



Q3 2014 FINANCIAL RESULTS 27 NOVEMBER 2014



Q3 2014 HIGHLIGHTS



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- **Q3 revenues down, EBITDA up**
 - Revenues down 2.4% to €210m (-8.4% like for like)
 - Adjusted EBITDA up 3.1% to €80m (-1.1% like for like)

- **Cost reduction measures**
 - Restructuring of Generalist network
 - Staff decrease

- **Commitment to our plan**
 - Gross fleet Capex spend of €196m YTD
 - Opening of 7 branches
 - Acquisition of Workx in Netherlands (42 branches)

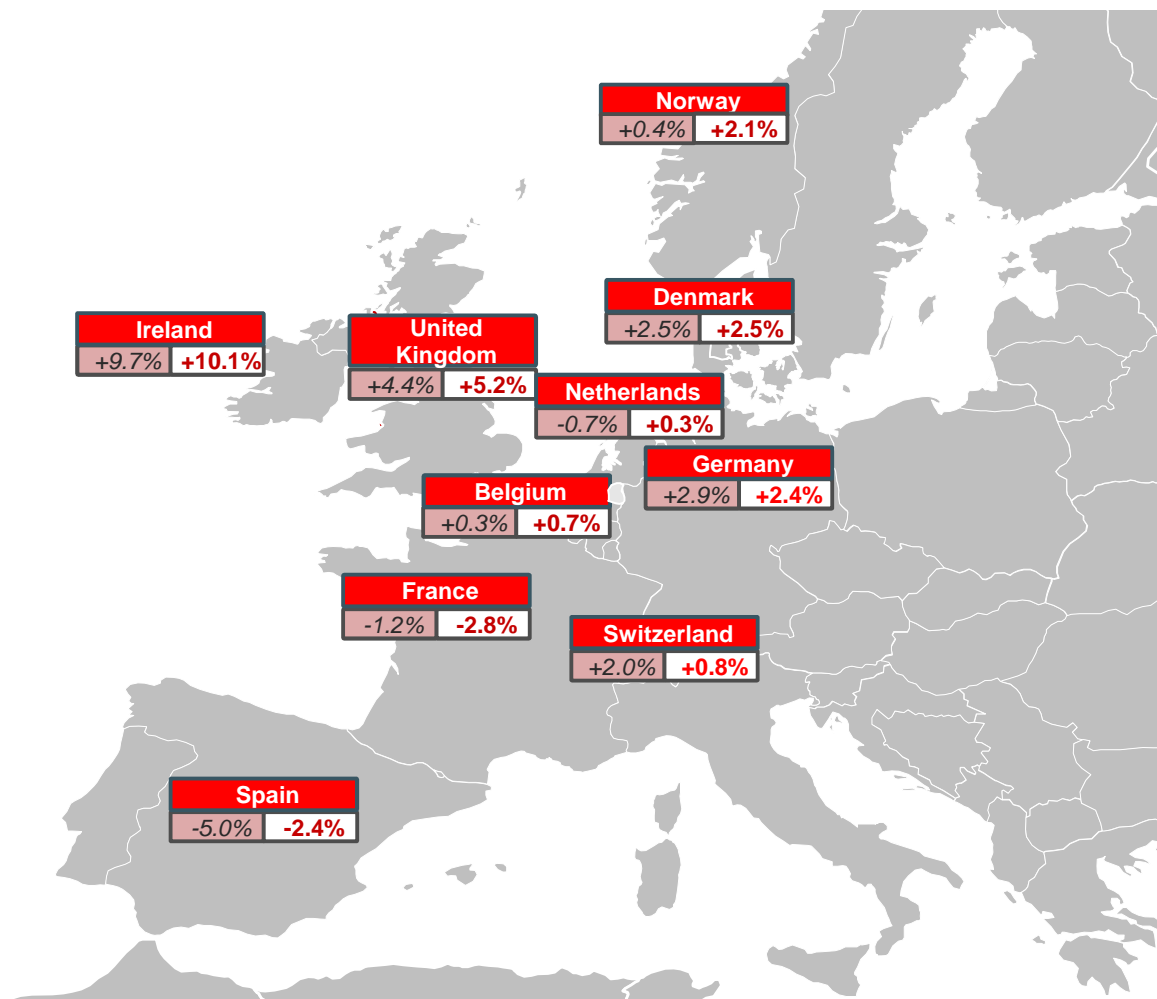


MARKET UPDATE



CONSTRUCTION MARKETS BETTER THAN EXPECTED EXCEPT IN FRANCE

Construction markets - Evolution between 2013 and 2014 (In %)



