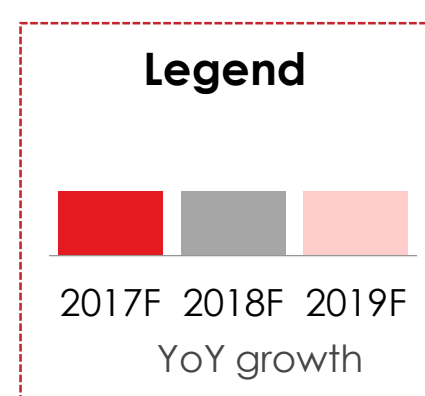
(c) Total fleet based on Access International, excluding 3,898 Middle East fleet as of H1 2016 as per company reporting

(d) In the powered access market

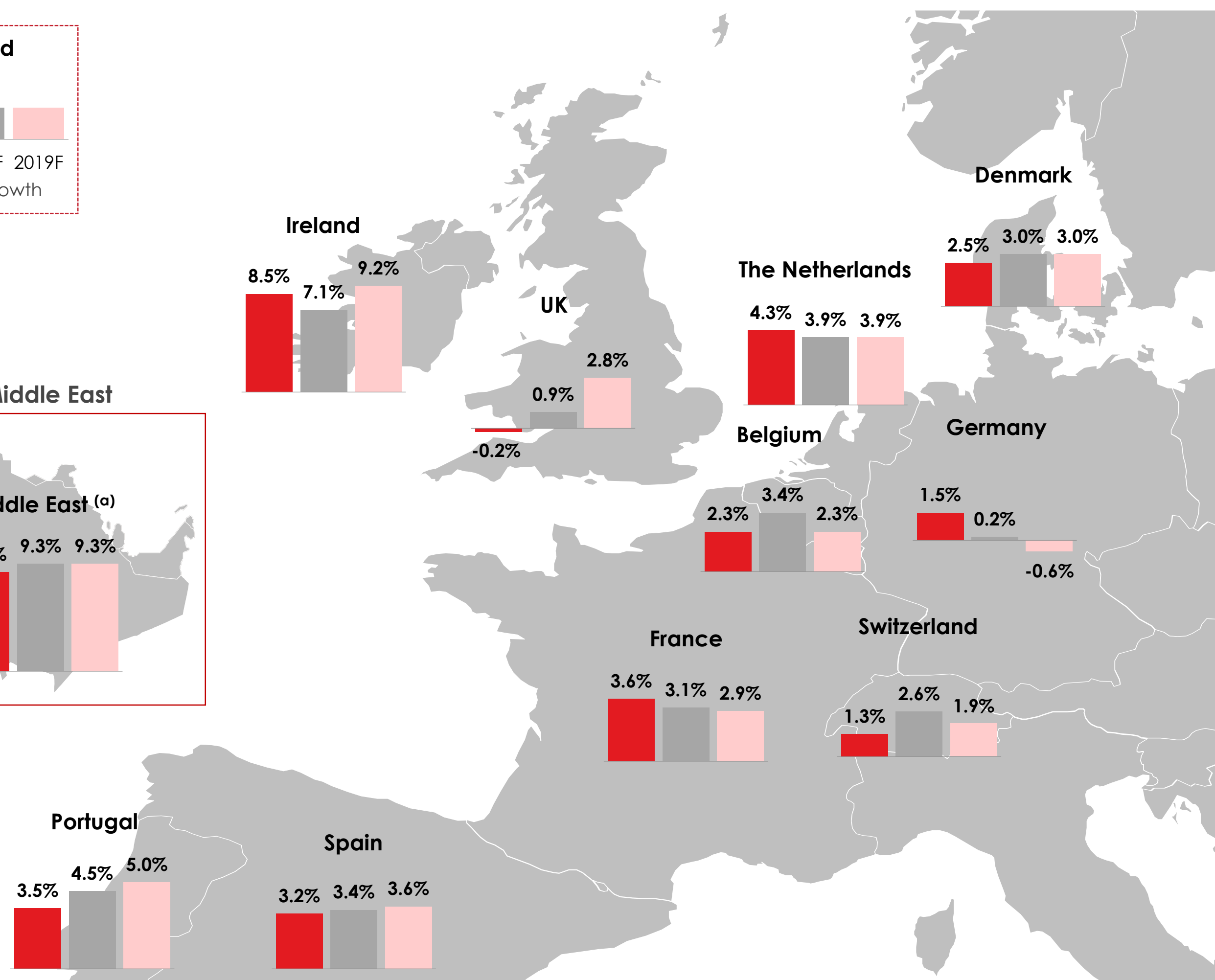
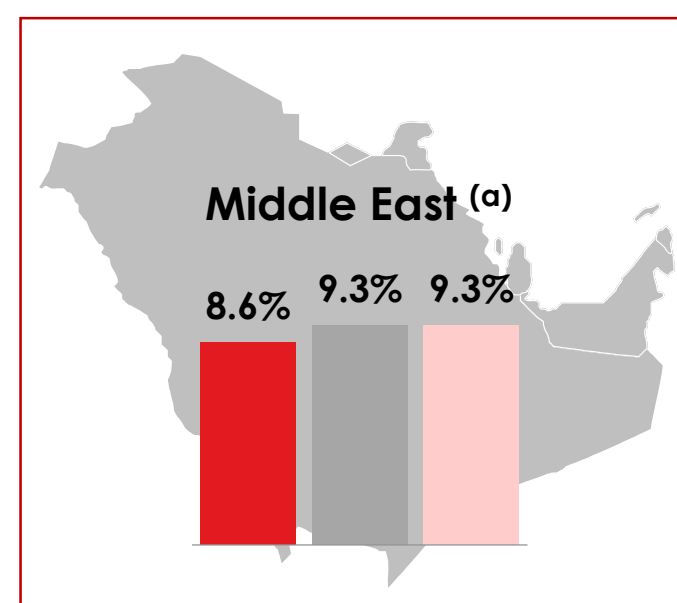
(e) 2015 pro forma for full year impact of Hertz Equipment acquisition and excluding €2.7m from Morocco

Sources: Company reports, International Rental News June 2016, Access International July-August 2016

