



Paris - DECEMBER 14, 2016

**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION
NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN
PART, DIRECTLY OR INDIRECTLY, IN, INTO OR FROM ANY JURISDICTION
WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT
LAWS OR REGULATIONS OF SUCH JURISDICTION
FOR IMMEDIATE RELEASE**

14 December 2016

**RECOMMENDED CASH OFFER
FOR
LAVENDON GROUP PLC (“LAVENDON” OR THE “COMPANY”)
BY
LOXAM SAS (“LOXAM” OR THE “OFFEROR”)**

Summary

- The boards of directors of Lavendon and Loxam are pleased to announce that they have reached agreement on the terms of a recommended all cash offer for the entire issued and to be issued share capital of Lavendon by Loxam, to be implemented by way of a takeover offer under the City Code and within the meaning of Part 28 of the Companies Act 2006 (the “Offer”).
- Under the terms of the Offer, Lavendon Shareholders will receive 220 pence in cash for each Lavendon Share, valuing the entire issued share capital of Lavendon at approximately £374.0 million.
- The Offer represents a premium of approximately:
 - 58.3 per cent. to the Closing Price of 139.0 pence for each Lavendon Share on 21 November 2016 (being the last Business Day prior to the start of the Offer Period); and
 - 67.6 per cent. to the volume-weighted price of 131.3 pence for each Lavendon Share for the twelve month period ended on 21 November 2016 (being the last Business Day prior to the start of the Offer Period).

- If, after the date of this Announcement, a dividend and/or other distribution and/or return of capital is announced, declared or paid in respect of the Lavendon Shares, Loxam reserves its right to reduce the offer consideration by an amount up to the amount of such dividend and/or distribution and/or return of capital so announced, declared or paid.
- Loxam has received irrevocable undertakings from each of the Lavendon Directors in respect of their own holdings being, in aggregate, 936,554 Lavendon Shares, representing approximately 0.55 per cent. of the issued share capital of Lavendon as at 13 December 2016 (being the last practicable date prior to the date of this Announcement). Further details of these irrevocable undertakings are set out in Appendix 3 to this Announcement.
- The Offer is not conditional on any antitrust or regulatory clearances. The Offer is conditional on, among other things, Loxam receiving valid acceptances in respect of, or otherwise acquiring or agreeing to acquire (whether pursuant to the Offer or otherwise), shares which constitute not less than 75 per cent. (or such lesser percentage as Loxam may decide, but not being less than 50 per cent. plus one share) in nominal value of the Lavendon Shares and represent not less than 75 per cent. (or such lesser percentage as Loxam may decide, but not being less than 50 per cent. plus one share) of the voting rights carried by the Lavendon Shares.
- Loxam is the largest equipment rental company in Europe, with €838 million of revenues generated in 2015. Loxam focuses primarily on the construction and civil engineering sectors, with approximately 5,000 employees and a network of 641 branches extending over 11 countries in Europe (France, Germany, the United Kingdom, Ireland, Belgium, Switzerland, Spain, Luxemburg, the Netherlands, Denmark and Norway), as well as in Morocco and Brazil.
- Lavendon is a public company incorporated in the United Kingdom and has been listed on the London Stock Exchange since 1996. Founded in 1992, Lavendon is the European and Middle Eastern market leader in the rental of powered access equipment. The Company's equipment enables users to work safely, productively and comfortably at height, whatever the application. From 70 depots in the UK, Continental Europe and the Middle East, Lavendon manages a fleet of over 21,000 access platform units.
- The combination of Lavendon and Loxam will anchor Loxam as the leading player in the aerial work platforms market in Europe and the third largest worldwide, and will also bolster Loxam's leadership in the European equipment rental market.
- Loxam believes that the combination with Lavendon represents a unique opportunity to combine the leading positions of the two groups in each of their markets, to create a stronger player, with an improved geographical and equipment range balance, able to provide better service to its clients throughout its network.
- The contemplated combination will also be a new milestone in Loxam's development outside Europe with the addition of Lavendon's longstanding and successful development in the Middle East.
- The Lavendon Directors, who have been so advised by Canaccord Genuity as to the financial terms of the Offer, consider the terms of the Offer to be fair and reasonable. In providing its advice, Canaccord Genuity has taken into account the commercial assessments of the Lavendon Directors.
- Accordingly, the Lavendon Directors unanimously intend to recommend that Lavendon Shareholders accept or procure acceptance of the Offer (or, in the event that the Offer is implemented by way of a Scheme, vote in favour of the resolutions relating to such Scheme),

as each of the Lavendon Directors irrevocably has undertaken to do in respect of their Lavendon Shares.

Commenting on the Offer, Gérard Déprez, President of Loxam, said:

“The combination of Lavendon and Loxam represents a unique opportunity to build an unrivalled leader in the European aerial work platforms rental market. Loxam has followed Lavendon for a number of years and has been impressed by its management team and the numerous leadership positions it now holds in several markets.

The acquisition of Lavendon is consistent with Loxam’s strategy to build a geographically diversified business, increase its market shares in countries where the group is already present, and further develop in specialised areas, such as aerial work platforms. The two groups are highly complementary in Europe, and Lavendon’s Middle Eastern business will provide the combined entity with opportunities in growing markets.

The discussions with the Board of Lavendon have been very constructive, and Loxam has always had the objective to obtain the full support of Lavendon’s Board. Loxam is looking forward to working with the Lavendon team and continuing to build a successful business.”

Commenting on the Offer, John Standen, Chairman of Lavendon, said:

“Lavendon is a company in robust health, uniquely positioned across diverse geographic markets, with strong revenue growth, cash flow and ROCE.

In reaching its decision, the Lavendon Board has considered in great detail the best interests of all shareholders and the Company as a whole. We believe that Loxam’s all-cash offer provides Lavendon’s shareholders with an opportunity to realise significant value at an attractive premium to the pre-offer period share price, whilst securing early delivery of the Lavendon Group’s potential against a backdrop of increased economic uncertainty. This is why the Lavendon Directors unanimously intend to recommend Loxam’s offer.

Loxam is the largest equipment rental company in Europe with a strong management team who share our belief in the strengths of our people and our growth drivers. We are confident that they are the right partner to take Lavendon to the next chapter of its growth story.”

This summary should be read in conjunction with, and is subject to, the full text of the following Announcement and the appendices to this Announcement.

Appendix 1 sets out the Conditions and certain further terms of the Offer. Appendix 2 sets out the sources of information and bases of calculation contained in this Announcement. Appendix 3 sets out details of the irrevocable undertakings received by Loxam in relation to the Offer that are referred to in this Announcement. Certain terms used in this Announcement are defined in Appendix 4.

The Offer will be subject to the Conditions and further terms set out in Appendix 1 of this Announcement and to the full terms and conditions that will be set out in the Offer Document and, in respect of Lavendon Shares held in certificated form, the Form of Acceptance.

It is intended that the Offer Document and Form of Acceptance containing further details of the Offer will be despatched to Lavendon Shareholders (other than to persons in a Restricted Jurisdiction) as soon as practicable, and in any event within 28 days after the date of this Announcement (unless agreed otherwise with the Panel).

Enquiries:

Loxam SAS **Tel: +33 1 58 44 01 91**
Gérard Déprez, President
Patrick Bourmaud, Chief Finance Officer

Rothschild **Tel: +44 (0)20 7280 5000**
(Financial Adviser to Loxam)
Ravi Gupta
Laurent Baril
Niall McBride

Deutsche Bank **Tel: +44 (0)20 7545 8000**
(Financial Adviser to Loxam)
Richard Sheppard
Chris Raff
Neil Collingridge (Corporate broker)
Jimmy Bastock (Corporate broker)

Brunswick
(PR Adviser to Loxam)
London **Tel: +44 (0) 20 7404 5959**

Jonathan Glass
Mike Smith
Paris **Tel: +33 1 53 96 83 83**
Agnes Catineau
Tristan Bourassin

Canaccord Genuity **Tel: +44 (0)20 7523 8000**
(Sole Financial Adviser to Lavendon)
Chris Robinson
Miles Cox

Peel Hunt **Tel: +44 (0)20 7418 8900**
(Corporate Broker to Lavendon)
Justin Jones
Mike Bell

FTI Consulting **Tel: +44 (0)20 3727 1000**
(PR Adviser to Lavendon)
Jonathon Brill
James Styles

Important Notices

N.M. Rothschild & Sons Limited (“Rothschild”), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for Loxam and no one else in connection with the Offer and will not be responsible to anyone other than Loxam for providing the protections afforded to its clients or for providing advice in relation to the contents of this Announcement, in connection with the Offer or any other matter referred to herein.

Deutsche Bank AG (“Deutsche Bank”) is authorised under German Banking Law (competent authority: the European Central Bank). Deutsche Bank is subject to supervision by the European Central Bank and by BaFin, Germany's Federal Financial Supervisory Authority, and is subject to limited regulation in the United Kingdom by the Prudential Regulation Authority and Financial Conduct Authority. Deutsche Bank is acting as financial adviser to Loxam and no one else in connection with the contents of this Announcement and will not be responsible to anyone other than Loxam for providing the protections afforded to its clients or for providing advice in connection with the contents of this Announcement or any other matter referred to herein.

Canaccord Genuity Limited (“Canaccord Genuity”), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for Lavendon in connection with the matters set out in this Announcement and for no one else and will not be responsible to anyone other than Lavendon for providing the protections afforded to its clients or for providing advice in relation to the matters set out in this Announcement.

Peel Hunt LLP (“Peel Hunt”), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for Lavendon in connection with the matters set out in this Announcement and for no one else and will not be responsible to anyone other than Lavendon for providing the protections afforded to its clients or for providing advice in relation to the matters set out in this Announcement.

Further Information

This Announcement is for information purposes only. It is not intended to and does not constitute, or form part of, an offer or invitation or the solicitation of any offer to sell or purchase any securities or the solicitation of any offer to otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval of an offer to buy securities in any jurisdiction, pursuant to the Offer or otherwise. The Offer will be made solely by means of the Offer Document and, in respect of Lavendon Shares held in certificated form, the Form of Acceptance, which will contain the full terms and conditions of the Offer, including details of how the Offer may be accepted. Any decision in respect of, or other response to, the Offer should be made only on the basis of the information contained in those documents. Lavendon Shareholders are advised to read the formal documentation in relation to the Offer carefully once it has been despatched.

This Announcement does not constitute a prospectus or prospectus equivalent document.