+/-%

Old 2014 forecast
Forecast Euroconstruct
– June 2014

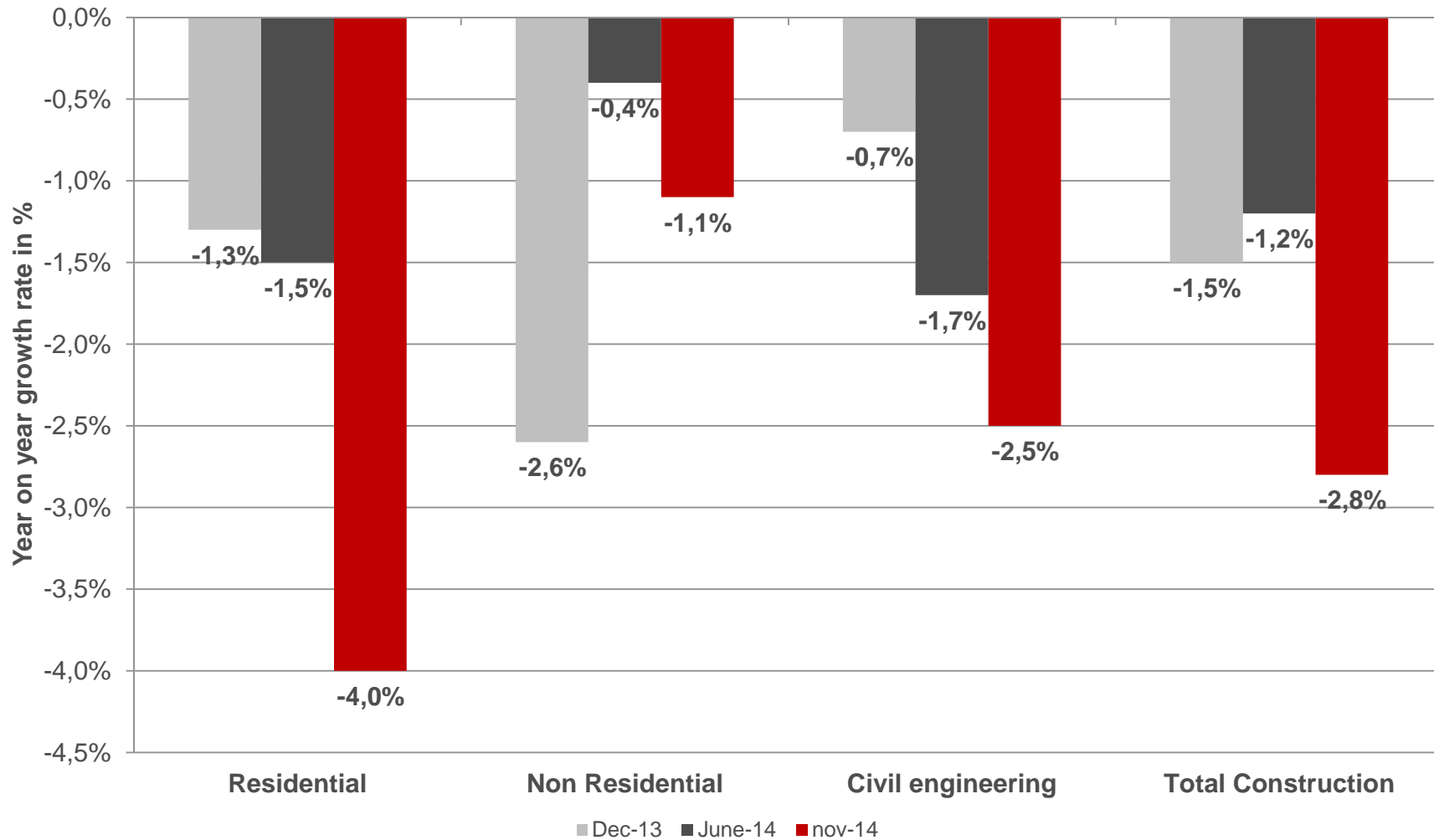
+/-%

Revised 2014 Forecast
Forecast Euroconstruct
– November 2014



FRENCH CONSTRUCTION MARKET AT -2.8% IN 2014

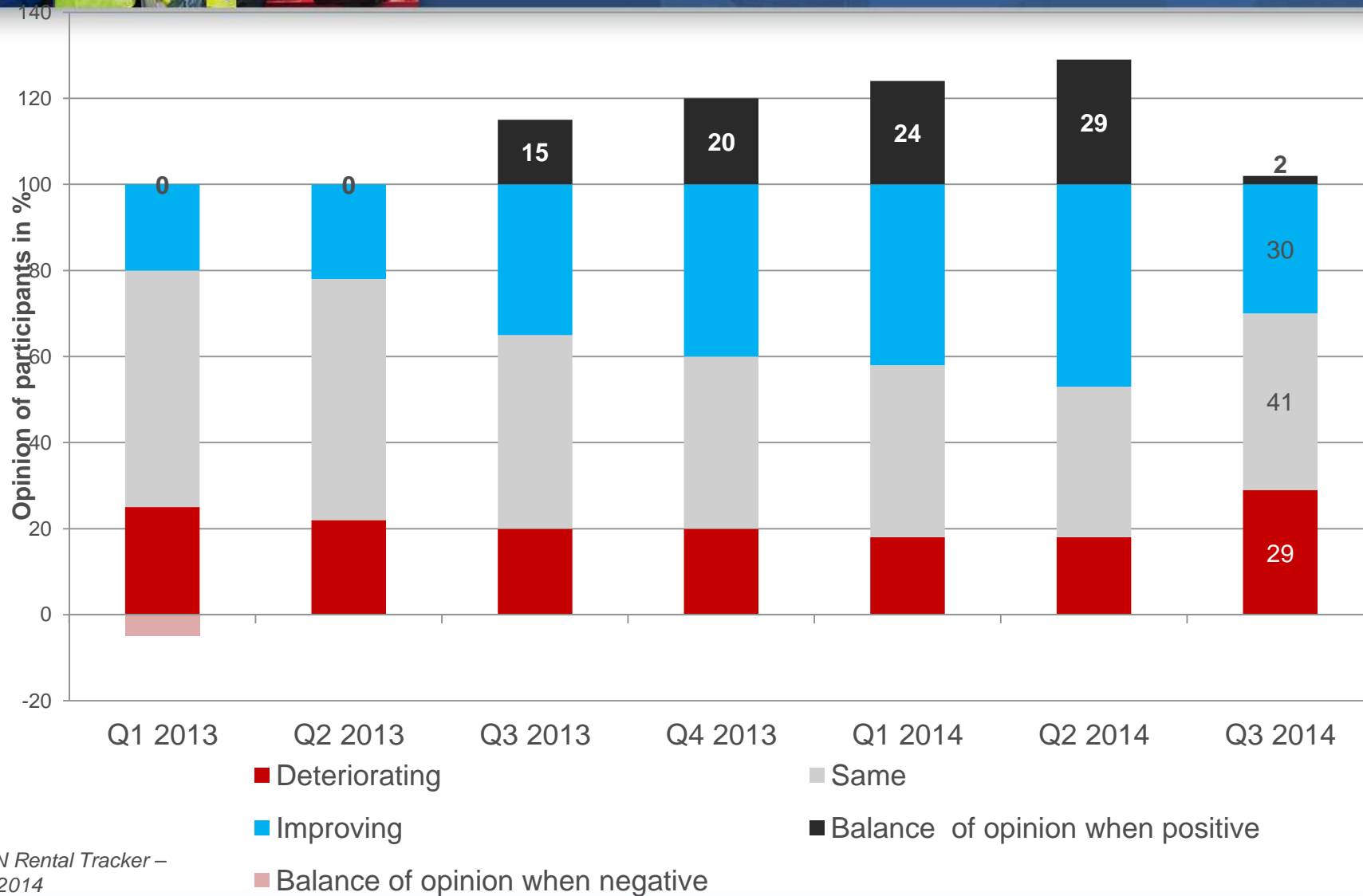
Change in French Construction forecasts



Sources: Euroconstruct (December 2013, June 2014, November 2014)



