



FIRST HALF AND SECOND QUARTER RESULTS

Good H1 and Q2 as expected

Paris - August 27, 2014

LOXAM, Europe's leading equipment rental company to professionals, today announces its unaudited financial results for the first half and the second quarter of 2014.

In the first half of 2014, Loxam recorded a good performance with an increase in revenue of 3.9% and an EBITDA increase of 5.3%. On a like-for-like basis, every division increased its revenue and EBITDA.

Second quarter financial highlights:

- Revenue slightly down by 1.7% at €202 million
- EBITDA of €64 million – resilient margin of 32%
- Gross Capex at €86 million
- Net financial debt of €899 million

“In the second quarter of 2014, LOXAM recorded a performance in line with the expected slowdown of the construction market in France following the municipal elections. Our Specialist division recorded sound resilience. Excluding scope effect, International division was flat due to the strong beginning of the year and a delay in the recovery of construction markets. For the full-year of 2014, we expect LOXAM to maintain a steady capex policy and to keep its financial discipline by a strict streamlining of the French network” said Gérard Déprez, Chairman and CEO of LOXAM.

	Q2 2014 (unaudited)	Q2 2013 (unaudited)	H1 2014 (unaudited)	H1 2013 (unaudited)
Revenue				
Generalist France	131	140	257	257
Specialist France	35	34	68	66
International	35	31	66	54
Total Revenues	202	205	391	377
Adjusted EBITDA ⁽¹⁾				
Generalist France	43	45	73	70
Specialist France	12	12	22	22
International	9	9	15	12
Total Adjusted EBITDA ⁽²⁾	64	66	111	105
Adjusted EBITDA ⁽¹⁾ margin				
Generalist France	32%	32%	29%	27%
Specialist France	35%	35%	33%	33%
International	25%	28%	22%	23%
Total Adjusted EBITDA ⁽²⁾ margin	32%	32%	28%	28.0%
Adjusted EBIT	25	34	36	38
Net Income (Loss)	9	14	8	5
<i>Free Cash Flow</i>	<i>(34)</i>	<i>(21)</i>	<i>(39)</i>	<i>(42)</i>
<i>Gross CAPEX</i>	<i>(86)</i>	<i>(55)</i>	<i>(157)</i>	<i>(92)</i>

⁽¹⁾ Adjusted EBITDA excludes the non-recurring costs

⁽²⁾ including contribution from real estate

REVENUE

LOXAM's consolidated Q2 2014 revenue reached €202 million, down 1.7% compared to Q2 2013. On a like-for-like basis, revenues decreased by 3.9%.

In France, Generalist division revenue was down by 6.1% in the second quarter of 2014 at €131 million, impacted by a slowdown following the French municipal election but also due to a strong first quarter. The Group pursued the rationalization of its network, and Q2 was marked by the consolidation of 12 branches.

Specialist division recorded a sound resilience in Q2 with revenue increasing by 2.6% at €35 million compared to Q2 2013. This division was sustained by a good activity level in finishing works.

International revenue increased by 13.9% to €35 million in the second quarter of 2014. The performance was mainly supported by the consolidation of Danskluft from January 1, 2014. Excluding scope effect, International revenue remained flat, impacted by a strong first quarter.

EBITDA

In the second quarter of 2014, EBITDA slightly decreased by 2.6% to €64 million, and the EBITDA margin was stable at 32% compared to the same period last year.

As far as international division is concerned, costs have slightly increased following a strong Q1 and in preparation of the recovery.

CASH FLOW AND INDEBTEDNESS

In Q2 2014, LOXAM recorded a negative free cash flow of €34 million. This negative free cash-flow is mainly due to early commitment of capex. During the quarter, LOXAM remained committed to its capex plan and spent €86 million in capital expenditure. At the end of Q2 2014, the net debt amounted to €899 million.

BUSINESS OUTLOOK

In France, the construction market is expected to continue to decrease in the coming months. As a result, the measures implemented by LOXAM in H1 2014 will be reinforced in H2 2014 to maintain the current level of profitability. Loxam will notably continue to streamline the French network and keep on investing to renew and diversify the fleet.

As far as international division is concerned, Loxam will pursue its expansion through both organic growth and acquisitions, such as evidenced by the acquisition of Workx in the Netherlands in July 2014.

INVESTOR CONTACTS

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ABOUT LOXAM

LOXAM is the leading equipment rental Company in Europe with consolidated revenue of €805 million in 2013 and approximately 4,400 employees. LOXAM's network of more than 600 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.

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.