LOXAM – 2017 FOURTH QUARTER AND FULL YEAR RESULTS
OUTSTANDING YEAR OF TRANSFORMATIONAL ACQUISITIONS AND SOLID ORGANIC GROWTH

Paris - March 13th, 2018

LOXAM, Europe's leading equipment rental company to professionals, published today its financial statements for the fourth quarter of 2017 and its audited accounts for 2017.

FY 2017 highlights

- Outstanding year of transformational acquisitions and solid organic growth
- Revenue up by 48% to €1,368 million (+9% like-for-like and at constant FX)
- EBITDA of € 464 million, with a margin of 34%
- Net debt (as of 31 December): 4.43x proforma EBITDA of €479m
- Solid macro and construction environment in all geographies

Q4-2017 highlights

- Revenue up by 52% (+11% like-for-like and at constant FX) and EBITDA margin up by 1.4pts year-on-year to 37%
- +€36m free cash flow before M&A
- Closing of the acquisitions of Nacanco (Italy) and Swan (Ireland); majority ownership reached in Brazilian subsidiary Degraus

Gérard Déprez, Chairman and CEO of LOXAM commented:
"We are particularly satisfied by our performance during the fourth quarter, which concludes an outstanding year for LOXAM, combining both organic and external growth.
Our 50th anniversary year will represent a milestone in the history of LOXAM since we recorded a growth of nearly 50% and increased the weight of our international operations to 40% of our total turnover, in line with one of our main strategic objectives.
We fully benefitted from the confirmed recovery of the equipment rental market in all geographies, to which we responded by increased capex.
The positive free cash flow recorded during the fourth quarter contributed to improve slightly our net debt to EBITDA ratio to 4.43x as of 31 December 2017.
We are confident that LOXAM should keep growing its revenue and EBITDA in 2018 in light of favorable prospects in both the construction market and macroeconomic trends overall."

KEY FIGURES (millions of Euro; IFRS)

	Q4 2016	Q4 2017	FY 2016	FY 2017	FY 2017 Proforma
Revenue					
Generalist France	148.1	165.7	573.3	622.6	622.6
Specialist France	43.1	56.8	163.6	212.8	215.7
International	50.3	145.7	189.9	532.3	596.5
Total Revenues	**241.5**	**368.2**	**926.8**	**1367.7**	**1434.7**
EBITDA					
Generalist France	56.1	59.5	198.0	213.4	213.4
Specialist France	13.0	18.9	50.8	68.3	69.2
International	15.0	55.2	50.9	177.0	191.1
Total EBITDA(1)	**85.2**	**135.0**	**304.8**	**464.0**	**479.0**
EBITDA margin					
Generalist France	37.9%	35.9%	34.5%	34.3%	34.3%
Specialist France	30.2%	33.2%	31.1%	32.1%	32.1%
International	29.9%	37.9%	26.8%	33.3%	32.0%
Total EBITDA(1) margin	**35.3%**	**36.7%**	**32.9%**	**33.9%**	**33.4%**
EBIT	**100.1**	**73.0**	**161.1**	**225.6**	**224.6**
Recurring Free Cash Flow(2)	18.0	33.6	8.6	(50.6)	-
Gross capex	71.0	92.5	230.9	432.8	-

Note :

(1) including contribution from real estate

(2) Free cash flow before acquisitions, dividends, FX effects, HY issuance cost amortization and refinancing costs, share buy-back, and excluding non-recurring items.

REVENUE

LOXAM’s consolidated revenue increased by 47.6% in 2017 to €1,368 million. Like-for-like, and at constant exchange rates, consolidated revenue increased by 8.5%.

Revenue of the Generalist France division was up by 8.6% in 2017 to €623 million. This solid trend of organic growth was recorded during all quarters, particularly in Q4 with a growth rate of +11.9%. The development of the division’s revenue stems from the strong demand of the construction sector and the expanded fleet capacity.

Specialist France division revenue increased by 30.1% in 2017 to €213million (+9.7% like-for-like, excluding the consolidation of Lavendon France). Like Generalist France, the division benefitted from the favorable French economic and construction environment, but also recorded incremental revenue from branches opened in 2016. During Q4, the division’s revenue increased by 9.3% like-for-like.