BUSINESS CONDITIONS IN EUROPE IN THE RENTAL SECTOR



Source: IRN Rental Tracker – November 2014

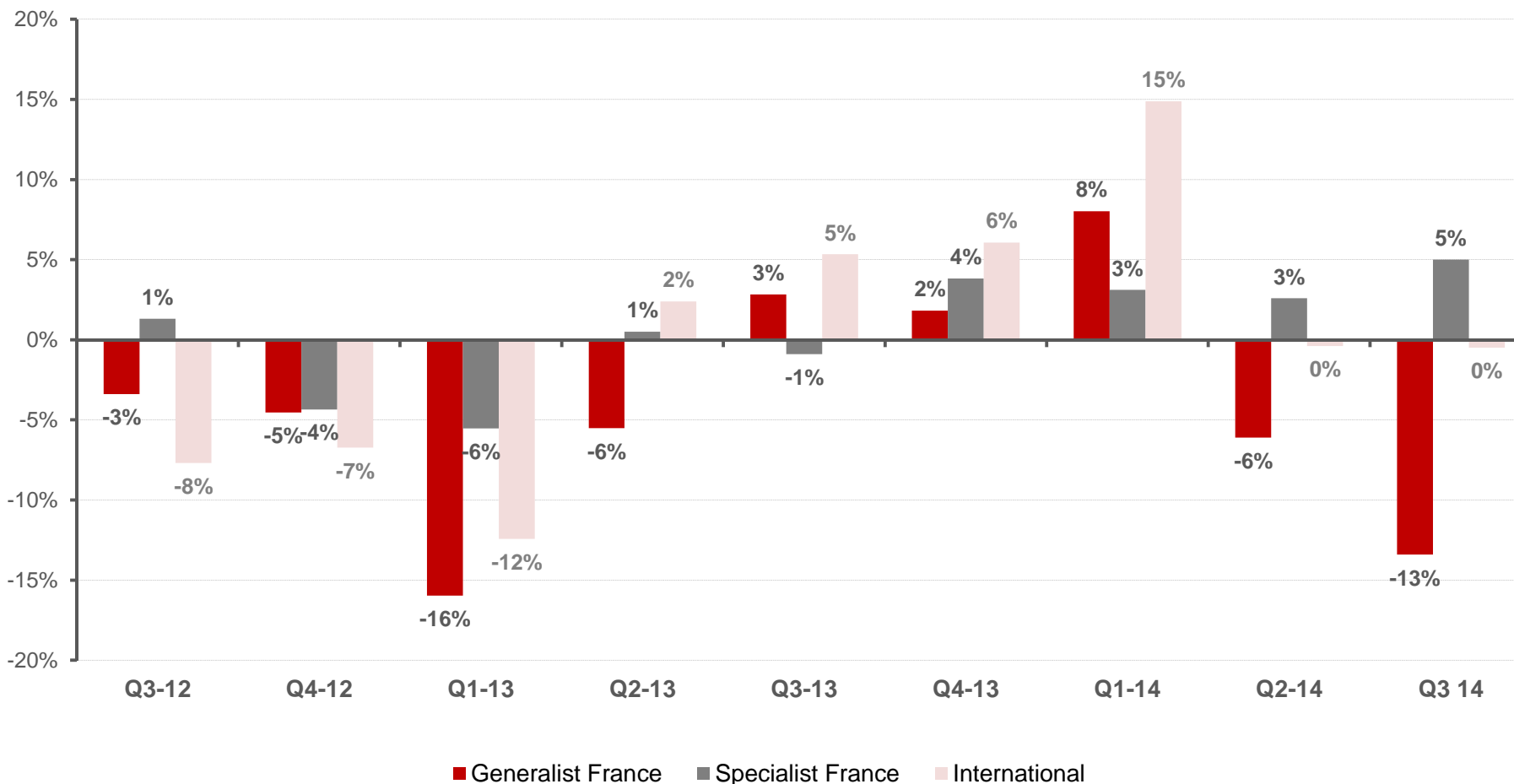


BUSINESS OVERVIEW



GENERALIST AFFECTED BY FURTHER SLOWDOWN

Revenue Quarterly Change (Y to Y) Like-for-Like (a)

