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LISTING PROSPECTUS

NOT FOR GENERAL CIRCULATION IN THE UNITED STATES

LOXAM

€300,000,000 2.875% Senior Secured Notes due 2026

€200,000,000 4.500% Senior Subordinated Notes due 2027

We ("Loxam," the "Issuer" or the "Company") are a limited liability company (*société par actions simplifiée*) formed under French law. We are offering (i) €300,000,000 principal amount of our 2.875% senior secured notes due 2026 (the "Senior Secured Notes") and (ii) €200,000,000 principal amount of our 4.500% senior subordinated notes due 2027 (the "Senior Subordinated Notes" and, together with the Senior Secured Notes, the "Notes").

The Senior Secured Notes will mature on April 15, 2026. We will pay interest on the Senior Secured Notes semi-annually on each June 15 and December 15, commencing December 15, 2019, at a rate of 2.875% per annum. The Senior Secured Notes will be guaranteed on the Issue Date by certain subsidiaries of the Issuer and will be secured by security interests with first priority under the Intercreditor Agreement (as defined herein) in our "Loxam" trademark and 100% of the share capital of two of our subsidiaries, Loxam Module SAS and Loxam Power SAS and by a first priority security interest over our Lavendon shares. We may redeem all or part of the Senior Secured Notes at any time on or after April 15, 2022 at the redemption prices described in this listing prospectus. At any time prior to April 15, 2022 we may redeem all or part of the Senior Secured Notes at a redemption price equal to 100% of their principal amount plus the applicable premium described in this listing prospectus. At any time prior to April 15, 2022 during each 12-month period commencing on the Issue Date (as defined herein), we may redeem up to 10% of the aggregate principal amount of the Senior Secured Notes at a redemption price of 103% of the principal amount of the Senior Secured Notes redeemed. In addition, at any time prior to April 15, 2022 we may also redeem up to 45% of the Senior Secured Notes with the net proceeds from certain equity offerings. Upon certain events constituting a change of control and a specified rating decline (in each case as defined in the listing prospectus), we may be required to make an offer to purchase the Senior Secured Notes at a price equal to 101% of the principal amount thereof. In the event of certain developments affecting taxation, we may redeem all, but not less than all, of the Senior Secured Notes.

The Senior Subordinated Notes will mature on April 15, 2027. We will pay interest on the Senior Subordinated Notes semi-annually on each June 15 and December 15, commencing December 15, 2019, at a rate of 4.500% per annum. The Senior Subordinated Notes will not be guaranteed as of the Issue Date and will be expressly subordinated in right of payment to indebtedness incurred under our Revolving Credit Facility (as defined herein), the Existing Senior Secured Notes (as defined herein), the Senior Secured Notes offered hereby and other future senior debt. We may redeem all or part of the Senior Subordinated Notes at any time on or after April 15, 2022 at the redemption prices described in this listing prospectus. At any time prior to April 15, 2022 we may redeem all or part of the Senior Subordinated Notes at a redemption price equal to 100% of their principal amount plus the applicable premium described in this listing prospectus. In addition, at any time prior to April 15, 2022 we may also redeem up to 45% of the Senior Subordinated Notes with the net proceeds from certain equity offerings. Upon certain events constituting a change of control and a specified rating decline (in each case as defined in the listing prospectus), we may be required to make an offer to purchase the Senior Subordinated Notes at a price equal to 101% of the principal amount thereof. In the event of certain developments affecting taxation, we may redeem all, but not less than all, of the Senior Subordinated Notes.

This listing prospectus constitutes a prospectus for the purpose of the Luxembourg law dated July 10, 2005 on Prospectuses for Securities, as amended. Application has been made to admit the Notes to listing on the Official List of the Luxembourg Stock Exchange and to trading on the Euro MTF market ("Euro MTF").

This listing prospectus includes information on the terms of the Notes, including redemption prices, covenants and transfer restrictions.

Investing in the Notes involves a high degree of risk. See "Risk Factors" beginning on page 22.

The Notes have not been registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or the laws of any other jurisdiction, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. In the United States, the offering is being made only to "qualified institutional buyers" (as defined in Rule 144A under the Securities Act) in compliance with Rule 144A under the Securities Act. You are hereby notified that the initial purchasers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A thereunder. Outside the United States, the offering is being made in reliance on Regulation S under the Securities Act. See "Notice to Investors" and "Transfer Restrictions" for additional information about eligible offerees and transfer restrictions.

Price for the Senior Secured Notes: 100%

Price for the Senior Subordinated Notes: 100%
plus accrued interest, if any, from the issue date.

Delivery of the Notes in book-entry form through Euroclear Bank SA/NV ("Euroclear") and Clearstream Banking, S.A. ("Clearstream"), was made on April 11, 2019.

Joint Bookrunners

BNP PARIBAS **Crédit Agricole CIB** **Deutsche Bank**

The date of this listing prospectus is April 16, 2019.

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This listing prospectus may only be used where it is legal to sell these Notes and may only be used for the purposes for which it has been published. The information in this listing prospectus may only be accurate on the date of this listing prospectus.

NOTICE TO INVESTORS

We, having made all reasonable inquiries, confirm to the best of our knowledge, information and belief that the information contained in this listing prospectus with respect to us and our consolidated subsidiaries and affiliates taken as a whole and the Notes offered hereby is true and accurate in all material respects and is not misleading, that the opinions and intentions expressed in this document are honestly held and that there are no other facts the omission of which would make this listing prospectus as a whole misleading in any material respect. Subject to the following paragraphs, we accept responsibility for the information contained in this listing prospectus.

We are providing this listing prospectus only to prospective purchasers of the Notes. You should read this listing prospectus before making a decision whether to purchase any Notes. You must not use this listing prospectus for any other purpose or disclose any information in this listing prospectus to any other person.

This listing prospectus does not constitute an offer to sell or an invitation to subscribe for or purchase any of the Notes in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such an offer or invitation. No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Notes may not be offered or sold, directly or indirectly, and this listing prospectus may not be distributed, in any jurisdiction except in accordance with the legal requirements applicable to such jurisdiction. You must comply with all laws that apply to you in any place in which you buy, offer or sell any Notes or possess this listing prospectus. You must also obtain any consents or approvals that you need in order to purchase, offer or sell any Notes or possess or distribute this listing prospectus. We and the initial purchasers are not responsible for your compliance with any of the foregoing legal requirements. See "*Plan of Distribution*."

None of us, the initial purchasers or any of our or the initial purchasers' respective representatives are making an offer to sell the Notes in any jurisdiction except where such an offer or sale is permitted. We are relying on exemptions from registration under the Securities Act for offers and sales of securities that do not involve a public offering. By purchasing Notes, you will be deemed to have made the acknowledgments, representations, warranties and agreements set forth under "*Transfer Restrictions*" in this listing prospectus. You should understand that you will be required to bear the financial risks of your investment for an indefinite period of time.

This listing prospectus is based on information provided by us and by other sources that we believe are reliable. The initial purchasers named in this listing prospectus, the Trustee, the Security Agent, the Paying Agent, the Registrar and the Transfer Agent make no representation or warranty, express or implied, as to the accuracy or completeness of such information, and nothing contained in this listing prospectus is, or shall be relied upon as, a promise or representation by the initial purchasers with respect to the Company or the Notes as to the past or the future.

By purchasing the Notes, you will be deemed to have acknowledged that you have reviewed this listing prospectus and have had an opportunity to request, and have received all additional information that you need from us. No person has been authorized in connection with any offering made by this listing prospectus to provide any information or to make any representations other than those contained in this listing prospectus. You should carefully evaluate the information provided by the Company in light of the total mix of information available to you, recognizing that the Company can provide no assurance as to the reliability of any information not contained in this listing prospectus.

The information contained in this listing prospectus speaks as of the date hereof. Neither the delivery of this listing prospectus at any time after the date of publication nor any subsequent commitment to purchase the Notes shall, under any circumstances, create an implication that there has been no change in the information set forth in this listing prospectus or in our business since the date of this listing prospectus.

None of us, the initial purchaser, the Trustee, the Security Agent, the Paying Agent, the Registrar, the Transfer Agent or any of our or the initial purchaser's respective representatives are making any representation to you regarding the legality of an investment in the Notes by you under any legal, investment or similar laws or regulations. You should not consider any information in this listing prospectus to be legal, financial, business, tax or other advice. You should consult your own attorney, business advisor and tax advisor for legal, financial, business and tax and related aspects of an investment in the Notes. You are responsible for making your own examination of the Company and our business and your own assessment of the merits and risks of investing in the Notes.

You should contact the initial purchasers with any questions about this offering or if you require additional information to verify the information contained in this listing prospectus.

Neither the U.S. Securities and Exchange Commission (the "Commission" or the "SEC") nor any state securities commission has approved or disapproved of these securities or determined if this listing prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

This communication is only being distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (iii) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). The Notes are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Notes will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

In addition, the Notes are subject to restrictions on transferability and resale, which are described under the captions "*Plan of Distribution*" and "*Transfer Restrictions*." By possessing this listing prospectus or purchasing any Note, you will be deemed to have represented and agreed to all of the provisions contained in those sections of this listing prospectus.

The Notes will be issued in the form of one or more global notes, all of which will be deposited with or on behalf of, Euroclear and Clearstream. Beneficial interests in the global notes will be shown on, and transfers of beneficial interests in the global notes will be effected only through, records maintained by Euroclear and Clearstream or their respective participants. See "*Book-Entry, Delivery and Form*."

We will not, nor will any of our agents, have responsibility for the performance of the obligations of Euroclear and Clearstream or their respective participants under the rules and procedures governing their operations, nor will we or our agents have any responsibility or liability for any aspect of the records relating to, or payments made on account of, book-entry interests held through the facilities of any clearing system or for maintaining, supervising or reviewing any records relating to these book-entry interests. Investors wishing to use these clearing systems are advised to confirm the continued applicability of their rules, regulations and procedures.

We reserve the right to withdraw this offering of the Notes at any time. We and the initial purchasers also reserve the right to reject any offer to purchase the Notes in whole or in part for any reason or no reason and to allot to any prospective purchaser less than the full amount of the Notes sought by it. The initial purchasers and certain of their related entities may acquire, for their own accounts, a portion of the Notes.

STABILIZATION

IN CONNECTION WITH THE ISSUE OF THE NOTES, BNP PARIBAS (THE "STABILIZING MANAGER") (OR PERSONS ACTING ON BEHALF OF THE STABILIZING MANAGER) MAY OVER-ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT THE STABILIZING MANAGER (OR PERSONS ACTING ON BEHALF OF THE STABILIZING MANAGER) WILL UNDERTAKE STABILIZATION ACTION. ANY STABILIZATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE FINAL TERMS OF THE OFFER OF THE NOTES IS MADE AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE NOTES. ANY STABILIZATION ACTION OR OVER ALLOTMENT MUST BE CONDUCTED BY THE STABILIZING MANAGER (OR PERSONS ACTING ON BEHALF OF THE STABILIZING MANAGER) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

Notice relating to the U.S. Securities Act

The Notes have not been and will not be registered under the Securities Act or the securities laws of any state of the United States, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. In the United States, the offering of the Notes is being made only to "qualified institutional buyers" (as defined in Rule 144A under the Securities Act). Prospective purchasers that are qualified institutional buyers are hereby notified that the initial purchasers of the Notes may be relying on an exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. Outside the United States, the offering is being made in offshore transactions (as defined in Regulation S).