Overall, LOXAM’s revenue in France increased by 8.9% like-for-like in 2017, and by 11.3% like-for-like during Q4-2017.

Outside of France, the Group’s International division revenue increased by 180.3% during 2017 to €532 million driven by external growth, or +7.2% like-for-like and at constant exchange rates. This positive revenue development was helped by favorable market conditions observed in all geographies, resulting in an improvement of fleet utilization rates. The newly acquired perimeters, particularly Hune and Lavendon, also recorded a positive organic growth during the year. During Q4, the division’s revenue increased by 8.3% like-for-like and at constant exchange rates.

EBITDA

Over the year, EBITDA increased by 52.2% thanks to the consolidation of the acquired companies, and by 8.1% like-for-like. The EBITDA margin stood at 33.9% in 2017, 1 point higher than in FY 2016. During Q4, EBITDA increased by 58.5%, or +11.1% like-for-like, and reached a margin of 36.7%

Across divisions, the EBITDA of Generalist France increased by 7.8% during the year, resulting in an EBITDA margin of 34.3%; the margin was slightly lower than in 2016 due to lower fleet capital gains. Specialist France increased its EBITDA by 34.3% thanks to the integration of Lavendon France; like-for-like EBITDA increased by 11.3% during the year and the margin was 32.1%. The international division posted a 6.8% like-for-like increase of its EBITDA, and reached a margin of 33.3%, 6.5 points higher than in 2016, thanks to the contribution of the main acquisitions.

FINANCIAL INCOME

The net financial expense, at €117 million, increased by €29 million, mostly due to the additional indebtedness related to the acquisition of Hune and Lavendon in February 2017. The net financial expense comprises €17 million of non-recurring costs linked to the Lavendon bridge financing and the partial early redemption of the 2021 senior secured notes.

CASH FLOW AND INDEBTEDNESS

Recurring free cash flow (before M&A and excluding non-recurring items) was negative, at €(51) million.

The net financial debt amounted to €2,121 million as of 31 December 2017, which represents a net debt to proforma EBITDA leverage ratio of 4.43x.

OTHER EVENTS OF THE QUARTER

On October 31st, 2017, LOXAM completed the acquisition of the Nacanco's activities. Nacanco is one of the leading players in powered access rental in Italy.

On November 30th, 2017, LOXAM completed the acquisition of Swan, a generalist rental company based in Dublin.

In October and December 2017, LOXAM increased up to 50.1% its shareholding in its Brazilian subsidiary Degraus.

BUSINESS OUTLOOK

In the vast majority of our geographies, notably in France, the Group expects the equipment rental market to continue to grow during 2018, in accordance with the construction sector's prospects. All of LOXAM's divisions should benefit from this favorable market environment in 2018.

FINANCIAL CALENDAR

Publication of first quarter 2018 results on May 29th, 2018 (after market close) and conference call on May 30th, 2018.

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ABOUT LOXAM

LOXAM is the leading equipment rental company in Europe with unaudited proforma consolidated revenue of €1,435 million in 2017 and approximately 7,900 employees. LOXAM's network of more than 750 branches extends over 13 countries in Europe (France, Germany, the United Kingdom, Ireland, Belgium, Switzerland, Spain, Portugal, Luxemburg, the Netherlands, Denmark, Norway and Italy) as well as in the Middle East, Morocco and Brazil.

FORWARD-LOOKING STATEMENTS

This document includes "forward-looking statements" about LOXAM and its subsidiaries (the "Group"), including in relation to its strategy, plans or intentions. These statements may also address management's expectations regarding the Group's business, growth, future financial condition, results of operations and prospects. These forward-looking statements are subject to risks and uncertainties that may change at any time, and, therefore, the Group's actual results may differ materially from those that management expected. The Group has based these forward-looking statements on its current views and assumptions about future events. While it believes that these assumptions are reasonable, it is very difficult to predict the impact of known factors, and, of course, it is impossible to anticipate all factors that could affect the Group's actual results. All forward-looking statements are based upon information available to management on the date of this document. Investors are cautioned not to place undue reliance on such forward-looking statements.