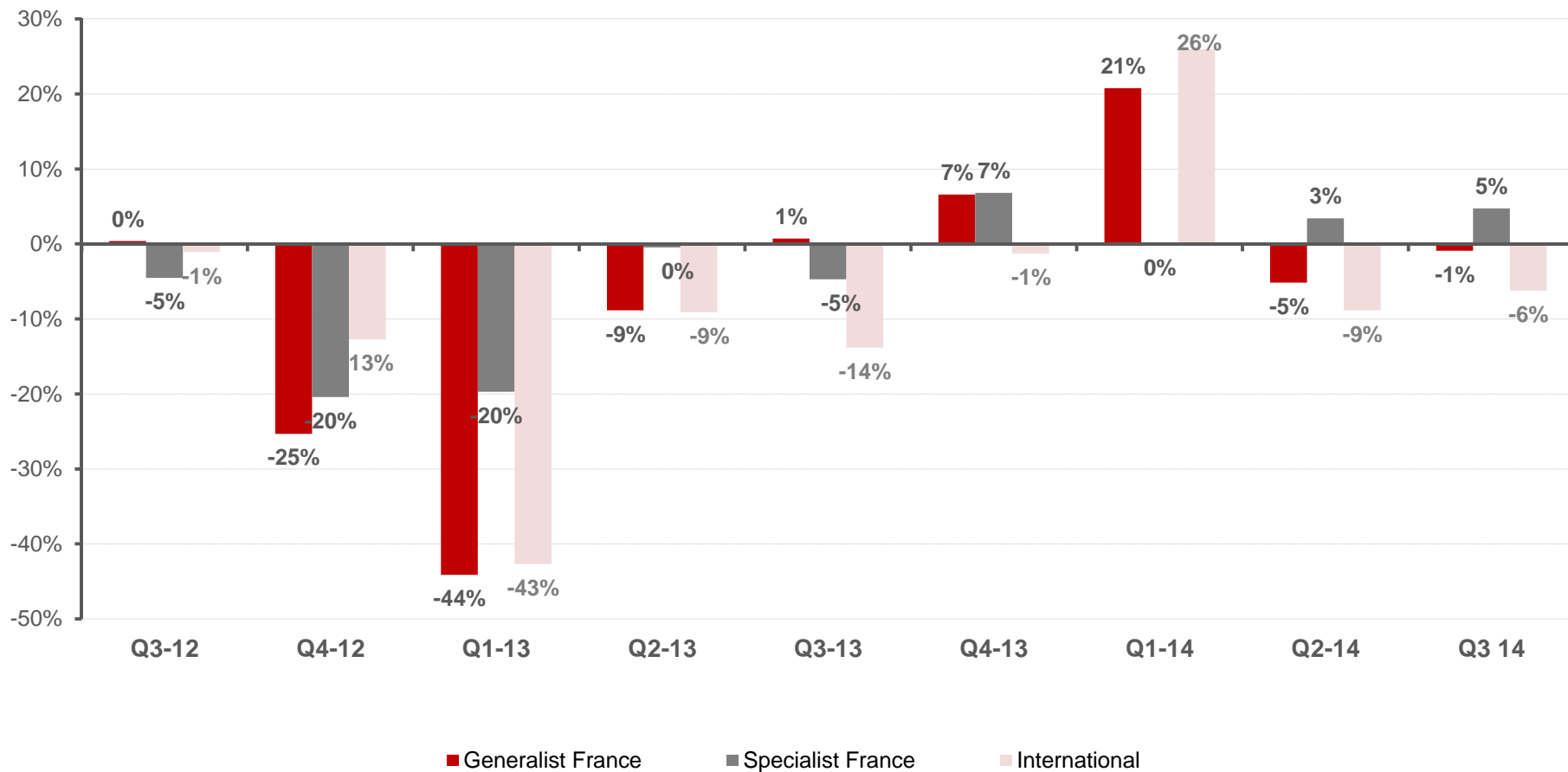


(a) "Like-for-like" means changes in revenues for the period indicated compared to the prior comparable period, excluding changes in the scope of consolidation



RESILIENT EBITDA IN FRANCE

Adj. EBITDA Quarterly Change (Y to Y) Like-for-Like (a)



(a) "Like-for-like" means changes for the period indicated compared to the prior comparable period, excluding changes in the scope of consolidation



GENERALIST FRANCE : IMPLEMENTATION OF COST SAVINGS

- Weak construction market
- Revenue down 13% to €126m
- Streamlining of network (18 consolidation of branches in Q3/ 36 since Dec. 2013)
- Divestment of old under utilized fleet
- Decrease in staff to 3,029 (-5.3% vs Dec. 2013)
- Q3 Adj. EBITDA at €53m (-1%)



SPECIALIST FRANCE: GROWTH IN Q3

- Revenue growth (+5%) to €38 m stimulated by capex and branch openings
- Q3 EBITDA margin : 37%, Flat vs Q3 2013
- Opening of 3 branches during Q3



INTERNATIONAL: GROWTH THANKS TO ACQUISITIONS

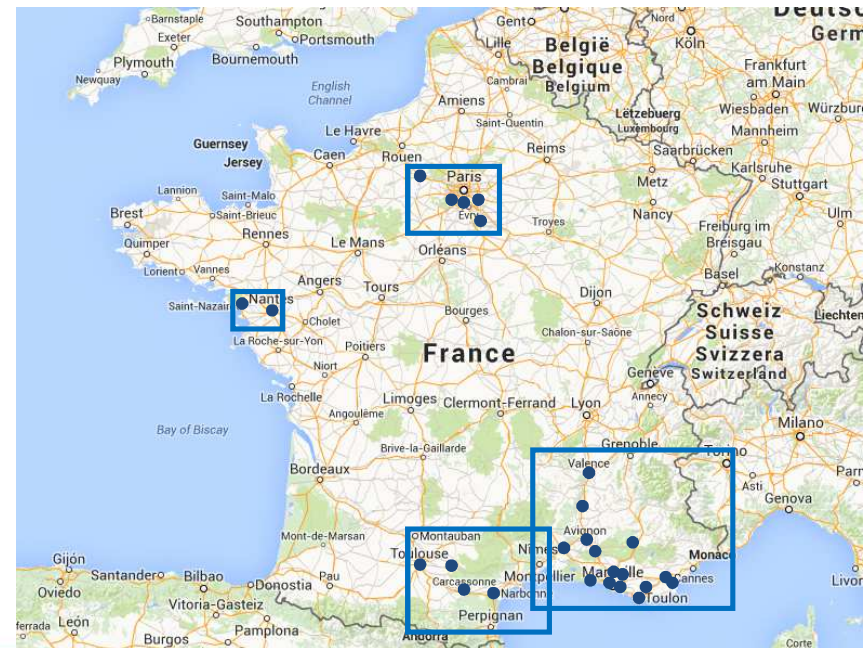
- Q3 revenue up 38% to €47 m (flat Q3 revenue like-for-like)
- Adj. Q3 EBITDA margin at 27% (versus 29% in Q3 2013)
- Acquisition of Workx group : +42 branches
- Opening of 2 branches