Neither the U.S. Securities and Exchange Commission (the "SEC"), any state securities commission nor any non-U.S. securities authority has approved or disapproved of these securities or determined that this listing prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

PRIIPs Regulation / Prohibition of Sales to EEA Retail Investors

The Notes are not intended to be offered or sold to and should not be offered or sold to any retail investor in the European Economic Area ("EEA"). For these purposes, a "retail investor" means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); or (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. No key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared. Offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

Each Initial Purchaser has represented and agreed that it has not offered or sold and will not offer or sell any Notes to any retail investor (as defined above) in the EEA. For the purposes of this provision, the expression "retail investor" means a person who is one (or more) of the following: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

MIFID II Product Governance/Professional Investors and ECPs Only Target Market

Solely for the purposes of each of the manufacturer's product approval process the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

Notice to investors in the European Economic Area

In relation to each Member State of the European Economic Area (each, a "Member State"), each initial purchaser has represented and agreed that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this listing prospectus to the public in that Member State other than offers:

(a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(b) to fewer 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the initial purchasers for any such offer; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes shall result in a requirement for the publication by the Issuer or any initial purchasers of a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to the public" in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the Directive 2010/73/EU), and includes any relevant implementing measure in the relevant individual Member States.

Each person located in a Member State of the EEA to whom any offer of Notes is made, or who receives any communication in respect of an offer of Notes, or who initially acquires any Notes, or to whom the Notes are otherwise made available, will be deemed to have represented, warranted, acknowledged and agreed to and with each Initial Purchaser and the Issuer that (i) it is a "qualified investor" within the meaning of the law in that Member State implementing Article 2(1)(e) of Directive 2003/71/EC (the "Prospectus Directive," as implemented in Member States of the European Economic Area (the "EEA") and any amendments thereto, including Directive 2010/73/EU); and (ii) it is not a retail investor (as defined above).

Notice to certain European investors

France

Each initial purchaser has represented and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed any Notes to the public in France, within the meaning of Article L.411-1 of the French *Code monétaire et financier* and Title I of Book II of the *Règlement Général* of the *Autorité des Marchés Financiers* (the French financial markets authority) (the "AMF"). Consequently, the Notes have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France (*offre au public de titres financiers*), and neither this listing prospectus nor any offering or marketing materials relating to the Notes must be made available or distributed in any way that would constitute, directly or indirectly, an offer to the public in France.

This listing prospectus or any other offering material relating to the Notes and such offers, sales and distributions have been and will be made in France only to (a) investment services providers authorized to engage in portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) and (b) qualified investors (*investisseurs qualifiés*), other than individuals, as defined in, and in accordance with, Articles L.411 2 and D.411 1 of the French *Code monétaire et financier*.

Prospective investors are informed that:

(i) neither this listing prospectus nor any other offering material relating to the Notes has been or will be submitted for clearance to the AMF;

(ii) in compliance with Articles L.411-2 and D.411-1 of the French *Code monétaire et financier*, any qualified investors subscribing for the Notes should be acting for their own account; and

(iii) the direct and indirect distribution or sale to the public of the Notes acquired by those investors to whom offers and sales of the Notes may be made as described above may only be made in compliance with Articles L.411-1 to L.411-4, L.412-1 and L.621-8 to L.621-8-3 of the French *Code monétaire et financier* and applicable regulations thereunder.

United Kingdom

Each initial purchaser has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 ("FSMA")) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

Notice to investors in other jurisdictions

The distribution of this listing prospectus and the offer and sale or resale of the Notes may be restricted by law in certain jurisdictions. Persons into whose possession this listing prospectus (or any part hereof) comes are required by us and the initial purchasers to inform themselves about, and to observe, any such restrictions.

AVAILABLE INFORMATION

Each purchaser of Notes from the initial purchasers will be furnished with a copy of this listing prospectus and, to the extent provided to the initial purchasers by us, any related amendment or supplement to this listing prospectus. So long as any Notes are outstanding and are "restricted securities" within the meaning of Rule 144 under the Securities Act, we will, upon request, furnish to any holder or beneficial owner of the Notes the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act to permit compliance with Rule 144A in connection with resales of the Notes if, at the time of the request, we are neither a reporting company under Section 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"), nor exempt from reporting pursuant to Rule 12g 3-2(b) thereunder. Any such request should be directed to the Company at 89, avenue de la Grande Armée, 75219 Paris Cedex 16, France, Attention: Director of Finance and Administration. Telephone: +33 1 58 44 04 00.

Additionally, so long as any of the Notes are listed on the Luxembourg Stock Exchange and its rules so require, copies of these filings, this listing prospectus and other information relating to such issuance of Notes will be available in the specified offices of the listing agent in Luxembourg at the address listed on the inside of the back cover of this listing prospectus. See "*General Information*."

CERTAIN DEFINITIONS

In this listing prospectus, "we," "us," "our" and "Group" refer to Loxam S.A.S. and its consolidated subsidiaries, unless the context otherwise requires, and the "Company" and "Issuer" refer to Loxam S.A.S.

In this listing prospectus, references to "euros" or "€" are to the euro, the official currency of the European Union member states participating in the European Monetary Union, references to "$," "U.S.$" and "U.S. dollars" are to the United States dollar, the official currency of the United States, and references to "pounds sterling" or "£" are to the British pound sterling, the official currency of the United Kingdom.

In addition, unless indicated otherwise, or the context otherwise requires, references in this listing prospectus to:

- "2017 Acquisitions" are to the acquisitions of Lavendon, Hune Group, the Danish operations of Cramo Plc, the operations of Nacanco SpA and Swan Plant Hire and to the 24% increase in stake of shares in Degraus;
- "2020 Senior Subordinated Notes" are to the €300 million principal amount of 7.375% Senior Subordinated Notes due 2020 issued on January 24, 2013 and redeemed in May 2016;
- "2021 Senior Secured Notes" are to the €410 million principal amount of 4.875% senior secured notes due 2021 issued on July 23, 2014 and which were partially repaid in the amount of €110.7 million in August 2017 and in the amount of €60 million in July 2018;
- "2021 Senior Secured Notes Indenture" are to the indenture governing the 2021 Senior Secured Notes;
- "2022 Senior Secured Notes" are to the €300 million principal amount of 3.500% senior secured notes due 2022 issued on April 4, 2017;
- "2022 Senior Secured Notes Indenture" are to the indenture governing the 2022 Senior Secured Notes issued on April 4, 2017;
- "2022 Senior Subordinated Notes" are to the €250 million principal amount of 7.000% senior subordinated notes due 2022 issued on July 23, 2014 and which were partially repaid in the amount of €25 million in July 2018;
- "2022 Senior Subordinated Notes Indenture" are to the indenture governing the 2022 Senior Subordinated Notes;
- "2023 Senior Secured Notes" are to the €250 million principal amount of 3.500% senior secured notes due 2023 issued on May 3, 2016;
- "2023 Senior Secured Notes Indenture" are to the indenture governing the 2023 Senior Secured Notes;
- "2024 Senior Secured Notes" are to the €300 million principal amount of 4.250% senior secured notes due 2024 issued on April 4, 2017;
- "2024 Senior Secured Notes Indenture" are to the indenture governing the 2024 Senior Secured Notes issued on April 4, 2017;
- "2025 Senior Subordinated Notes" are to the €250 million principal amount of 6.000% senior subordinated notes due 2025 issued on April 4, 2017;
- "2025 Senior Subordinated Notes Indenture" are to the indenture governing the Senior Subordinated Notes issued on April 4, 2017;
- "Auditors" are to our statutory auditors, KPMG Audit (a division of KPMG SA) and Constantin Associés (a member of Deloitte Touche Tohmatsu Limited);

- "Bilateral credit facilities" are to the senior unsecured loans borrowed by us and certain of our subsidiaries under various credit lines and instruments;

- "Constant exchange rates" are to calculations of financial measures applying the prior year's exchange rates to the most recent period being compared, in order to neutralize the impact of foreign currency translation to the euro;

- "Constant perimeter" are to calculations of financial measures that eliminate the impact of results (or losses) generated by businesses which were acquired during the two consecutive financial periods being compared in order to neutralize the impact of acquisitions. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Factors Affecting Comparability of Results*";

- "Degraus" are to Degraus Andaimes, Maquinas e Equipamentos Para Construção Civil S.A., a Brazilian equipment rental company in which we have a 50.1% stake following share capital purchases in April 2016 and October and December 2017;

- "EBITDA" are to profit from ordinary operations plus depreciation and amortization of fixed assets;

- "EBITDA margin" are to EBITDA divided by revenue for the corresponding period;

- "Existing Indentures" are to the Existing Senior Secured Notes Indentures and the Existing Senior Subordinated Notes Indentures;

- "Existing Notes" are to the Existing Senior Secured Notes and the Existing Senior Subordinated Notes;

- "Existing Senior Secured Notes" are to the 2021 Senior Secured Notes, the 2022 Senior Secured Notes, the 2023 Senior Secured Notes and the 2024 Senior Secured Notes;

- "Existing Senior Secured Notes Indentures" are to the 2021 Senior Secured Notes Indenture, the 2022 Senior Secured Notes Indenture, the 2023 Senior Secured Notes Indenture and the 2024 Senior Secured Notes Indenture;

- "Existing Senior Subordinated Notes" are to the 2022 Senior Subordinated Notes and the 2025 Senior Subordinated Notes;

- "Existing Senior Subordinated Notes Indentures" are to the 2022 Senior Subordinated Notes Indenture and the 2025 Senior Subordinated Notes Indenture;

- "Free cash flow" are to EBITDA less net capital expenditures, other operating income and expense (excluding non-cash operating income and expense), financial income and expense (excluding non-cash financial income and expense), taxes (excluding deferred taxes), capital gains on fleet disposals and certain other income and expenses and changes in working capital requirements. This definition is used for presentation of financial information only and does not correspond to the term Consolidated Cash Flow used in the section "*Description of the Senior Secured Notes*" and "*Description of the Senior Subordinated Notes*";

- "Gardemann Disposal" are to our disposal of 26 branches acquired as part of the Lavendon Acquisition;

- "Gross book value" are to the total acquisition cost of the fleet equipment;

- "Gross debt" or "total debt" are to loans and debt owed to credit institutions, bonds, lease liabilities, bank overdrafts and other financial debt, plus accrued interest on debt, less capitalized debt issuance costs;

- "Guarantee" or "Guarantees" are to guarantees of the Senior Secured Notes or any future guarantees of the Senior Subordinated Notes, as the case may be;

- "Guarantor" or "Guarantors" are to any subsidiary of the Issuer providing a Guarantee of the Senior Secured Notes (on the Issue Date or in the future) or the Senior Subordinated Notes (in the future), as the case may be;

- "Hertz Equipment Acquisition" are to our acquisition of Hertz Equipment Rental Company's French and Spanish businesses, completed on October 30, 2015 through our purchase of 100% of the share capital and voting rights of Hertz Equipement France and Hertz Alquiler de Maquinaria, respectively;

- "Hune Group" are to Hune Rental S.L., a Spanish company, and its subsidiaries Hune Locations SAS (France), Hune Aluguer Lda (Portugal) and its minority shareholding interests in Hune Specialized International Company (Saudi Arabia) and Gruas y Equipos Hune SAS (Colombia);

- "Hune Group Acquisition" are to our acquisition of Hune Group, completed on February 6, 2017 through our purchase of 100% of the share capital and voting rights of Hune Group;