Attractive market outlook driven by structural trends



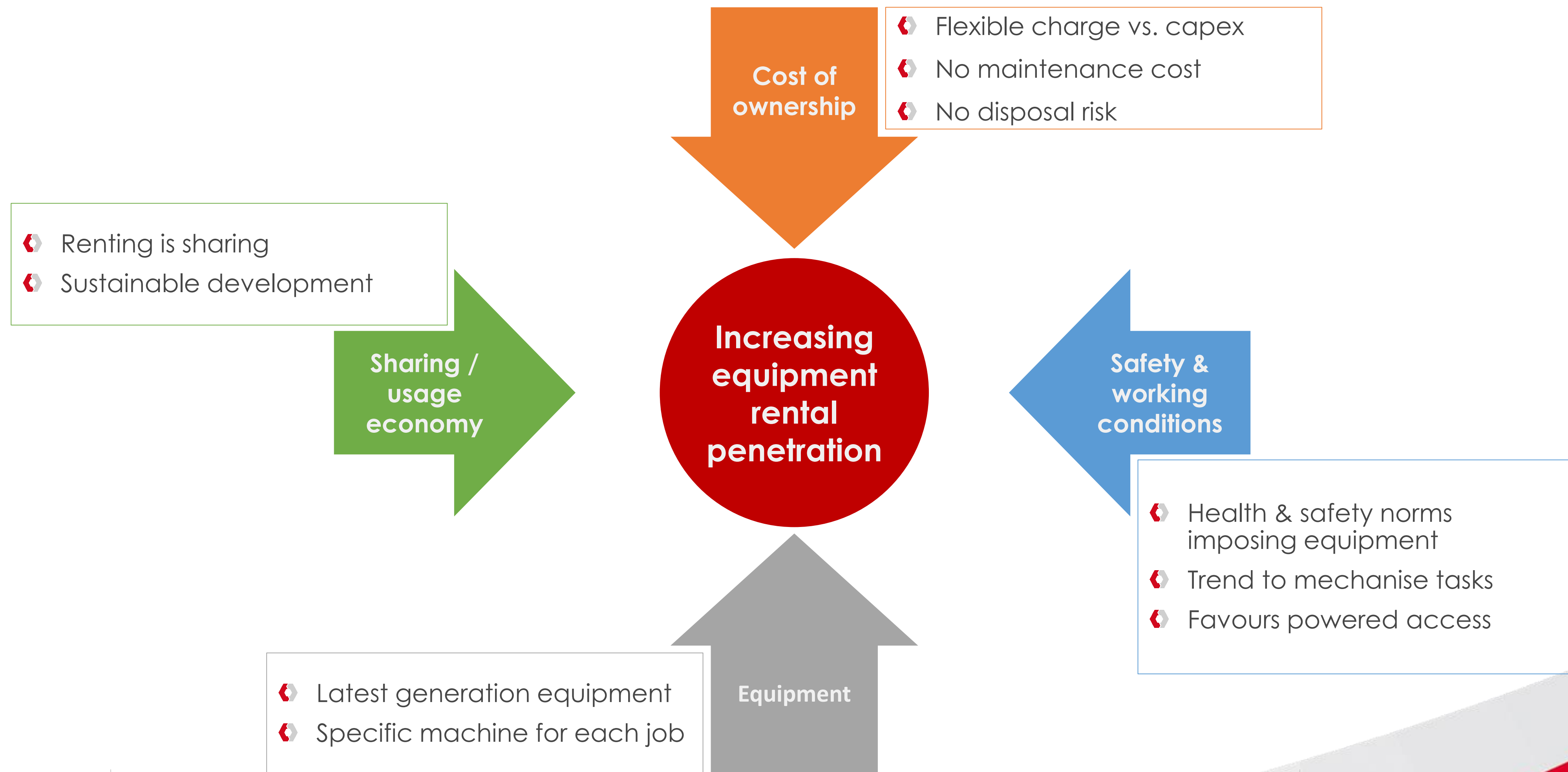
Focus on Middle East



- ✓ Anticipated full recovery of the French market
- ✓ Expected post-Brexit resilience of the UK market (OECD revised its UK growth forecast upwards for the second time in March 7th)
- ✓ Attractive growth prospects across all core regions supported by:
 - Recovering macroeconomic outlook
 - Infrastructure spending
 - Non-residential demand
- ✓ High growth Middle East market forecasted to outperform both global and emerging market growth, driven by:
 - Major event preparations (Dubai Expo 2020 and Qatar World Cup 2022)
 - Government spending on infrastructure
 - Economic diversification efforts underway



Rental market growth supported by strong drivers





Diversified revenue generation

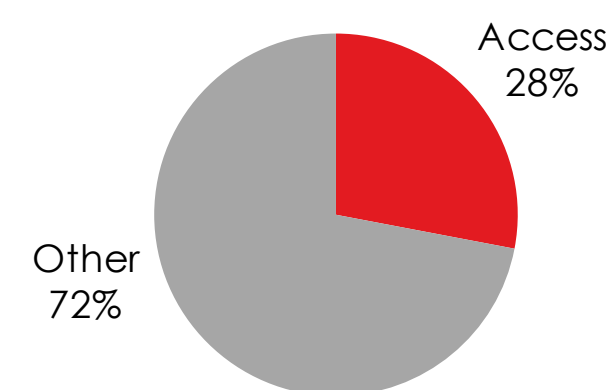
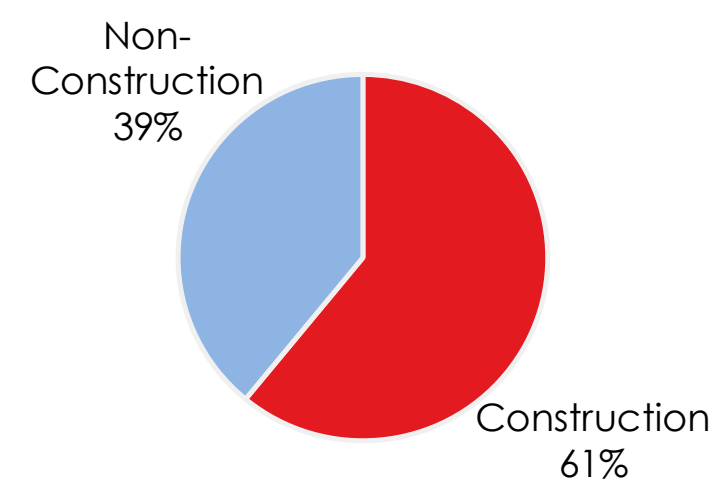
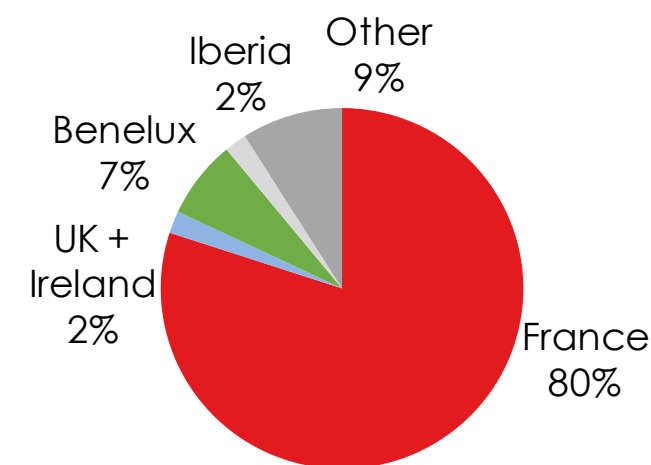
Increased diversification across geographies, products and end-markets

