



LOXAM – 2015 SECOND QUARTER AND FIRST HALF RESULTS **INCREASED REVENUE AND EBITDA MARGIN**

Paris - AUGUST 25, 2015

LOXAM, Europe's leading equipment rental company to professionals, today announced its unaudited financial statements for the second quarter of 2015.

Second quarter highlights and business highlights:

- Revenue up 4% at €210 million (flat on a like-for-like basis)
- Continued strong growth of revenue (+30%) at the international division (+5% on a like-for-like basis)
- EBITDA up 13% to €73 million, representing 35% of revenues
- Fleet gross capex of €31 million versus €81 million in Q2 2014
- Positive free cash flow of €24 million before acquisition
- M&A activity
 - Acquisition of a 25% stake in Brazilian company Degraus;
 - Acquisition of Maroc Elevation in Morocco;
 - Initiation of exclusive discussions with The Hertz Corporation with regards to the acquisition of Hertz Equipment French and Spanish operations.

Overall, in the first half of 2015, LOXAM recorded a good performance with revenue growth of 2.2% and an increase in EBITDA of 14.4%.

G rard D prez, Chairman and CEO of LOXAM commented:

“While market conditions remained unchanged with a soft French construction market, Loxam was able to increase its revenue and EBITDA margin. Our fleet capex spend was adjusted to suit the market dynamics and our free cash flow was positive. We are also satisfied of the strategic progress made during this quarter, through the acquisition of a 25% stake in Brazilian company Degraus, the acquisition of a Moroccan company specialized in access equipment and the initiation of exclusive discussions regarding the acquisition of Hertz Equipment’s businesses in France and Spain.”

KEY FIGURES (millions of euro)

	Q2 2015 (unaudited)	Q2 2014 (unaudited)	H1 2015 (unaudited)	H1 2014 (unaudited)
Revenue				
Generalist France	129	131	244	257
Specialist France	36	35	70	68
International	45	35	86	66
Total Revenues	210	202	400	391
EBITDA				
Generalist France	48	43	84	73
Specialist France	12	12	23	22
International	12	9	19	15
Total EBITDA ⁽¹⁾	73	64	127	111
EBITDA margin				
Generalist France	37%	32%	35%	29%
Specialist France	34%	35%	33%	33%
International	27%	25%	22%	22%
Total EBITDA ⁽¹⁾ margin	35%	32%	32%	28%
EBIT	26	25	35	36
Net Income (Loss)	6	9	0	8
<i>Free Cash Flow</i>	24	(34)	33	(39)
<i>Gross CAPEX</i>	(41)	(86)	(66)	(157)

⁽¹⁾ including contribution from real estate

REVENUE

LOXAM's consolidated Q2 2015 revenue increased by 4.2% at €210 million. On a like-for-like basis and at constant exchange rate revenue decreased by -0.4% versus Q2 2014.

Generalist France revenue was down by -1.9% in Q2 2015 at €129 million, which followed an -8.6% drop in Q1 2015. This division remains affected by the soft market conditions which prevail following the municipal elections of March 2014.

Specialist France revenue was up by 1.8% compared to Q2 2014 at €36 million. This division showed resilience in the face of weak demand from the construction sector, thanks to its recent network expansion.

In our international markets, revenue continued to increase significantly in Q2 2015, at €45 million, up 29.6% compared to Q2 2014. This increase was driven mainly by the contribution from Workx as on a like-for-like basis and at constant exchange rate, our International division revenue increased by 2.5%.

EBITDA

EBITDA increased by 13% to €73 million and EBITDA margin reached 35% of the total revenue, versus 32% in Q2 2014. This performance was driven by the continued effect of the reduction of operating costs at Generalist France, higher contribution from fleet disposals and the contribution from the acquired business.

By division, EBITDA margin stood at 37% for Generalist France (+450 bps versus Q2 2014). The division benefited from cost savings and higher capital gains from disposed equipment. The EBITDA margin for Specialist France stood at 34% down from 35% in Q2 2014. For the International division, EBITDA margin reached 27%, versus 25% in Q2 2014.

CASH FLOW AND INDEBTEDNESS

In Q2 2015, our gross fleet capex was €31 million compared to €81 million in the same quarter of last year. Overall in the first half of 2015, gross capex totaled €66 million versus €157 million at the end of the first half of 2014 and was adjusted to the prevailing market conditions and notably the softness of our domestic market.

LOXAM's free cash flow was positive at €24 million in Q2 2015 versus a negative free cash flow of €(34) million in Q2 2014. During the first half of 2015, the free cash flow was positive at €33 million versus a negative free cash flow of €(39) million during the first half of 2014.

At the end of June 2015, the net financial debt decreased by €14 million since 31st December 2014 and amounted to €955 million. Liquidity stayed very high with €164 million in cash on the balance sheet, and an undrawn RCF of €50 million.

EXTERNAL GROWTH

During the quarter, LOXAM has acquired a 25% stake in Degraus, one of the top 5 general rental companies in Brazil with a network of 20 branches. This transaction enables LOXAM to enter a promising market for rental operations and benefit from Degraus long standing experience.

On 30th June Loxam completed the acquisition of Maroc Elévation, through its Moroccan subsidiary Atlas Rental (51% controlled by Loxam). Maroc Elévation is a rental company specialized in access equipment in Morocco.

Finally, Loxam announced in June 2015 to be in exclusive discussions with The Hertz Corporation to acquire Hertz Equipment French and Spanish business. Hertz Equipment is the #3 player in France and operates a national network of 60 branches. In Spain, Hertz Equipment is specialized in the rental of power equipment through two branches. This transaction is expected to close in Q4 2015, upon approval from the French anti-trust authorities.

BUSINESS OUTLOOK

LOXAM anticipates that the French construction market will continue to experience soft conditions for the remainder of 2015. However, our International division should continue to benefit from a better trading environment. Our capex spend in H2 2015 will be higher than in the first half and close to the level spent in H2 2014. We also expect that our free cash flow before M&A activity will continue to be positive in the second part of the year.

FINANCIAL CALENDAR

Publication of third quarter 2015 results on November 24, 2015 (after market close) and conference call on November 25, 2015.

INVESTOR CONTACTS

<u>LOXAM</u> Patrick Bourmaud / Maëg Videau +33 (0)158 440 400 ir@loxamgroup.com	<u>Brunswick</u> Agnès Catineau / Naomie Rozenbaum / Emily Oliver +33 (0)1 53 96 83 83 loxam@brunswickgroup.com
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ABOUT LOXAM

LOXAM is the leading equipment rental Company in Europe with consolidated revenue of €812 million in 2014 and approximately 4,600 employees. LOXAM's network of more than 620 branches extends over 12 countries in Europe (France, Germany, the United Kingdom, Ireland, Belgium, Switzerland, Spain, Luxemburg, the Netherlands, Denmark, Norway and Sweden) as well as in 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.