QUARTERLY REPORT March 31, 2014

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DEFINITIONS

In this document:

- "Company" means LOXAM S.A.S., and "we", "us", "our" and "our group" refer to LOXAM S.A.S. and its consolidated subsidiaries, unless the context requires otherwise;
- "EBITDA" means operating income plus depreciation of fixed assets;
- "Adjusted EBITDA" means EBITDA plus non-recurring costs;
- "Free cash flow" means EBITDA (before capital gains on fleet disposals) plus the proceeds from disposals of fixed assets less the following: (i) gross capital expenditures, (ii) finance income and expense, (iii) income taxes (excluding deferred taxes), (iv) change in working capital requirement and (v) miscellaneous items.
- "Gross book value" means the total acquisition cost of the fleet equipment;
- "Gross debt" means loans and debt owed to credit institutions, bonds, lease liabilities, bank overdrafts and other financial debt, plus accrued interest on debt;
- "Net debt" means gross debt less cash and cash equivalents (cash plus marketable investment securities);
- "Organic" and "like-for-like" mean to changes in revenues for the period indicated compared to the prior comparable period, excluding changes in the scope of consolidation; and
- "Utilization rate" means the number of days that our equipment is actually rented in a given period divided by the number of business days in such period, weighted on the basis of our reference rental value of the equipment.

NOTICE

All financial information in this quarterly report has been prepared in accordance with French GAAP and is presented in million of euros. This financial information has been subject to a limited review by our statutory auditors.

In this document, we use certain non-GAAP measures, such as EBITDA, free cash flow or net debt, as we believe they and similar measures are widely used by certain investors as supplemental measures of performance and liquidity. These non-GAAP measures may not be comparable to other similarly titled measures of other companies and may have limitations as analytical tools. Non-GAAP measures such as EBITDA, free cash flow and net debt are not measurements of our performance or liquidity under French GAAP and should not be considered to be alternatives to operating income or any other performance measures derived in accordance with French GAAP. They should not be considered to be alternatives to cash flows from operating, investing or financing activities as a measure of our liquidity as derived in accordance with French GAAP.

Rounding adjustments have been made in calculating some of the financial and other information included in this document. As a result, figures shown as totals in some tables may not be exact arithmetic aggregations of the figures that precede them.

Change in accounting policy

No change in accounting policies has occurred since the end of the previous financial year. However, a change was made to our presentation of the cash-flow statement for clarity reasons.

Since the 6-month period ended June 30, 2013, when a finance lease agreement is signed, a negative cash flow from investing activities and a positive cash flow from financing activities is recognized in the cash-flow statement. Previously, in the 3-month ended March 31, 2013, these movements were not recognized in our cash flow statement.

To make it easier for the reader, a "3-month ended March 31, 2013 pro forma" column has been added to our cash flow statement with 2013 figures if these two presentation changes had been applied.

The following discussion and analysis is based on, and should be read in conjunction with, our unaudited interim consolidated financial statements included elsewhere in this quarterly report and our audited annual consolidated financial statements included in our 2013 annual report.

This document contains certain statements that are forward-looking. These statements refer in particular to the Company's forecasts, projections, future events, trends or objectives that are naturally subject to risks and contingencies that may lead to actual results materially differing from those explicitly or implicitly included in these statements. Such forward-looking statements are not guarantees of future performance. The Company, as well as its affiliates, directors, advisors, employees and representatives, expressly disclaim any liability whatsoever for such forward-looking statements. The Company does not undertake to update or revise the forward-looking statements that may be presented in this document to reflect new information, future events or for any other reason and any opinion expressed in this document is subject to change without notice.

This document does not constitute, or form part of, an offer or invitation to sell or purchase, or any solicitation of any offer to purchase or subscribe for, any securities of the Company in any jurisdiction whatsoever. This document shall not form the basis of, or be relied upon in connection with, any contract or commitment whatsoever.

CONSOLIDATED FINANCIAL STATEMENTS SUMMARY

Consolidated Income Statement	**three months ended March 31,**	
(in millions of euros)	**2013**	**2014**
Revenues	**171.4**	**189.3**
Other operating income	10.9	11.8
Purchases consumed	(20.1)	(21.9)
Personnel expenses	(52.9)	(56.2)
Other operating expenses	(67.3)	(68.8)
Taxes and duties	(3.9)	(3.7)
Depreciation, amortization and provisions	(39.1)	(40.2)
Operating income	**(1.0)**	**10.4**
Financial income and expense	(10.5)	(9.8)
Exceptional income and expense	0.0	(0.0)
Income tax	3.1	(1.4)
Amortization or depreciation of goodwill and intangible assets	(0.0)	(0.0)
Consolidated net income	**(8.4)**	**(0.8)**
Minority interests	0.0	(0.1)
Net income, group share	**(8.4)**	**(0.8)**

Consolidated balance sheet

(in millions of euros)

	As of December 31, 2013	As of March 31, 2014
Intangible assets and goodwill	926.1	926.6
Tangible assets	409.6	463.1
Financial investments	5.6	5.4
Fixed assets	**1,341.2**	**1,395.0**
Inventory and work-in-progress	16.9	18.5
Trade receivables and related accounts	203.0	194.1
Other receivables and accruals	36.9	39.3
Marketable investment securities	128.0	130.8
Cash	12.7	21.5
Current assets	**397.5**	**404.1**
TOTAL ASSETS	**1,738.7**	**1,799.2**
Provisions for contingencies and charges	23.1	24.1
Loans and financial debt	983.0	1,012.0
Supplier payables and related accounts	75.8	72.1
Other liabilities and accruals	119.3	154.1
Shareholders' equity, group share	537.3	536.6
Minority interests	0.3	0.3
TOTAL LIABILITIES AND EQUITY	**1,738.7**	**1,799.2**

Consolidated condensed cash-flow statement

(in millions of euros)

	Three months ended March 31, 2013	2013 Pro forma[(a)]	2014
Cash flow from operations	16.9	16.9	52.5
Cash flow from investing activities	(25.3)	(33.5)	(62.7)
Cash flow from financing activities	121.5	129.9	21.5
Change in cash and cash equivalents	**113.1**	**113.1**	**11.2**
Cash and cash equivalents at the end of the period	**168.9**	**168.9**	**151.5**

(a) See "change in accounting policy" in the Notice

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read together with our consolidated financial statements and the notes thereto. Our financial statements included herein have been presented in euros and prepared in accordance with French GAAP. A limited review was performed by our statutory auditors on Loxam's consolidated financial statements to the end March 31,2014.