2016 Revenue by countries

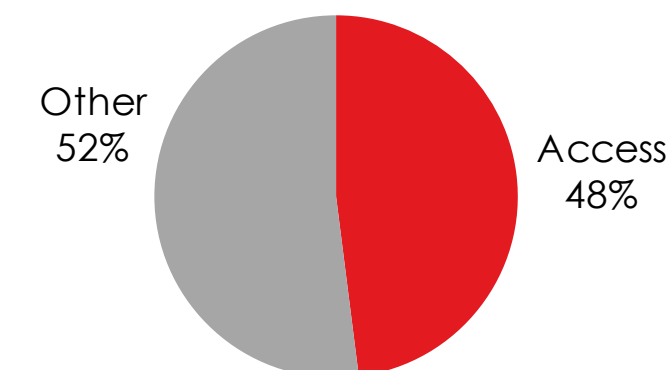
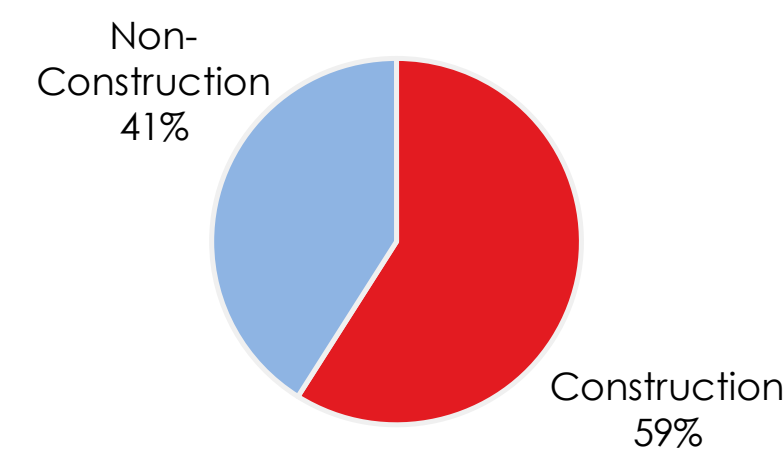
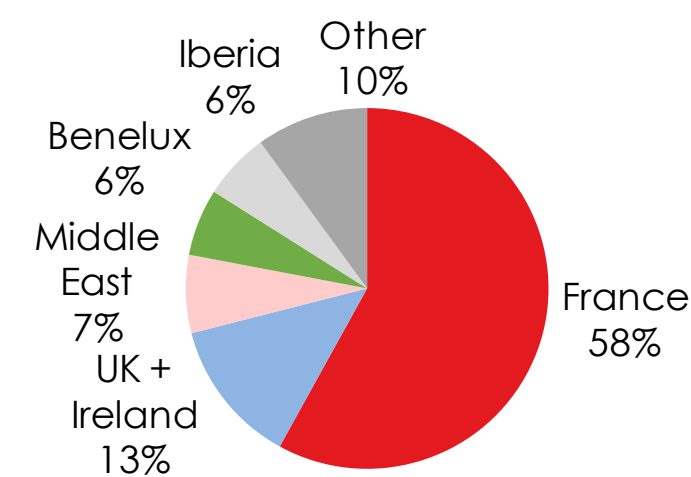
2016 Revenue by end-markets^(a)

2016 Revenue by products

LOXAM
Pre-transaction



LOXAM
PF of acquisitions



- ✓ Exposure to International market increase to more than 40%
- ✓ Complementary geographical footprint with exposure to attractive new markets
- ✓ Diversified customer base allowing for resilience through the cycle
- ✓ Improved balance between generalist and specialist products
- ✓ Increased focus on highly resilient powered access segment

(a) Non-Construction includes Industry, local authorities, landscaping, events, retail, services and individuals

Diversified revenue generation

Well-established presence in Western Europe complemented by exposure to attractive new markets





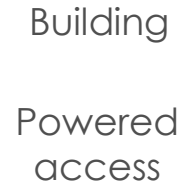
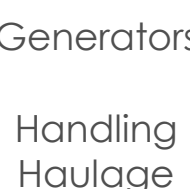

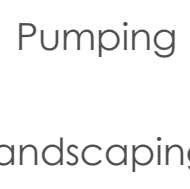
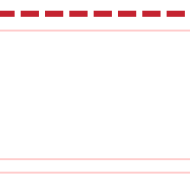
















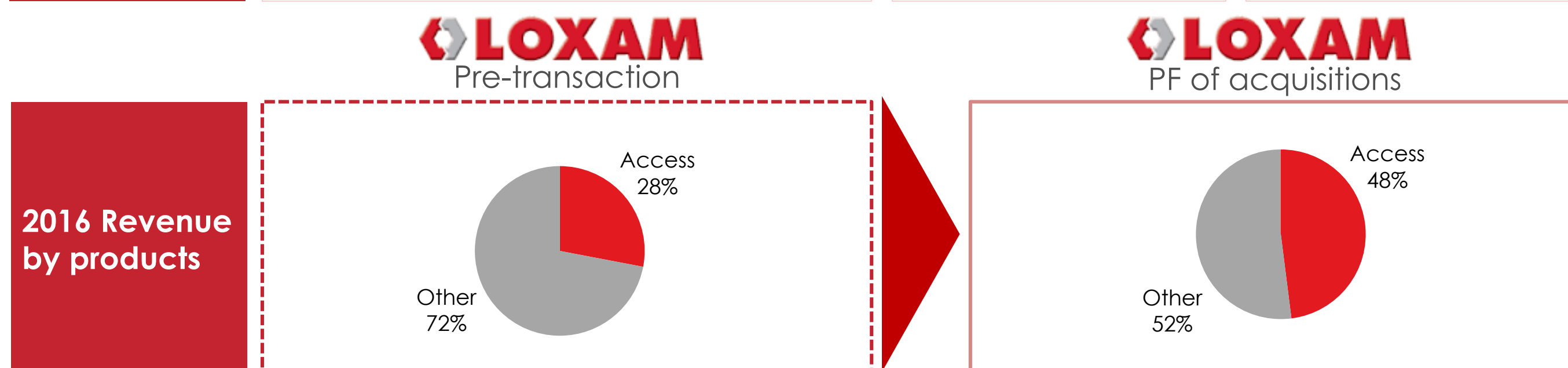
- ✓ Presence in 21 countries
- ✓ Ability to allocate investment in growing geographies through the cycle
- ✓ Higher geographical diversification providing exposure to market-specific growth drivers:
 -  Recovering construction/rental equipment markets
 -  Expected construction stimulus package post Brexit
 -  Expected rebound of the construction and equipment rental markets
 -  Large scale projects (2020 World Expo, 2022 World Cup, etc.) supporting construction spending