RECENT ACQUISITIONS REINFORCE MARKET SHARE

- Acquisition of Haulotte's rental business in Spain
- 350 access machines
- 3 locations in Madrid, Barcelona and Bilbao
- 2014 est. revenues of €3.5 million
- 16 employees transferred

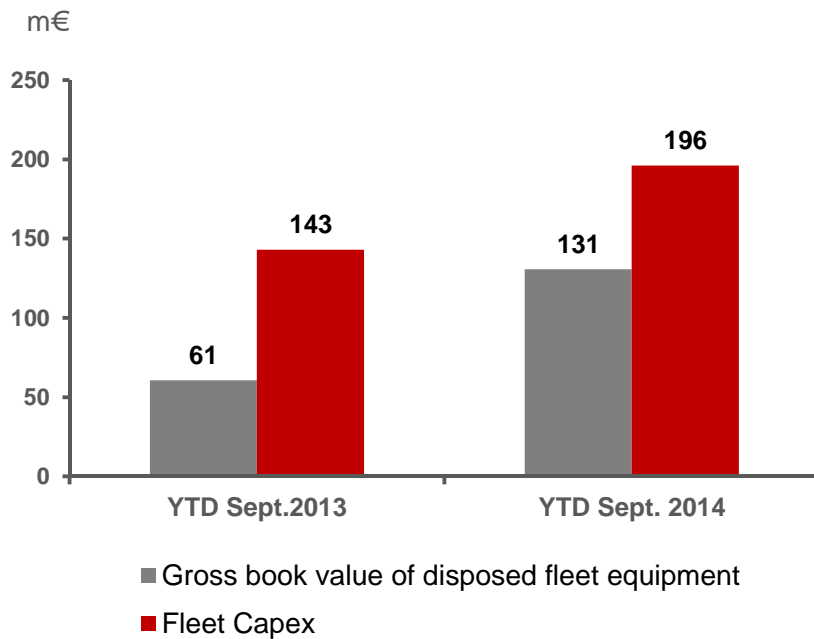
- Acquisition of Phocomex, a French generalist business
- Business in receivership
- 25 depots mostly in South of France
- 2014 est. revenues of €14 million
- Transfer of 56% of the workforce (76)





GROSS FLEET CAPEX AT €196M

Gross Fleet Capex and Disposals (€m)



➤ Gross fleet Capex YTD Sept. 2014: €196m

➤ Disposal of old under utilized equipment at Generalist



Q3 2014 FINANCIAL RESULTS

 **LOXAM**

European N°1 in Equipment Rental





EBITDA MARGIN AT 38% IN Q3

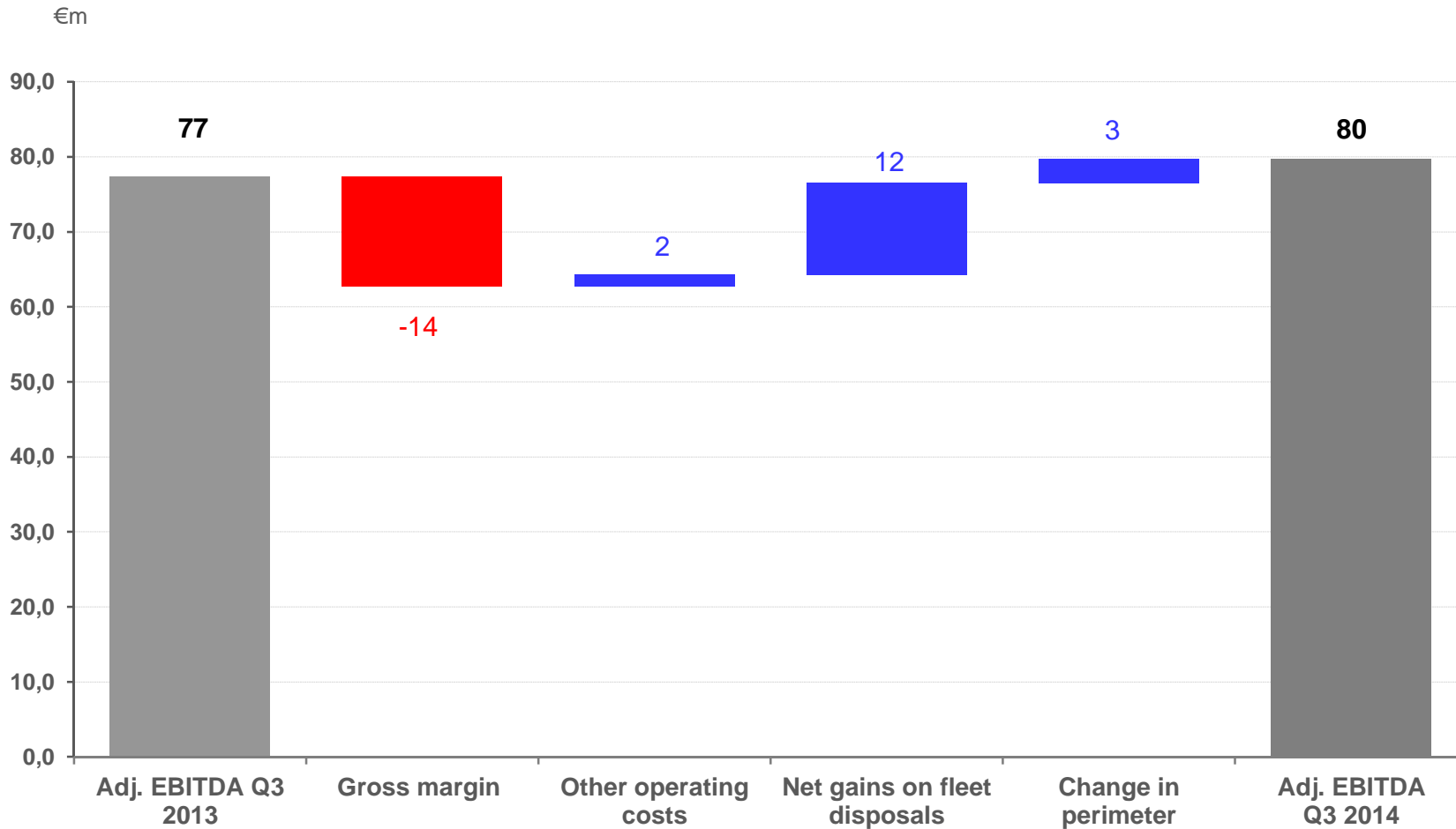
(€m)	Q3 2013	Q3 2014	Var.	YTD 30/09/13	YTD 30/09/14	Var.
Revenue	215	210	-2.4%	591	601	+1.6%
Adj. EBITDA (a)	77	80	+3.1%	183	191	+4.4%
<i>Margin</i>	36%	38%		31%	32%	
Adj. EBIT (a)	45	36	-20.4%	83	72	-13.9%
<i>Margin</i>	21%	17%		14%	12%	
Net income	21	7	-67.3%	27	15	-43,7%
<i>Margin</i>	10%	3%		5%	3%	