- "IFRS" are to the International Financial Reporting Standards as adopted by the European Union;

- "Indenture" or "Indentures" are to the Senior Secured Indenture and/or the Senior Subordinated Indenture, as the context requires;

- "Intercreditor Agreement" are to the intercreditor agreement which was dated July 23, 2014, as amended, restated or otherwise modified or varied from time to time and to which the Trustee will accede on or about the Issue Date;

- "Issue Date" are to April 11, 2019;

- "Lavendon" are to Lavendon Group Limited, formerly known as Lavendon Group plc;

- "Lavendon Acquisition" are to our acquisition of Lavendon Group plc in February 2017;

- "Loxam Module" are to Loxam Module S.A.S., a subsidiary of the Company organized and existing in France and a guarantor of the Existing Senior Secured Notes and the Senior Secured Notes;

- "Nationwide Intercreditor Agreement" are to the English law governed intercreditor agreement dated December 17, 2018 entered into between Nationwide Platforms Limited as the Company, HSBC Bank Plc as Initial Senior Agent and HSBC Corporate Trustee Company (UK) Limited as Security Agent;

- "Nationwide Platforms" are to Nationwide Platforms Limited, a subsidiary of the Company organized and existing in the United Kingdom and a guarantor of the Existing Senior Secured Notes and the Senior Secured Notes;

- "Nationwide Revolving Facility" are to the £90 million revolving facility provided by the Nationwide Revolving Facility Agreement;

- "Nationwide Revolving Facility Agreement" are to £90 million revolving facility agreement dated December 17, 2018 by, among others, Nationwide Platforms Limited and HSBC Equipment Finance (UK) Limited;

- "Net book value" are to the total acquisition cost of the fleet equipment less the accumulated depreciation of such equipment;

- "Net capital expenditures" are to capital expenditures net of disposals of fixed assets;

- "Net debt" are to gross debt less cash and cash equivalents (cash plus marketable investment securities);

- "Net fleet capital expenditures" are to the net amount of purchases of rental equipment less proceeds from disposals of rental equipment;

- "Notes" are to the Senior Secured Notes and the Senior Subordinated Notes offered hereby;
- "Nove" are to No.Ve. S.r.l, an Italian company acquired by the Group in 2018;
- "Revolving Credit Facility" are to the €75 million senior revolving credit facility provided by the Revolving Credit Facility Agreement;
- "Revolving Credit Facility Agreement" are to the €75 million senior revolving credit facility agreement dated February 28, 2017 by, among others, the Company, Deutsche Bank AG, London Branch, Crédit Agricole Corporate and Investment Bank, Natixis and Société Générale Corporate and Investment Banking;
- "Revolving Credit Facility Collateral" are to the collateral granted to secure the Revolving Credit Facility pursuant to the French law framework "*Dailly*" receivables security assignment agreement and the French law bank account pledge agreement to be entered into on or about the date the Notes are issued as described in "*Description of Certain Financing Arrangements—Revolving Credit Facility Agreement—Security*";
- "Organic" are to changes in revenue for the period indicated compared to the prior comparable period, excluding changes in the scope of consolidation;
- "Replacement value" are to the estimated replacement cost of the rental fleet based on the price of equipment assumed for purposes of preparing our internal budget as of the date indicated;
- "Security Agent" are, as the context requires, either to Natixis S.A. as security agent under the Revolving Credit Facility Agreement or to Wilmington Trust (London) Limited as security agent under the Existing Senior Secured Notes Indentures and the Senior Secured Indenture;
- "Senior Secured Collateral" are to our "Loxam" trademark, our shares in Lavendon and 100% of the share capital of two of our subsidiaries, Loxam Module and Loxam Power;
- "Senior Secured Indenture" are to the indenture governing the Senior Secured Notes offered hereby;
- "Senior Secured Notes" are to the senior secured notes offered hereby;
- "Senior Secured Notes Guarantors" are to Nationwide Platforms and Loxam Module;
- "Senior Subordinated Indenture" are to the indenture governing the Senior Subordinated Notes offered hereby;
- "Senior Subordinated Notes" are to the senior subordinated notes offered hereby;
- "Syndicated credit facilities" are to our senior secured credit facilities entered into with a syndicate of banks and Natixis as agent and collateral agent, which we amended on December 21, 2012;
- "Trustee" are to Wilmington Trust, National Association as trustee for the Notes; and
- "Utilization rate" are to 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.

This listing prospectus contains references to some of our owned or licensed trademarks, trade names and service marks, which we refer to as our brands. All of the product names and logos included in this listing prospectus are either registered trademarks of ours or of our licensors.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Audited Financial Information

Our audited financial statements as of and for the years ended December 31, 2016, 2017 and 2018, an English language translation of which is included in this listing prospectus, were prepared in accordance with IFRS. Our financial statements have been audited by our statutory auditors, KPMG Audit (a division of KPMG SA) and Constantin Associés (a member of Deloitte Touche Tohmatsu Limited) (together, our "Auditors"). A free English language translation of their audit reports thereon is included elsewhere in this listing prospectus. Approval of the audited financial statements as of and for the year ended December 31, 2018 is subject to approval at the general meeting of our shareholders expected to be held on April 15, 2019.

Non-IFRS Financial Measures

This listing prospectus contains measures and ratios that do not comply with IFRS, including EBITDA, EBITDA margin, free cash flow, net capital expenditures, net debt and net fleet capital expenditures, among others. We present these non-IFRS measures because we believe that they and similar measures are widely used by certain investors as supplemental measures of performance and liquidity. These non-IFRS measures may not be comparable to other similarly titled measures of other companies and may have limitations as analytical tools.

Non-IFRS measures and ratios such as EBITDA, free cash flow and net debt are not measurements of our performance or liquidity under IFRS and should not be considered to be alternatives to operating income or any other performance measures derived in accordance with IFRS. Furthermore, 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 IFRS.

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

Revenue and EBITDA by Business Division

We present revenue and EBITDA by division in this listing prospectus. To present the revenue of Generalist France and Specialist France, we allocate revenue by branch. Where revenue is related to events-related rentals handled by Loxam Event, which is not in a particular division, we allocate revenue to the branch whose equipment is rented. To present the EBITDA of Generalist France and Specialist France, we allocate rebates pro rata based on revenue, which is accounted for centrally, and then allocate direct expenses (which represent a majority of expenses) 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 that branch's revenue, the gross value of its equipment or the rental value of its equipment. These allocations are done in our management accounts and are not reviewed or audited by our statutory auditors and therefore investors should not place undue reliance on revenue and EBITDA presented by division. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations—Consolidated Condensed Income Statement Data*."

As Adjusted Financial Data

We present in this listing prospectus certain financial data that are adjusted to give effect to the issuance of the Notes offered hereby, including the application of the net proceeds of the Notes as of December 31, 2018 as set forth under "*Use of Proceeds*" and "*Capitalization.*" The as adjusted financial data have not been prepared in accordance with the requirements of Regulation S-X of the Securities Act or any generally accepted accounting standards. Neither the assumptions underlying the related adjustments nor the resulting as adjusted financial data have been audited or reviewed in accordance with any generally accepted auditing standards.

New Standards and Interpretations

IFRS 9

In November 2016, the European Union published IFRS 9 standard "Financial Instruments" in the Official Journal. The new IFRS 9 requires us to recognize an allowance for future expected credit losses at initial recognition and throughout the life of the trade receivable.

We have adopted an expected credit loss impairment model from January 1, 2018. The impact of the adoption of IFRS 9 was recognized as a transition adjustment to the opening equity at January 1, 2018 for an amount of €(1.2) million. No variation to this opening balance was booked at December 31, 2018.

IFRS 15

In September 2016, the European Union published IFRS 15 standard "Revenue from Contracts with Customers" in the Official Journal. This standard replaces the IAS 11 and IAS 18 standards and the associated International Financial Reporting Interpretations Committee ("IFRIC") and Standard Interpretations Committee ("SIC") interpretations. IFRS 15 specifies how and when to recognize revenue. The standard provides a single, principles-based five-step model to be applied to all contracts with customers.

We have applied IFRS 15 standard from January 1, 2018 using the modified retrospective method. Our financial statements from the year ended December 31, 2017 have not been restated using IFRS 15. Revenue recognition in accordance with IFRS 15 has not resulted in any material differences in the timing of the revenue recognition or in the amounts to be recognized, compared to the previous principles.

IFRS 16

On October 31, 2017, the European Union published IFRS 16 standard "Leases" in the Official Journal, which replaces the IAS 17 standard and the associated IFRIC and SIC interpretations and removes the distinction previously made between simple leases and finance leases for the lessee. According to IFRS 16, a lessee employs a right-of-use asset and a financial debt representing the rental obligation. Right-of-use assets are amortized and the rental obligation is initially valued at the present value of lease payments during the lease, at the interest rate implicit in the lease if the rate can be readily determined, or the incremental borrowing rates. However, this standard is very close to the existing standard for the treatment of leases by the lessor.

We are in the process of finalizing a first assessment of the likely impact of the new IFRS 16 standard for leases, which we will apply from January 1, 2019. We anticipate that most of our contracts to be impacted by this change will be property leases.

Use of Industry and Market Data in this Listing Prospectus

Unless otherwise expressly indicated or noted below, all information regarding markets, market size, market share, market position, growth rates and other industry data pertaining to our business contained in this listing prospectus are based on estimates prepared by us based on certain assumptions and our knowledge of the industry in which we operate, as well as data from various market research publications, publicly available information and industry publications, including reports published by various third-party sources. Industry publications generally state that the information they contain has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. We have not independently verified such data.

We use a combination of data provided by the European Rental Association, Euroconstruct and IHS Markit, among others.

In many cases, there is no readily available external information (whether from trade associations, government bodies or other organizations) to validate market related analysis and estimates, requiring us to rely on our own internally developed estimates regarding the industry in which we operate, our position in the industry, our market share and the market shares of various industry participants based on experience, our own investigation of market conditions and our review of industry publications, including information made available to the public by our competitors. While we have examined and relied upon certain market or other industry data from external sources as the basis for our estimates, neither we nor the initial purchasers have verified that data independently. We and the initial purchasers cannot assure you of the accuracy and completeness of, and take no responsibility for, such data. Similarly, while we believe our internal estimates to

be reasonable, these estimates have not been verified by any independent source and we and the initial purchasers cannot assure you as to their accuracy. Our estimates involve risks and uncertainties and are subject to change based on various factors, including those discussed under "*Forward-Looking Statements*" and "*Risk Factors.*"

Other Information in this Listing Prospectus

Certain information provided in this listing prospectus has been sourced from third parties. We confirm that such third-party information has been accurately reproduced and that, so far as we are aware and are able to ascertain from information published by such third parties, no facts have been omitted which would render the third-party information reproduced herein inaccurate or misleading.

The information set out in relation to sections of this listing prospectus describing clearing and settlement arrangements, including the section entitled "*Book-Entry, Delivery and Form,*" is subject to any change or reinterpretation of the rules, regulations and procedures of Euroclear or Clearstream currently in effect. While we accept responsibility for accurately summarizing the information concerning Euroclear and Clearstream, we accept no further responsibility in respect of such information. In addition, this listing prospectus contains summaries believed to be accurate with respect to certain documents, but reference is made to the actual documents for complete information. All such summaries are qualified in their entirety by such reference. Copies of documents referred to herein will be made available to prospective investors upon request.

