



LOXAM – 2017 THIRD QUARTER RESULTS
CONTINUATION OF ORGANIC GROWTH,
FUELED BY CAPEX AND POSITIVE MARKET DYNAMICS

Paris - November 21st, 2017

LOXAM, Europe's leading equipment rental company to professionals, published today its financial statements for the third quarter of 2017.

Q3-2017 financial and business highlights:

- Revenue up by 45% to €346 million (+7% like-for-like and at constant FX)
- EBITDA of €121 million, with a margin of 35%
- Breakeven free cash flow before M&A
- Net financial debt of €2,103 million and stable leverage ratio at 4.55x

Other highlight:

- Completion of the acquisition of Cramo's Danish equipment rental operations

Post quarter:

- Acquisition of Italian rental company Nacanco

Overall, during the first nine months of 2017, LOXAM recorded a very good performance with a revenue growth of +46% and an increase in EBITDA of 50% (respectively +7.8% and +6.9% like-for-like).

Gérard Déprez, Chairman and CEO of LOXAM commented:

"We are very satisfied by the continuation of a solid organic growth across all our divisions during the past quarter, which was in line with our expectations. This growth was fueled by the sustained positive market environment and nurtured by the new fleet that we invested in during the first semester.

The positive revenue trend has led to an improvement of our profitability in all divisions, setting aside the impact of a one-off bonus payment to our staff to celebrate Loxam's 50th anniversary. The pace of fleet deliveries has been lower in Q3 in comparison to the first half of the year. As a consequence, we recorded a break-even free cash flow before M&A in the quarter and our net debt to EBITDA ratio has remained stable, at 4.55x on 30th September 2017.

I am also delighted by the closing of the acquisition of Nacanco in Italy, which took place on 31st October and marks a symbolic stage of our development since it completes our footprint in Western Europe."

KEY FIGURES (millions of Euro; IFRS)

	Q3 2016	Q3 2017	9M 2016	9M 2017
Revenue				
Generalist France	145.4	153.8	425.2	456.9
Specialist France	42.9	55.9	120.5	156.0
International	49.9	136.3	139.6	386.6
Total Revenues	238.2	346.1	685.3	999.5
EBITDA				
Generalist France	54.4	53.9	141.9	153.8
Specialist France	14.6	18.6	37.8	49.6
International	14.5	47.2	35.8	121.8
Total EBITDA⁽¹⁾	84.7	121.4	219.6	329.0
EBITDA margin				
Generalist France	37.4%	35.0%	33.4%	33.7%
Specialist France	34.0%	33.3%	31.4%	31.8%
International	29.1%	34.7%	25.7%	31.5%
Total EBITDA⁽¹⁾ margin	35.6%	35.1%	32.1%	32.9%
EBIT	32.0	59.3	61.0	152.6
Recurring Free Cash Flow ⁽²⁾	18.4	(2.5)	(20.2)	(157.1)
Gross capex	36.9	79.6	159.8	340.3

Note : consolidation of Hune and Lavendon from 1st February 2017, with their respective accounting policies left unchanged

⁽¹⁾ including contribution from real estate

⁽²⁾ Free cash flow before acquisitions, dividends, FX effects, HY issuance cost amortization and refinancing costs, share buy-back

REVENUE

LOXAM's consolidated revenue increased by 45.3% in Q3-2017 to €346 million. Like-for-like, and at constant exchange rates, consolidated revenue increased by 6.6%.

Revenue of the Generalist France division was up by 5.8% in Q3-2017 to €154 million. This positive trend reflects the growing demand from the construction sector, and the ability of the division to address it thanks to the fleet capex delivered during the first half of the year.

Specialist France division revenue increased by 30.3% in Q3-2017 to €56 million (+9.7% like-for-like, excluding the consolidation of Lavendon France). The division has benefitted from the favorable French economic and construction environment, resulting in a homogenous growth across all business units.

Overall, LOXAM's revenue in France increased by 6.7% like-for-like in Q3-2017.

Outside of France, the Group's International division revenue increased by 173.3% during Q3-2017 at €136 million. Excluding the contribution of Hune and Lavendon's international operations, as well as that of Cramo Denmark's branches, the like-for-like growth of the division was +6.1%.

EBITDA

During Q3-2017, EBITDA increased by 43.3%, or +1.9% like-for-like. The EBITDA margin stood at 35.1%, at a slightly lower level than in Q3-2016 (35.6%), due to a one-off 50th anniversary bonus paid to our staff for a total amount of €8.5 million. Excluding this one-off item, the Group margin would have reached 37.5%.

The International division's EBITDA increased by 225% compared to Q3-2016 and the EBITDA margin stood at 34.7% thanks to the contribution of Lavendon and Hune and fleet capital gains which were higher than during Q3-2016.

FINANCIAL INCOME

The net financial expense, at €30 million, included a €3 million non-recurring charge corresponding to the redemption premium paid for the partial early redemption of the Senior Secured Notes due 2021 which took place in August 2017.

CASH FLOW AND INDEBTEDNESS

Thanks to the high level of EBITDA and the lower capital expenditures in the quarter, free cash flow from operations for the quarter was close to breakeven, at €(2) million.

The net financial debt increased by €27 million to €2,103 million as of 30 September 2017 (vs. €2,076 million as of 30 June 2017), which represents a net debt to EBITDA leverage ratio of 4.55x.

OTHER EVENTS OF THE QUARTER

On August 31st, 2017, LOXAM completed the acquisition of the Equipment Rental business of Cramo Denmark which has been merged with our Danish business.

POST QUARTER EVENTS

On October 31st, 2017, LOXAM completed the acquisition of the activities of the Italian powered access equipment rental leading company Nacanco SpA.

BUSINESS OUTLOOK

In all geographies, and especially in France, the Group expects the equipment rental market to continue to grow during the fourth quarter of 2017. All of LOXAM's divisions should benefit from this favorable market environment in Q4.

FINANCIAL CALENDAR

Publication of fourth quarter and FY 2017 results in mid-March 2018.

INVESTOR CONTACTS

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ABOUT LOXAM

LOXAM is the leading equipment rental Company in Europe with unaudited proforma consolidated revenue of €1,330 million in 2016 and approximately 7,200 employees. LOXAM's network of more than 730 branches extends over 13 countries in Europe (France, Germany, the United Kingdom, Ireland, Belgium, Switzerland, Spain, Portugal, Luxemburg, the Netherlands, Denmark, Norway and Italy) as well as in the Middle East, Morocco and Brazil.

FORWARD-LOOKING STATEMENTS

This document includes "forward-looking statements" about LOXAM and its subsidiaries (the "Group"), including in relation to its strategy, plans or intentions. These statements may also address management's expectations regarding the Group's business, growth, future financial condition, results of operations and prospects. These forward-looking statements are subject to risks and uncertainties that may change at any time, and, therefore, the Group's actual results may differ materially from those that management expected. The Group has based these forward-looking statements on its current views and assumptions about future events. While it believes that these assumptions are reasonable, it is very difficult to predict the impact of known factors, and, of course, it is impossible to anticipate all factors that could affect the Group's actual results. All forward-looking statements are based upon information available to management on the date of this document. Investors are cautioned not to place undue reliance on such forward-looking statements.