Overseas Jurisdictions

The release, publication or distribution of this Announcement in, and the availability of the Offer to persons who are residents, citizens or nationals of, jurisdictions other than the United Kingdom may be restricted by laws and/or regulations of those jurisdictions. Therefore any such persons should inform themselves about and observe any applicable legal or regulatory requirements in their jurisdiction. Any failure to comply with the applicable requirements may constitute a violation of the laws and/or regulations of any such jurisdiction. Further details in relation to overseas shareholders will be contained in the Offer Document.

In particular, copies of this Announcement and any formal documentation relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including, without

limitation, any agents, custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction. Unless otherwise determined by the Offeror or required by the City Code, and permitted by applicable law and regulation, the Offer is not being, and will not be, made, directly or indirectly, in or into or from, or by the use of mail or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, any Restricted Jurisdiction, and the Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.

The receipt of cash pursuant to the Offer by Lavendon Shareholders may be a taxable transaction under applicable national, state or local, as well as foreign and other, tax laws. Each Lavendon Shareholder is urged to consult its independent professional adviser regarding the tax consequences of accepting the Offer.

This Announcement has been prepared in compliance with English law, the rules of the London Stock Exchange and the City Code and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside of England and Wales.

Notice to US Investors

The Offer is being made to holders of Lavendon Shares resident in the United States in reliance on, and in compliance with, Section 14(e) of the Exchange Act, and Regulation 14E thereunder. The Offer is being made in the United States by Loxam and no one else.

The Offer is being made for securities of a United Kingdom company and Lavendon Shareholders in the United States should be aware that this Announcement, the Offer Document and any other documents relating to the Offer have been or will be prepared in accordance with the City Code and United Kingdom disclosure requirements as to format and style, all of which differ from those in the United States. Lavendon's financial statements, and all financial information that is included in this announcement or that may be included in the Offer Document or any other documents relating to the Offer, have been or will be prepared in accordance with United Kingdom generally accepted accounting principles and International Financial Reporting Standards and may not be comparable to financial statements of United States companies.

The Offer will be made in the United States pursuant to applicable US tender offer rules and securities laws (or pursuant to exemptive relief therefrom granted by the United States Securities and Exchange Commission (the "SEC")) and otherwise in accordance with the requirements of the City Code, the Panel, the London Stock Exchange and the UK Financial Conduct Authority. Accordingly, the Offer will be subject to disclosure and other procedural requirements, including with respect to withdrawal rights, offer timetable, settlement procedures and timing of payments that are different from those applicable under United States domestic tender offer procedures and law.

In particular, the payment and settlement procedure with respect to the Offer will comply with the relevant United Kingdom rules, which differ from US payment and settlement procedures, particularly with regard to the date of payment of consideration.

To the extent permissible under applicable securities laws, Deutsche Bank AG and its affiliates may from time to time purchase, or enter into arrangements to purchase, Lavendon Shares either as principal or agent before and during the period when the Offer remains open for acceptance. Pursuant to Rule 14e-5(b) of the Exchange Act, any affiliate of a financial adviser to the Loxam Group may from time to time make purchases of, or arrangements to purchase, Lavendon Shares outside of the United States, other than pursuant to the Offer, before or during the period in which the Offer is open for submission of tenders, so long as the acquisitions or arrangements comply with the provisions of the exemption provided under Rule 14e-5. Pursuant to Rule 14e-5 of the Exchange Act, Loxam, its affiliates, nominees or brokers (acting as agents), and a financial adviser and its affiliates,

may from time to time make purchases of, or arrangements to purchase, the Lavendon Shares, other than pursuant to the Offer, before or during the period in which the Offer is open for submission of tenders so long as those acquisitions or arrangements comply with the provisions of the exemption provided under Rule 14e-5 of the Exchange Act. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Information about such purchases will be disclosed as and if required by applicable securities laws. In addition, in accordance with the City Code, normal United Kingdom market practice and Rule 14e-5(b) of the Exchange Act, Deutsche Bank will continue to act as exempt principal trader in Lavendon securities on the London Stock Exchange. These purchases and activities by the exempt principal trader which are required to be made public in the United Kingdom pursuant to the City Code will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com. This information will also be publicly disclosed in the United States to the extent that such information is made public in the United Kingdom.

Forward Looking Statements

This Announcement contains statements about Loxam and the Lavendon Group that are or may be forward looking statements. All statements other than statements of historical facts included in this Announcement may be forward looking statements. They are based on current expectations and projections about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward looking statements. Without limitation, any statements preceded or followed by or that include the words “targets”, “plans” “believes”, “expects”, “aims”, “intends”, “will”, “may”, “anticipates”, “estimates”, “projects” or, words or terms of similar substance or the negative thereof, are forward looking statements. Forward looking statements include, but are not limited to, statements relating to the following: (i) statements relating to the expected benefits of the acquisition to Loxam, the Wider Loxam Group and/or the Lavendon Group; (ii) background to and reasons for the Offer; (iii) expectations of the impact of the acquisition on revenue and earnings of Loxam, the Wider Loxam Group and/or the Lavendon Group; (iv) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (v) business and management strategies and the expansion and growth of Loxam’s, the Wider Loxam Group’s and/or the Lavendon Group’s operations and potential synergies resulting from the Offer; and (vi) the effects of government regulation on Loxam’s, the Loxam Group’s and/or the Lavendon Group’s business. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations.

Such forward looking statements involve risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward looking statements, including risks relating to the successful combination of Lavendon with Loxam; higher than anticipated costs relating to the combination of Lavendon with Loxam or investment required in Lavendon to realise expected benefits and facts relating to Lavendon that may impact the timing or amount of benefit realised from the acquisition that are unknown to Loxam. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward looking statements, which speak only as of the date hereof. Each of Lavendon, Loxam and their respective members, directors, officers, employees, advisers and any person acting on behalf of one or more of them expressly disclaims any intention or obligation to update or revise any forward looking or other statements contained herein, whether as a result of new information, future events or otherwise except as required by applicable law.

None of Lavendon, Loxam and their respective members, directors, officers, employees, advisers and any person acting on their behalf provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur.

No forward-looking or other statements have been reviewed by the auditors of Lavendon or Loxam. All subsequent oral or written forward-looking statements attributable to any of Lavendon, Loxam, or their respective members, directors, officers, advisers or employees or any person acting on their behalf are expressly qualified in their entirety by the cautionary statement above.

No Profit Forecasts or Estimates

Nothing contained in this Announcement shall be deemed to be a profit forecast, projection or estimate for any period unless otherwise stated, and no statement in this Announcement should be interpreted to mean that earnings or earnings per Lavendon Share for the current or future financial years will necessarily match or exceed the historical published earnings or earnings per Lavendon Share.

Dealing Disclosure Requirements of the City Code

Under Rule 8.3(a) of the City Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company; and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th Business Day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th Business Day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the City Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company; and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the Business Day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a paper offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4 of the City Code).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at <http://www.thetakeoverpanel.org.uk>, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. If you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure, you should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129.

Publication on Website and Availability of Hard Copies

A copy of this Announcement and the documents required to be published pursuant to Rule 26.1 and Rule 26.2 of the City Code will be made available, subject to certain restrictions relating to persons resident in any Restricted Jurisdiction, on Loxam's website at www.loxamgroup.com and Lavendon's website at www.lavendongroup.com, promptly following publication of this Announcement and in any event by no later than 12 noon (London time) on the Business Day following the date of this Announcement until the end of the Offer Period. For the avoidance of doubt, the contents of that website are not incorporated into, and do not form part of, this Announcement.

Lavendon Shareholders may request a hard copy of this Announcement by contacting Equiniti Limited at Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN9 6DA during business hours on 0333 207 6523 or, if calling from outside the UK, on +44 121 415 0906. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. You may also request that all future documents, announcements and information to be sent to you in relation to the Offer should be in hard copy form.

Information Relating to Lavendon Shareholders

Please be aware that addresses, electronic addresses and certain other information provided by Lavendon Shareholders, persons with information rights and other relevant persons for the receipt of communication from the Company may be provided to the Offeror during the Offer Period as required under Section 4 of Appendix 4 of the City Code.

Rounding

Certain figures included in this Announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

Strengthened competitive position of Loxam

The combination of Lavendon and Loxam, operating respectively the number 1 and number 3 largest aerial work platforms fleets in Europe, would create a pan-European leader in the aerial work platforms rental market, with a dedicated fleet of approximately 38,000 units, and the third largest global player.

With combined revenues of over €1.2 billion, the transaction would anchor Loxam as one of the leading worldwide equipment rental companies, and would reinforce Loxam's leadership in the European equipment rental market. The transaction would also consolidate the longstanding local market positions and recognised brand names of Lavendon with the highly complementary positions of Loxam in the United Kingdom, France, Germany and Belgium, representing a unique opportunity to increase scale and reinforce the financial profile of Loxam.

Geographic and end-markets diversification

The transaction would fit with Loxam's strategy to build organically and through acquisitions a geographically balanced business, expand into specialty activities and reinforce market share in countries where it already operates. As a consequence of the transaction, Loxam's share of revenue from its domestic market will be reduced to approximately 60% of total combined revenue.

In the Middle East, where Lavendon has a longstanding presence and a leading position, the transaction provides a unique chance for Loxam to gain access to growing rental markets.

Additionally, the transaction will result in a higher share of access equipment in Loxam's revenue mix, which will further diversify Loxam's end-market mix into non-construction segments.

4. Background to and reasons for the Lavendon Board recommendation

Previous discussions with TVH and Loxam

The Lavendon Board received an unsolicited approach from TVH after Lavendon's half-year results in August 2016. Following preliminary discussions between the Lavendon Board and TVH, a non-binding proposal was received on 16 October 2016 from TVH regarding a possible cash offer for Lavendon to be effected by way of a scheme of arrangement and subject to certain pre-conditions including a limited amount of due diligence and the support of Lavendon's major shareholders. Following further negotiations and once the limited due diligence was complete, TVH sought the support of Lavendon's major shareholders.

Having consulted with certain of the shareholders approached by TVH, it was apparent that the level of support anticipated was not forthcoming. Consequently, the Lavendon Board unanimously concluded that it was unable to proceed with a recommended offer from TVH, regardless of the proposed offer structure, due to concerns over the significant execution risk and the potential disruption to Lavendon's business. The Lavendon Board subsequently encouraged TVH to approach additional shareholders to establish whether TVH could secure further support, but TVH declined to do so.

