



LOXAM – 2015 FIRST QUARTER RESULTS

Stable revenue
Effective costs savings

Paris - May 26, 2015

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

First quarter highlights and business highlights:

- Revenue stable at €189 million (-4% on a like for like basis)
- Strong growth of revenue (+30%) of the International division (+7% on a like for like basis)
- EBITDA up 17% to €54 million, representing 29% of revenues
- Positive free cash flow at €8 million

"In the first quarter of 2015, we recorded stable revenue thanks to the strong growth of our international division which compensated the foreseen organic decrease of our generalist division. Our EBITDA rose strongly as we benefited from the cost cutting measures implemented in 2014 in France and higher capital gains on the disposal of under-utilized civil engineering equipment. Our EBITDA margin reached 29% of the revenue in the first quarter of 2015, a 400 bps improvement compared to last year. In the background of the weak demand for civil engineering projects in France our capex spend was reduced in the quarter and we prioritized the organic development of our international division. We have also been extremely pleased to announce our acquisition of a stake in the Brazilian company Degraus, a well-established rental company which enables Loxam to enter a new promising market", commented Gérard Déprez, Chairman and CEO of LOXAM.

KEY FIGURES (millions of euro)

	Q1 2014 (unaudited)	Q1 2015 (unaudited)
Revenues		
Generalist France	126	115
Specialist France	32	34
International	31	40
Total Revenues	189	189
EBITDA		
Generalist France	31	37
Specialist France	10	11
International	6	7
Total EBITDA ⁽¹⁾	47	54
EBITDA margin		
Generalist France	24%	32%
Specialist France	30%	31%
International	18%	17%
Total EBITDA margin	25%	29%
EBIT	10	8
Net Income (Loss)	(1)	(6)
Free Cash Flow	(4)	8
Gross CAPEX	(71)	(25)

⁽¹⁾ including contribution from real estate

REVENUE

LOXAM's consolidated Q1 2015 revenue reached €189 million, a 4% decline compared to Q1 2014 on a like for like basis.

In France, generalist division revenue was down by 9% in Q1 2015 at €115 million, impacted by a continuing weak civil engineering market and its direct consequences on the demand for equipment rental.

Specialist division revenue was up by 5% compared to Q1 2014 at €34 million, benefitting from the expansion of its network and a revival of demand in industrial maintenance.

In our international markets, revenue increased again in Q1 2015, at €40 million, up 30% compared to Q1 2014, driven mainly by the acquisition of Workx in July 2014. On a like-for-like basis, our international division revenue increased by 7%.

EBITDA

The EBITDA increased by 17% to €54 million and the EBITDA margin reached 29% of the total revenue, a 400 bps increase compared to Q1 2014. This performance was achieved thanks to a reduction in operating costs at Generalist France division and a higher contribution from fleet disposals. By division, EBITDA margin stood respectively at 32% and 31% for Generalist France and Specialist France, versus 24% and 30% respectively at Q1 2014. For the International division, EBITDA margin reached 17%, versus 18% in Q1 2014.

CASH FLOW AND INDEBTEDNESS

In Q1 2015, our gross fleet capex was €22 million compared to €68 million last year. LOXAM's free cash flow was positive at €8 million.

At the end of March 2015, the net financial debt amounted to €963 million. Liquidity remained strong with €147 million in cash on the balance sheet, and an undrawn RCF of €50 million.

ACQUISITION OF A 25% STAKE IN BRAZILIAN RENTAL COMPANY

In April 2015, 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.

BUSINESS OUTLOOK

LOXAM forecasts the French civil engineering market will weigh down on the demand from the construction sector for rental services for much of 2015. Our international division should continue to benefit from better conditions and we will support our organic growth in those markets thanks to capex and branch openings. LOXAM is confident to achieve an improvement of its EBITDA margin and keep its profitability.

INVESTOR CONTACTS

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