Overview

With total revenues of €189.3 million for the 3-month period ended March 31, 2014, up 10.5% over the 3-month period ended March 31, 2013, LOXAM is the leading European equipment rental Company for the construction, industry, public works and events sectors.

LOXAM activity is split in three business divisions:

- Generalist France division, which includes equipment for earth moving (backhoes and loaders), aerial work (booms and scissors), handling (forklifts and tele-handlers), compaction (compactors and rollers), and building (concrete mixers and saws), as well as hand-operated tools such as power drills, chainsaws and jackhammers. As of March 31, 2014, our generalist network was made of 444 branches. From January 1, 2014, the generalist network is trading under the LOXAM Rental brand;
- Specialist France division, which includes high-access equipment, modular shelters, large compressors and generators, heavy compaction equipment, suspended platforms and scaffolding. As of March 31, 2014, our specialist network in France includes 63 branches. We rent specialist equipment in France under several specific brands, such as LOXAM Access, LOXAM Module, LOXAM Power and LOXAM Laho TEC; and
- International division, which comprises our specialist and generalist equipment offerings in 12 other countries (Denmark, Belgium, the Netherlands, Germany, Spain, the United Kingdom, Ireland, Switzerland, Luxembourg, Morocco, Norway and Sweden) with a network of 99 branches as of March 31, 2014.

We rent 1,000 different types of equipment and tools. We also provide services such as transportation, refueling, damage waiver and retail consumable products to complement and support our rental business. As of March 31, 2014, our rental fleet exceeded 180,000 pieces of equipment (excluding accessories) with a gross book value of €1.6 billion.

Economic conditions in the first quarter of 2014

Having fallen by approximately 3% in 2013, the French construction market is expected to decrease by approximately 1.5% in 2014 according to Euroconstruct (BIPE). All segments within construction i.e residential and non residential constructions as well as civil engineering are expected to decrease in 2014. New housing construction will continue to suffer until more favorable incentives are introduced. Non residential construction and civil engineering will be negatively impacted by local demand after the municipal elections of March 2014. Large railway infrastructure projects will still continue in 2014 although some of them approach completion.

Weather conditions in the first months of 2014 were favorable to the construction industry in France and in Western Europe, in total contrast with last year which, in turn were negative to the rental industry.

Outside of France, the prospects for the construction markets in 2014 are better in Denmark, Germany and in the UK while we expect the trend to remain challenging in the Benelux.

Investment in new equipment

Our gross capital expenditure was of €71.1 million in the first quarter of 2014. Of that amount, €68.3 million was our gross fleet Capex versus €33.8 million in the first quarter of 2013.

Changes to our rental network

We operated 606 branches as of March 31, 2014, compared to 611 as of December 31, 2013. We opened one branch in the first quarter of 2014, merged six branches as part of our network efficiency management.

Significant Events of the quarter

We integrated in our accounts on January 1st, 2014 the Danish company Dansk Lift, a rental company specialized in access equipment, of which 85% of shares were acquired at the end of December 2013. Dansk Lift owns fully two subsidiaries : Safelift AS which operates in Norway through 4 branches and Safelift AB which has one branch in Sweden.

Operating Results

The following table sets out our consolidated income statement for the quarter ended March 31, 2013 and 2014.

Consolidated Income Statement	**Quarter ended March 31,**	
(in millions of euros)	**2013**	**2014**
Revenues	171.4	189.3
Other operating income	10.9	11.8
Purchases consumed	(20.1)	(21.9)
Personnel expenses	(52.9)	(56.2)
Other operating expenses	(67.3)	(68.8)
Taxes and duties	(3.9)	(3.7)
Depreciation, amortization and provisions	(39.1)	(40.2)
Operating income	**(1.0)**	**10.4**
Financial income and expense	(10.5)	(9.8)
Exceptional income and expense	0.0	(0.0)
Income tax	3.1	(1.4)
Amortization or depreciation of goodwill and intangible assets	(0.0)	(0.0)
Consolidated net income	**(8.4)**	**(0.8)**
Minority interests	0.0	(0.1)
Net income, group share	**(8.4)**	**(0.8)**

The following table sets out certain key figures in each of the Generalist France, Specialist France and International divisions for the quarter ended March 31, 2013 and 2014.

	Quarter ended March, 31,	
(in millions of euros, except percentages)	**2013**	**2014**
Revenues [(1)]		
Generalist France	116.7	126.0
Specialist France	31.1	32.2
France	**147.8**	**158.2**
International	23.5	31.1
Total revenues	**171.4**	**189.3**
Adjusted EBITDA [(2)]		
Generalist France [(3)]	25.5	30.8
Specialist France [(3)]	9.7	9.7
France	**35.2**	**40.5**
International	3.8	5.7
Real Estate [(4)]	0.3	0.4
Total adjusted EBITDA	**39.3**	**46.6**
Adjusted EBITDA margin	*22.9%*	*24.6%*

Notes:

(1) To present Generalist and Specialist revenues generated in France by division, we aggregate the revenue of each of the branches assigned to that division, and we allocate rebates provided annually to certain large clients. Revenues for generalist France and specialist France are presented net of rebates.

(2) Adjusted EBITDA corresponds to EBITDA excluding non-recurring costs. For the quarter ended March, 2013, adjusted EBITDA excludes, €5.2 million of costs related to the issuance of senior subordinated notes in January 2013. These non-recurring costs were initially allocated to the Generalist France division.

(3) To present Specialist and generalist adjusted EBITDA generated in France by division, we allocate rebates pro rata based on revenues, which are accounted for centrally, and then allocate direct expenses (which represent a majority) directly to a given branch. Indirect expenses are allocated centrally or regionally and are then allocated to a given branch according to a factor that is based on either, that branch's revenues, the gross value of its equipment or the rental value of its equipment.

(4) Real Estate adjusted EBITDA corresponds to rental income from real estate held by the group that is not assigned to a division.