On 22 November 2016, TVH, through its wholly-owned subsidiary, Libra Bidco, announced an unrecommended final cash offer to acquire the entire issued and to be issued share capital of Lavendon at a price of 205 pence for each Lavendon Share.

On the same day, the Lavendon Board issued an announcement summarising the background to its discussions with TVH and its reasons for not recommending the TVH offer at that time, together with its advice that Lavendon Shareholders take no action.

On 25 November 2016, TVH announced that it had acquired 15,373,908 Lavendon Shares, representing approximately 9.0 per cent. of the issued share capital of Lavendon. Some of these Lavendon Shares were acquired from shareholders who had provided irrevocable undertakings to accept the TVH offer, so reducing the number of Lavendon Shares subject to such irrevocable undertakings.

On 28 November 2016, Loxam announced that it had made a preliminary approach to Lavendon regarding a possible cash offer, and on that same day the Lavendon Board acknowledged Loxam's statement and provided access to due diligence materials and Lavendon management.

On 30 November 2016, TVH and Libra Bidco announced that a copy of the TVH offer document together with the related form of acceptance was being posted that day to the Lavendon Shareholders. On the same day, the Lavendon Board announced that it would be writing to shareholders and advised that they take no action at that stage. The first closing date of the TVH offer is 21 December 2016.

On 12 December 2016, TVH announced that the Bundeskartellamt, the German competition authority, had unconditionally cleared the potential acquisition of Lavendon by TVH. On the same day, TVH also announced that it had waived the acceptance condition to which the TVH offer is subject, down from 75 per cent. to 50 per cent. plus one share. The Lavendon Board issued a statement, also on 12 December 2016, noting the TVH announcements and advising Lavendon shareholders to take no action with regard to TVH's offer.

Reasons for the recommendation of the Loxam Offer

In recent years Lavendon has established a clear strategy to become a market-leading powered access rental business in its selected markets and central to this has been a focus on growth, cash flows and return on capital. Lavendon has made good progress in this regard and it continues to deliver a strong trading performance with the Lavendon Board confident of delivering results for the 2016 financial year marginally ahead of its original expectations. The Lavendon Group remains well-positioned in its markets to make further advances in line with its growth strategy.

However, notwithstanding the Lavendon Group's track record of profitable growth and their confidence for the future, the Lavendon Directors consider the Offer and level of the Cash Consideration provides the Lavendon Shareholders with certainty of value at an attractive level which reflects both the quality of the Lavendon business and its position in its selected markets. Accordingly, the Lavendon Directors believe that the Lavendon Shareholders should have the opportunity to realise their investment in Lavendon.

Following discussions with Loxam and in evaluating the Offer, the Lavendon Board has considered various aspects of the Offer, including valuation, transaction timing and execution risk, and considers the Offer to represent a superior value for the Lavendon Shareholders, as compared to the offer from TVH.

The terms of the Offer represent a premium, in cash, of approximately:

- 58.3 per cent. to the Closing Price for each Lavendon Share of 139.0 pence on 21 November 2016 (being the last Business Day prior to the start of the Offer Period); and

- 67.6 per cent. to the volume-weighted price of 131.3 pence for each Lavendon Share for the twelve month period ended on 21 November 2016 (being the last Business Day prior to the start of the Offer Period).

The Lavendon Directors believe that Loxam is a credible counterparty with a strong track record in the European construction equipment rental industry. Loxam's general plant and rental activities fit well with the more specialised business of Lavendon and there is a compelling strategic rationale to a combination. Further, given that in the United Kingdom the construction equipment rental industry is fragmented, the combination of Loxam's and Lavendon's businesses in this market would be beneficial to both companies. Accordingly, the Lavendon Directors believe that there is strategic logic and potential business benefits to a combination of Lavendon and Loxam.

Although the Lavendon Directors believe the Lavendon Group has a strong future as an independent business, the premium within the Loxam Offer places value on the Lavendon Group's prospects and provides certainty, in cash, to Lavendon Shareholders today as against the inherent uncertainty of the delivery of future value that exists in any business.

5. Recommendation by the Lavendon Directors

The Lavendon Directors, who have been so advised by Canaccord Genuity as to the financial terms of the Offer, consider the terms of the Offer to be fair and reasonable. In providing its advice, Canaccord Genuity has taken into account the commercial assessments of the Lavendon Directors.

The Lavendon Directors intend to recommend unanimously that Lavendon Shareholders accept (or procure acceptance of) the Offer (or, in the event that the Offer is implemented by way of a Scheme, vote in favour of the resolutions relating to such Scheme), as each of the Lavendon Directors who are interested in Lavendon Shares have irrevocably undertaken to do in respect of their own Lavendon Shares representing, in aggregate, approximately 0.55 per cent. of the issued share capital of Lavendon as at 13 December 2016 (being the last practicable date prior to the date of this Announcement).

6. Irrevocable undertakings

Loxam has received irrevocable undertakings from each of the Lavendon Directors who are interested in the Lavendon Shares to accept (or procure acceptance of) the Offer in respect of their own Lavendon Shares representing, in aggregate, approximately 0.55 per cent. of the issued share capital of Lavendon as at 13 December 2016 (being the last practicable date prior to the date of this Announcement).

Further details of these irrevocable undertakings are set out in Appendix 3 to this Announcement.

7. Information about Loxam

Loxam is the largest equipment rental company in Europe with €838 million of revenues generated in 2015. Loxam focuses primarily on the construction and civil engineering sectors, with approximately 5,000 employees and a network of 641 branches extending over 11 countries in Europe (France, Germany, the United Kingdom, Ireland, Belgium, Switzerland, Spain, Luxemburg, the Netherlands, Denmark, and Norway), as well as in Morocco and Brazil. Loxam operates the largest European equipment rental fleet, with over 220,000 items maintained to the highest safety standards.

Loxam's network of branches is split into three divisions: (i) Generalist France (which represents 61% of Loxam's turnover) covering, through a network of 425 branches, all

equipment needs for construction, industrial, landscaping, local authorities activities and services; (ii) Specialist France (which represents 18% of Loxam's turnover) covering, through a network of 72 branches, demand for speciality equipment such as aerial work platforms, generators, portable accommodation or heavy equipment for civil engineering; and (iii) International (which represents 21% of Loxam's turnover) covering, through a network of 144 Generalist and Specialist branches, the equipment demand in 11 European countries and Morocco.

With an aerial work platforms rental fleet of approximately 17,000 units, Loxam is a major player in this equipment range. As part of its general plant rental activities, Loxam operates approximately 10,000 units. In addition to these units, and as part of its Specialist France division and its International activities, Loxam operates over 7,000 units in seven countries, under the Loxam Access brand, a stand-alone network of branches which are dedicated wholly to powered access equipment.

Loxam has always grown through a mix of organic and external growth. By virtue of its strong financial position and sustainable business, Loxam has completed more than 20 acquisitions over the last 10 years and is continuing its external growth strategy to complete its European network and expand further into new regions. This acquisition track record ensures an operational know-how of welcoming and integrating new companies and employees.

Loxam was founded in 1967 and is headquartered in Caudan (Brittany), France. Loxam is a privately-owned company. Mr Déprez is President, CEO and majority shareholder of Loxam, and the minority shareholders consist of funds managed by 3i Plc, Pragma Capital, a French private equity fund, and a number of current and former employees of the Loxam Group.

Loxam recorded €685 million of consolidated revenue for the first nine months ended 30 September 2016. Although prices were stable during the third quarter, consolidated revenue increased by approximately 13% to €238 million. Like-for-like, at constant exchange rates, consolidated revenue increased by 6.5% driven by an increase of utilisation rate and the positive impact of Hertz Equipment.

EBITDA margin for the third quarter of 2016 was 35.6%, slightly lower than the third quarter of 2015 due to lower fleet divestments. Current trading for the fourth quarter continues to be in line with management expectations.

Additional information about Loxam can be found at its website, www.loxamgroup.com.

8. Information relating to Lavendon

Lavendon is a publicly listed company and its shares have a premium listing on the Official List of the UK Listing Authority and are traded on the London Stock Exchange. Lavendon was listed on the London Stock Exchange in 1996.

Founded in 1992, Lavendon is the European and Middle Eastern market leader in the rental of powered access equipment. The Company's equipment enables users across a wide range of sectors including construction, facilities management and infrastructure to work safely, productively and comfortably at height, whatever the application. From 70 depots in the UK, Continental Europe and the Middle East, Lavendon manages a fleet of over 21,000 access platform units.

Across their regions, Lavendon operates through several recognised brands: (i) Nationwide Platforms (UK), (ii) Gardemann (Germany), (iii) Lavendon (France), (iv) dk Rental (Belgium), and (v) Rapid Access (Middle East).

Lavendon employs approximately 1,900 people and is headquartered in Lutterworth, United Kingdom.

Over the last five years, Lavendon has continued to grow its business organically, complemented by the acquisition of Blue Sky Access Limited in 2011, with notable expansions of its operations in Europe and the Middle East. The Lavendon Group has also made operational efficiency gains secured from within its supply chain transport and maintenance operations, leading to reduced costs and improved fleet availability. As a result, between 2010 and 2015 the Company's revenues grew by 14.3 per cent. to £248.6 million and the Lavendon Group's underlying profit before tax rose from £13.1 million to £38.6 million as ROCE increased by 650bps to 12.7 per cent.

On 15 November 2016, Lavendon announced a trading update for the nine months ended 30 September 2016, reporting total and rental revenues, on a constant currency basis and excluding ex-fleet equipment sales, having increased by 9% compared with the prior year, with Middle East revenues for the nine months having increased by 20%. Net debt as at 30 September 2016 (at actual exchange rates) had slightly increased to £158 million, reflecting Sterling's relative weakness against the Euro and US Dollar since the UK's vote to leave the European Union (EU). Lavendon also announced that the restructuring of the German business was complete, and that the revised business structure was now operational. Don Kenny, Chief Executive of Lavendon, commented:

"The Group's trading performance has continued to deliver strong revenue growth through the third quarter. This growth reflects the benefits of our strategic investment programmes in both 2015 and 2016 to strengthen our market positions in all regions, together with the further operational improvements we have made to support the delivery of our growth plans.

The Board is encouraged by the trading performance to date, and as a consequence of the favourable translational impact on our overseas earnings from the continuing weakness of Sterling, we expect the Group's results to be marginally ahead of our original expectations for 2016."

Additional information about Lavendon can be found at its website, www.lavendongroup.com.

