



LOXAM – 2015 THIRD QUARTER RESULTS CONFIRMATION OF REVENUE STABILIZATION

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

Third quarter highlights and business highlights:

- Revenue up 1% at €211 million (flat on a like for like basis and at constant exchange rates)
- Stabilization of revenue in France (-0.3%)
- Organic growth maintained at the International division (+2% on a like for like basis, and at constant exchange rates)
- EBITDA up 4% (down 4% to €77 million including capital gains)
- Fleet gross capex at €38 million versus €46 million in Q3 2014
- Positive free cash flow of €4 million before acquisitions.

Overall, in the first nine months of 2015, LOXAM recorded a revenue growth of 2% and an increase in EBITDA of 7%.

“The third quarter of 2015 has confirmed the stabilization of our French revenue and the organic growth of our International division. Meanwhile our underlying EBITDA margin –excluding capital gains- has continued to improve. Our fleet capex has been lower than anticipated given, the soft conditions of the French market, and we have generated a positive cash flow. On 30th October, we completed the acquisition of Hertz Equipment Rental France and Spain and are now starting the integration work of these businesses.”, commented Gérard Déprez, Chairman and CEO of LOXAM.

KEY FIGURES (millions of euro)

	Q3 2015 (unaudited)	Q3 2014 (unaudited)	YTD 30/09/2015 (unaudited)	YTD 30/09/2014 (unaudited)
Revenue				
Generalist France	126	126	371	384
Specialist France	37	38	107	105
International	48	46	133	112
Total Revenues	211	210	611	601
Adjusted EBITDA ⁽¹⁾				
Generalist France	50	53	134	127
Specialist France	13	14	36	36
International	14	12	33	27
Total adjusted EBITDA ⁽²⁾	77	80	204	191
Adjusted EBITDA margin ⁽¹⁾				
Generalist France	39%	42%	36%	33%
Specialist France	36%	37%	34%	34%
International	29%	27%	25%	24%
Total Adjusted EBITDA ⁽²⁾ margin	36%	38%	33%	32%
Adjusted EBIT	31	36	66	72
Net Income (Loss)	8	7	8	15
<i>Free Cash Flow before acquisitions</i>	4	(33)	36	(72)
<i>Gross CAPEX</i>	(44)	(52)	(109)	(209)

⁽¹⁾ adjusted EBITDA excludes the non-recurring costs

⁽²⁾ including contribution from real estate

REVENUE

LOXAM's consolidated Q3 2015 revenue totaled €211 million, a 0.2% increase compared to Q3 2014 on a like for like basis and at constant exchange rates.

In France, Generalist division revenue was stable in Q3 2015 at €126 million, following a 2% drop in Q2 2015. Although this division is still impacted by the weak demand from civil engineering clients, it is likely that it has now experienced most of the market downcycle.

Specialist France division revenue was down by 2% compared to Q3 2014 at €37 million. This division's revenue evolution has been adversely affected by the late-cycle decrease of residential and non-residential building construction segments as well as an unfavorable price level.

Outside of France, our International division has increased its revenue by 4%, benefiting from a favorable market environment in most of our countries. Setting aside the contribution of our recent acquisition in Morocco, and at constant exchange rates, our International division revenue increased by 2%.

EBITDA

EBITDA decreased by 4% to €77 million and our EBITDA margin reached 36% of total revenue, versus 38% in Q3 2014. Setting aside the effect of capital gains, which were particularly high in Q3 2014, EBITDA increased by 4% and EBITDA margin improved by 1 point.

By division, Generalist France recorded a 7% decrease in its EBITDA (39% margin) due primarily to a seasonality of fleet sales throughout the quarters different from last year. Specialist France EBITDA was down 5% due to lower revenue, with its margin at 36%. Our International division improved its EBITDA by 12% and its margin stood at 29%.

CASH FLOW AND INDEBTEDNESS

In Q3 2015, our gross fleet capex was €38 million compared to €46 million in the same quarter of last year. During the first nine months of 2015, gross fleet capex totaled €91 million versus €196 million at the end of the first nine months of 2014.

LOXAM's free cash flow before M&A activity was positive at €4 million versus a negative free cash flow of €(33) million in Q3 2014. During the first nine months, the free cash flow before M&A was positive at €36 million versus a negative free cash flow of €(72) million during the first nine months of 2014.

At the end of September 2015, the net financial debt amounted to €952 million.

EXTERNAL GROWTH

In August, LOXAM acquired the modular building rental business of OBM, a French building construction company. The acquired business will be integrated into LOXAM Module, our business unit specialized in modular building.

Post Q3 2015, on October 30th, LOXAM completed the acquisition of Hertz Equipment Rental France and Spain.

BUSINESS OUTLOOK

For the rest of 2015, LOXAM anticipates that the demand from the construction sector in France will remain flat. As for 2016, the market conditions are expected to be more favorable than in 2015 in France and abroad, and capex should increase.

INVESTOR CONTACTS

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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 610 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 those relating 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 anticipated by management. 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.