Quarter ended March 31, 2014 compared to quarter ended March 31, 2013

Revenues

Revenues increased by 10.4% to €189.3 million in the first quarter of 2014 from €171.4 million in the first quarter of 2013. At constant currency exchange rate, revenues increased by 8.0% like for like, primarily due to a rebound in the demand for rental services as weather conditions in the first quarter of 2014 were better than during the first quarter of 2013 .

Revenues from our Generalist France division increased by 8.0% in the first quarter of 2014 to €126.0 million as compared to €116.7 million in the first quarter of 2013. Generalist France represented 66.5% of total revenues in the first quarter of 2014 compared to 68.1% in the first quarter of 2013.

Revenues from our Specialist France division increased by 3.5% to €32.2 million in the first quarter of 2014 compared to €31.1 million in the first quarter of 2013. The Specialist France division represented 17.0% of total revenues in the first quarter of 2014, compared to 18.1% in the first quarter of 2013.

International revenues increased by 32.3% to €31.1 million in the first quarter of 2014 compared to €23.5 million in the first quarter of 2013. At constant currency exchange rate, revenues increased by 14.5% like for like. The integration of Dansk Lift group contributed to the remainder of the growth recorded in the quarter. Better weather conditions in the first quarter of 2014 benefited the most countries. We also benefited from better performance in the UK which also contributed to the general increase in turnover of the International division. Our International division represented 16.4% of total revenues in the first quarter of 2014, compared to 13.7% in the first quarter of 2013.

Weather conditions in Q1 2014 were favorable to the construction industry in France and in Western Europe in total contrast with last year. We therefore do not think that the revenue trend recorded by Loxam in Q1 2014 is setting the growth pattern for the rest of the year. Also, the second quarter of 2014 will not benefit from a seasonal catch-up and should also be impacted in France by a quieter period following the local elections of March 2014.

Other operating income

Other operating income, which includes mainly our write-backs of provisions on current assets and capital gains on disposed fleet assets, increased by 8.3% to €11.8 million in the first quarter of 2014, compared to €10.9 million in the first quarter of 2013. This increase is mainly due to higher capital gains on disposed fleet assets.

Purchases consumed

Purchases consumed increased by 9.0% to €21.9 million for the first quarter of 2014 compared to €20.1 million for the first quarter of 2013. This increase was linked to higher retail sales achieved in Q1 2014 which increased by 17.5%.

Personnel expenses

Personnel expenses increased by 6.2% to €56.2 million in the first quarter of 2014 from €52.9 million in the first quarter of 2013. At constant perimeter, personnel expenses increased by 3.3% in the first quarter.

Other operating expenses

Other operating expenses increased by 2.2% to €68.8 million in the first quarter of 2014 from €67.3 million in the first quarter of 2013. At constant perimeter, other operating expenses were flat in Q1 2014 compared to Q1 2013.

However, haulage, marketing and IT costs rose as a consequence of the increase of the activity and our plan to merge our generalist network into Loxam rental and further convergence of our international division.

Depreciation, amortization, and provisions

Depreciation, amortization, and provisions increased by 2.8% to €40.2 million in the first quarter of 2014 compared to €39.1 million in the first quarter of 2013. This increase signals a change in trend in our depreciation charge due to the effort to rejuvenate the fleet.

Financial income and expense

Net financial expense decreased by 6.7% to €9.8 million in the first quarter of 2014 compared to €10.5 million in the first quarter of 2013. This decrease is primarily due to a substantial reduction of notional amounts covered by interest rate swaps. As at March 31, 2014, 66% of Loxam's gross financial debt was either at fixed rate or hedged with an interest swap.

Income tax

Profit before tax was a loss of €0.8 million in the first quarter of 2014 compared to a loss of €12.4 million in the first quarter of 2013. The income tax was a charge of €1.4 million in the first quarter of 2014, compared to a credit of €3.1 million in the first quarter of 2013.

Amortization or depreciation of goodwill and intangible assets

During the first quarter of 2014 no impairment of intangible assets was accounted for.

Net income

As a result of the various factors described above, the net income was a loss of €0.8 million in the first quarter of 2014 compared to a loss of €8.4 million in the first quarter of 2013.

Adjusted EBITDA

We define EBITDA as operating income plus depreciation of fixed assets. We define Adjusted EBITDA as EBITDA plus non-recurring costs. The following table presents a reconciliation of adjusted EBITDA to operating income and net income for the periods indicated.

	Quarter ended March 31,	
(in millions of euros)	**2013**	**2014**
Adjusted EBITDA	**39.3**	**46.6**
Non recurring costs (1)	(5.2)	-
EBITDA	**34.1**	**46.6**
Depreciation of fixed assets	(35.1)	(36.2)
Operating income	**(1.0)**	**10.4**
Financial income and expense	(10.5)	(9.8)
Exceptional income and expense	0.0	0.0
Income tax	3.1	(1.4)
Amortization or depreciation of goodwill and intangible assets	0.0	0.0
Consolidated net income	**(8.4)**	**(0.8)**

Notes :

(1) Non-recurring costs included the issuance cost of the senior subordinated notes amounting to €5.2 million for the quarter ended March 31,2013. There are no non recurring costs in the quarter ended March 31, 2014.

Adjusted EBITDA amounted to €46.6 million in the first quarter of 2014 compared to €39.3 million in the first quarter of 2013.

Adjusted EBITDA from our generalist France division amounted to €30.8 million in the first quarter of 2014, compared to €25.5 million in the first quarter of 2013. Our adjusted EBITDA margin for generalist France was 24.4% in the first quarter of 2014 compared to 21.8% in the first quarter of 2013.

Adjusted EBITDA from our specialist France division amounted to €9.7 million in the first quarter of 2014, as well as in the first quarter of 2013. Our adjusted EBITDA margin for specialist France was 30.1% in the first quarter of 2014 compared to 31.2% in the first quarter of 2013.

Adjusted EBITDA from our international division amounted to €5.7 million in the first quarter of 2014, compared to €3.8 million in the first quarter of 2013. Our adjusted EBITDA margin for international was 18.3% in the first quarter of 2014 compared to 16.2% in the first quarter of 2013.

Liquidity and Capital Resources

We use cash to pay for working capital requirements, taxes, interest payments, capital expenditures, acquisitions and to service our indebtedness in accordance with repayment schedules.