9. Financing

The Cash Consideration payable by Loxam under the Offer will be funded using either: (i) an interim term facility provided by Deutsche Bank pursuant to the interim facility agreement entered into between Deutsche Bank and Loxam on 14 December 2016 (the "**Interim Facility Agreement**"); and/or (ii) if it is entered into before a date on which Loxam is required to pay consideration under the Offer, a bridge facility provided by Deutsche Bank (the "**Bridge Facility**"); and/or (iii) if they are issued before a date on which Loxam is required to pay consideration under the Offer, the proceeds of the issue by Loxam of one or more tranches of debt securities (the "**Notes**"). Further details of the Interim Facility Agreement, the Bridge Facility and the Notes will be set out in the Offer Document.

In respect of the Interim Facility Agreement, Loxam has agreed that, subject to certain limited exceptions, it will not waive or amend certain conditions and certain further terms of the Offer without the consent of the Majority Lenders (as defined in the Interim Facility Agreement).

Rothschild and Deutsche Bank, financial advisers to Loxam, are each satisfied that sufficient resources are available to Loxam to enable it to satisfy, in full, the Cash Consideration payable to Lavendon Shareholders by Loxam under the terms of the Offer.

10. Management, employees and locations

Loxam considers the management team and the employees to be one of the main assets of the Lavendon Group and a key element for its future growth and success. Over the years and due to the numerous integration processes it has been through, Loxam has acquired a strong expertise in successfully managing the integration of new employees. Lavendon's management and employees would benefit from Loxam's long-term commitment to rental and also from enhanced career path opportunities in a business of greater size and scope that incorporates the skills and talents present in both the Loxam Group and the Lavendon Group.

Loxam intends to enter into discussions with senior management of Lavendon regarding their continuing involvement in the combined group. There are currently no agreements or arrangements between Loxam and senior management of Lavendon.

Loxam confirms that, following the completion of the transaction, it intends to safeguard the existing employment rights of all Lavendon employees, in accordance with contractual and statutory requirements. In addition, Loxam intends to comply with all of the pensions obligations in relation to Lavendon's employees and any other members of Lavendon's pensions schemes.

11. Lavendon Share Schemes

The Offer will extend to any Lavendon Shares unconditionally allotted or issued to satisfy the exercise of options or vesting of awards under the Lavendon Share Schemes while the Offer remains open for acceptance.

Loxam will contact participants in the Lavendon Share Schemes in due course regarding the effect of the Offer on their rights under the Lavendon Share Schemes and will make appropriate proposals to participants in the Lavendon Share Schemes.

12. Disclosure of interests in Lavendon

Loxam made an Opening Position Disclosure on 8 December 2016. As at close of business on 13 December 2016 (being the last practicable date prior to the date of this Announcement), Loxam does not hold any Lavendon Shares.

13. Compulsory acquisition, delisting and cancellation of trading

If the Offer becomes, or is declared, unconditional in all respects and Loxam receives valid acceptances in respect of Lavendon Shares which, together with the Lavendon Shares acquired, or agreed to be acquired, before or during the Offer by Loxam, represent not less than 75 per cent. of the voting rights attaching to the Lavendon Shares, Loxam intends to procure that Lavendon will make an application for cancellation, respectively, of the trading in Lavendon Shares on the London Stock Exchange's main market for listed securities and of the listing of Lavendon Shares on the premium listing segment of the Official List and Loxam will seek to re-register Lavendon as a private limited company.

A notice period of not less than 20 Business Days before cancellation will commence on the date on which the Offer becomes or is declared unconditional in all respects provided Loxam has attained 75 per cent. or more of the voting rights as described above.

Delisting would significantly reduce the liquidity and marketability of any Lavendon Shares not assented to the Offer.

If Loxam receives acceptances of the Offer in respect of, and/or otherwise acquires not less than 90 per cent. of the Lavendon Shares to which the Offer relates by nominal value and voting rights attaching to such shares, Loxam intends to exercise its rights pursuant to sections 974 to 991 of the Companies Act 2006 to acquire compulsorily, on the same terms as the

Offer, the remaining Lavendon Shares in respect of which the Offer has not at such time been accepted.

14. Overseas Lavendon Shareholders

The release, publication or distribution of this Announcement and the availability of the Offer to persons not resident in the United Kingdom may be affected by the laws of the jurisdiction in which they are resident. Persons who are resident in any jurisdiction or territory other than the United Kingdom should obtain professional advice and observe any applicable legal or regulatory requirements. Further details in relation to overseas Shareholders will be contained in the Offer Document. If you are in any doubt, you should consult your professional adviser in the relevant jurisdiction without delay.

15. Offer-related arrangements

Loxam and Lavendon entered into a confidentiality agreement on 28 November 2016 (the “**Confidentiality Agreement**”) pursuant to which Loxam has undertaken to keep confidential information relating to Lavendon and not to disclose it to third parties (other than to permitted disclosees) unless required by law or regulation. These confidentiality obligations will remain in force for a period of 18 months from the date of the Confidentiality Agreement.

Loxam and Lavendon entered into a break fee agreement on 14 December 2016 (the “**Break Fee Letter**”), pursuant to which Lavendon has agreed to pay to Loxam a break fee of £3,700,000 in the event that the Offer is withdrawn or lapses and prior to such withdrawal or lapse: (i) the Lavendon Directors withdraw or adversely modify their recommendation of the Offer; and (ii) an offer is made by a third party and that third party offer becomes or is declared unconditional in all respects or is completed.

16. Documents available on website

Copies of the following documents will promptly and, in any event, by no later than 12 noon on the Business Day following the date of this Announcement, be published on Loxam’s website at www.loxamgroup.com in the case of documents (i), (ii), (iii) and (iv), and on Lavendon’s website at www.lavendongroup.com in the case of documents (i), (ii) and (iii) and will remain available for inspection on such website until the end of the Offer Period: (i) this Announcement; (ii) the irrevocable undertakings described in Appendix 3; (iii) the Confidentiality Agreement; (iv) the Break Fee Letter; and (v) the financing documents referred to in paragraph 9 au-dessus.

17. Conditions and timetable

The Offer will be subject to the terms and conditions referred to in Appendix 1 to this Announcement and to the full terms and conditions which will be set out in the Offer Document.

In particular, the Offer will be conditional on valid acceptances being received by no later than 1.00pm on the first closing date of the Offer (or such later time(s) and/or date(s) as the Offeror may, with the consent of the Panel or in accordance with the City Code, decide) in respect of Lavendon Shares which, together with all other Lavendon Shares which the Offeror acquires or agrees to acquire (whether pursuant to the Offer or otherwise), constitute no less than 75 per cent. (or such lesser percentage as Loxam may decide, but not being less than 50 per cent. plus one share) in nominal value of the Lavendon Shares to which the Offer relates and represent not less than 75 per cent. (or such lesser percentage as Loxam may decide, but not being less than 50 per cent. plus one share) of the voting rights attached to such shares.

18. General

The Offer will extend to all Lavendon Shares unconditionally allotted or issued (including to satisfy the exercise of options granted under the Lavendon Share Schemes) after the date of this Announcement and before the Offer closes (or such earlier date as Loxam may, in accordance with the Conditions and further terms of the Offer, decide).

The Lavendon Shares will be acquired by Loxam fully paid and free from all liens, equitable interests, charges, encumbrances, rights of pre-emption and any other third party rights of any nature whatsoever and together with all rights attaching to them as at the date of this Announcement or subsequently attaching or accruing to them, including without limitation, voting rights and the right to receive and retain, in full, all dividends and other distributions (if any) declared, made or paid, or any other return of capital (whether by way of reduction of share capital or share premium account or otherwise) made on or after the date of this Announcement. Accordingly, insofar as a dividend and/or distribution and/or return of capital is proposed, declared, made, paid or payable by Lavendon in respect of an Lavendon Share on or after the date of this Announcement, Loxam reserves the right to reduce by the amount of the dividend and/or distribution and/or return of capital, the price payable under the Offer in respect of a Lavendon Share, except insofar as the Lavendon Share is or will be transferred pursuant to the Offer on a basis which entitles Loxam alone to receive the dividend and/or distribution and/or return of capital but if that reduction in price has not been effected, the person to whom the Offer price is paid in respect of that Lavendon Share, will be obliged to account to Loxam for the amount of such dividend and/or distribution and/or return of capital.

It is intended that the Offer Document containing further details of the Offer and the Form of Acceptance will be despatched to Lavendon Shareholders (other than to persons in a Restricted Jurisdiction) as soon as practicable after the date of this Announcement, and in any event within 28 days of this Announcement (unless agreed otherwise with the Panel). The Offer will be governed by the laws of England and will be subject to the applicable requirements of the City Code, the FCA, the London Stock Exchange and other applicable laws (including applicable US federal securities laws).

The acquisition of Lavendon Shares under the Offer is proposed to be implemented by way of a takeover offer within the meaning of Part 28 of the Companies Act 2006 but Loxam may, with the agreement of the Panel, elect to implement the acquisition by way of a scheme of arrangement pursuant to Part 26 of the Companies Act 2006.

The Offer will be made subject to the Conditions and further terms set out in Appendix 1 to this Announcement and the full terms and conditions which will be set out in the Offer Document. Details of the bases of calculation and sources of certain information set out in this Announcement are included in Appendix 2. Appendix 3 sets out details of the irrevocable undertakings received by Loxam in relation to the Offer that are referred to in this Announcement. Certain terms used in this Announcement are defined in Appendix 4.

This Announcement is being made pursuant to Rule 2.7 of the City Code.

Enquiries:

Loxam SAS

Gérard Déprez, Chief Executive

Patrick Bourmaud, Chief Finance Officer

Tel: +33 1 58 44 01 91

Rothschild

(Financial Adviser to Loxam)

Tel: +44 (0)20 7280 5000

Ravi Gupta
Laurent Baril
Niall McBride

Deutsche Bank

Tel: +44 (0)20 7545 8000

(Financial Adviser to Loxam)

Richard Sheppard
Chris Raff
Neil Collingridge (Corporate broker)
Jimmy Bastock (Corporate broker)

Brunswick

(PR Adviser to Loxam)

London

Tel: +44 (0) 20 7404 5959

Jonathan Glass
Mike Smith

Paris

Tel: +33 1 53 96 83 83

Agnes Catineau
Tristan Bourassin

Canaccord Genuity

Tel: +44 (0)20 7523 8000

(Sole Financial Adviser to Lavendon)

Chris Robinson
Miles Cox

Peel Hunt

Tel: +44 (0)20 7418 8900

(Corporate Broker to Lavendon)

Justin Jones
Mike Bell

FTI Consulting

Tel: +44 (0)20 3727 1000

(PR Adviser to Lavendon)

Jonathon Brill
James Styles

Important Notice Relating to the Financial Adviser

N.M. Rothschild & Sons Limited (“Rothschild”), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for Loxam and no one else in connection with the Offer and will not be responsible to anyone other than Loxam for providing the protections afforded to its clients or for providing advice in relation to the contents of this Announcement, in connection with the Offer or any other matter referred to herein.