FORWARD-LOOKING STATEMENTS

This listing prospectus includes "forward-looking statements" within the meaning of the U.S. federal securities laws, which involve risks and uncertainties, including, without limitation, certain statements regarding management's expectations as to our expectations regarding our business, growth, future financial condition, results of operations and prospects and other statements made in the sections entitled "*Summary*," "*Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*." You can identify forward-looking statements because they contain words such as "believe," "expect," "may," "should," "seek," "intend," "plan," "estimate," or "anticipate" or similar expressions that relate to our strategy, plans or intentions. These forward-looking statements are subject to risks and uncertainties that may change at any time, and, therefore, our actual results may differ materially from those that we expected. We have based these forward-looking statements on our current views and assumptions about future events. While we believe that our assumptions are reasonable, we caution that it is very difficult to predict the impact of known factors, and, of course, it is impossible for us to anticipate all factors that could affect our actual results. We cannot assure you that future results will be achieved. All forward-looking statements are based upon information available to us on the date of this listing prospectus.

Important factors that could cause actual results to differ materially from our expectations ("cautionary statements") are disclosed under "*Risk Factors*" and elsewhere in this listing prospectus, including, without limitation, in conjunction with the forward-looking statements included in this listing prospectus. All forward-looking information in this listing prospectus and subsequent written and oral forward-looking statements attributable to us, or persons acting on our behalf, are expressly qualified in their entirety by the cautionary statements. Some of the factors that we believe could affect our actual results include:

- fluctuations in the demand for the Company's equipment due to the cyclical nature of the industries in which it operates and according to general economic conditions;
- unfavorable conditions or disruptions in the capital and credit markets;
- the effects of competition;
- increases in the cost of equipment for our rental fleet;
- our ability to obtain additional capital as required;
- fluctuation in revenue and operating results;
- our ability to forecast trends accurately;
- execution of our organic and external growth strategy;
- our ability to achieve the targeted benefits from significant acquisitions;
- the loss of core senior management or other key personnel;
- our ability to collect amounts due from customers;
- our dependence on equipment manufacturers to obtain adequate rental equipment on a timely basis;
- increases in the cost of maintaining and repairing our rental fleet;
- residual value risk upon disposition of fleet equipment;
- disruptions in our information technology system or the implementation of new platforms;
- effects of labor disputes;
- exposure to risks inherent in international business;
- compliance with laws and regulations, including those relating to environmental, health, safety, tax and anti-corruption matters;

- our significant amount of outstanding debt and our ability to incur substantially more debt in the future;
- the restrictive covenants in our debt agreements;
- our ability to generate the cash required to service our indebtedness;
- our success at managing the foregoing risks; and
- other risks and uncertainties described in this listing prospectus.

We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. We caution you that the foregoing list of important factors may not contain all of the material factors that are important to our business. In addition, in light of these risks, uncertainties and assumptions, the forward-looking events discussed in this listing prospectus might not occur. When considering forward-looking statements, you should keep in mind the risk factors and other cautionary statements included in this listing prospectus, including those described in the section entitled "*Risk Factors*."

EXCHANGE RATE INFORMATION

The following table sets forth, for the periods set forth below, the high, low, average and period end Bloomberg Composite Rate (London) expressed as U.S. dollars per €1.00. The Bloomberg Composite Rate is a "best market" calculation, in which, at any point in time, the bid rate is equal to the highest bid rate of all contributing bank indications and the ask rate is set to the lowest ask rate offered by these banks. The Bloomberg Composite Rate is a mid-value rate between the applied highest bid rate and the lowest ask rate. We provide the exchange rates below solely for your convenience. We do not represent that euros were, could have been, or could be, converted into U.S. dollars at these rates or at any other rate. The rates may differ from the actual rates used in the preparation of the consolidated financial statements and other financial information appearing in this listing prospectus.

	U.S. dollar/Euro			
	Period End	**Average rate[(1)]**	**High**	**Low**
Month				
April 2019 (through April 10, 2019)	1.1276	1.1237	1.1276	1.1197
March 2019	1.1221	1.1296	1.1356	1.1221
February 2019	1.1382	1.1349	1.1469	1.1271
January 2019	1.1450	1.1419	1.1533	1.1299
December 2018	1.1452	1.1382	1.1459	1.1301
November 2018	1.1315	1.1362	1.1464	1.1245
Year				
2019 (through April 10, 2019)	1.1276	1.1343	1.1533	1.1197
2018	1.1452	1.1811	1.2492	1.1245
2017	1.2022	1.1300	1.2026	1.0427
2016	1.0547	1.1068	1.1527	1.0384
2015	1.0866	1.1100	1.2099	1.0492
2014	1.2100	1.3285	1.3925	1.2100

(1) The average of the exchange rates on the last business day of each month during the relevant period; on each business day of the month (or portion thereof) for monthly average.

Fluctuations in exchange rates that have occurred in the past are not necessarily indicative of fluctuations in the exchange rates that may occur at any time in the future. No representations are made in this listing prospectus that the euro, pound sterling or U.S. dollar amounts referred to herein could have been or could be converted into euros, pounds sterling or U.S. dollars, as the case may be, at any particular rate.

SUMMARY

This summary highlights selected information from this listing prospectus to help you understand our business and the terms of the Notes. You should carefully read this entire listing prospectus, including the consolidated financial statements and related notes, to fully understand our business, results of operations and financial condition, and the terms of the Notes, as well as some of the other considerations that may be important to you in making your investment decision. You should pay special attention to the "Risk Factors" section of this listing prospectus to determine whether an investment in the Notes is appropriate for you.

Introduction

We are the fifth-largest equipment rental group in the world for the construction, industry, public works, services and events sectors based on 2017 revenues. We are the leading equipment rental company in Europe based on 2018 revenues of €1,482.6 million and also have a large international presence outside of Europe through operations in Morocco, the Middle East, Brazil and Colombia. We have historically managed our activity through three divisions:

- Generalist France division, which includes equipment for earth moving (excavators, loaders and dumpers), aerial work (booms and scissors), handling (forklifts and tele-handlers), compaction, and building (concrete mixers and saws), as well as hand tools such as power drills, chainsaws and jackhammers. As of December 31, 2018, our Generalist France network included 426 branches. Our Generalist France network trades under the LOXAM Rental brand.

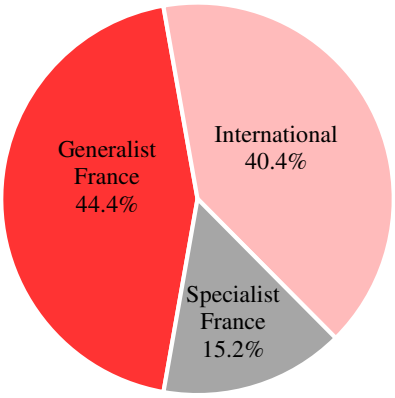
- Specialist France division, which includes high-access equipment, modular buildings, large compressors and generators, heavy compaction equipment, suspended platforms and scaffolding. As of December 31, 2018, our specialist network in France included 81 branches. We rent specialist equipment in France under several specific brands, such as LOXAM Access, LOXAM Module, LOXAM Power, LOXAM Laho TEC, LOXAM TP and LOXAM Event.

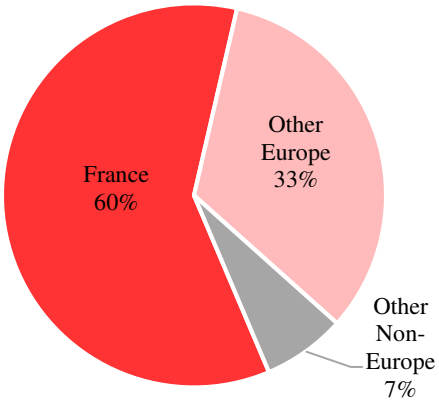
- International division, which comprises our specialist and generalist equipment offerings outside of France. We operate in 22 countries: France, Denmark, Belgium, the Netherlands, Germany, Spain, the United Kingdom, Ireland, Switzerland, Luxembourg, Morocco, Norway, Portugal, Italy, Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, the United Arab Emirates, Colombia and Brazil. As of December 31, 2018, our International division had a network of 256 branches. We have a majority share and full operating control of joint ventures in Morocco, Brazil, Italy and the Middle East and have a 50% share of a joint venture in Colombia.

We rent over 1,500 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 December 31, 2018, our rental fleet consisted of approximately 290,000 pieces of equipment (excluding accessories) with a gross book value of €3.0 billion. As of December 31, 2018, we have the largest rental network in Europe measured by number of branches, including 507 branches in France and 763 branches total across our network.

We generated revenue of €1,482.6 million and EBITDA of €500.7 million for the year ended December 31, 2018, representing an EBITDA margin of 33.8%. In 2018, 44.4% of our revenue was generated by our Generalist France division, 15.2% by our Specialist France division and 40.4% by our International division. As of December 31, 2018, our net debt (as defined below) (excluding derivative instruments) was €2,135.7 million and our shareholder's equity, group share was €619.8 million.

The charts below show our revenue for the year ended December 31, 2018 broken down by division and by geographic region.





Competitive Strengths

We believe that the following competitive strengths have been instrumental in our success and will drive our future growth:

Strong European leadership positions resulting from a successful, disciplined M&A strategy

We believe we are the largest equipment rental service provider in Europe based on our 2018 revenue of €1,482.6 million. In France, we had a market share of approximately 21% in 2018 and we believe that due to our brand recognition we are consistently one of the two largest players in most of the French regions where we are active. Elsewhere in Europe, we have leveraged the best practices cultivated from our extensive experience in France to build a strong presence that we believe has placed us in the top three market positions in each of the UK (where we are the leader in the powered access market), Spain (number one), Denmark (number two), the Netherlands and Belgium (number two) and Italy (number two). We believe we are particularly known for the quality of our fleet and our expertise in these markets.

Partly due to our successful acquisition track record, we have developed an extensive European network, including 507 branches in France and 218 branches in other European countries, most significantly in the UK, Spain, Denmark and the Netherlands. In addition, we believe that we offer the largest equipment fleet in the European market based on our European fleet's gross book value of €2.8 billion as of December 31, 2018. Our total rental fleet had a gross book value of €3.0 billion as of December 31, 2018 (and an estimated replacement value of €3.6 billion as of the same date compared to €3.4 billion as of December 31, 2017). Because availability of equipment is among the key criteria used by rental company customers for assessing a rental company's services, we believe that the size of our European network and fleet is a significant competitive advantage.

The equipment rental market is highly fragmented and offers significant opportunities for consolidation through M&A activity, which is a key part of our strategy. We have particularly focused our M&A strategy in recent years on consolidation and expansion beyond our French network and we now operate 256 branches in 21 countries outside of France (including in other European countries, the Middle East and Latin America) compared to 88 branches outside of France as of December 31, 2012. As a result of this growth, the revenue generated from our International division has increased from €118.9 million for the year ended December 31, 2012 to €598.3 million for year ended December 31, 2018 and the percentage of our total revenue generated by our International division has increased from 14.4% to 40.4% during the same period.

