



LOXAM – 2014 THIRD QUARTER RESULTS

Slight decrease in revenues in Q3 2014

High level of EBITDA maintained

Paris - November 26, 2014

LOXAM, Europe's leading equipment rental company to professionals, today announced its unaudited financial statements for the third quarter of 2014.

Third quarter highlights:

- Revenues of €210 million down 2.4% compared to Q3 2013
- High EBITDA margin representing 38% of revenues
- Restructuration of Generalist network with the closing of 18 branches
- Fleet capex of €46 million according to plan

"In Q3 2014, our revenues decreased due to the weak French construction market which particularly affected our French Generalist division. For our international business we recorded a robust growth thanks to the acquisitions of Dansk Lift and Workx which are helping us to increase our market share in Europe. Our EBITDA margin reached 38% in the quarter, as we have taken measures to cut costs and we have sold old, under-utilized fleet. We closed 18 generalist branches, to reach a total of 36 branches shut down since the beginning of the year. In accordance with our plan, we have also continued to invest in our fleet for its renewal and diversification and we have become the second largest rental company in the Netherlands thanks to the acquisition of Workx. In addition, we took the opportunity in July to increase the flexibility of our financial debt thanks to a refinancing of our bank debt with the issue of senior notes with a much longer maturity." said Gérard Déprez, Chairman and CEO of LOXAM.

KEY FIGURES (millions of euro)

	Q3 2014 (unaudited)	Q3 2013 (unaudited)	9-m 2014 (unaudited)	9-m 2013 (unaudited)
Revenues				
Generalist France	126	146	384	403
Specialist France	38	36	105	102
International	46	33	112	87
Total Revenues	210	215	601	591
Adjusted EBITDA ⁽¹⁾				
Generalist France	53	54	127	124
Specialist France	14	13	36	35
International	12	10	27	22
Total Adjusted EBITDA ⁽²⁾	80	77	191	183
Adjusted EBITDA ⁽¹⁾ margin				
Generalist France	42%	37%	33%	31%
Specialist France	37%	37%	34%	35%
International	27%	29%	24%	25%
Total Adjusted EBITDA ⁽²⁾ margin	38%	36%	32%	31%
Adjusted EBIT	36	45	72	83
Net Income (Loss)	7	21	15	27
Free Cash Flow	(33)	(21)	(72)	(63)
Gross CAPEX	52	59	208	151

⁽¹⁾ Adjusted EBITDA excludes the non-recurring costs

⁽²⁾ including contribution from real estate

REVENUES

LOXAM's consolidated Q3 2014 revenues reached €210 million, a 2.4% decrease compared to Q3 2013. In France, revenues of our Generalist division were down 13.4% in Q3 2014 to €126 million acknowledging a declining construction market. Specialist division revenue was up by 5.0% compared to Q3 2013 at €38 million benefitting from capex spent and 5 branch openings. In our international markets, revenues increased in Q3 2014, at €46 million up 38.3% compared to Q3 2013, helped by the acquisitions of Dansk Lift in December 2013 and Workx in July 2014. On a like for like basis, our international division is almost flat at -0.5%, with a good performance in UK, Ireland and Spain while we did not notice an improvement of trading conditions elsewhere.

EBITDA

The adjusted EBITDA margin reached 38% in Q3 2014. By division, adjusted EBITDA margin stood respectively at 42% and 37% for the Generalist and Specialist divisions, while it stood at 27% for the International division. The Adjusted EBITDA margin at our Generalist France division was helped by the capital gains made on fleet disposals while decisions to cut costs were taken in Q3. For the first 9 months of the year the Group, managed to achieve an EBITDA margin at 32%, increasing by nearly 1 point over the same period of 2013.

CASH FLOW AND INDEBTEDNESS

In Q3 2014, LOXAM generated a negative free cash flow before acquisitions of €33 million as we stayed committed to the capital expenditures programmed for the year. Gross fleet capex reached €46 million in the quarter and €196 million for the first 9 months of 2014. Our working capital requirement reached €60 million at the end of September 2014, representing 7% of LTM revenue, a standard level for our business.

In July, Loxam refinanced its syndicated debt and most of its bilateral bank debts through the issue of €410 million Senior Secured Notes and €250 million Senior Subordinated Notes which are increasing Loxam's debt maturity. Alongside this bond refinancing, a RCF of €50 million with a maturity of 5 years was signed with a pool of banks.

At the end of September 2014, the gross financial debt stood at €1,113 million and the cash position amounted to €129 million.

BUSINESS OUTLOOK

LOXAM forecasts the French construction market to stay weak in the coming year. In this context, adaptation measures will continue to be pursued in order to face these unfavorable conditions and therefore the current profitability level will be maintained. The Group will continue to streamline its networks to the new market conditions. At the end of 2014, around 50 branches will have been merged, which represents over 10% of the French Generalist network. In terms of Capex, LOXAM is adjusting the size of its fleet by disposing of its oldest and under-utilized equipment. In the other European countries, the revised forecasts confirm the improvement of the construction markets across Europe in 2015. LOXAM's strategy aims at continuing its international expansion thanks to acquisitions and the opening of new branches.

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 and 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 advised not to place undue reliance on such forward-looking statements.