Diversified revenue generation

Increased fleet diversification and higher weight of access

	LOXAM	HUNE	Lavendon
Products	 Modulars  Earth moving  Compaction  Compressors  Building  Generators  Sawing/cutting  Pumping  Powered access  Handling Haulage  Temperature control  Landscaping  Agriculture  Scaffolding  Hoist  Handtools	 Large machinery  Small machinery  Lifting platforms	 Low level access  Scissor lifts  Boom lifts  Truck mounts
Fleet size	220,000	8,800	21,000
GBV	€1.8bn	€0.3bn	€0.8bn



- ✓ Total fleet of c.250,000 increasing the cross hiring potential within the combined group
- ✓ The combined group has the critical fleet size to address customers needs across all products lines
- ✓ Well-invested and well-maintained fleet following several years of sustained investment
- ✓ Increased weight of access:
 - ✓ Fleet of 45,000 machines, easier to manage given product uniformity
 - ✓ Less cyclical, driven by broader spread of end markets
 - ✓ Positive regulatory trends (security)



Strong M&A track-record & proven integration know-how

Clear integration plan and important synergy generation

Loxam has a strong M&A and integration bespoke track record...

Date	Target	Country	Generalist/specialist
2006	Spreeuwenberg		Specialist
2007	Réalsa Alquiler		Generalist
2007	Airent		Generalist
2007	Laho		Generalist
2007	DNE/JJ		Generalist
2008	Lev		Specialist
2010	Locamachine		Generalist
2011	Régis Ile de France		Generalist
2011	Stammis		Generalist
2011	Locarest		Generalist
2012	Mediaco specialist divisions		Specialist
2013	Danskliift		Specialist
2014	Workx		Generalist
2014	NDU & Levanor		Specialist
2014	Phocomex		Generalist
2015	Degraus (25% stake)		Generalist
2015	Hertz Equipment		Generalist
2015	Maroc Elévation		Specialist
2015	OBM Location		Specialist
2017	Hune		Generalist
2017	Lavendon		Specialist

Acquisitions
since 2013
first issuance

...allowing for a successful crystallization of synergies

- ⬢ c.1.5% of combined Opex basis retained as a synergy target
- ⬢ Lavendon/Hune synergies/cost savings mainly derived from:
 - UK/Spain:
 - Operations: network
 - Corporate: HQ group and country
 - France:
 - Operations: network
 - Corporate: country corporate structure