Deutsche Bank AG ("Deutsche Bank"), is authorised under German Banking Law (competent authority: European Central Bank). Deutsche Bank is subject to supervision by the European Central Bank and by BaFin, Germany's Federal Financial Supervisory Authority, and is subject to limited regulation in the United Kingdom by the Prudential Regulation Authority and Financial Conduct Authority. Deutsche Bank is acting as financial adviser to Loxam and no one else in connection with the contents of this Announcement and will not be responsible to anyone other than Loxam for providing the protections afforded to its clients or for providing advice in connection with the contents of this Announcement or any other matter referred to herein.

Canaccord Genuity Limited ("Canaccord Genuity"), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for Lavendon in connection with the matters set out in this Announcement and for no one else and will not be responsible to anyone other than Lavendon for providing the protections afforded to its clients or for providing advice in relation to the matters set out in this Announcement.

Peel Hunt LLP ("Peel Hunt"), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for Lavendon in connection with the matters set out in this Announcement and for no one else and will not be responsible to anyone other than Lavendon for providing the protections afforded to its clients or for providing advice in relation to the matters set out in this Announcement.

Further Information

This Announcement is for information purposes only. It is not intended to and does not constitute, or form part of, an offer or invitation or the solicitation of any offer to sell or purchase any securities or the solicitation of any offer to otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval of an offer to buy securities in any jurisdiction, pursuant to the Offer or otherwise. The Offer will be made solely by means of the Offer Document and, in respect of Lavendon Shares held in certificated form, the Form of Acceptance, which will contain the full terms and conditions of the Offer, including details of how the Offer may be accepted. Any decision in respect of, or other response to, the Offer should be made only on the basis of the information contained in those documents. Lavendon Shareholders are advised to read the formal documentation in relation to the Offer carefully once it has been despatched.

This Announcement does not constitute a prospectus or prospectus equivalent document.

Overseas Jurisdictions

The release, publication or distribution of this Announcement in, and the availability of the Offer to persons who are residents, citizens or nationals of, jurisdictions other than the United Kingdom may be restricted by laws and/or regulations of those jurisdictions. Therefore any such persons should inform themselves about and observe any applicable legal or regulatory requirements in their jurisdiction. Any failure to comply with the applicable requirements may constitute a violation of the laws and/or regulations of any such jurisdiction. Further details in relation to overseas shareholders will be contained in the Offer Document.

In particular, copies of this Announcement and any formal documentation relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including, without limitation, any agents, custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction. Unless otherwise determined by the Offeror or required by the City Code, and permitted by applicable law and regulation, the Offer is not being, and will not be, made, directly or indirectly, in or into or from, or by the use of mail or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, any Restricted Jurisdiction, and the Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.

The receipt of cash pursuant to the Offer by Lavendon Shareholders may be a taxable transaction under applicable national, state or local, as well as foreign and other, tax laws. Each Lavendon Shareholder is urged to consult its independent professional adviser regarding the tax consequences of accepting the Offer.

This Announcement has been prepared in compliance with English law, the rules of the London Stock Exchange and the City Code and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside of England and Wales.

Notice to US Investors

The Offer is being made to holders of Lavendon Shares resident in the United States in reliance on, and in compliance with, Section 14(e) of the Exchange Act, and Regulation 14E thereunder. The Offer is being made in the United States by the Offeror and no one else.

The Offer is being made for securities of a United Kingdom company and Lavendon Shareholders in the United States should be aware that this Announcement, the Offer Document and any other documents relating to the Offer have been or will be prepared in accordance with the City Code and United Kingdom disclosure requirements, format and style, all of which differ from those in the United States. Lavendon's financial statements, and all financial information that is included in this announcement or that may be included in the Offer Document or any other documents relating to the Offer, have been or will be prepared in accordance with United Kingdom generally accepted accounting principles and International Financial Reporting Standards and may not be comparable to financial statements of United States companies.

The Offer will be made in the United States pursuant to applicable US tender offer rules and securities laws (or pursuant to exemptive relief therefrom granted by the United States Securities and Exchange Commission (the "SEC")) and otherwise in accordance with the requirements of the City Code, the Panel, the London Stock Exchange and the UK Financial Conduct Authority. Accordingly, the Offer will be subject to disclosure and other procedural requirements, including with respect to withdrawal rights, offer timetable, settlement procedures and timing of payments that are different from those applicable under United States domestic tender offer procedures and law.

In particular, the payment and settlement procedure with respect to the Offer will comply with the relevant United Kingdom rules, which differ from US payment and settlement procedures, particularly with regard to the date of payment of consideration.

To the extent permissible under applicable securities laws, Deutsche Bank AG and its affiliates may from time to time purchase, or enter into arrangements to purchase, Lavendon Shares either as principal or agent before and during the period when the Offer remains open for acceptance. Pursuant to Rule 14e-5(b) of the Exchange Act, any affiliate of a financial adviser to the Loxam Group may from time to time make purchases of, or arrangements to purchase, Lavendon Shares outside of the United States, other than pursuant to the Offer, before or during the period in which the Offer is open for submission of tenders, so long as the acquisitions or arrangements comply with the provisions of the exemption provided under Rule 14e-5. Pursuant to Rule 14e-5 of the Exchange Act, Loxam, its affiliates, nominees or brokers (acting as agents), and a financial adviser and its affiliates, may from time to time make purchases of, or arrangements to purchase, the Lavendon Shares, other than pursuant to the Offer, before or during the period in which the Offer is open for submission of tenders so long as those acquisitions or arrangements comply with the provisions of the exemption provided under Rule 14e-5 of the Exchange Act. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Information about such purchases will be disclosed as and if required by applicable securities laws. In addition, in accordance with the City Code, normal United Kingdom market practice and Rule 14e-5(b) of the Exchange Act, Deutsche Bank will continue to act as exempt principal trader in Lavendon securities on the London Stock

Exchange. These purchases and activities by the exempt principal trader which are required to be made public in the United Kingdom pursuant to the City Code will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com. This information will also be publicly disclosed in the United States to the extent that such information is made public in the United Kingdom.

Forward Looking Statements

This Announcement contains statements about Loxam, the Wider Loxam Group and the Lavendon Group that are or may be forward looking statements. All statements other than statements of historical facts included in this Announcement may be forward looking statements. They are based on current expectations and projections about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. Without limitation, any statements preceded or followed by or that include the words “targets”, “plans” “believes”, “expects”, “aims”, “intends”, “will”, “may”, “anticipates”, “estimates”, “projects” or words or terms of similar substance or the negative thereof, are forward looking statements. Forward looking statements include, but are not limited to, statements relating to the following: (i) statements relating to the expected benefits of the acquisition to Loxam, the Wider Loxam Group and/or the Lavendon Group; (ii) background to and reasons for the Offer; (iii) expectations of the impact of the acquisition on revenue and earnings of Loxam, the Wider Loxam Group and/or the Lavendon Group; (iv) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (v) business and management strategies and the expansion and growth of Loxam’s, the Wider Loxam Group’s and/or the Lavendon Group’s operations and potential synergies resulting from the Offer; and (vi) the effects of government regulation on Loxam’s, the Wider Loxam Group’s and/or the Lavendon Group’s business. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations.

Such forward looking statements involve risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward looking statements, including risks relating to the successful combination of Lavendon with Loxam; higher than anticipated costs relating to the combination of Lavendon with Loxam or investment required in Lavendon to realise expected benefits and facts relating to Lavendon that may impact the timing or amount of benefit realised from the acquisition that are unknown to Loxam. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward looking statements, which speak only as of the date hereof. Each of Lavendon, Loxam and their respective members, directors, officers, employees, advisers and any person acting on behalf of one or more of them expressly disclaims any intention or obligation to update or revise any forward looking or other statements contained herein, whether as a result of new information, future events or otherwise except as required by applicable law.

None of Lavendon, Loxam and their respective members, directors, officers, employees, advisers and any person acting on their behalf provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur.

No forward-looking or other statements have been reviewed by the auditors of Lavendon or Loxam. All subsequent oral or written forward-looking statements attributable to any of Lavendon, Loxam, or their respective members, directors, officers, advisers or employees or any person acting on their behalf are expressly qualified in their entirety by the cautionary statement above.

No Profit Forecasts or Estimates

Nothing contained in this Announcement shall be deemed to be a profit forecast, projection or estimate for any period unless otherwise stated, and no statement in this Announcement should be

interpreted to mean that earnings or earnings per Lavendon Share for the current or future financial years will necessarily match or exceed the historical published earnings or earnings per Lavendon Share.

Dealing Disclosure Requirements of the City Code

Under Rule 8.3(a) of the City Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company; and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th Business Day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th Business Day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the City Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company; and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the Business Day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a paper offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4 of the City Code).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at <http://www.thetakeoverpanel.org.uk>, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. If you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure, you should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129.

Publication on Website and Availability of Hard Copies

A copy of this Announcement and the documents required to be published pursuant to Rule 26.1 and Rule 26.2 of the City Code will be made available, subject to certain restrictions relating to persons resident in any Restricted Jurisdiction, on Loxam's website at www.loxamgroup.com and Lavendon's website at www.lavendongroup.com promptly following publication of this Announcement and in any event by no later than 12 noon (London time) on the Business Day following the date of this Announcement until the end of the Offer Period. For the avoidance of doubt, the contents of that website are not incorporated into, and do not form part of, this Announcement.

Lavendon Shareholders may request a hard copy of this Announcement by contacting Equiniti Limited at Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA during business hours on 0333 207 6523 or if calling from outside the UK on +44 121 415 0906. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. You may also request that all future documents, announcements and information to be sent to you in relation to the Offer should be in hard copy form.

Information Relating to Lavendon Shareholders

Please be aware that addresses, electronic addresses and certain other information provided by Lavendon Shareholders, persons with information rights and other relevant persons for the receipt of communication from the Company may be provided to the Offeror during the Offer Period as required under Section 4 of Appendix 4 of the City Code.