We played an especially active role in market consolidation in 2017, when we acquired Hune Rental S.L., which has operations in Spain, Portugal and France, and Lavendon Group plc, which was listed on the London Stock Exchange and operated 70 branches in the United Kingdom, Germany, France, Belgium and the Middle East. Additionally, in 2017, we acquired Cramo Plc's Danish business, the powered access equipment rental business of Nacanco SpA in Italy and Swan Plant Hire, a construction equipment rental company in Ireland. In 2018, we acquired the Italian powered access equipment rental company No.Ve S.r.l. in Italy and Négoce de Véhicules Automoteurs, a company specializing in events logistics in France. Most recently, on January 14, 2019, we completed our acquisition of UK Platforms Limited, which is specialized in renting

powered access equipment throughout the United Kingdom. For further details about our recent acquisitions, see "*Business—History and Development.*"

We believe that our acquisitions track record has established us as a unique market consolidator and has helped to strengthen our market leadership by acquiring scale, particularly in Europe. We use our extensive familiarity with the markets we serve to anticipate customer needs and respond to new market opportunities through additional M&A activity.

Dense commercial footprint serving diversified end markets with a large, wide-ranging fleet supported by quality customer service

We operate a fleet of approximately 290,000 pieces of equipment which serves over 200,000 customers in 22 countries as of December 31, 2018. Our fleet's diverse coverage of generalist and specialist equipment and the density of our 763 branches (particularly in France) provide us with the flexibility needed to meet our clients' changing needs, while our focus on customer service further reinforces our brand and enhances our ability to attract and retain customers.

Our portfolio of clients includes construction, industrial and specialist customers, from small businesses and craftsmen to large international groups across 22 countries which follow different economic cycles. The construction end markets represent the largest portion of our business and accounted for approximately 63% of our 2018 revenue. We are seeking to further diversify our client portfolio and have increased the percentage of revenue generated by non-construction end markets from 30% in 2013 to 37% in 2018, while the percentage of total revenue generated by our top 10 customers (all of whom operate in the construction, civil engineering and utilities end markets) has decreased to less than 12% in 2018. We have diversified our revenue across industries and in particular are increasingly supporting the day-to-day activities or occasional needs of customers engaged in municipal projects and in events and media.

We provide our customer base with access to a fleet encompassing a wide range of both generalist and specialist equipment. We believe that we are the only rental group to provide such a range of both generalist and specialist brands on our geographic scale. Our evolving fleet allows us to act as a one-stop shop meeting a full range of client needs for earth moving, aerial work, handling, compaction, energy, modular and building equipment. Additionally, we aim to obtain standardized equipment from our suppliers to the extent possible and in accordance with our high standards. Greater standardization of our fleet lowers maintenance costs and reduces training time for our staff while also promoting greater fleet utilization by making it easier to share spare parts between branches and transfer equipment from one branch to another.

Maintaining close client relationships is a core part of our business strategy and an important competitive advantage in winning profitable business. The density of our network helps us stay close to our clients and to understand their needs. For example, most of our largest customers operate multiple divisions, which results in a large portion of our business being carried out directly between our local branches and the local divisions or subsidiaries of larger groups. We believe that many of our professional customers consider Loxam to be a trusted partner in their day-to-day operations, principally as a result of the wide range of products available across our fleet and our reliability in terms of service.

Client service is a central element of our brand and we seek to go beyond being able to provide the equipment our clients need by providing outstanding service throughout the rental process. For example, our Loxam School near Paris offers our employees training on sales skills and the safe use of our equipment so that they are able to effectively advise our clients in their choice and use of rented equipment. We perform quarterly customer satisfaction surveys of approximately 30,000 customers, 93% of whom confirm their satisfaction with the quality of the services we provide. In France, we were recognized as the client service provider of the year in the rental equipment category by ESCDA (*Élection Service Client de l'Année*) in 2018 and 2019.

Proven and flexible operating model supported by superior market knowledge as well as strong fleet and network management skills

We have created a successful business model built on the smart management of our rental equipment fleet and our broad network of branches, which is due to our superior knowledge of the end markets, customers and geographic regions we serve.

Market knowledge and experience are central to each aspect of our business model. Our branches are deeply embedded in the local markets in which they operate and we emphasize building and maintaining close

relationships with clients at the local level in order to learn about, and adapt to, their changing needs as well as those of the overall construction market. We use market indicators such as GDP growth and construction activity in addition to information generated from our local branch network and strong customer relationships to predict short- and medium-term demand for our services. Our responsive business model is informed by the density of our network, particularly within France, our large number of customers across diverse end markets and our more than 50 years of experience in the equipment rental market.

The quality and appropriate management of our fleet is a core part of meeting our customers' needs and maintaining our profitability and market leadership. We use the needs of our customers and the business cycles affecting our industry as well as our own set of key internal indicators, such as the age and utilization rates of the different products in our fleet, to make strategic decisions with respect to the deployment of our fleet across our network and to the level of capital expenditure dedicated for the maintenance or expansion of our fleet. We continuously update and expand our fleet in order to meet the technical demands of our clients' operations and pursue opportunities to target new sectors.

We focus on maintaining the quality and flexibility of our overall network through close quality control of our branches, training of our employees, optimized IT systems and detailed reporting tools that allow for information sharing and internal benchmarking. We monitor the quality of our branches through regular internal and external audits. We promote the quality and dynamism of our network by providing our employees with different types of comprehensive internal training across all levels and divisions to foster the development of multiple skill sets, resulting in a more efficient and motivated workforce. We rely on several integrated enterprise resource planning ("ERP") systems that support numerous aspects of our operations. In particular, these systems provide us with immediate data to inform the deployment of assets within our network to areas where the level of demand is higher, thus maximizing our utilization rates and further reinforcing the flexibility of our business model.

Profitable track record and ability to manage business cycles through nimble cost and capital expenditure control

We believe that our ability to manage our operating costs and our fleet according to market conditions is a competitive advantage that contributes to our historically high level of profitability. For example, we have maintained EBITDA margins above 30% throughout the various business cycles since 2006, illustrating the responsiveness of our business model and ability to manage growth. This profitability exists at the level of each of our three business divisions and is consistently higher than that of our three closest competitors.

The EBITDA margin of the Generalist France division has consistently been above 30% since 2006 and was 34.2% in 2018. The EBITDA margin of our Specialist France division has consistently ranged between 31% and 39% since 2006 and was 34.1% in 2018.

For our International division, the EBITDA margin increased significantly from 26.8% in 2016 to 33.3% in 2017, primarily due to the integration of the Lavendon and Hune groups, and slightly decreased to 32.2% in 2018. Margins for our International division have ranged between 22% and 33% since 2008 and were historically lower than the margins we achieved in France because we pursued an active growth strategy through branch openings and acquisitions and also because of the impact of local headquarters costs on networks with a lower density of branches.

We are able to efficiently manage our capital expenditures based on our market expectations. In a growth cycle, we invest in our rental fleet to enhance our product offering and expand into new products and markets. In a downturn, we streamline our network, reduce capital expenditures and pay down debt with our cash flows. We have no long-term engagements in respect of capital expenditures and make investment decisions on a regular, near-term basis. As a result, we are able to quickly adjust our level of investment in the fleet to respond to the state of the market. For example, based on the strength of the construction market in 2017, we increased our capital expenditures by 102% to €399.6 million from €197.6 million in 2016. On the other hand, when faced with more challenging market conditions in 2009 following the onset of the global financial crisis, we were able to significantly and quickly reduce investments in our fleet to €28.1 million.

Experienced management with superior market knowledge and proven M&A track record

Our senior management team is led by Mr. Gérard Déprez, our president, CEO and controlling shareholder who has over 30 years of experience with Loxam. The members of our management committee have significant experience in our industry and are supported by divisional and regional managers in an

organizational structure that empowers middle management and keeps bureaucratic processes at a minimum. We believe that our lean management structure encourages strong commitment and entrepreneurial spirit across the Company.

Our management team has proven its ability to consistently maintain strong financial performance and protect cash flow generation. In recent years, our management team has also demonstrated its skill at expanding our business through acquisitions. Since 2012, we have successfully integrated 18 acquired companies representing approximately 300 branches. In particular, with the Lavendon Acquisition in 2017 we significantly increased our existing network in the United Kingdom and established a footprint for us in the Middle East.

In addition to our management team, our second-largest shareholder, Sparring Capital, supports our success and development through its active participation in our Strategic Committee and the contribution of additional expertise in the rental industry stemming from its previous investment in the sector. See "*Management—Strategic Committee*."

Our Strategy

The key elements described below form the base of our business strategy.

Maintain our high-quality fleet of rental equipment

We will continue to actively monitor the size, quality, age, composition and efficiency of our rental fleet. We are committed to the disciplined management of our fleet to optimize utilization and profitability through the following strategies:

- Leveraging our scale to negotiate fleet purchase prices and develop customized services and bespoke equipment addressing our requirements in terms of quality, safety and low maintenance costs. Our long-lasting relationships with key equipment suppliers will allow us to obtain useful information on new product innovations and assess market demand.

- Using our comprehensive information systems and market knowledge to increase our utilization rate and yield. We will continue redeploying assets within our branch network, optimizing pricing, adjusting our fleet mix on a real time basis and maintaining fleet quality and diversification. We will focus our primary investments in the most active markets where our fleet has a higher utilization rate and where we expect stronger market trends.

- Maintaining our fleet to rigorous standards by tracking the servicing history of each piece of equipment.

- Seeking to remove older or idle equipment from our fleet at optimal times, and rejuvenating our fleet so as to be well-positioned to serve customers and meet higher demands as a result of a strengthening market.

- Optimizing recycling of equipment through repair and salvage. For example, fleet equipment that leaves our active rental fleet at the end of its lifecycle in France is sent to a reprocessing facility near Alençon. This facility evaluates the equipment and helps us to determine whether to sell such equipment to third parties or to recycle it for spare parts for our fleet. These recycling efforts allow us to take advantage of lower costs for certain replacement parts for our rental fleet.

We believe that these strategies have helped us develop a reputation for quality and reliability that will continue to make us an attractive choice for our customers while optimizing our operating costs and making the most of our fleet-related capital expenditures.

Lead market consolidation and further strengthen market position through strategic acquisitions

Through our acquisition strategy, we seek to complement our organic growth, strengthen our leading market positions, increase the density of our network and reach a critical size to run profitable operations at a local level. We believe the fragmentation in the global equipment rental market will continue to allow us to complete acquisitions at attractive prices and act as a market consolidator within our existing markets and globally.

We will continue our selective acquisition strategy of recent years in order to complement our organic growth, which may include, in addition to bolt-on acquisitions, potential significant transformational transactions, including acquisitions of other European leaders. In February 2017, we acquired the Lavendon Group (70 branches) and the Hune Group (34 branches). Later in 2017, we acquired the Danish equipment rental operations of Cramo (7 branches), the rental activities of the Italian company Nacanco (14 branches) and the Irish company Swan Plant Hire (2 branches). We also acquired a majority interest in Degraus (21 branches). In June 2018, we acquired Nove, which operates six branches in Italy and specializes in powered access equipment. In January 2019, we completed the acquisition, through our subsidiary Nationwide Platforms Limited, of UK Platforms Limited, a company specializing in powered access equipment with 12 branches across the United Kingdom. For further details of our recent acquisitions, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors Affecting Results of Operations—Acquisitions.*"

Following our past acquisitions and as part of our integration and general business management strategies, we monitor opportunities to optimize our network at the local, national and international levels in order to maximize profitable growth through moving branches and adjusting our offerings according to factors such as branch profitability, utilization rates and expected future local market conditions.

Further diversify our customers within and beyond the construction industry

We will continue our strategy of diversifying our customer pool in order to capture the most active segments of the construction market. For example, we have strengthened our focus on more resilient sectors such as renovation, which has been particularly active in recent years, and we have also reduced the share of our business generated from civil engineering. Additionally, our expansion of our access equipment business through the Lavendon Acquisition has diversified our customer base even further as powered access equipment reaches a broader range of market sectors.