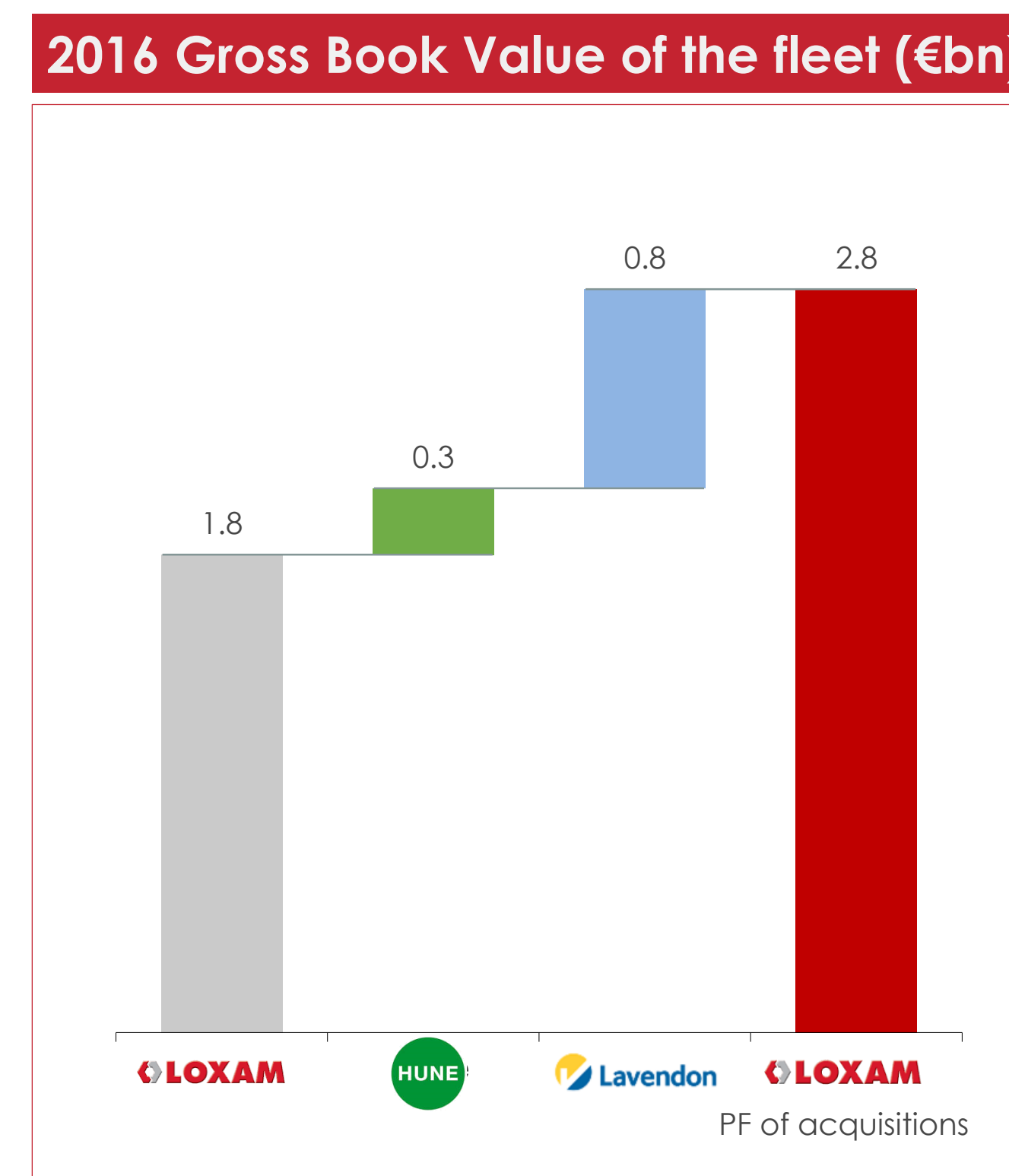
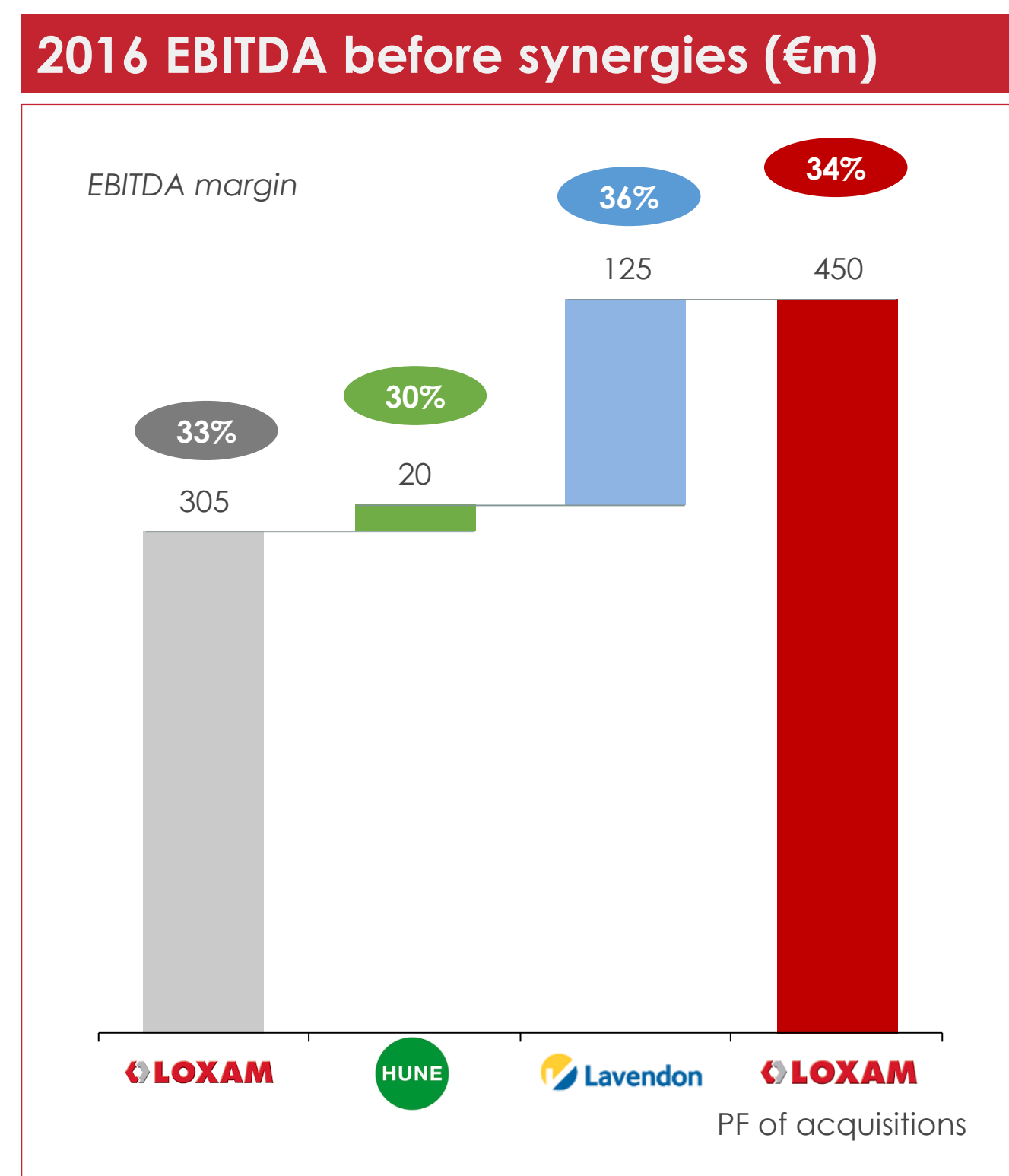
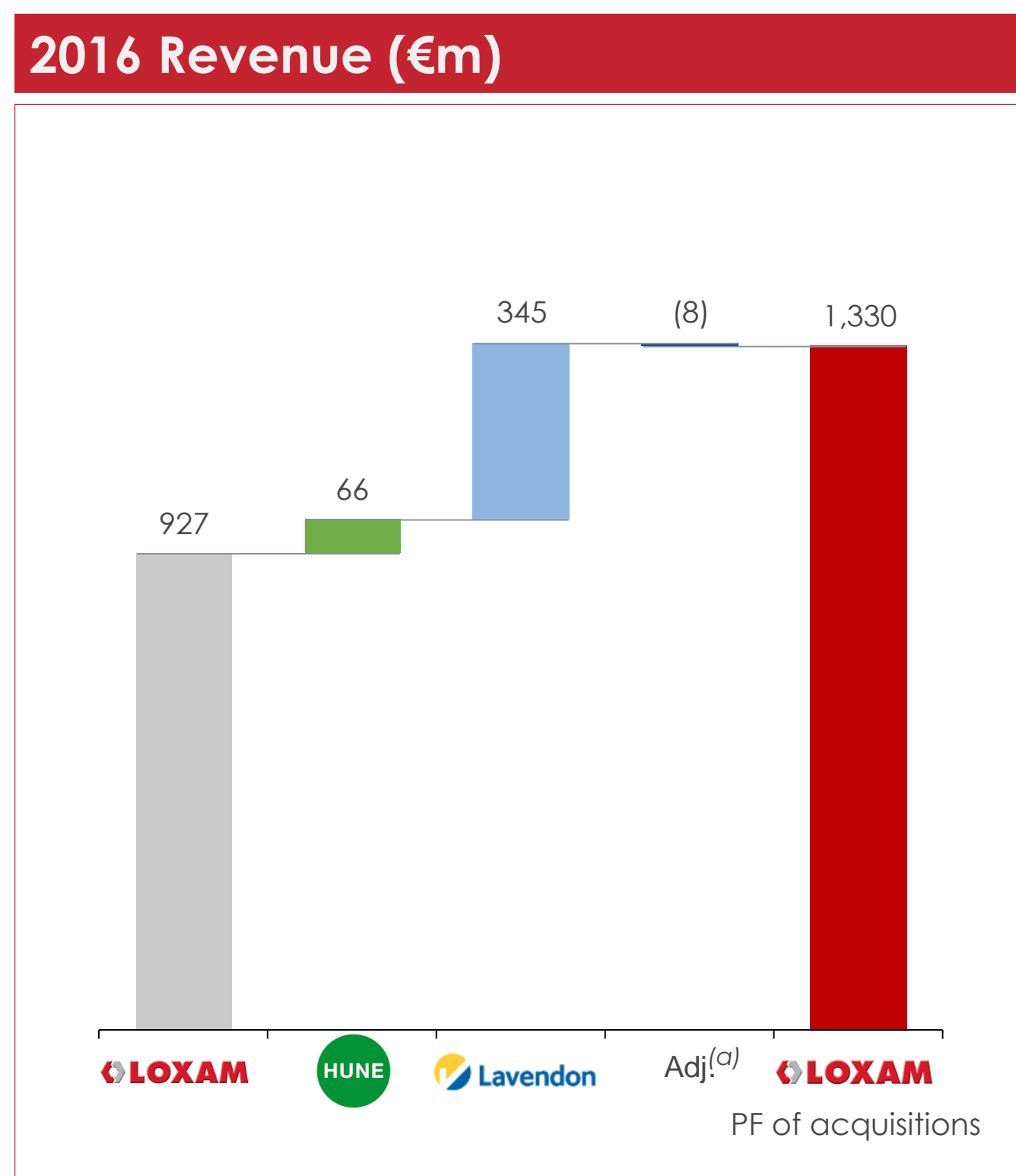
**c.€30m expected
gross synergies over
the first 3 years**