Rounding

Certain figures included in this Announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

APPENDIX 1

CONDITIONS AND CERTAIN FURTHER TERMS OF THE OFFER

The Offer will be made on the terms and conditions set out in this Appendix and in the Offer Document and the Form of Acceptance.

A. Conditions of the Offer

The Offer will be subject to the following Conditions:

1. valid acceptances being received (and not, where permitted, withdrawn) by no later than 1.00 p.m. (London time) on the first closing date of the Offer (or such later time(s) and/or dates(s) as the Offeror may, with the consent of the Panel or in accordance with the City Code, decide) in respect of Lavendon Shares which, together with all other Lavendon Shares acquired by Loxam (whether pursuant to the Offer or otherwise) constitute not less than 75 per cent. (or such lower percentage as Loxam may decide) in nominal value of Lavendon Shares and represent not less than 75 per cent. (or such lower percentage as Loxam may decide) of the voting rights carried by the Lavendon Shares, provided that this condition will not be satisfied unless Loxam and/or any of its wholly-owned subsidiaries shall have acquired, or agreed to acquire, pursuant to the Offer or otherwise, Lavendon Shares carrying, more than 50 per cent. of the voting rights normally exercisable at general meetings of Lavendon, including for this purpose (to the extent (if any) required by the Panel) any such voting rights attaching to any Lavendon Shares that are unconditionally allotted fully paid or issued before the Offer becomes or is declared unconditional as to acceptances whether pursuant to the exercise of outstanding subscription or conversion rights or otherwise and for this purposes of this condition:
 - (a) Lavendon Shares which have been unconditionally allotted but not issued shall be deemed to carry the voting rights which they will carry upon issue; and
 - (b) valid acceptances shall be deemed to have been received in respect of Lavendon Shares which are treated for the purposes of Part 28 of the Companies Act 2006 as having been acquired or contracted to be acquired by Loxam by virtue of acceptances of the Offer.

Loxam has agreed that, except as stated below and subject to the requirements of the Panel, the Offer will also be subject to the following conditions:

2. save as Disclosed, there being no provision of any arrangement, agreement, licence, permit or other instrument to which any member of the Wider Lavendon Group is a party, or by or to which any such member, or any part of its assets, is or are or may be bound, entitled or subject, which would or might, in each case as a consequence of the Offer or the implementation of the same or of the acquisition or proposed acquisition of all or any part of the issued share capital of, or change of control or management of, Lavendon or any other member of the Wider Lavendon Group, be expected to result in:
 - (a) any assets or interests of, or any asset the use of which is enjoyed by, any member of the Wider Lavendon Group being or falling to be disposed of or charged in any way or ceasing to be available to any member of the Wider Lavendon Group or any rights arising under which any such asset or interest could be required to be disposed of or charged in any way or could cease to be available to any member of the Wider Lavendon Group; or
 - (b) any moneys borrowed by or any other indebtedness or liabilities (actual or contingent) of, or any grant available to, any member of the Wider Lavendon Group being or becoming

repayable or capable of being declared repayable, immediately or prior to its or their stated repayment or maturity date or the ability of such member of the Wider Lavendon Group to incur any such borrowing or indebtedness becoming or being capable of becoming withdrawn, inhibited or prohibited; or

- (c) any such arrangement, agreement, licence, permit or other instrument or the rights, liabilities, obligations or interests of any member of the Wider Lavendon Group being, or becoming capable of being, terminated or modified or affected or any obligation or liability arising or any action being taken or arising under it; or
- (d) the interests or business of any member of the Wider Lavendon Group in or with any third party (or any arrangements relating to any such interests or business) being terminated or modified or affected; or
- (e) the financial or trading position or prospects or value of any member of the Wider Lavendon Group being prejudiced or affected; or
- (f) the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property, assets or interests of any member of the Wider Lavendon Group or any such security (whenever created, arising or having arisen) becoming enforceable or being enforced; or
- (g) any member of the Wider Lavendon Group ceasing to be able to carry on business under any name under which or on the terms on which it currently does so or any person presently not able to carry on business under any name under which any member of the Wider Lavendon Group currently does becoming able to do so; or
- (h) the creation or acceleration of any actual or contingent liabilities by any member of the Wider Lavendon Group; or
- (i) the ability of any member of the Wider Lavendon Group to carry on its business being prejudiced or affected,

and no event having occurred which, under any provision of any such arrangement, agreement, licence, permit or other instrument to which any member of the Wider Lavendon Group is a party, or by or to which any such member, or any of its assets, may be bound, entitled or subject, could result in any of the events or circumstances as are referred to in subparagraphs 2(a) to (i) inclusive;

- 3. since the Accounting Date and save as Disclosed, no member of the Wider Lavendon Group having:
 - (a) issued or agreed to issue or authorised or proposed or announced its intention to issue or grant additional shares of any class or securities or securities convertible into or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares, securities or convertible securities or transferred or sold, or agreed to transfer or sell, or authorised or proposed the transfer or sale of Lavendon Shares out of treasury (save as pursuant to the Lavendon Share Schemes); or
 - (b) redeemed, purchased, repaid or reduced or proposed the redemption, purchase, repayment or reduction of any part of its share capital or other securities or made or proposed the making of any other change to its share capital; or
 - (c) recommended, declared, paid or made or proposed to recommend, declare, pay or make any dividend, bonus issue or other distribution whether payable in cash or otherwise; or

- (d) entered into, implemented or authorised the entry into, any joint venture, asset or profit sharing arrangement, partnership, merger or demerger of any body corporate, partnership or business or proposed or announced any intention to propose any such joint venture, asset or profit sharing arrangement, partnership, merger or demerger; or
- (e) other than in the ordinary course of business, acquired or disposed of, transferred, mortgaged or charged, or created or granted any security interest over, any assets (including shares and trade investments) or authorised or proposed or announced any intention to propose any acquisition, disposal, transfer, mortgage, charge or creation or grant of any security interest; or
- (f) issued or authorised or proposed or announced an intention to authorise or propose the issue of, or made any change in or to the terms of, any debentures or incurred or increased any borrowings, indebtedness or liability (actual or contingent); or
- (g) entered into or varied, or authorised or proposed the entry into or variation of, or announced its intention to enter into or vary, any transaction, arrangement, contract or commitment (whether in respect of capital expenditure or otherwise) which is of a long term, onerous or unusual nature or magnitude or could involve an obligation of such nature or magnitude or which is or could be restrictive to the existing business of any member of the Wider Lavendon Group or the Wider Loxam Group or which is other than in the ordinary course of business; or
- (h) entered into, implemented, effected, authorised or proposed or announced its intention to enter into, implement, effect, authorise or propose any contract, reconstruction, amalgamation, scheme, commitment or other transaction or arrangement otherwise than in the ordinary course of business; or
- (i) waived, compromised or settled any claim; or
- (j) entered into or varied or made any offer (which remains open for acceptance) to enter into or vary the terms of any contract, service agreement, commitment or arrangement with any of the directors or senior executives of Lavendon or any of the directors or senior executives of any other member of the Wider Lavendon Group; or
- (k) taken or proposed any steps, corporate action or had any legal proceedings instituted or threatened against it or petition presented for its winding-up (voluntary or otherwise), dissolution or reorganisation or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of all or any of its assets and revenues or for any analogous proceedings or steps in any jurisdiction or for the appointment of any analogous person in any jurisdiction; or
- (l) been unable, or admitted in writing that it is unable, to pay its debts or has stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business; or
- (m) proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme or other benefit relating to the employment or termination of employment of any person employed by the Wider Lavendon Group; or
- (n) made any alteration to its articles of association, or other incorporation documents; or
- (o) made, authorised or announced an intention to propose any change in its loan capital; or
- (p) in relation to the pension schemes established for its directors and/or other employees and/or their dependants, made or consented to any change to:

- (i) the terms of the trust deeds and rules constituting such pension schemes or to the benefits which accrue;
 - (ii) the pensions which are payable, under them;
 - (iii) the contributions payable to any such scheme(s);
 - (iv) the basis on which qualifications for or accrual of or entitlement to such benefits or pensions are calculated or determined;
 - (v) the basis upon which the liabilities (including pensions) of such pension schemes are funded, valued or made;
 - (vi) or agreed or consented to any change to the trustees of such pension schemes; or
- (q) terminated or varied the terms of any agreement or arrangement between any member of the Wider Lavendon Group and any other person in a manner which would have an adverse effect on the financial position of the Wider Lavendon Group; or
- (r) entered into any agreement, arrangement, commitment or contract or passed any resolution or made any offer (which remains open for acceptance) or proposed or announced any intention with respect to effecting any of the transactions, matters or events referred to in this Condition 3; or
- (s) taken or agreed to take any action that requires, or would require, the consent of the Panel or the approval of Lavendon Shareholders in general meeting in accordance with, or as contemplated by, Rule 21.1 of the City Code;
4. in the period since the Accounting Date and save as Disclosed:
- (a) no litigation or arbitration proceedings, prosecution, investigation or other legal proceedings having been announced, instituted, threatened or remaining outstanding by, against or in respect of, any member of the Wider Lavendon Group or to which any member of the Wider Lavendon Group is or may become a party (whether as claimant, defendant or otherwise);
 - (b) no adverse change or deterioration having occurred, and no circumstances having arisen which would or might be expected to result in any adverse change or deterioration, in the business, assets, financial or trading position or prospects or profits or operational performance of any member of the Wider Lavendon Group;
 - (c) no enquiry or investigation by, or complaint or reference to, any relevant person against or in respect of any member of the Wider Lavendon Group having been threatened, announced, implemented or instituted or remaining outstanding by, against or in respect of, any member of the Wider Lavendon Group;
 - (d) no contingent or other liability having arisen or become apparent or increased; and
 - (e) no step having been taken and no omission having been made which is likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider Lavendon Group;
5. the Offeror and/or any other member of the Wider Loxam Group not having discovered that:
- (a) any member of the Wider Lavendon Group, or any partnership, company or other entity in which any member of the Wider Lavendon Group has a significant economic interest and

which is not a subsidiary undertaking of Lavendon, is subject to any liability (actual or contingent) which is not Disclosed; or