We have also increased our exposure to other end-markets, such as manufacturing, local authorities, event organizers, landscaping, retail, petro-chemical, training, demolition and facilities management. The customers in certain of these sectors often have higher expectations in terms of access to service (24 hours a day/7 days a week) and appreciate the high standard of service and equipment quality we provide across our business.

We are also targeting additional client categories, such as small and medium enterprises (SME) or craftsmen who need smaller equipment. Additionally, we are broadening our customer base through the development of partnerships with major do-it-yourself retail chains, sometimes based on a co-branding model. We also continue to open Loxam City shops in Paris to offer our customers proximity to their sites. We had a total of 14 Loxam City branches as of December 31, 2018.

Continue to adapt our disciplined and responsive financial model

Our management's experience in equipment rental gives us a long-term vision of the construction and public works industries and thus of demand for our equipment. Our responsive business model enables us to maintain high EBITDA margins while also giving us the flexibility to quickly adjust our capital expenditure investments to demand in order to protect cash flow generation. This strategy relies on strong financial discipline implemented across our platform, and the cash flows we have generated during market downturns are evidence of our success in relying on this discipline in the past.

We plan to continue using this experience to help us identify the inflection points in the cyclical construction market, when we must decide whether to make further expenses to meet growing market demand or consider reducing capital investments and applying cash to debt repayment. We intend to continue deleveraging towards a net leverage ratio of approximately 4.0 times our EBITDA in 2019 (excluding the impact of any potential transformational merger and acquisition transactions). Our approach helps us to maintain profitability and meet the evolving needs of our customers, avoiding either excess fixed costs related to over-investment during periods of decreased demand or lost revenue opportunities and customer dissatisfaction due to under-investment during periods of increased demand. We intend to continue managing our operations with a clear focus on EBITDA and cash flow growth to fund our future investments and service our debt.

Maintain our commitments to safety, quality, corporate sustainability and responsibility and digital transformation

We intend to remain at the forefront of our industry as a leader for safety, quality, responsibility, sustainability and digital transformation.

Safety is a top priority for us. We provide safety-related trainings for both our employees and our customers and in 2018 delivered approximately 50,000 hours of training, including more than 9,000 hours of training dedicated to risk prevention. In the past year, we have also developed and implemented workshops and regular security briefings at the branch level and introduced a new motto throughout our branches: "safety, always and everywhere." Additionally, we hold ISO 9001, ISO 14001, MASE, VCA and OHSAS certifications and, shortly after integrating with the Loxam Group, Hune earned the internationally-acknowledged OHSAS 18001 certification in 2017 for its occupational health and safety management system. These certifications recognize the policies implemented by all of our teams to reduce the risk of accidents, comply with legislation and improve safety and working conditions.

Our customers benefit from similar safety-driven training and solutions. For example, our powered access customers in the UK benefit from Lavendon's BlueSky Solutions, which develops innovative solutions to reduce the risk of accidents associated with working at high heights. We also seek feedback from our customers about their experience using our equipment so that we can adjust our offerings to provide what will be most safe, reliable and adaptable to our customers' wide range of needs. Our long-standing relationships with our suppliers also make us well-positioned to help our customers use equipment safely and to relay their feedback to the manufacturers so that our customers can benefit from improved machine designs.

We are committed to promoting corporate sustainability and responsibility. In October 2015, we became a member of the UN Global Compact program, the world's largest corporate sustainability initiative. We issued our first corporate social responsibility brochure, in 2014 and released an updated report in 2018. This "Responsible Rental" report summarizes our initiatives and results relating to customer service, safety and security, respecting the environment and corporate governance. In December 2016, we underwent an audit of our corporate and social responsibility actions according to the guidelines of the ISO 26000:2010 standard. We have been rewarded in France with a performance rating of level three (on a scale of five) in the ISO 26000:2010, which demonstrates our level of commitment and maturity with regards to our corporate and social responsibility.

As part of our commitment to corporate responsibility, we also prioritize the professional development of our employees throughout their careers. The Loxam School in Bagneux, near Paris, has been open to all our employees across our three divisions and has offered sessions to both beginners and experienced staff since 2008 with the aim of improving key skills. Training is provided by experienced professionals from our network and covers a variety of fields including knowledge of equipment, safety, environment (waste processing, energy savings, etc.) sales skills and team management, among others. The Loxam School also plays a key role in the integration of employees from acquired companies.

Finally, in 2018 we began a process of digital transformation that we expect to continue to implement as a key part of our corporate strategy. Like our other strategic priorities, digital transformation impacts our internal operations as well as our customers. We launched a new customer portal in 2018 that allows our customers to manage their account online and to receive digital invoices, which represented more than 30% of our invoices during the quarter ended December 31, 2018. We have also rolled out digital tools in our branches and are already seeing an increase in logistical efficiency in response to this transformation. We plan to continue taking advantage of digital offerings in the future in order to improve our internal processes and our customer service.

Recent Developments

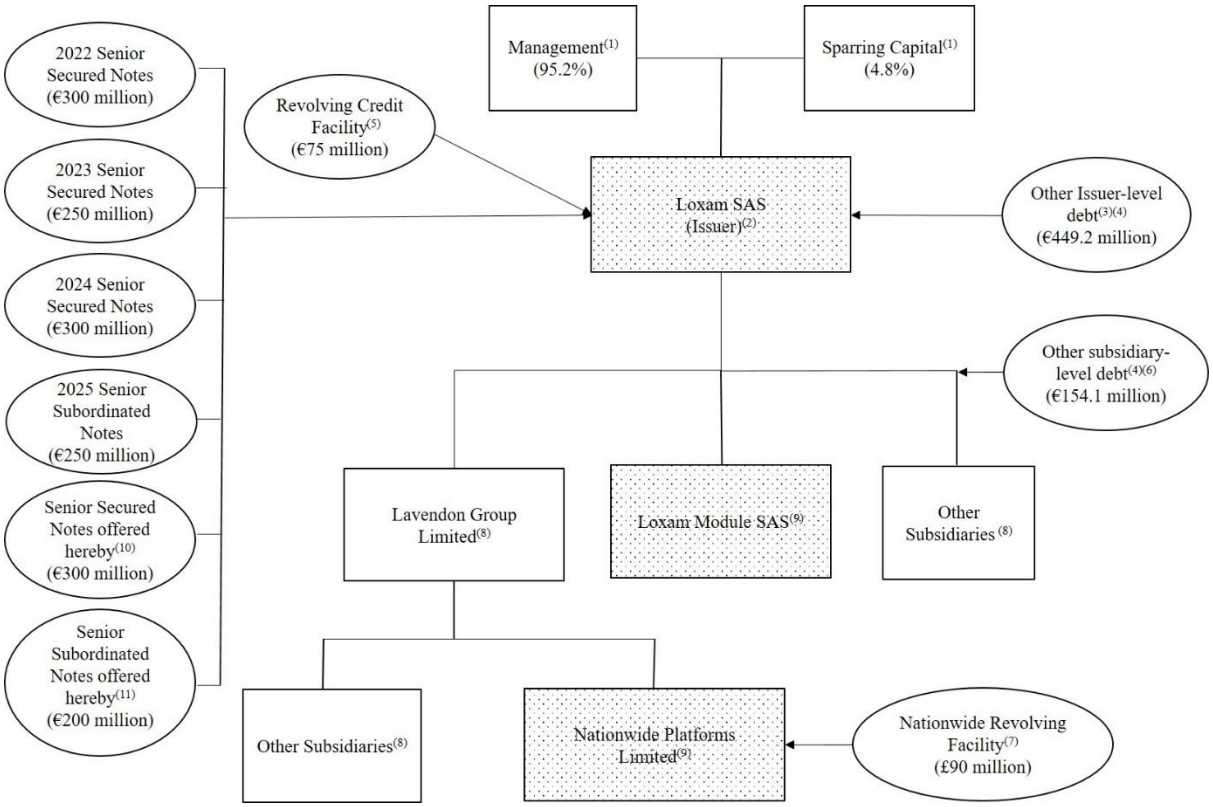
Current trading

Our revenue grew by 6.3% from January 1, 2019 to February 28, 2019 compared to the same period of 2018. Revenue generated from France increased by 6.4%, primarily due to a higher volume of rentals generated from the increased availability of our expanded fleet, whereas our revenue generated from our international activities grew by 6.3%, primarily as a result of the acquisition of UK Platforms. At constant perimeter and constant exchange rate, our consolidated revenue grew by 3.0% compared to the same period of 2018. In addition, there has been no material change to total gross financial debt of the Group between December 31, 2018 and February 28, 2019 (before taking into account the impact of IFRS 16).

SUMMARY CORPORATE AND FINANCING STRUCTURE

The diagram below illustrates, in simplified form, our corporate and financing structure as of December 31, 2018, as adjusted for the issuance of the Notes offered hereby and the application of the net proceeds therefrom in the manner described under "*Use of Proceeds.*"

See "*Use of Proceeds*," "*Capitalization*," "*Description of Certain Financing Arrangements*," "*Description of the Senior Secured Notes*" and "*Description of the Senior Subordinated Notes*."



(1) Sparring Capital holds 4.8% of the shares of Loxam SAS and Loxam's management holds the remaining 95.2%. See "*Management*" and "*Shareholders and Related Party Transactions*."

(2) Loxam SAS (the "Issuer") is a limited liability company (*société par actions simplifiée*) organized under the laws of France.

(3) Other indebtedness at the Loxam SAS level is composed of certain unsecured bilateral credit facilities, under which a total of €242.2 million was drawn as of December 31, 2018, and finance leases totaling €207.0 million as of December 31, 2018. See "*Description of Certain Financing Arrangements*."

(4) Indebtedness amounts do not include €9.4 million of accrued interest on debt, €4.4 million of other financial debt and €2.4 million of bank overdrafts, less capitalized debt issuance costs of €14.6 million (composed of €1.5 million related to the 2023 Senior Secured Notes, €2.3 million related to the 2022 Senior Secured Notes, €3.6 million related to the 2024 Senior Secured Notes, €3.3 million related to the 2025 Senior Subordinated Notes and an estimated €3.8 million related to the issuance of the Notes offered hereby).

(5) The Revolving Credit Facility provides for borrowings of up to an aggregate amount of €75.0 million. See "*Description of Certain Financing Arrangements—Revolving Credit Facility Agreement*." As of December 31, 2018, no amounts were drawn under the Revolving Credit Facility. We do not intend to draw under the Revolving Credit Facility on the Issue Date.

(6) Indebtedness at the level of the Issuer's subsidiaries is composed of certain bilateral credit facilities under which a total of €67.8 million was drawn as of December 31, 2018 and finance leases totaling €86.3 million as of December 31, 2018. See "*Description of Certain Financing Arrangements*."

(7) The Nationwide Revolving Facility provides for borrowings of up to an aggregate amount of £90 million on a committed basis. As of December 31, 2018, €99.1 million was outstanding under the Nationwide Revolving Facility, net of issuance costs. See "*Description of Certain Financing Arrangements—Nationwide Revolving Facility Agreement.*"

(8) Certain of the Issuer's subsidiaries will not guarantee the Senior Secured Notes on the Issue Date, and none of the Issuer's subsidiaries will guarantee the Senior Subordinated Notes on the Issue Date. The Notes and the Guarantees will be structurally subordinated to all existing and future obligations of subsidiaries of the Issuer or the Guarantors that do not guarantee the Notes. As of December 31, 2018, the non-Guarantor subsidiaries of the Issuer had €150.4 million of indebtedness.