Our sources of liquidity consist mainly of the following:

- cash generated from our operating activities;
- borrowings under our syndicated credit facilities (including the revolving credit facility) and bilateral facilities; and
- net proceeds from our senior subordinated notes and any other debt securities we may issue in the future.

As of March 31, 2014, we had €300 million principal amount outstanding of senior subordinated notes issued in January 2013 and €211.0 million outstanding under our syndicated credit facilities. We also had bilateral facilities in a total amount of €395.2 million and finance leases in a total amount of €101.6 million. Cash and cash equivalents on our balance sheet amounted to €151.5 million as of March 31, 2014 as compared to €140.3 million as of December 31, 2013.

We also have a €75 million revolving credit facility, which we may use for general corporate purposes. As of March 31, 2014, this revolving credit facility was not drawn.

Capital expenditure

Our gross capital expenditure was €71.2 million in the first quarter of 2014 compared to €37.7 in the first quarter of 2013.

Our net capital expenditure (defined as gross capital expenditures less proceeds from disposals of fixed assets) was €62.9 million in the first quarter of 2014 as compared to €33.7 million in the first quarter of 2013.

Free cash flow

We define free cash flow as EBITDA (before capital gains on fleet disposals) plus the proceeds from disposals of fixed assets less the following: (i) gross capital expenditure, (ii) financial income and expense, (iii) income taxes (excluding deferred taxes), (iv) change in working capital requirement and (v) miscellaneous items. Free cash flow, as presented in this report, does not reflect the impact of dividend payments to shareholders, capital increases, buybacks or acquisitions, which could affect the cash situation of the Company.

Free cash flow amounted to €(4.4) million for the first quarter of 2014 compared to €(21.0) million for the first quarter of 2013. During the first quarter of 2014, our working capital requirement decreased by €27.5 million, mainly driven by higher payables on fixed assets purchases (+€35.1 million).

The following table sets out a reconciliation of free cash flow to EBITDA for the periods indicated.

(in millions of euros)	**Quarter ended March, 31,**	
	2013	**2014**
EBITDA before capital gains on fleet disposals	**31.1**	**41.6**
+ Proceeds from disposals of fixed assets	4.0	8.3
- Gross capital expenditure	(37.7)	(71.3)
- Financial income and expense	(10.5)	(9.8)
- Income taxes (1)	0.0	(0.6)
- +/- Change in working capital requirement (2)	(8.5)	27.5
- Miscellaneous	0.6	(0.1)
= Free cash flow (3)	**(21.0)**	**(4.4)**

Notes:

(1) Corresponds to taxes immediately payable (i.e., excluding deferred taxes).

(2) Change in working capital requirement is calculated as the difference between working capital requirement at the end of the relevant period and working capital requirement at the beginning of the relevant period, at constant exchange rates and perimeter of consolidation.

(3) Before payment of dividends, capital increases and acquisitions.

Net debt

We define net debt as gross debt less cash and cash equivalents. The following table sets out a reconciliation of net debt to amounts included in the consolidated balance sheet as of the dates indicated.

(in millions of euros)	**As of December 31, 2013**	**As of March 31, 2014**
Senior subordinated notes	300.0	300.0
Bank loans	589.8	606.2
of which syndicated credit facilities	*211.0*	*211.0*
of which bilateral loans	*378.8*	*395.2*
Accrued interest on loans	8.9	2.7
Lease liabilities	83.1	101.6
Other financial debt	0.8	0.8
Bank overdrafts	0.4	0.7
Loans and financial debt (gross debt)	**983.0**	**1,012.0**
Cash	(12.7)	(21.4)
Marketable investment securities	(128.0)	(130.8)
Cash and cash equivalents	**(140.7)**	**(152.2)**
Adjustment to cash and cash equivalents (1)	(9.2)	-
Net debt	**833.1**	**859.8**

Notes:

(1) Cash adjustment as of December 31,2013 related to a cash advance of €9.2 million to the new acquired Dansklift company, not consolidated in the balance sheet.

Gross debt on March 31, 2014 amounted to €1,012.0 million versus €983.0 million on December 31, 2013. Net debt in March 31, 2014 was €859.8 million versus €833.1 million in December 31, 2013.The increase of €26.7 million is due to the negative free cash flow recorded in Q1 (€4.4 million) while the consolidation of Dansk Lift' net financial debt on January 1st, 2014 accounted for the rest (€22.3 million).

Debt maturity profile

The table below provides the maturity profile of our outstanding indebtedness, as of March 31, 2014.

(in millions of euros)	**Total**	**2014 (April to Dec.)**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020 and later**
Syndicated credit facilities	211.0	47.0	72.0	92.0	-	-	-	-
Bilateral loans	395.2	104.5	114.5	83.5	57.3	34.6	0.2	0.6
Lease liabilities	101.6	19.9	25.9	24.4	19.6	11.2	0.6	-
Loans and financial debt owed to credit institutions	**707.8**	**171.4**	**212.4**	**199.9**	**76.9**	**45.8**	**0.8**	**0.6**
Other financial debt......................	0.8	0.1	0.1	0.3	0.3	-	-	-
Senior subordinated notes	300.0	-	-	-	-	-	-	300.0
Total debt	**1,008.6**	**171.5**	**212.5**	**200.2**	**77.2**	**45.8**	**0.8**	**300.6**

Hedging Policy

As of March 31, 2014, 60% of our loans and other financial debt were at variable rates, mostly linked to EURIBOR. We use derivative financial instruments, especially interest rate swaps, from time to time, to reduce our net exposure to variable rates on our outstanding indebtedness. As of March 31, 2014, these derivative financial instruments covered a notional amount of €258.4 million against three month EURIBOR for a maximum term of 10 years. For the quarter ended March 31, 2014, these instruments covered an average of €259.4 million at an average fixed rate of 1.72%, compared to an average of €684.9 million at an average fixed rate of 2.44% for the quarter ended March 31, 2013.

The table below sets out our hedging levels for the periods indicated.

(in millions of euros, except percentages)	As of		
	March 31, 2013	December 31, 2013	March 31, 2014
Bank loans	609.3	589.9	606.2
Amount hedged	649.3	328.5	258.4
% hedged	106.6%	55.7%	42.6%
Average interest hedged rate	2.44%	2.42%	1.72%

The large majority of our revenues, expenses and obligations are denominated in euros. However, we are exposed to limited foreign exchange rate risk, primarily in respect of Danish krone, pounds sterling, Swiss francs and Moroccan dirham. Our foreign exchange rate derivative financial instruments as of March 31, 2014 covered current liabilities denominated in British Pounds for GBP 12.7 million and in Danish Kroners for DKK 20.0 million.