- (b) the financial, business or other information disclosed at any time by any member of the Wider Lavendon Group, whether publicly or in the context of the Offer either contained a misrepresentation of fact, was misleading or omitted to state a fact necessary to make the information disclosed not misleading; or
 - (c) any contingent liability disclosed in such disclosed information would or might adversely affect, directly or indirectly, the business, profits or prospects of the Wider Lavendon Group; or
 - (d) any information which affects the import of any information disclosed at any time by or on behalf of any member of the Wider Lavendon Group to an extent which is material in the context of the Wider Lavendon Group; or
 - (e) any member of the Wider Lavendon Group is subject to any liability, contingent or otherwise; or
 - (f) any member of the Wider Lavendon Group does not own or have licensed to it or otherwise possess legally enforceable rights to use all intellectual property that is:
 - (i) required or reasonably necessary for the conduct of business of the relevant member of the Wider Lavendon Group as currently conducted; or
 - (ii) under development for such business; or
 - (g) any member of the Wider Lavendon Group has infringed, any intellectual property rights of any third party where the consequences of which would be material in the context of the Wider Lavendon Group; or
 - (h) any claims have been asserted in writing or threatened in writing by any person:
 - (i) that the Wider Lavendon Group infringes any intellectual property of any third party; or
 - (ii) challenging the ownership of any member of the Wider Lavendon Group to, or the validity or effectiveness of, any of its intellectual property; or
 - (i) any intellectual property held by any member of the Wider Lavendon Group is not valid and subsisting; or
 - (j) there is unauthorised use, infringement or misappropriation of any intellectual property of any member of the Wider Lavendon Group by any third party; or
 - (k) any persons who are now, or within the last five years have been, employees, consultants or contractors of any member of the Wider Lavendon Group have failed to execute proprietary information and confidentiality agreements; and
6. the Offeror and/or any other member of the Wider Loxam Group not having discovered that:
- (a) any past or present member of the Wider Lavendon Group or any person that performs or has performed services for or on behalf of any such member is or has engaged in any activity, practice or conduct (or omitted to take any action) which would constitute an offence under the UK Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977 or any other applicable anti-corruption legislation; or

- (b) any past or present member of the Wider Lavendon Group has engaged in any activity or business with, or made any investments in, or made any payments to any government, entity or individual covered by any of the economic sanctions administered by the United Nations or the European Union (or any of their respective member states) or the United States Office of Foreign Assets Control or any other governments or supranational body or authority in any jurisdiction; or
 - (c) any asset of any member of the Wider Lavendon Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition).
7. the Offeror and no other member of the wider Loxam Group having discovered that:
- (a) any past or present member of the Wider Lavendon Group has failed to comply in any material respect with any and/or all applicable legislation or regulation, of any jurisdiction with regard to the disposal, spillage, release, discharge, leak or emission of any waste or hazardous substance or any substance likely to impair the environment or harm human health or animal health or otherwise relating to environmental matters, which non-compliance would reasonably be expected to give rise to any material liability (actual or contingent) on the part of any member of the Wider Lavendon Group; or
 - (b) there is, for that or any other reason whatsoever, any liability (actual or contingent) of any past or present member of the Wider Lavendon Group to make good, repair, reinstate or clean up any property or any controlled waters now or previously owned, occupied or operated or made use of or controlled by any such past or present member of the Wider Lavendon Group, under any environmental legislation, regulation, notice, circular or order of any government, supranational, statutory or other regulatory body, agency, court, association or any other similar body or person in any jurisdiction, which in any case would reasonably be expected to be of material significance to Loxam in the context of the Offer.

B. Certain Further Terms of the Offer

1. The Conditions are inserted for the benefit of the Offeror and no Lavendon Shareholder shall be entitled to waive any of the Conditions without the prior consent of the Offeror.
2. Subject to the requirements of the City Code and the Panel, the Offeror reserves the right to waive all or any of Conditions 2 to 7 (inclusive) in Part A in whole or in part, at its absolute discretion.
3. Each of Conditions 1 to 7 in Part A shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.
4. The Offer will lapse, and will not proceed, if the proposed acquisition of Lavendon is referred to a Phase 2 investigation by the UK Competition and Markets Authority (“CMA”) before 1.00 p.m. (London time) on the first closing date or the time and date on which the Offer becomes or is declared unconditional as to acceptances (whichever is the later).
5. If the Offer lapses, it will cease to be capable of further acceptance and persons accepting the Offer and the Offeror shall thereupon cease to be bound by acceptances submitted at or before the time the Offer lapses.
6. The Offer will lapse, and will not proceed, unless all of the Conditions relating to the Offer have been fulfilled or (if capable of waiver) waived by, or, where appropriate, have been determined by Loxam to be and remain satisfied by, midnight on the twenty-first day after the later of:

- (a) the first closing date of the Offer; or
- (b) the date on which the Offer becomes unconditional as to acceptances,

or such later date as the Offeror may, with the consent of the Panel, decide. The Offeror shall be under no obligation to waive or treat as satisfied any Condition by a date earlier than the latest date specified above for its satisfaction even though the other Conditions of the Offer may, at such earlier date, have been waived or fulfilled and there are, at such earlier date, no circumstances indicating that any such Conditions may not be capable of fulfilment.

7. Except with the Panel's consent and in accordance with Rule 13.5 of the City Code, the Offeror will not invoke any of Conditions 2 to 7 (inclusive) in Part A so as to cause the Offer not to proceed, to lapse or to be withdrawn unless the circumstances which give rise to the right to invoke the relevant Condition are of material significance to the Offeror in the context of the Offer.
8. If the Offeror is required by the Panel to make an offer for Lavendon Shares under Rule 9 of the City Code, the Offeror may make such alterations to the Conditions of the Offer set out above, including Condition 1, as are necessary to comply with that Rule.
9. The Offeror reserves the right for any member of the Wider Loxam Group from time to time, instead of the Offeror, to make the Offer or otherwise implement the acquisition of Lavendon.
10. Lavendon Shares will be acquired by the Offeror fully paid and free from all liens, equities, charges, equitable interests, encumbrances, rights of pre-emption and any other third party right and/or interests of any nature whatsoever and together with all rights attaching to them as at the date of this Announcement or subsequently attaching or accruing to them, including, without limitation, the right to receive and retain, in full, all dividends, interest and other distributions (if any) declared, paid or made, or any other return of capital (whether by way of reduction of share capital or share premium account or otherwise) made on or after the date of this Announcement. Accordingly, insofar as a dividend and/or a distribution and/or a return of capital is proposed, declared, made, paid or payable by Lavendon in respect of a Lavendon Share after the date of this Announcement, Loxam reserves the right to reduce the price payable under the Offer in respect of a Lavendon Share by the amount of the dividend and/or distribution and/or return of capital except insofar as the Lavendon Share is or will be transferred pursuant to the Offer on a basis which entitles the Offeror alone to receive the dividend and/or distribution and/or return of capital but if that reduction in price has not been effected, the person to whom the Offer price is paid in respect of that Lavendon Share will be obliged to account to the Offeror for the amount of such dividend or distribution or return of capital.
11. The Offer will be made on the terms and will be subject to the Conditions which are set out in this Appendix 1, those terms which will be set out in the Offer Document and such further terms as may be required to comply with the applicable rules and regulations of the FCA and the London Stock Exchange and the City Code, as well as the applicable requirements of US federal securities laws. This Announcement does not constitute, or form part of, an offer or invitation to purchase Lavendon Shares or any other securities.
12. The Offer will not be made, directly or indirectly, in, into or by use of the mails of, or by any means or instrumentality (including, without limitation, telephonically, or electronically) of interstate or foreign commerce of, or any facilities of a national securities exchange of, any Restricted Jurisdiction. This document does not constitute an offer in any Restricted Jurisdiction and the Offer should not be accepted by any such use, means, instrumentality or facilities or otherwise from or within any Restricted Jurisdiction. Accordingly, copies of this document are not being and must not be mailed, transmitted or otherwise distributed in whole or in part, in, into or from any Restricted Jurisdiction and persons receiving this

Announcement (including, without limitation, custodians, nominees and trustees) must not mail or otherwise forward, distribute or send it in, into or from any Restricted Jurisdiction. Doing so may render invalid any purported acceptance of the Offer.

13. The Offeror reserves the right, with the consent of the Panel and Lavendon, to elect to implement the acquisition of the Lavendon Shares by way of a scheme of arrangement under Part 26 of the Companies Act 2006 (a “Scheme”). In such event, the Scheme will be implemented on the same terms (subject to appropriate amendments), so far as applicable, as those which could apply to the Offer.
14. This Offer and any acceptance thereof will be governed by English law and be subject to the jurisdiction of the English courts and to the Conditions set out herein and in the Offer Document and Form of Acceptance.

APPENDIX 2

SOURCES OF INFORMATION AND BASES OF CALCULATION

In this Announcement, unless otherwise stated or the context otherwise requires, the following bases and sources have been used:

15. The financial information relating to Loxam has been extracted or derived (without any adjustment) from Loxam's audited annual investor report for the year ended 31 December 2015 and from its quarterly investor reports for the three month periods ended 31 March 2016, 30 June 2016 and 30 September 2016.
16. The financial information relating to Lavendon has been extracted or derived (without any adjustment) from Lavendon's audited annual report and accounts for the year ended 31 December 2015 and the Lavendon management accounts for the nine month period ended 30 September 2016.
17. Other information relating to Lavendon has been extracted or derived, without material adjustment, from public sources.
18. The value placed by the Offer on the entire existing issued share capital, and other statements made by reference to the existing issued and to be issued share capital, of Lavendon are based on, as applicable, the Offer price of 220 pence for each Lavendon Share and 169,992,243 Lavendon Shares being in issue on 13 December 2016.
19. Unless otherwise stated, all prices quoted for Lavendon Shares have been derived from Factset and represent the closing middle market prices of Lavendon Shares on the relevant dates.
20. References to a percentage of Lavendon Shares are based on the number of Lavendon Shares in issue on 13 December 2016.

APPENDIX 3

LAVENDON DIRECTORS' IRREVOCABLE UNDERTAKINGS

The Lavendon Directors have given irrevocable undertakings to accept or procure the acceptance of the Offer in relation to the following Shares:

Name	Number of Lavendon Shares held	Percentage of share capital of Lavendon in issue on 13 December 2016
John Standen	85,000	0.051%
Don Kenny	514,418	0.303%
Alan Merrell	266,636	0.157%
Andrew Wood	50,000	0.029%
John Coghlan	5,500	0.003%
John Wyatt	15,000	0.009%
Total	936,554	0.551%

The obligations in the irrevocable undertakings will lapse and cease to have effect if:

- (a) this Announcement has not been issued on or before 10.00 a.m. on 14 December 2016; or
- (b) the Offer Document has not been posted within 28 days after this Announcement (or within such longer period as Loxam and Lavendon, with the consent of the Panel, determine); or
- (c) the Offer closes, lapses or is withdrawn;
- (d) in the event that the acquisition is implemented by way of a Scheme, the Scheme terminates or lapses in accordance with its terms or otherwise becomes incapable of becoming effective; or
- (e) the relevant Lavendon Director is required to withdraw the undertaking by any court or competent regulator.