(9) The Senior Secured Notes will be guaranteed on a senior basis by Nationwide Platforms Limited, a limited company incorporated under the laws of England and Wales, and Loxam Module SAS, a limited liability company (*société par actions simplifiée*) organized under the laws of France (the "Guarantors"). As of December 31, 2018, the Issuer and the Guarantors accounted for 68% of the Loxam group's consolidated EBITDA and 68% of the Loxam group's consolidated total assets. The Guarantees will be subject to limitations under applicable laws and may be released under certain circumstances. See "*Description of Certain Financing Arrangements,*" "*Certain Insolvency Law Considerations and Limitations on Validity and Enforceability of the Guarantees and the Security Interests,*" "*Description of the Senior Secured Notes—The Notes Guarantees,*" and "*Risk Factors—Risks Related to the Notes and Our Capital Structure.*"

(10) The Senior Secured Notes will be senior secured obligations of the Issuer and any of the Issuer's subsidiaries that guarantee the Senior Secured Notes, will rank pari passu in right of payment to all of the existing and future indebtedness of the Issuer that is not subordinated in right of payment to the Senior Secured Notes, will rank senior in right of payment to any existing and future indebtedness of the Issuer that is expressly subordinated in right of payment to the Senior Secured Notes and will be effectively subordinated to any existing or future indebtedness of the Issuer and its subsidiaries that is secured by property and assets that do not secure the Senior Secured Notes, to the extent of the value of the property and assets securing such indebtedness. See "*Description of the Senior Secured Notes,*" "*Risk Factors—Risks Related to the Notes and Our Capital Structure*" and "*Risk Factors—Risks Related to the Senior Secured Notes.*"

(11) The Senior Subordinated Notes will be senior subordinated obligations of the Issuer, will be expressly subordinated in right of payment to the 2022 Senior Secured Notes, the 2023 Senior Secured Notes, the 2024 Senior Secured Notes and the Revolving Credit Facility and other future senior debt, including the Senior Secured Notes, will rank pari passu in right of payment to the 2025 Senior Subordinated Notes and future indebtedness (excluding other senior debt) that is not expressly subordinated to the Senior Subordinated Notes, will be effectively subordinated to all secured debt and will not be guaranteed on the Issue Date. See "*Description of the Senior Subordinated Notes,*" "*Risk Factors—Risk Related to the Notes and Our Capital Structure*" and "*Risk Factors—Risks Related to the Senior Subordinated Notes.*"

THE OFFERING

For the purposes of this section captioned "The Offering," references to "we," "our" and similar expressions are to Loxam only and not to its subsidiaries.

The Issuer	Loxam S.A.S.
Securities Offered	(i) €300,000,000 aggregate principal amount of 2.875% senior secured notes due 2026 (the "Senior Secured Notes") and (ii) €200,000,000 aggregate principal amount of 4.500% senior subordinated notes due 2027 (the "Senior Subordinated Notes" and together with the Senior Secured Notes, the "Notes").
Issue Date	April 11, 2019.
Transfer Restrictions	We have not registered the Notes under the Securities Act or any state securities laws. You may not offer or sell the Notes except under an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. See "*Transfer Restrictions*."
Use of Proceeds	We expect to receive gross proceeds from the offering of €500,000,000. We intend to use the net proceeds from the offering to redeem the outstanding aggregate principal amounts of our 2021 Senior Secured Notes and our 2022 Senior Subordinated Notes in full (including the payment of associated call premiums), to pay the fees and expenses related to the offering and for other general corporate purposes. See "*Use of Proceeds*."

The Senior Secured Notes

Issue Price	100% (plus accrued and unpaid interest from the Issue Date).
Maturity	The Senior Secured Notes will mature on April 15, 2026. The redemption price for the Senior Secured Notes at maturity will be 100%.
Interest	2.875% per annum, payable semi-annually in arrear on June 15 and December 15 of each year, beginning on December 15, 2019.
Ranking	The Senior Secured Notes:

- will be the general senior secured obligations of the Issuer and any of the Issuer's subsidiaries that guarantee the Senior Secured Notes;
- will be secured as set forth under "*—Security for the Senior Secured Notes*";
- will rank *pari passu* in right of payment among themselves and with any existing and future obligations that are not expressly subordinated in right of payment to the Senior Secured Notes, including the Revolving Credit Facility, the Existing Senior Secured Notes and the bilateral credit facilities extended to Loxam; and
- will be effectively subordinated to any of our and our subsidiaries' existing or future obligations that are secured by property and assets that do not secure the Senior Secured Notes, to the extent of the value of the property and assets securing such obligations, including the Revolving Credit Facility which is secured by commercial receivables that are not pledged for the

	benefit of the holders of the Senior Secured Notes, and additional indebtedness to be incurred as permitted under the Senior Secured Indenture and secured by assets other than the property and assets securing the Senior Secured Notes.
Senior Secured Notes Guarantees	As of the Issue Date, the Senior Secured Notes will be guaranteed on a senior basis by Nationwide Platforms Limited and Loxam Module SAS (each a "Senior Secured Notes Guarantor"). As of and for the year ended December 31, 2018, the Issuer and the Senior Secured Notes Guarantors accounted for 67% of our consolidated revenue, 68% of our consolidated EBITDA and 68% of our consolidated total assets, respectively. See "*Description of the Senior Secured Notes—the Note Guarantees*."
Ranking of the Senior Secured Notes Guarantees	The Guarantee of any Senior Secured Notes Guarantor will: • be a general senior obligation of such Senior Secured Notes Guarantor; • be secured as described below under "*—Security for the Senior Secured Notes*;" • rank pari passu in right of payment with all existing and future indebtedness of such Senior Secured Notes Guarantor that is not subordinated in right of payment to such Senior Secured Notes Guarantor's Guarantee including the obligations of such Senior Secured Notes Guarantor under the Revolving Credit Facility Agreement; • rank senior in right of payment to all of the existing and future indebtedness that is subordinated in right of payment to such Senior Secured Notes Guarantor's Guarantee; and • be effectively subordinated to any existing and future indebtedness of such Senior Secured Notes Guarantor that is secured by property or assets that do not secure such Guarantee, to the extent of the value of the property and assets securing such indebtedness.
Security for the Senior Secured Notes	The Senior Secured Notes will be secured by a security interest granted over the Senior Secured Collateral on a first-priority basis by virtue of the Intercreditor Agreement. Holders of the Existing Senior Secured Notes agreed in the Intercreditor Agreement that the holders of the Senior Secured Notes and themselves will be deemed and treated for the purpose of the Intercreditor Agreement (including, *inter alia*, its provisions relating to the application of proceeds following the enforcement of the Senior Secured Collateral) as secured *pari passu*, notwithstanding the ranking of their respective security interests. References to first-priority basis under the Intercreditor Agreement means that, notwithstanding their rank in the Senior Secured Collateral, the security interests therein are contractually *pari passu* first-priority and entitled to equal treatment with other first-priority secured creditors by virtue of the Intercreditor Agreement. See "*Description of Certain Financing Arrangements—Intercreditor Agreement*."
Intercreditor Agreement	To establish the relative rights of certain of our creditors under our financing arrangements, we entered into the Intercreditor Agreement with, among others, the Security Agent, the trustees for the Existing

	Senior Secured Notes and the lenders under the Revolving Credit Facility. In connection with the issuance of the Senior Secured Notes, the Trustee will accede to the Intercreditor Agreement in its capacity as trustee for the Senior Secured Notes. For further information see "*Description of Certain Financing Arrangements—Intercreditor Agreement*."
Optional Redemption	We may redeem all or part of the Senior Secured Notes at any time on or after April 15, 2022 at the redemption prices described in this listing prospectus. At any time prior to April 15, 2022 we may redeem all or part of the Senior Secured Notes at a redemption price equal to 100% of their principal amount plus the applicable premium described in this listing prospectus. At any time prior to April 15, 2022 during each 12-month period commencing on the Issue Date, we may redeem up to 10% of the aggregate principal amount of the Senior Secured Notes at a redemption price of 103% of the principal amount of the Senior Secured Notes redeemed. In addition, at any time prior to April 15, 2022 we may also redeem up to 45% of the Senior Secured Notes with the net proceeds from certain equity offerings.
Change of Control	Upon certain events constituting a change of control and a rating decline (which is defined to include, among other things, Standard & Poor's issuing, confirming or maintaining a corporate rating of the Issuer that is below B+ at any time during the period commencing on the date of the first public notice of the occurrence the change of control and ending on the date that is ninety (90) days following the occurrence of such event), the Issuer may be required to make an offer to purchase the Senior Secured Notes at a price equal to 101% of the principal amount thereof.
Redemption for Changes in Tax Law	We will be required to pay additional amounts to the holders of the Senior Secured Notes to compensate them for any amounts deducted from payments to them in respect of the Senior Secured Notes on account of certain taxes and other governmental charges. If we become obliged to pay such additional amounts as a result of a change in law, the Senior Secured Notes will be subject to redemption, in whole but not in part, at our option at a price equal to 100% of the principal amount of the Senior Secured Notes.
Certain Covenants and Events of Default	The indenture governing the Senior Secured Notes will contain certain covenants and events of default that, among other things, limit our ability and that of certain of our subsidiaries to: • incur or guarantee additional indebtedness or issue preferred shares; • pay dividends or make other distributions; • purchase equity interests or redeem subordinated indebtedness prior to its maturity; • create or incur certain liens; • create or incur restrictions on the ability to pay dividends or make other payments to us; • enter into certain transactions with affiliates;

	• impair the Senior Secured Collateral; and • sell assets (including the capital stock of our subsidiaries) or merge or consolidate with another company. All of these limitations are subject to a number of important qualifications and exceptions. If at any time the Senior Secured Notes receive ratings of BBB- or higher from Standard & Poor's and Baa3 or higher from Moody's Investors Service, Inc. ("Moody's"), and no default or event of default has occurred and is continuing, certain restrictions, covenants and events of default will cease to be applicable to the Senior Secured Notes for so long as the Senior Secured Notes maintain such ratings.
Taxation	For a description of the material tax consequences of an investment in the Senior Secured Notes, see "*Taxation*."
Denomination	Each Note will have a minimum denomination of €100,000 and integral multiples of €1,000 in excess thereof.
Listing	Application has been made to admit the Senior Secured Notes to listing on the Official List of the Luxembourg Stock Exchange and to trading on the Euro MTF.
Governing Law	The Senior Secured Indenture and the Senior Secured Notes will be governed by, and construed in accordance with, the laws of the State of New York. The Intercreditor Agreement is governed by, and construed in accordance with the laws of England and Wales.
Trustee	Wilmington Trust, National Association
Security Agent	Wilmington Trust (London) Limited
Paying Agent	Deutsche Bank AG, London Branch
Luxembourg Listing Agent, Transfer Agent and Registrar	Deutsche Bank Luxembourg S.A.

For further information regarding the Senior Secured Notes, see "Description of the Senior Secured Notes."