(a) Adjusted EBITDA and Adjusted EBIT exclude non-recurring costs. These adjustments amounted to €5.2 m and €94m respectively in the nine first months of 2013 and 2014; 0 in Q3 2013 and €9.4 m in Q3 2014.



Q3 EBITDA IMPROVED BY FLEET DISPOSAL, COST REDUCTION AND ACQUISITIONS

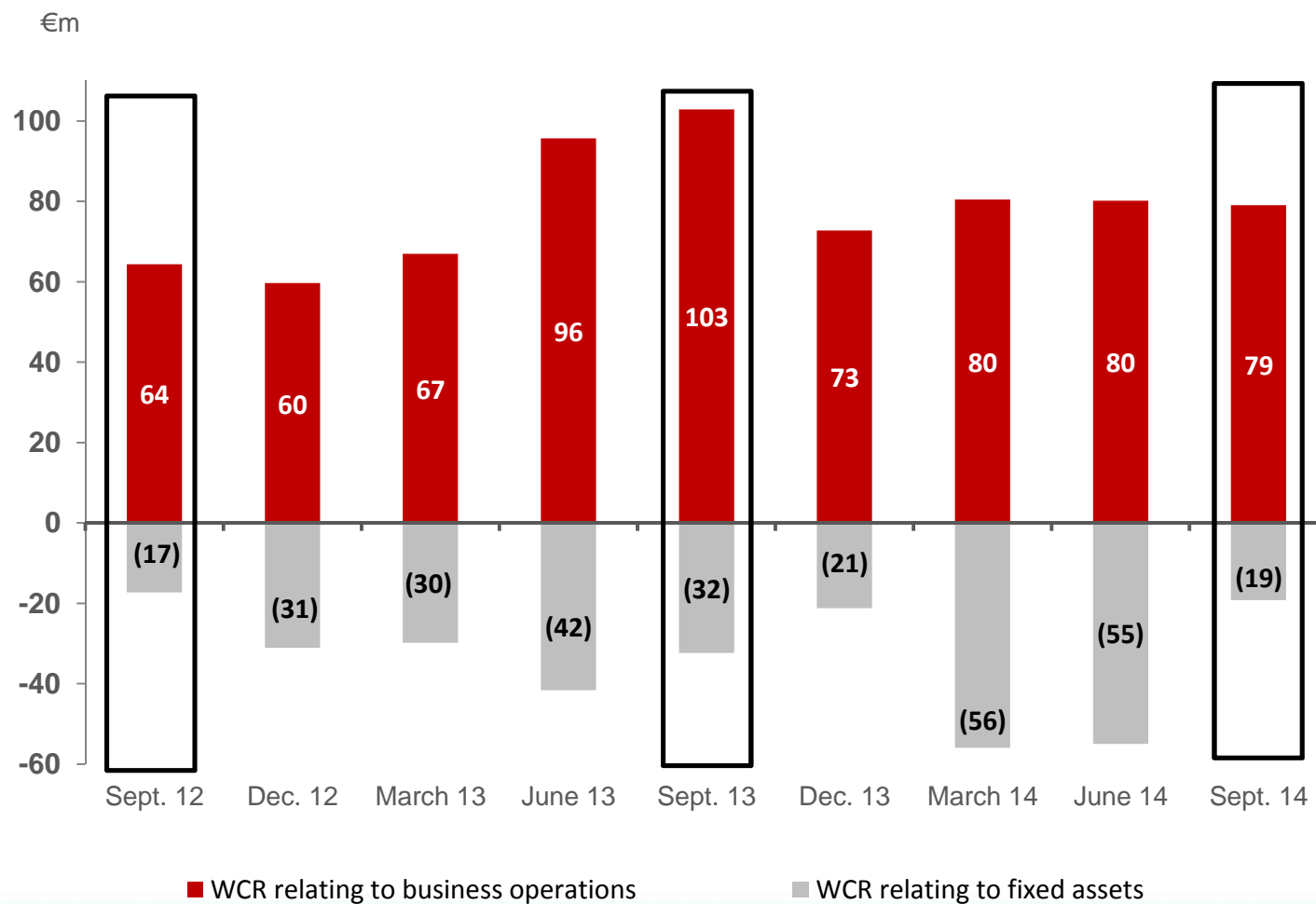
Q3 2014 EBITDA Bridge





STABILITY OF TRADE WORKING CAPITAL REQUIREMENT

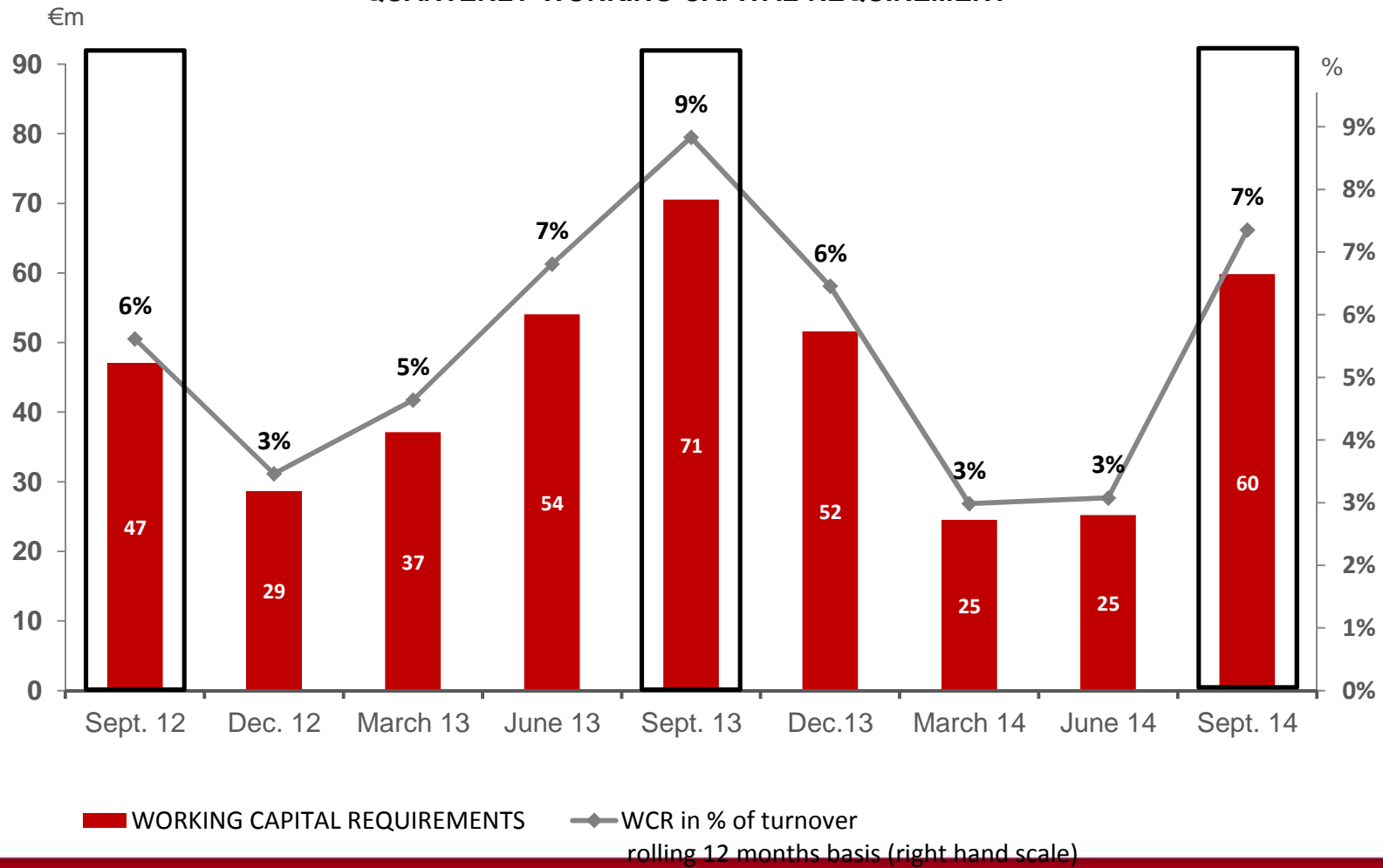
QUARTERLY WORKING CAPITAL REQUIREMENT





WORKING CAPITAL REQUIREMENT AT STANDARD LEVEL

QUARTERLY WORKING CAPITAL REQUIREMENT





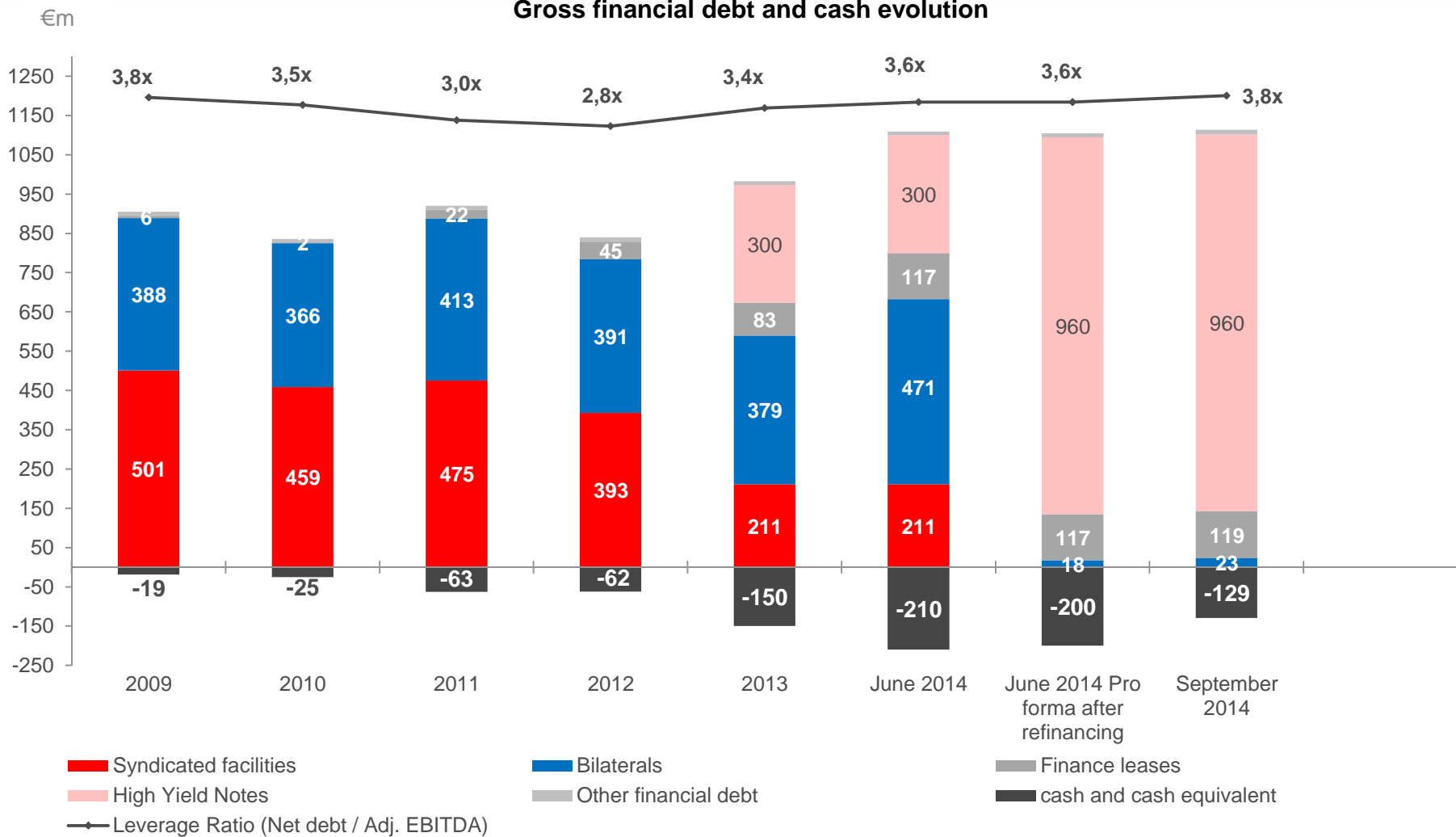