**c.€15m expected run
rate synergies^(a) to be
achieved by year 3**

(a) c.€12m expected run rate synergies to be achieved by year 2



Overview of combined financial profile



Note: Lavendon figures converted based on a yearly average €:£ exchange rate of 0.81894 for income statement figures, and at the 2016 closing exchange rate for purposes of the balance sheet, of 0.85618
 (a) For the purpose of presenting the financial income statement and the financial position as the Loxam, several adjustments were made on the Hune Group and Lavendon financial income statement and the financial position



Focus on Lavendon financial performance

YE 31 December, £m	2014	2015	2016
Revenue	246	249	282
Growth at constant FX	+6.9%	+2.4%	+6.9%
Underlying EBITDA	80	86	102
EBITDA margin	32.3%	34.5%	36.2%
Capital expenditure	65	95	86

- ⚙ Average revenue growth at constant FX of +5.4% between 2014 and 2016
- ⚙ Growing EBITDA margin from 32% in 2014 to 36% in 2016



Financial policy

Management commitment to revert to a lower leverage and maintain adequate liquidity

Leverage policy

- Key acquisition of Lavendon to deliver sector and geographic diversification at a time of broader market uplift and favourable FX environment
- Short-term leverage impact** due to debt-funded nature of the acquisition, but **Loxam management remains committed to deleveraging** its capital structure to operate below **4x Net Debt / EBITDA range**
- No material acquisitions planned currently**
- Short-term opportunistic capex policy** to take advantage of local incentives and strengthening market conditions, decreasing in 2018
- Pro-forma capital structure integrates flexibility around future indebtedness, average cost of debt and maturity

Liquidity policy

- Target **minimum balance sheet cash level of €50m**
- Additional liquidity buffer provided by RCF**, undrawn
- Ongoing access to **bilateral banking facilities** and **leasings** (<2% margin) via strong financing relationships to fund fleet capex requirements