APPENDIX:
UNAUDITED FINANCIAL STATEMENTS

PAGE

BALANCE SHEET

ASSETS	(€ '000s)	03.31.2014 (limited review)	12.31.2013 (audited)
Fixed assets		**1,395,039**	**1,341,234**
Goodwill		182	193
Intangible assets		926,378	925,868
Tangible assets		463,064	409,566
Financial investments		5,415	5,607
Current assets		**404,116**	**397,465**
Inventory and work-in-progress		18,456	16,940
Trade receivables and related accounts		194,136	202,970
Other receivables and accruals		39,313	36,896
Marketable investment securities		130,757	127,966
Cash		21,453	12,692
Total assets		**1,799,155**	**1,738,699**

LIABILITIES AND SHAREHOLDER'S EQUITY	(€ '000s)	03.31.2014 (limited review)	12.31.2013 (audited)
Shareholders' equity		**536,631**	**537,269**
Equity capital		258,223	258,223
Additional paid-in capital		1,882	1,882
Reserves and retained earnings (1)		276,528	277,164
Minority interests		**251**	**283**
Provision for contingencies and charges		**24,086**	**23,078**
Debt		**1,238,187**	**1,178,069**
Loans and financial debt		1,012,008	982,987
Suppliers payables and related accounts		72,079	75,827
Other liabilities and accruals		154,100	119,256
Total liabilities and shareholders' equity		**1,799,155**	**1,738,699**

(1) Including net income for the period		(753)	38,513

INCOME STATEMENT

(€ '000s)	**03.31.2014** **(3 months)** (limited review)	**03.31.2013** **(3 months)** (unaudited)	**12.31.2013** **(12 months)** (audited)
Revenues	**189,305**	**171,371**	**804,723**
Other operating income	11,767	10,897	48,966
Total revenues	**201,072**	**182,268**	**853,689**
Purchases consumed	21,925	20,095	97,116
Personnel expenses	56,155	52,861	210,098
Other operating expenses	68,755	67,300	279,128
Taxes and duties	3,661	3,878	14,729
Depreciation, amortization and provisions	40,176	39,108	146,319
Operating income	**10,401**	**(973)**	**106,299**
Financial income and expense	(9,823)	(10,507)	(44,399)
Current income before tax and exceptional items	**578**	**(11,480)**	**61,900**
Exceptional income and expense	(24)	13	(33)
Income tax	(1,363)	3,080	(23,386)
Net income from consolidated companies	**(809)**	**(8,387)**	**38,481**
Amortization or depreciation of goodwill and intangible assets	(11)	(11)	(42)
Consolidated net income	**(820)**	**(8,397)**	**38,439**
Minority interests	(67)	31	(75)
Net income, group share	**(753)**	**(8,428)**	**38,514**
Earnings per share in euros	*(0.03)*	*(0.33)*	*1.49*

CASH FLOW STATEMENT

			03.31.2014 (3 months) (limited review)	12.31.2013 (12 months) (audited)
		(€ '000s)		
Cash flows from operating activities				
	Net income from consolidated companies		(809)	38,481
Elimination of expense and income that have no cash impact or are unrelated to the operations :				
-	Change in deferred taxes		781	(1,279)
+	Amortization, depreciation and provisions		36,292	134,635
-	Gains on disposals of fixed assets		(5,156)	(18,785)
=	Gross operating cash flow from consolidated companies		31,108	153,052
+/-	Change in working capital requirements		27,520	(22,874)
+/-	Change in accrued interests on loans and other financial debt		(6,176)	(4,568)
=	**Cash flows from operating activities**	**A**	**52,451**	**125,610**
Cash flows from investing activities				
-	Purchase of fixed assets		(71,251)	(202,176)
+	Proceeds from disposal of fixed assets		8,271	22,371
Impact of changes in scope of consolidation :				
-	Cost of securities		-	(451)
+	Cash acquired on new consolidations		256	-
=	**Cash flows from investing activities**	**B**	**(62,724)**	**(180,256)**
Cash flows from financing activities				
-	Dividends paid to parent company shareholders		-	(4,906)
-	Dividends paid to non-controlling shareholders of consolidated companies		-	-
+	Capital increase in cash		-	-
+	Issuance of loans		50,047	492,524
-	Repayment of loans		(28,562)	(348,310)
=	**Cash flows from financing activities**	**C**	**21,485**	**139,308**
	Change in cash and cash equivalents	**A+B+C**	**11,212**	**84,663**
	Opening cash and cash equivalents (including overdrafts on current accounts)		140,280	55,663
	Closing cash and cash equivalents (including overdrafts on current accounts)		151,496	140,280
	Effect of exchange rate differences		(4)	46
			11,212	**84,663**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Significant events of the period

The Group integrated on January 1st, 2014 the group Dansk Lift, of which 85% of shares were acquired at the end of December 2013.

Accounting rules and policies

The consolidated financial statements comply with generally accepted French accounting principles, specifically with respect to the enactment of Regulation 99-02 by decree on June 22, 1999, which was issued by the French Accounting Committee (CRC). The interim financial statements for the period between January 1, 2014 and March 31, 2014 have been prepared pursuant to Recommendation 99 R01 regarding methods for preparing and presenting interim financial statements.

1. *Consolidation scope and methods*

As the parent company has exclusive control over all Group companies, all the companies are fully consolidated.

All the consolidated companies close their statutory accounts on December 31. The financial statements as of March 31, have been prepared on the basis of the interim financial positions as of March 31, 2014 for all companies in the group.
The financial statements are denominated in thousands of euros.

2. *Currency translation method*

Assets and liabilities in foreign currencies are translated into euros according to the closing rate method :

- the balance sheet accounts are translated at the closing rate for the period ended March 31, 2014.
- income and expenses, and net income are translated at the average exchange rate.
- Translation differences arising from opening balance sheet and from income statement are recorded within equity for companies outside the euro zone.