INCREASE OF NET DEBT BY €85 M IN Q3

(€m)	Q3 2013	Q3 2014	YTD 30/09/13	YTD 30/09/14
EBITDA before capital gains on fleet disposals	73	51	166	150
Proceeds from disposals of fixed assets	6	21	14	38
Gross capital expenditure	(59)	(52)	(151)	(209)
Financial income and expense	(12)	(15)	(34)	(34)
Income tax	(12)	(4)	(17)	(10)
Change in working capital requirement	(17)	(35)	(42)	(7)
Free cash flow	(21)	(33)	(63)	(72)
Dividends	-	-	(5)	(5)
Acquisitions	-	(52)	-	(74)
Change in net debt	(21)	(85)	(68)	(151)



LEVERAGE RATIO AT 3.8x

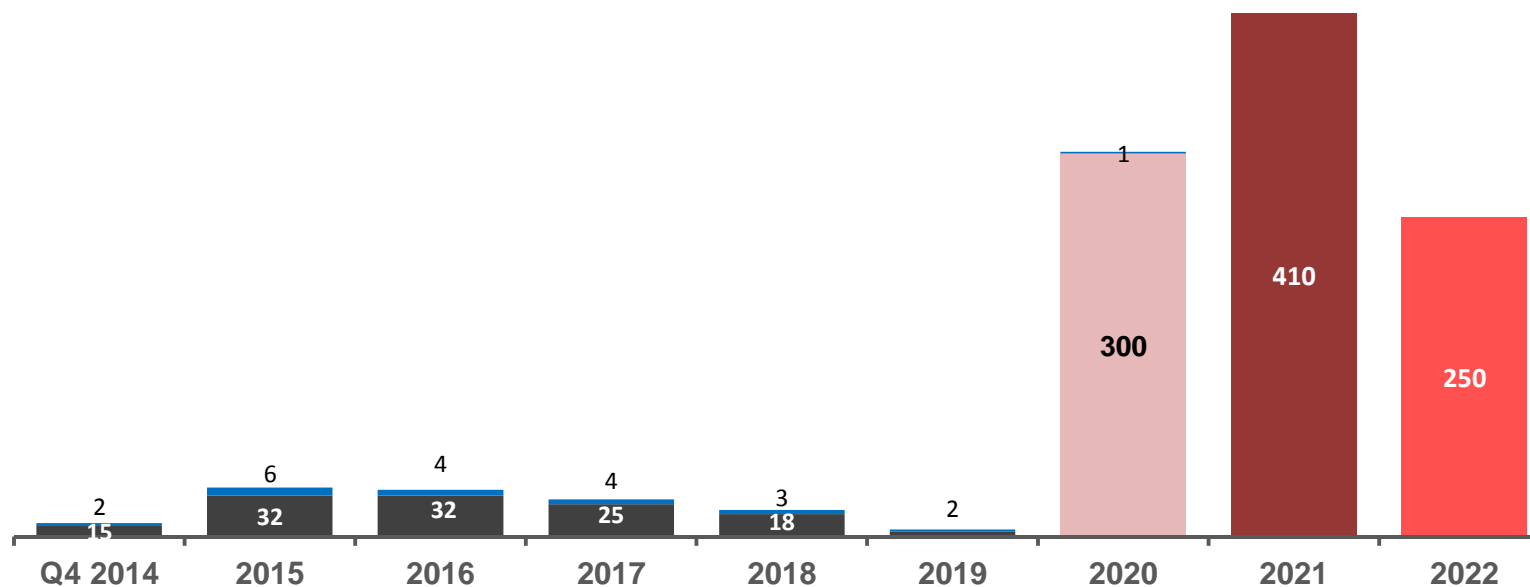
Gross financial debt and cash evolution





NO MAJOR DEBT AMORTIZATION BEFORE 2020

Debt maturity profile (in €m)



- Finance leases
- Bilaterals
- €300 m senior subordinated notes
- €410 m senior secured notes
- €250 m senior subordinated notes



FULL YEAR OUTLOOK



FULL YEAR OUTLOOK

Market environment

- France : Weak construction market to stay
- International: Recovery delayed to 2015

French Network

- Streamlining of French network mostly completed
- Cost reduction programme to continue

Fleet

- Rejuvenation of the fleet (rebalancing à confirmer)
- Disposal of assets : older assets sold at Generalist France



Q&A