Note 1: 70% of 2017 capex is committed as at Mar-17



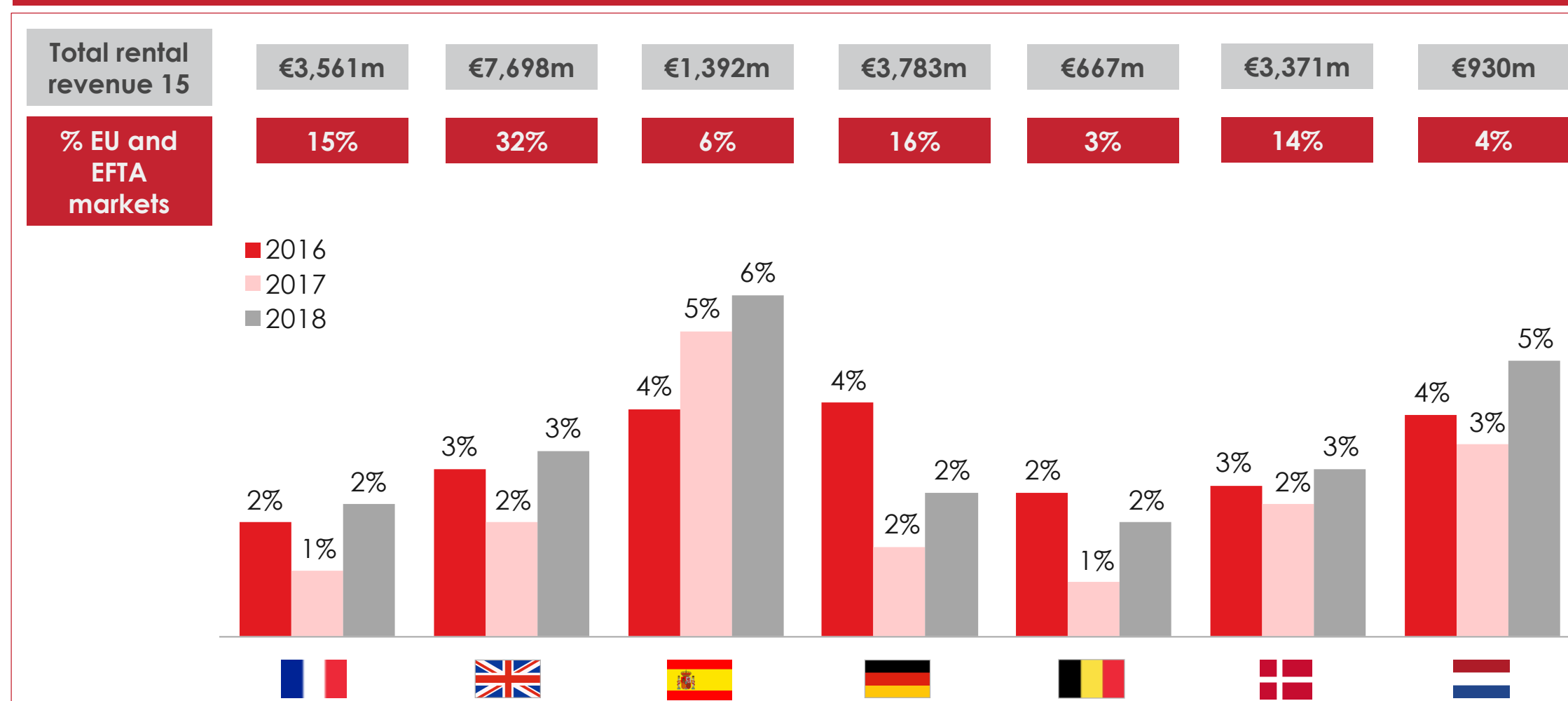
APPENDICES



Equipment rental market prospects

Positive momentum in all key markets

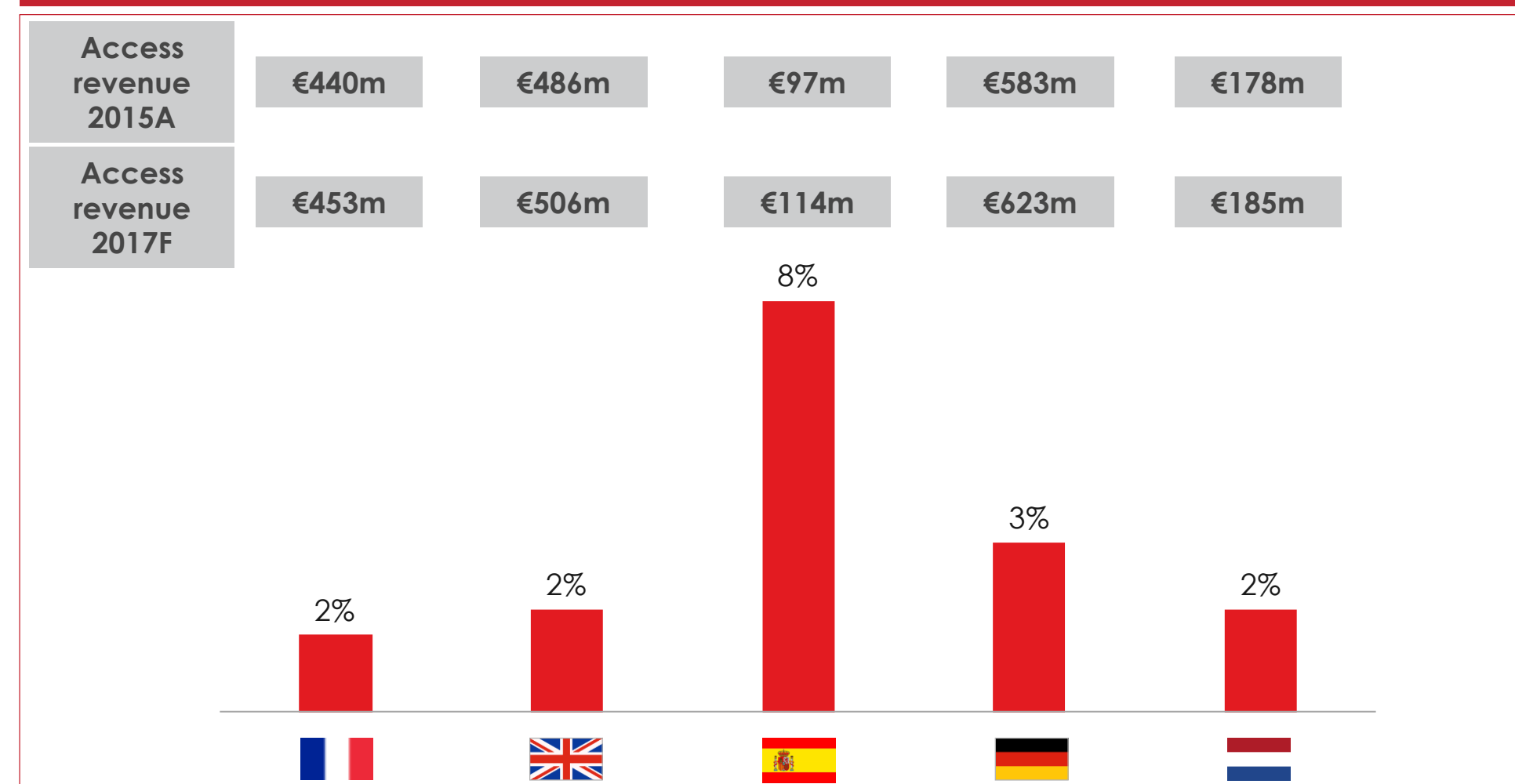
European rental market growth forecasts



- Attractive growth prospects across all core geographies driven by:
 - ✓ shift to rental model
 - ✓ increased focus on cost of ownership

Source: ERA Market report 2016

Access market rental growth forecasts (CAGR 15-17)



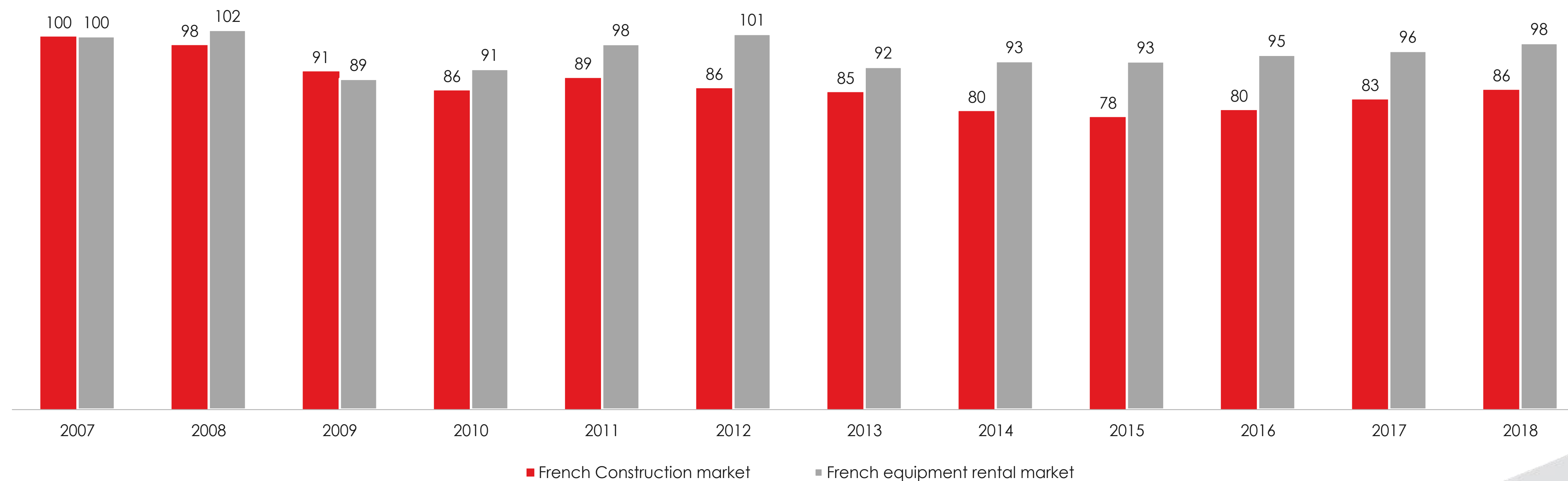
- ✓ Growing utilization for powered access driven by efficiency, flexibility and ease of use
- ✓ Strong barriers to entry exist due to need for specialist maintenance and adherence to legislation