Exchange rates applied for the period ended 03.31.2014 (euro against foreign currency) are as follows:

	UNITED KINGDOM	SWITZERLAND	DENMARK	MOROCCO	SWEDEN	NORWAY
Closing rate	0.82820	1.21940	7.46590	11.18230	8.94830	8.25500
Average rate	0.82783	1.22353	7.46247	11.20011	8.85753	8.34650

3. *Elimination of intercompany transactions*

All transactions between Group companies have been eliminated, as well as any income or loss generated internally.

4. ***Change in accounting policies***

No change in accounting policies has occurred since the end of the previous financial year.

5. ***Goodwill and intangible assets***

5.1. ***Goodwill***

Goodwill is the difference between the acquisition cost of the shares and the overall value of the assets and liabilities, and market share identified at the acquisition date.

The acquisition cost includes expenses directly related to the acquisition, as well as the discounted value of the debt in cases where payment is deferred or spread.

Furthermore, assets and liabilities that can be identified at the acquisition date are valued at fair value, which may result in recognizing goodwill.

Goodwill is amortized on a straight-line basis, over a period that considers the assumptions selected, and the objectives established and documented at the time of the acquisition. This period does not exceed 20 years.

5.2. ***Other intangible items***

In the case of operating companies that have been acquired in order to increase the Group's market share by increasing its network of branches (which is the case for all the companies acquired), a separate asset is recognised on a separate line (market share) under intangible assets. Market share was previously presented under the category "business assets". The market share value is assessed based on the results generated by these companies, their development, and their ability to increase their customer loyalty through national agreements.

Market share is not amortized, but its value is tested annually and when the Group identifies evidence of impairment. The impairment test on market share consists in comparing its carrying amount with future cash flows, as determined on the basis of medium-term plans. When the carrying amount of the market share is higher than the value of the discounted cash flows, an impairment loss is recognized.

Other intangible assets are recorded at their acquisition cost on the balance sheet, excluding financial expenses.

As at March 31, 2014, the Group has not identified any impairment over the past 3 months.

5.3. ***Other intangible items***

Following the takeover completed in 2014, the change is the following :

- For Dansk Lift, goodwill of €266 K recognised in market shares.

1. ***Tangible assets***

Tangible assets are shown at their historical acquisition cost, less accumulated depreciation.

Depreciation is calculated on a straight-line basis over the useful life of the assets.

The main useful lives used are as follows:

- Buildings.. 10 to 20 years

- Building fixtures and fittings .... 5 to 20 years
- Plant, equipment and tools.. 1 to 7 years
- Other tangible assets .... 2 to 5 years

The depreciation and amortization rules applied by the Company comply with current professional practices.

According to the rules determined by CRC Regulations 2002-10 and 2004-06, the tangible assets of French companies must be broken down into individual components with different useful lives. We have not identified any asset likely to be subject to a breakdown by component.

So the Group did not review its accounting depreciation and amortization schedules as part of the application of CRC Regulations 2002-10 and 2004-06.

The features specific to the leasing profession do not allow us to assess residual values for all the equipment on a consistent and accurate basis.

2. Finance leases

Some fixed assets are subject to lease agreements, under the terms of which the Group assumes the benefits and risks of ownership. In this case, the assets are adjusted in order to recognize and classify the value of the leased items under fixed assets and the corresponding financial liability under liabilities. The fixed asset is depreciated according to the Group's policy and its economic useful life. The liability is amortized over the term of the lease agreement.

3. Financial investments

Investments held in the fully-consolidated companies are eliminated in consolidation. They are replaced by the assets, liabilities, and net financial position of the companies concerned.

The gross values of the investments in non-consolidated companies are assessed at their historical acquisition cost.
Transactions denominated in foreign currencies are recorded at the closing rate for the financial year.
Potential impairment losses are determined in relation to market value.

4. Inventories

Inventories are valued at weighted average cost, or at the last known purchase price.
A write-down of inventory is recognized when the realisable value is lower than the book value.

5. Receivables and payables

Receivables and payables are valued at their nominal amounts. An allowance for bad and doubtful receivables is recognized when the recoverable amount of receivables is lower than their book value.
Transactions in foreign currencies are translated at the exchange rate on the transaction date.
Gains and losses arising from the translation of balances at the closing rate are recorded in the income statement.

6. Marketable securities

The historical cost of the marketable securities reported on the balance sheet is compared with their market value at the closing date. If the recoverable value falls below the market value, an impairment loss is recognized.

7. Provision for contingencies and charges

This item includes provisions for retirement awards, provisions for deferred taxes, provisions for jubilee awards, and other provisions for contingencies and charges that are justified by certain and probable risks, and have been estimated on a case-by-case basis.

Procedures for calculating retirement provisions:

- Benefits are calculated based on age, seniority, life expectancy, and the staff turnover ratio.
- Acquired benefits are capped at 3.5 months' salary for employees who have worked for the company for over 30 years.
- The calculated provision is then discounted at the 10-year interest rate (2.23%), in order to take into account the length of time between the employee's age and their retirement at 65.
- Social security charges at a rate of 44% have been recognised.

Actuarial gains and losses are recognised through the income statement.

Group companies that are included in a defined contribution scheme pay their contributions to pension management funds and are not subject to this restatement.

8. Other operating income

Other operating income primarily includes provision reversals, expense transfers, net gains on rental equipment disposals, and the property rents invoiced.

9. Extraordinary income

Net extraordinary income consists of net gains on the disposal of fixed assets, excluding rental equipment disposals, and of non-recurring events in the operation of the business.

10. Income tax

The income tax charge for the period comprises both current and deferred tax. Taxation is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case the related tax is also recognised in equity.

Current tax corresponds to the accumulated income tax payable on the taxable income of all the group's companies. There are two tax consolidation schemes in the Group : one for the French companies, and one for the Danish companies.

Deferred taxes result from:

- temporary differences between the tax base and the accounting base;
- consolidation adjustments.

Deferred tax is calculated using the liability method, at the tax rate in effect at the beginning of the next financial year.

Deferred tax assets and liabilities are offset against each other at the company level.

In case of tax losses, deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against these losses in a close future, or if it is possible to offset deferred tax assets with deferred tax liabilities.

During interim period, the income tax charge is calculated in the same way as for an annual closing, based on the interim financial result.

