



STATEMENT BY LOXAM RELATIVE TO THE COVID-19 CRISIS – UPDATE ON ACTIVITY AND FINANCIAL SITUATION

Paris, March 31st 2020

As the Covid-19 pandemic continues to expand across Europe, we reiterate our profound wishes of recovery to all of our staff, customers and suppliers and urge everyone to continue to comply with the precautionary health & safety measures which governments have implemented in all countries.

In this challenging background, we have been highly comforted by the response of our staff, suppliers, public authorities, as well as of our financial partners, which help us keep the Group on safe grounds.

During the month of March, the Covid-19 crisis has mostly affected the level of activity in France, where 80% of our staff is now on partial unemployment, de facto reducing associated employee related costs by 70%. We also benefit from tax and social contribution deferrals, and have further cut or delayed fixed costs. Also, the majority of our financial lease providers in France have proposed a six-month postponement of payments, while some of our bilateral lenders have also offered a postponement of the amortization of their loans. To date 10% of our French network remains open in order to serve our customers who need our equipment to support the sanitary crisis response teams, or to ensure the continuation of public service to our citizens. Our network will progressively reopen as soon as activity on our customers' worksites will resume.

We also monitor attentively the activity level throughout our international operations, which have so far been less impacted by the sanitary crisis, in particular in Northern and Eastern Europe. We remain vigilant to the implementation of local governmental support measures to adapt our costs basis in line with decisions taken in France, Italy and Spain. The geographic diversity will not make Loxam immune to the effect of this sanitary crisis, but should enable the Group to weather this event, which will not hit all countries simultaneously or with the same magnitude.

Commitments regarding capex have been postponed or cancelled for the entire Group. To this date and based on actual deliveries in 2020, related cash outflows commitments are limited to €40 million.

Last week we have increased the liquidity of the Group, and have drawn on our outstanding bilateral lines for €175 million and on our RCF for its full amount of €75 million. The liquidity of the Group at the end of March will be above €400 million.

At last, among the package of measures to support the French economy, the government announced a state guarantee (covering up to 90% of the principal) for loans to corporates. Loxam is currently considering the ability of its banking partners to grant loans for a total of €230 million which could benefit from such state guarantee.

We are convinced that our liquidity is adequate for the Group to face the confinement and its recovery. The Covid-19 crisis is a temporary unforeseen event which will not alter the solid foundations and resilient business model of the Loxam Group.

Loxam's management will continue to keep investors informed on its activity level and financial situation.

INVESTOR CONTACTS

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ABOUT LOXAM

The Loxam Group is the leading equipment rental company in Europe with consolidated revenue of €1,871 million in 2019 and approximately 11,300 employees. The Group has become the 3rd largest player in the world with €2.3 billion of total pro forma revenue in 2019 and a network of 1069 branches over 30 countries on four continents.