Source: IPAF Powered Access rental market report 2016



Favorable long-term market trends

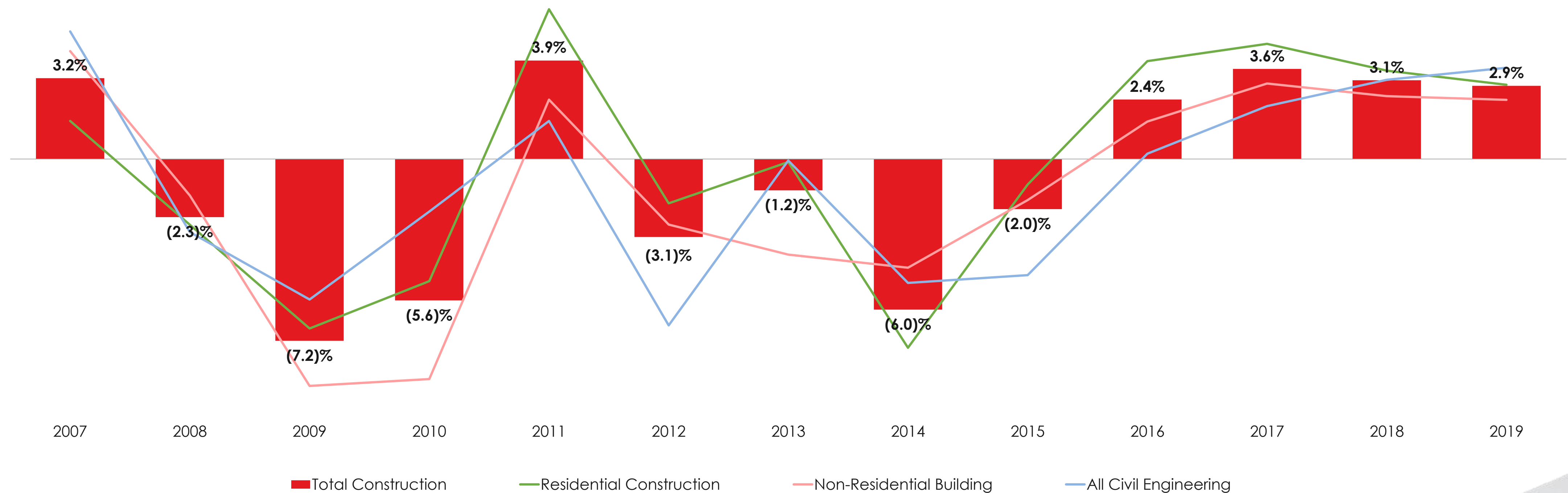
Comparison between the evolution of the French equipment rental market and the construction market since 2007 (rebased to 100)



Source: Equipment rental market: ERA/DLR
Source: French construction market: Euroconstruct – December 2016



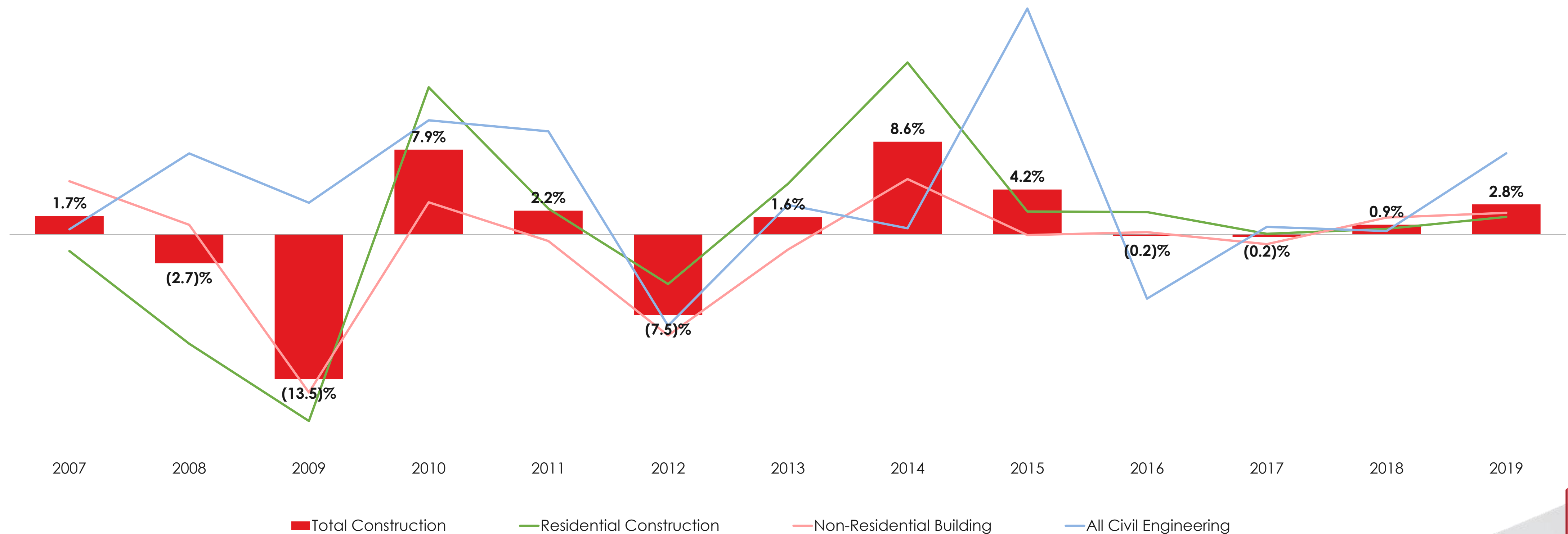
French construction forecasts



Source: Euroconstruct – December 2016



UK construction forecasts



Source: Euroconstruct – December 2016



50
YEARS

LOXAM