APPENDIX 4

DEFINITIONS

The following definitions shall apply throughout this Announcement, unless otherwise stated or the context otherwise requires.

“Accounting Date”	31 December 2015
“agreements”	arrangements, agreements, commitments, licences, permits, franchises, partnerships, joint ventures, authorisations or other instrument
“Announcement”	this announcement
“authorisations”	authorisations, orders, recognitions, grants, consents, licences, confirmations, clearances, permissions and approvals
“Business Day”	any day (other than a Saturday, Sunday or public holiday) on which clearing banks in London are open for normal business
“Canaccord Genuity”	means Canaccord Genuity Limited
“Cash Consideration”	means the cash amount of 220 pence payable by Loxam under the Offer in respect of each Lavendon Share, as adjusted in accordance with the terms of the Offer
“City Code”	the City Code on Takeovers and Mergers as from time to time interpreted by the Panel
“Closing Price”	the closing middle market price of a Lavendon Share, as derived from Factset
“Companies Act 2006”	the Companies Act 2006, as amended
“Conditions”	the conditions to the Offer set out in Appendix 1
“Daily Official List”	means the Daily Official List published by the London Stock Exchange
“Dealing Disclosure”	has the same meaning as in Rule 8 of the City Code
“Deutsche Bank”	Deutsche Bank AG, London Branch
“Disclosed”	the information which has been fairly disclosed in: (i) the Annual Report and Accounts for Lavendon for the year ended 31 December 2015 or the Interim Report for the six months ended 30 June

2016; (ii) in any other public announcement made in accordance with the Disclosure and Transparency Rules or the Listing Rules by Lavendon prior to the date of this Announcement; (iii) in this Announcement; (iv) other written correspondence or managerial discussions between Lavendon and Loxam (or their respective officers, employees, agents or advisers) prior to the date of this Announcement; or (v) as otherwise fairly disclosed by or on behalf of Lavendon to Loxam (for their respective officers, employees, agents or advisers) prior to the date of this Announcement

“EUMR”	Council Regulation (EC) No 139/2004 of 20 January 2004 on the control of concentrations between undertakings
“Exchange Act”	the United States Securities Exchange Act of 1934, as amended
“FCA”	the UK Financial Conduct Authority
“Form of Acceptance”	the form of acceptance and authority relating to the Offer which will accompany the Offer Document for use by Lavendon Shareholders
“intellectual property”	all patents, trademarks, trade names, service marks, copyrights, designs, databases and any applications therefore, schematics, technology, know-how, computer software, programs or applications (in both source code and object code form), and tangible or intangible proprietary information or material
“Lavendon” or the “Company”	Lavendon Group plc, a public company incorporated in England and Wales with company number 02771891 whose registered address is at 15 Midland Court, Central Park, Lutterworth, Leicestershire, LE17 4PN
“Lavendon 2006 Long Term Incentive Plan”	the Lavendon 2006 Long Term Incentive Plan, approved by shareholders of Lavendon on 28 April 2006, adopted by the Lavendon Board on 28 April 2006 and amended by resolution of the remuneration committee of the Lavendon Board on 11 April 2012
“Lavendon 2015 Long Term Incentive Plan”	the Lavendon 2015 Long Term Incentive Plan, approved by shareholders of Lavendon on 16 April 2015 and adopted by the Lavendon Board on 16 April 2015
“Lavendon Board or Lavendon Directors”	the directors of Lavendon;

“Lavendon Deferred Share Bonus Plan”	the Lavendon Deferred Share Bonus Plan, approved by shareholders of Lavendon on 19 April 2012, adopted by the Lavendon Board on 19 April 2012 and amended by the remuneration committee of Lavendon on 24 February 2015
“Lavendon Group”	Lavendon and its subsidiaries and subsidiary undertakings (unless otherwise stated)
“Lavendon Share Incentive Plan”	means the Lavendon Share Incentive Plan, approved by shareholders of Lavendon on 25 April 2007 and adopted by the Lavendon Board on 31 August 2007 and approved by HM Revenue & Customs with reference A100240/EJM
“Lavendon Share Schemes”	means each of the Lavendon 2006 Long Term Incentive Plan, the Lavendon 2015 Long Term Incentive Plan, the Lavendon Deferred Share Bonus Plan and the Lavendon Share Incentive Plan
“Lavendon Shareholders” or “Shareholders”	holders of Lavendon Shares
“Lavendon Shares” or “Shares”	the existing unconditionally allotted or issued and fully paid (or credited as fully paid) ordinary shares of 1 pence each in the capital of Lavendon and any further such shares which may be unconditionally allotted or issued fully paid, or credited as fully paid, on or before the date on which the Offer closes (or such earlier date as Loxam may, subject to the City Code, decide, not being earlier than (a) the date on which the Offer becomes or is declared unconditional as to acceptances or (b), if later, the first closing date of the Offer), but excluding any shares held as treasury shares or which become treasury shares
“legal proceedings”	actions, suits, proceedings, investigations, references or enquiries
“Libra Bidco”	means Libra Bidco Limited, incorporated in England and Wales with registered number 2811536
“Listing Rules”	the listing rules made by the FCA under Part VI of the Financial Services and Markets Act 2000
“London Stock Exchange”	London Stock Exchange plc
“Loxam” or “Offeror”	Loxam SAS
“Loxam Group”	Loxam, its subsidiaries and subsidiary undertakings from time to time

“NAV”	net asset value
“Offer”	the recommended cash offer being made by Loxam to acquire the entire issued and to be issued share capital of Lavendon (other than any Lavendon Shares held by Loxam or any other member of the Wider Loxam Group) on the terms and subject to the conditions to be set out in the Offer Document and the Form of Acceptance and, where the context so requires, any subsequent revision, variation, extension or renewal thereof
“Offer Document”	the document to be sent to Lavendon Shareholders which will contain the terms and conditions of the Offer and certain information about Lavendon and Loxam
“Offer Documents”	the Offer Document and the Form of Acceptance
“Offer Period”	the Offer Period (as defined in the Code) relating to Lavendon, which commenced on 22 November 2016
“Official List”	the Official List of the FCA acting in its capacity as the UK Listing Authority
“Opening Position Disclosure”	means an announcement containing details of interests or short positions in, or rights to subscribe for, any relevant securities of a party to the offer if the person concerned has such a position
“Panel”	the UK Panel on Takeovers and Mergers
“Peel Hunt”	Peel Hunt LLP
“Regulatory Information Service”	as defined in the Listing Rules
“relevant asset”	land, property or other asset now or previously owned, occupied or made use of by any past or present member of the Wider Lavendon Group
“relevant persons”	governments, governmental, quasi-governmental, supranational, statutory, investigative, regulatory or administrative bodies or trade agencies, associations, institutions or courts, or professional or environmental bodies, or any other persons or bodies whatsoever in any jurisdiction
“Restricted Jurisdiction”	any jurisdiction where local laws or regulations may result in significant risk of civil, regulatory or criminal exposure if information concerning the Offer is sent or made available to Lavendon Shareholders in that jurisdiction (in accordance with Rule 30.2 of the City Code)

“ROCE”	return on capital employed
“Rothschild”	N M Rothschild & Sons Limited
“Scheme”	scheme of arrangement pursuant to Part 26 of the Companies Act 2006
“substantial interest”	a direct or indirect interest in 20 per cent. or more of the equity capital of an undertaking
“third party”	person, firm, company or body
“treasury shares”	treasury shares (as defined in section 974(6) of the Companies Act 2006) of Lavendon
“TVH”	means TVH Group N.V., whose registered office is at Brabantstraat 15, 8790 Waregem, Belgium
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland
“United States” or “US”	the United States of America, its territories and possessions, any state of the United States and the District of Columbia and all other areas subject to its jurisdiction
“Wider Loxam Group”	Loxam and its subsidiaries, subsidiary undertakings, associated undertakings and any other undertakings in which Loxam and/or such subsidiaries or undertakings (aggregating their interests) have a substantial interest
“Wider Lavendon Group”	Lavendon and its subsidiaries, subsidiary undertakings, associated undertakings and any other undertakings in which Lavendon and/or such subsidiaries or undertakings (aggregating their interests) have a substantial interest

In this Announcement:

- words importing the singular shall include the plural and vice versa and words importing the masculine gender shall include the feminine or neutral gender;
- all amounts contained within this document referred to “Sterling”, “Pounds Sterling”, “£”, “pence” and “p” refer to pounds sterling and pence sterling, being the lawful currency of the UK;
- all amounts contained within this document referred to by “€”, “EUR” or “Euros” refer to euros, being the lawful currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community (signed in Rome on March 25, 1957), as amended by the Treaty on European Union (signed in Maastricht on February 7, 1992) and as amended by the Treaty of Amsterdam (signed in Amsterdam on October 2, 1997) and includes, for this purpose, Council Regulation (EC) No. 1103/7 and 974/98);
- the expressions “subsidiary”, “associated undertaking”, “subsidiary undertaking” and “undertaking” have the meanings given by the Companies Act 2006;
- any reference to any provision of any legislation shall include any amendment, modification, re-enactment or extension thereof. Any reference to any legislation is to English legislation unless otherwise specified; and
- references to time are to London time, unless otherwise stated.

BOND INVESTOR CONTACTS

<u>LOXAM</u> Patrick Bourmaud / Maëg Videau +33 (0)158 440 400 ir@loxamgroup.com	<u>Brunswick</u> Agnès Catineau / Tristan Bourassin +33 (0)1 53 96 83 83 loxam@brunswickgroup.com
--	--

ABOUT LOXAM

LOXAM is the leading equipment rental Company in Europe with a pro forma non audited consolidated revenue of €897 million in 2015 and approximately 5,000 employees. LOXAM’s network of more than 640 branches extends over 11 countries in Europe (France, Germany, the United Kingdom, Ireland, Belgium, Switzerland, Spain, Luxemburg, the Netherlands, Denmark and Norway) as well as in Morocco and Brazil.