



LOXAM- 2014 FULL YEAR RESULTS

A solid performance in Q4 and for the full year

Paris – March 10, 2015

LOXAM, Europe's leading equipment rental company to professionals, announces today its audited full year financial results for 2014.

2014 financial and business highlights:

- Revenues up by 0.9% to €812 million (-3.3% on like for like basis)
- Adjusted EBITDA up by 4.2% to €255 million
- Gross fleet capex at €234 million (versus €190 million in 2013)
- Cost reduction measures well advanced
- Net financial debt of €970 million and leverage ratio at 3.75x

“Despite a continuous weak French construction market, Loxam has achieved a solid performance in 2014. Our revenues have increased by 0.9% to €812 million and our adjusted EBITDA has also increased by 4.2% to €255 million. Both our specialist and international divisions have enjoyed organic growth while our generalist division has implemented a large scale plan of branch consolidation to preserve its margins. Also, we are pleased that the acquisitions of Dansk Lift and Workx have comforted our presence on the Danish and Dutch markets.

We have continued to increase our fleet of equipment thanks to our capex of €234 million, which have also helped in the diversification of our customer portfolio, with an increased share of customers outside of the construction sector.

Thanks to the issue of new bonds in July we have refinanced our debts with banks, and Loxam will not have any major debt amortization before 2020. Moreover, our liquidity is very high due to a cash position of €144 million and an undrawn RCF of €50 million.

Finally, we are very proud that Loxam has been awarded by the European Rental Association with the title of “European Rental Company of the year” thereby recognizing our role in the development of equipment rental industry in Europe” said Gérard Déprez, Chairman and CEO of LOXAM.

KEY FIGURES

	31/12/2013 (audited)	31/12/2014 (audited)	Q4 2013 (unaudited)	Q4 2014 (unaudited)
Revenue				
Generalist France	547	511	144	127
Specialist France	138	143	37	38
International	120	158	33	46
Total Revenues	805	812	213	212
Adjusted EBITDA ⁽¹⁾				
Generalist France	165	167	40	40
Specialist France	47	47	12	11
International	31	39	9	12
Total Adjusted EBITDA ⁽²⁾	245	255	62	64
Adjusted EBITDA ⁽¹⁾ margin				
Generalist France	30%	33%	28%	32%
Specialist France	34%	33%	33%	29%
International	26%	25%	27%	27%
Total Adjusted EBITDA ⁽²⁾ margin	30%	31%	29%	30%
Adjusted EBIT ⁽¹⁾	111	90	28	19
Net Income (Loss)	39	9	12	(6)
<i>Free Cash Flow</i>	<i>(50)</i>	<i>(55)</i>	<i>14</i>	<i>17</i>
<i>Gross CAPEX</i>	<i>(202)</i>	<i>(253)</i>	<i>(51)</i>	<i>(43)</i>

⁽¹⁾ excluding the non-recurring costs

⁽²⁾ including contribution from real estate

REVENUE

LOXAM's consolidated revenues increased by 0.9% in the year to €812 million.

In France, revenues at the generalist division were down by 6.5% in 2014 at €511 million, impacted by a weak construction market. Its Adjusted EBITDA has increased by 1.4% to €167 million as a result of a decrease in operating costs and the sale of end-of-life and underutilized assets. Furthermore, 50 branches have been consolidated during the year in an effort to rationalize our network.

The specialist division recorded a solid growth during the year, with revenues increasing by 3.3% to €143 million. The performance of the division was stimulated by Loxam Access and Loxam TP, who both managed to increase their network and develop their market shares.

The International division enjoyed a high growth in 2014 at 32.1%, principally thanks to the acquisition of Dansk Lift and Workx. Additionally, the international division grew organically by 3.3% thanks, in particular, to the dynamism of our subsidiaries based in the UK and Ireland. The international division now represents 19% of Group revenues versus 15% at the end of 2013.

EBITDA

Adjusted EBITDA has increased by 4.2% at €255 million, and the EBITDA margin reached 31.4% of the total revenues, a 100bps increase versus 2013. This performance was achieved thanks to a reduction in operating costs, higher contribution from fleet disposals, and the contribution from the acquisitions. On a pro forma basis, taking a 12 month contribution from Workx, the Adjusted EBITDA was of €258 million.

EBIT AND NET INCOME

Adjusted EBIT is impacted by the increase of depreciations because of the capex incurred in 2013 and 2014. In addition, higher financial costs weighed on Net Income, especially in Q4 when a €9.2m provision was taken to cover the cost of future payments related to interest rate swaps. These swaps have no longer a hedging purpose after the refinancing of Loxam's bank debt.

CASH FLOW AND INDEBTEDNESS

In 2014, as our gross fleet capex increased from €190 million to €234 million, LOXAM recorded a negative free cash flow of €55 million. After dividend payment and the cost of acquisitions, the net financial debt increased by €137 million.

At the end of 2014, the gross financial debt amounted to €1,114 million and the net cash position stood at €144 million. The net financial debt amounted to €970 million. Besides the cash on the balance sheet, the liquidity of Loxam benefits from an undrawn RCF of €50 million. The Group's net leverage ratio (calculated as the pro forma ratio of net financial debt over adjusted EBITDA) stood at 3.75x.

BUSINESS OUTLOOK

In 2015, the growth rate of European construction markets is expected to be overall higher than in 2014, in almost all countries where Loxam is present. As for the French market, it is expected to be decreasing again due to a further weakness in civil engineering. LOXAM is therefore well positioned to seize the opportunities in an improving rental market, thanks to the accomplishments of 2014 both in its domestic operations and in the international division. As a result, LOXAM should aim for stability in its like-for-like revenues and maintain its level of profitability.

INVESTOR CONTACTS

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ABOUT LOXAM

LOXAM is the leading equipment rental Company in Europe with consolidated revenue of €812million 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.

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.