11. <u>Currency and interest-rate derivatives</u>

- ***Exchange rate risk:***

  The foreign currency hedging agreements in place at March 31, 2014 covered receivables of GBP 12,710 K, and of DKK 20,000 K.

- ***Interest-rate risk:***

  The Group uses derivatives to reduce its net exposure to interest rate risk when it determines conditions are appropriate to mitigate risks based on market expectations. The group enters into "swap" agreements to hedge such risk.

  At March 31, 2014, these interest-rate hedging instruments covered a notional amount of €258,400 K against the 3-month EURIBOR for a maximum term of 10 years.

The income and expense generated by interest rate swaps is recorded in the income statement on a *pro rata* basis.

12. <u>Minority interests</u>

This is the non-controlling shareholders' interest in the financial position and results of the consolidated subsidiaries.

13. <u>Related parties</u>

No material transactions were entered into otherwise than at arm's length.

SCOPE OF CONSOLIDATION

	Country	% control	% held	Held by	Consolidation method
French companies					
SAS LOXAM	**France**	**100%**	**100%**	**Parent company**	**full**
SAS LOXAM Module	France	100%	100%	LOXAM	full
SAS LOXAM Power	France	100%	100%	LOXAM	full
Foreign companies					
LOXAM Access UK	UK	100%	100%	LOXAM	full
LOXAM GMBH	Germany	100%	100%	LOXAM	full
LOXAM S.A.	Switzerland	100%	100%	LOXAM	full
LOXAM S.A.	Belgium	100%	100%	LOXAM	full
LOXAM Ltd	Ireland	100%	100%	LOXAM	full
LOXAM Alquiler	Spain	100%	100%	LOXAM	full
LOXAM BV	Netherlands	100%	100%	LOXAM	full
LOXAM Denmark Holding A/S	Denmark	100%	100%	LOXAM	full
LOXAM Denmark A/S	Denmark	100%	100%	LOXAM Denmark Holding	full
DANSK LIFT A/S	Denmark	100%	85%	LOXAM DENMARK A/S	full
SAFELIFT AS	Norway	100%	85%	DANSK LIFT A/S	full
SAFELIFT AB	Sweden	100%	85%	DANSK LIFT A/S	full
Atlas Rental	Morocco	100%	51%	LOXAM	full
LOXAM RENTAL SARL	Luxembourg	100%	100%	LOXAM	full
Real estate companies					
SCI Bagneux	France	100%	100%	LOXAM	full
SCI Est Pose	France	100%	100%	LOXAM	full
SAS LOXAM Grande Armée	France	100%	100%	LOXAM	full
EURL Norleu	France	100%	100%	LOXAM	full
SCI Tartifume	France	100%	100%	LOXAM	full
SCI Thabor	France	100%	100%	LOXAM and LOXAM Power	full

FIXED ASSETS

(€ '000s)

GROSS AMOUNT	12.31.13	Change in scope	Increases	Decreases	Transfers	Translation adjustments	03.31.14
Goodwill	847						847
Intangible assets	973,888	266	506		470	1	975,131
Tangible assets (1)	1,677,733	45,734	70,563	28,876	240	514	1,765,908
Financial investments (2)	5,607	-322	182	50	(1)		5,415
TOTAL	**2,658,075**	**45,678**	**71,251**	**28,926**	**709**	**515**	**2,747,301**
(1) inc. rental equipment	1,500,274	40,265	68,313	27,282	477	486	1,582,532
(2)inc. Dansk Lift shares not consolidated	451	(451)					

DEPRECIATION AND AMORTIZATION	12.31.13	Change in scope	Increases	Decreases	Transfers	Translation adjustments	03.31.14
Goodwill	654		11				665
Intangible assets	48,020		733				48,753
Tangible assets (1)	1,268,167	23,889	35,500	25,753	710	331	1,302,845
Financial investments							
TOTAL	**1,316,841**	**23,889**	**36,244**	**25,753**	**710**	**331**	**1,352,262**
(1) inc. rental equipment	1,132,138	21,387	32,830	24,182	546	308	1,163,027

INVENTORIES

NET AMOUNT *(€ ‘000s)*	**03.31.14**	**12.31.13**
Spare parts and consumables	6,269	5,931
Finished goods	-	-
Trade	12,187	11,009
TOTAL INVENTORIES	**18,456**	**16,940**

TRADE RECEIVABLES AND RELATED ACCOUNTS

(€ ‘000s)	**03.31.14**	**12.31.13**
Gross amount	217,398	226,062
Allowance for bad and doubtful receivables	(23,262)	(23,092)
TOTAL TRADE RECEIVABLES AND RELATED ACCOUNTS	**194,136**	**202,970**

OTHER RECEIVABLES AND ACCRUALS

(€ '000s)	**03.31.14**	**12.31.13**
Deferred tax assets (1)	1,175	935
Cash advances outside of the Groupe (2)	-	9,188
Other receivables (3)	33,408	24,169
Prepaid expenses	4,730	2,604
TOTAL	**39,313**	**36,896**

(1) Deferred tax assets include only temporary differences.
(2) The cash advances outside of the group are relates to the Dansk Lift Group not consolidated as at 12.31.13.
(3) The other net receivables have a maturity of less than one year at 03.31.14

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SHAREHOLDERS’ EQUITY

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY (GROUP SHARE)

(€ ‘000s)	CAPITAL	PREMIUMS	CONSOLIDATED RESERVES	RESULT FOR THE FINANCIAL YEAR	TRANSLATION DIFFERENCES	TOTAL SHAREHOLDERS' EQUITY
Position at 12.31.2012	**258,223**	**1,882**	**197,881**	**46,344**	**(764)**	**503,565**
2013 movements:						
Capital increase						
Appropriation of earnings			46,344	(46,344)		
Distributions			(4,906)			(4,906)
Other changes				38,513	97	38,610
Position at 12.31.2013	**258,223**	**1,882**	**239,319**	**38,513**	**-667**	**537,269**
2014 movements:						
Appropriation of earnings			38,513	(38,513)		
Distributions						
Other changes				(753)	116	(638)
Position at 03.31.2014	**258,223**	**1,882**	**277,832**	**(753)**	**(551)**	**536,631**

PROVISIONS FOR CONTINGENCIES AND CHARGES

(€ '000s)	**12.31.13**	**Change in scope**	**Additions**	**Reversals**	**Other**	**03.31.14**
Provision for contingencies	3,325	91	293	628		3,080
Provisions for charges (1)	7,160		752	359		7,554
Provisions for deferred tax liabilities (2)	12,593				859	13,451
TOTAL	**23,078**	**91**	**1,045**	**987**	**859**	**24,086**
(1) Inc. pension commitments	5,718		550			6,268

(2) The provisions for deferred tax liabilities are mainly related to temporary differences.

OTHER LIABILITIES AND ACCRUALS

(€ '000s)	**03.31.14**	**12.31.13**
Tax and social security liabilities	80,566	82,373
Debt on fixed assets	58,772	23,666
Other liabilities	13,276	11,796
Prepaid income	1,485	1,421
TOTAL	**154,099**	**119,256**

LOANS AND FINANCIAL DEBT

(€ ‘000s)

Maturity schedule	03.31.14	Less than one year	Between 1 and 5 years	Over 5 years
Senior subordinated notes	300,000	-	-	300,000
Syndicated loans	211,000	47,000	164,000	-
Other bank loans	395,211	123,994	270,350	867
Financial lease liabilities	101,577	26,474	75,103	-
Other financial debt (1)	4,220	3,559	661	-
LOANS AND FINANCIAL DEBT AT 03.31.2014	**1,012,008**	**201,027**	**510,114**	**300,867**
LOANS AND FINANCIAL DEBT AT 12.31.2013	**982,987**	**201,878**	**480,756**	**300,353**

(1) Other financial debt includes interest accrued on loans, bank overdrafts, and deposits and guarantees received.

Breakdown between fixed and floating-rate debt	03.31.14	12.31.13
Floating-rate debt	606,076	589,931
Fixed-rate debt	404,884	392,346
Bank overdrafts	714	378
Other	334	332
TOTAL	**1,012,008**	**982,987**

INCOME TAX

(€ '000s)

BREAKDOWN OF THE INCOME TAX CHARGE	03.31.14	03.31.13
Current tax	(582)	15
Deferred tax	(781)	3 065
TOTAL	**(1,363)**	**3,080**

ANALYSIS OF THE INCOME TAX CHARGE	03.31.14	03.31.13
Consolidated income before tax, C.I.C.E. and amortization of goodwill	(786)	(12,408)
THEORETICAL TAX CHARGE	**271**	**4,479**
	34.43%	*36.1%*
Tax rate differences	(320)	(269)
Impact of previously unrecognized tax losses	(521)	(451)
Use of tax losses previously unrecognized	73	27
Impact of permanent temporary differences	(852)	(729)
Tax credits and other	(14)	23
ACTUAL TAX CHARGE	**(1,363)**	**3,080**

HEADCOUNT

Average of the period	03.31.14	12.31.13
Executives	784	780
Supervisors and employees	3,541	3,475
Apprentices and occupational contracts	77	70
TOTAL	**4,402**	**4,325**

The number of staff employed by the group as of March 31, 2014 was 4 417, including 3,741 in France and 676 in International.

DIRECTORS'REMUNERATION

Management remuneration is not provided, as it would lead to the indirect disclosure of individual remuneration.

OFF-BALANCE SHEET COMMITMENTS

(€ '000s)	**03.31.14**	**12.31.13**
Commitments given:		
- Property rental guarantee granted to banks	9,780	9,780
- Interest-rate hedging derivatives	258,400	328,500
TOTAL COMMITMENTS GIVEN	**268,180**	**338,280**
Commitments received:		
- Bank guarantee received for payment of a property rental	6,919	6,919
- Other bank guarantees received	200	200
TOTAL COMMITMENTS RECEIVED	**7,119**	**7,119**

Other commitments given to secure the bank loans recognized on the balance sheet:

- Guarantee from the Loxam parent company for the subsidiaries' loans amounting to €398 K at 03.31.14.

- Pledge of the Loxam Power and Loxam Module shares, and of the Loxam brand as guarantee for the syndicated facilities.

- Dailly assignment of intercompany receivables by the Loxam parent company for the amount of €14,734 K, as a guarantee for the syndicated loan. The Dailly receivables are amortized according to the same schedule as the liabilities that they guarantee.

- The Group has committed to comply with certain financial ratios and standard legal covenants at June 30 and December 31 every year, by signing a syndicated loan agreement. The financial ratios were met at 12.31.2013.

- Dailly assignment of receivables amounting to 120% of the credit revolving outstanding by the Loxam parent company. As at 03.31.2014, no receivables was transferred under Dailly assignment as the credit revolving is undrawn.

Other miscellaneous commitments:

Under the terms of a delegation of authority granted by the Company's General Meeting on July 29, 2011, the Chairman issued 3,165,713 Series 1 warrants (BSA 1) and 22,391,550 Series 2 warrants (BSA 2) in a decision dated February 28, 2012.

The Series 1 and Series 2 warrants were fully subscribed by the beneficiaries, and both subscription agreements recording the definitive completion of the transaction were approved on 2 April 2012.

The Series 1 and Series 2 warrants were issued free of charge and simultaneously. The Series 1 and Series 2 warrants may be exercised over a period that expires on 12.31.2022. The exercise of one Series 1 warrant entitles the holder to subscribe to one ordinary share in the Company, i.e. a maximum of 3,165,713 ordinary shares in the event that all 3,165,713 Series 1 warrants are exercised.

The exercise of one Series 2 warrant entitles the holder to subscribe to one-seventh of an ordinary share, which means that the exercise of seven series 2 warrants will be required in order to subscribe to one A or B share, depending on the case, i.e. a maximum of 3,198,793 A and B shares (depending on the case) in the event that all 22,391,550 Series 2 warrants are exercised.

In the period from 30 June 2015 until 30 June 2017, the Group has a share purchase option, and the Minority Shareholders have share sell option related to the 15% of Dansk Lift shareholdings owned by the Minority Shareholders. If the Group decides to exercise its share purchase option, the Minority Shareholders shall be obliged to sell their shareholdings. If the Minority Shareholders decide to exercise their share sell option, the Group shall be obliged to purchase the shareholdings. In addition, if the Group decides to merge Dansk Lift with an affiliate before the 30 June 2015, it might exercice its share purchase option at any time.