The Senior Subordinated Notes

Issue Price	100% (plus accrued and unpaid interest from the Issue Date).
Maturity	The Senior Subordinated Notes will mature on April 15, 2027. The redemption price for the Senior Subordinated Notes at maturity will be 100%.
Interest	4.500% per annum, payable semi-annually in arrear on June 15 and December 15 of each year, beginning on December 15, 2019.
Ranking	The Senior Subordinated Notes: • will be general unsecured senior subordinated obligations; • will be expressly subordinated in right of payment to indebtedness incurred under the Revolving Credit Facility, the Existing Senior Secured Notes, the Senior Secured Notes and other future senior debt;

	• will rank pari passu in right of payment to any of our existing or future indebtedness (other than our senior debt) that is not expressly subordinated in right of payment to the Senior Subordinated Notes, including the Existing Senior Subordinated Notes; • will not be guaranteed on the Issue Date and as a result will be structurally subordinated to all indebtedness and other liabilities (including trade payables) of our subsidiaries; and • will be effectively subordinated to all secured debt (including the Senior Secured Notes and the Revolving Credit Facility) to the extent of the value of the collateral securing such debt (including the Senior Secured Collateral and the Revolving Credit Facility Collateral).
Intercreditor Agreement	To establish the relative rights of certain of our creditors under our financing arrangements, we entered into the Intercreditor Agreement with, among others, the Security Agent, the trustees for the Existing Senior Secured Notes and the lenders under the Revolving Credit Facility. In connection with the issuance of the Senior Subordinated Notes, the Trustee will accede to the Intercreditor Agreement in its capacity as trustee for the Senior Subordinated Notes. For further information see "*Description of Certain Financing Arrangements—Intercreditor Agreement*."
Optional Redemption	We may redeem all or part of the Senior Subordinated Notes at any time on or after April 15, 2022 at the redemption prices described in this listing prospectus. At any time prior to April 15, 2022 we may redeem all or part of the Senior Subordinated Notes at a redemption price equal to 100% of their principal amount plus the applicable premium described in this listing prospectus. In addition, at any time prior to April 15, 2022 we may also redeem up to 45% of the Senior Subordinated Notes with the net proceeds from certain equity offerings.
Change of Control	Upon certain events constituting a change of control and a rating decline (which is defined to include, among other things, Standard & Poor's issuing, confirming or maintaining a corporate rating of the Issuer that is below B+ at any time during the period commencing on the date of the first public notice of the occurrence the change of control and ending on the date that is ninety (90) days following the occurrence of such event), the Issuer may be required to make an offer to purchase the Senior Subordinated Notes at a price equal to 101% of the principal amount thereof.
Redemption for Changes in Tax Law ...	We will be required to pay additional amounts to the holders of the Senior Subordinated Notes to compensate them for any amounts deducted from payments to them in respect of the Senior Subordinated Notes on account of certain taxes and other governmental charges. If we become obliged to pay such additional amounts as a result of a change in law, the Senior Subordinated Notes will be subject to redemption, in whole but not in part, at our option at a price equal to 100% of the principal amount of the Senior Subordinated Notes.
Certain Covenants and Events of Default.....	The indenture governing the Senior Subordinated Notes will contain certain covenants and events of default that, among other things, limit our ability and that of certain of our subsidiaries to:

	• incur or guarantee additional indebtedness or issue preferred shares; • pay dividends or make other distributions; • purchase equity interests or redeem subordinated indebtedness prior to its maturity; • create or incur certain liens; • create or incur restrictions on the ability to pay dividends or make other payments to us; • enter into certain transactions with affiliates; and • sell assets (including the capital stock of our subsidiaries) or merge or consolidate with another company. All of these limitations are subject to a number of important qualifications and exceptions. If at any time the Senior Subordinated Notes receive ratings of BBB- or higher from Standard & Poor's and Baa3 or higher from Moody's Investors Service, Inc. ("Moody's"), and no default or event of default has occurred and is continuing, certain restrictions, covenants and events of default will cease to be applicable to the Senior Subordinated Notes for so long as the Senior Subordinated Notes maintain such ratings.
Taxation	For a description of the material tax consequences of an investment in the Senior Subordinated Notes, see "*Taxation*."
Denomination	Each Note will have a minimum denomination of €100,000 and integral multiples of €1,000 in excess thereof.
Listing	Application has been made to admit the Senior Subordinated Notes to listing on the Official List of the Luxembourg Stock Exchange and to trading on the Euro MTF.
Governing Law	The Senior Subordinated Indenture and the Senior Subordinated Notes will be governed by, and construed in accordance with, the laws of the State of New York. The Intercreditor Agreement is governed by, and construed in accordance with the laws of England and Wales.
Trustee	Wilmington Trust, National Association
Paying Agent	Deutsche Bank AG, London Branch
Luxembourg Listing Agent, Transfer Agent and Registrar	Deutsche Bank Luxembourg S.A.

For further information regarding the Senior Subordinated Notes, see "Description of the Senior Subordinated Notes."

Risk Factors

Investment in the Notes offered hereby involves certain risks. You should carefully consider the information under "Risk Factors" and all other information included in this listing prospectus before investing in the Notes.

SUMMARY CONSOLIDATED FINANCIAL INFORMATION

The following summary consolidated financial information as of and for the years ended December 31, 2016, 2017 and 2018 has been derived from our audited consolidated annual financial statements as of and for the years ended December 31, 2016, 2017 and 2018, which were audited by our Auditors. An English language translation of our audited consolidated financial statements as of and for the years ended December 31, 2016, 2017 and 2018 is included elsewhere in this listing prospectus, together with a free English language translation of the audit reports thereon from our independent auditors, KPMG Audit (a division of KPMG SA) and Constantin Associés (a member of Deloitte Touche Tohmatsu Limited). Our consolidated financial statements were prepared in accordance with IFRS.

The summary consolidated financial information included below is not necessarily indicative of our future results of operations and should be read in conjunction with, and is qualified in its entirety by reference to, our consolidated financial statements, including the notes thereto, a free English language translation of which is included elsewhere in this listing prospectus. You should also read the tables below in conjunction with "*Presentation of Financial and Other Information*," "*Use of Proceeds*," "*Capitalization*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*."

Consolidated Income Statement Information

	Year ended December 31,		
	2016	**2017**	**2018**
	(in millions of euros)		
Revenue	926.8	1,367.7	1,482.6
Other income(*)	56.3	62.6	56.7
Operating income	**983.0**	**1,430.3**	**1,539.3**
Purchases consumed	(105.5)	(144.4)	(162.8)
Personnel expenses	(244.4)	(360.1)	(381.3)
Other current expenses	(311.7)	(443.3)	(475.3)
Taxes and duties	(16.6)	(18.5)	(19.3)
Depreciation and amortization	(143.7)	(238.4)	(287.8)
Profit from ordinary operations	**161.1**	**225.6**	**212.9**
Other operating income and expense	(19.9)	(4.5)	0.2
Operating profit	**141.2**	**221.2**	**213.2**
Interest and financing-related expenses	(63.1)	(93.3)	(97.2)
Other financial expenses	(31.8)	(26.9)	(7.7)
Financial income	6.8	3.5	2.8
Financial income (expense)	**(88.1)**	**(116.7)**	**(102.1)**
Profit before tax	**53.0**	**104.4**	**111.0**
Share of profit of associates	(1.0)	(1.3)	-
Income tax expense	(17.6)	(18.9)	(20.6)
Net profit	**34.4**	**84.3**	**90.4**
Non-controlling interests	0.1	(0.4)	(5.2)
Net profit, Group share	**34.3**	**84.6**	**95.7**

(*) Other income includes capital gains on disposal of fleet assets for €43.3 million, €50.6 million and €41.5 million in 2016, 2017 and 2018, respectively. It also includes income from real estate rentals to third parties for €5.8 million, €5.5 million and €6.1 million in 2016, 2017 and 2018, respectively.

Consolidated Balance Sheet Information

	As of December 31,		
	2016	**2017**	**2018**
		(in millions of euros)	
Intangible assets and goodwill	969.0	1,333.9	1,327.3
Property, plant and equipment	630.0	1,232.6	1,354.7
Financial assets	9.9	15.6	14.4
Financial derivatives	0.8	1.2	-
Investments in associates	9.7	-	-
Deferred tax assets	7.8	21.6	18.4
Non-current assets	**1,627.2**	**2,604.9**	**2,714.8**
Inventories	18.7	29.3	30.8
Trade and other receivables	224.6	370.8	388.5
Other current assets	26.1	64.7	56.2
Corporate income tax receivables	6.6	19.4	12.3
Cash and cash equivalents	155.9	117.5	143.8
Current assets	**431.9**	**601.8**	**631.5**
Total assets	**2,059.1**	**3,206.7**	**3,346.3**
Share capital	232.4	229.8	229.8
Additional paid-in capital	1.9	1.9	1.9
Consolidated reserves	211.3	212.0	292.5
Net profit for the year	34.3	84.6	95.7
Shareholders' equity (Group share)	**479.9**	**528.3**	**619.8**
Non-controlling interests	0.9	15.4	10.6
Total equity	**480.8**	**543.7**	**630.5**
Employee benefits	18.7	16.6	11.1
Deferred tax liabilities	25.4	62.1	70.4
Borrowings and financial debt	1,189.2	2,037.5	2,063.0
Financial derivatives	4.9	2.9	2.3
Non-current liabilities	**1,238.2**	**2,119.0**	**2,146.9**
Provisions	4.9	11.2	11.1
Borrowings and financial debt	107.4	201.2	216.5
Trade and other payables	123.1	188.2	202.2
Other liabilities	103.9	135.4	135.5
Corporate income tax liabilities	0.7	8.0	3.7
Current liabilities	**340.1**	**544.0**	**569.0**
Total shareholders' equity and liabilities	**2,059.1**	**3,206.7**	**3,346.3**

Consolidated Cash Flow Statement Information

	As of December 31,		
	2016	**2017**	**2018**
		(in millions of euros)	
Cash flow from operating activities	165.6	260.8	361.9
Cash flow from investing activities	(178.3)	(1,183.8)	(366.9)
Cash flow from financing activities	7.0	883.4	28.5
Change in cash and cash equivalents	**(5.7)**	**(39.5)**	**23.5**
Cash and cash equivalents(*) at end of period	155.7	116.6	141.4

(*) Cash and cash equivalents at the end of the period is defined net of bank overdrafts.

Other Financial and Operating Data

The following table presents other financial and operating data which we use to analyze our business on a consolidated basis for the periods indicated.

	As of or for the year ended December 31,		
	2016	**2017**	**2018**
	(in millions of euros, except percentages and operational data)		
EBITDA[(1)]	**304.8**	**464.0**	**500.7**
EBITDA Margin[(1)]	**32.9%**	**33.9%**	**33.8%**
Gross capital expenditures			
Purchases of rental equipment	197.6	399.6	373.4
Purchases of non-rental equipment [(2)]	33.2	33.3	39.1
Total	**230.9**	**432.8**	**412.5**
Proceeds from disposal of fixed assets			
Proceeds from disposals of rental equipment	50.0	62.7	56.2
Proceeds from disposals of non-rental equipment	4.6	3.9	6.5
Total	**54.6**	**66.6**	**62.8**
Net capital expenditures[(3)]	176.3	366.2	349.7
Change in working capital requirements	6.8	(40.7)	8.7
Interest and financing-related expenses	(63.1)	(93.3)	(97.2)
Free cash flow[(4)]	(5.4)	(121.1)	10.8
Loans and financial debt (gross debt)[(5)]	1,296.6	2,238.7	2,279.5
Net debt[(6)]	**1,140.8**	**2,121.2**	**2,135.7**

	As of or for the year ended December 31,		
	2016	**2017**	**2018**
Employees	5,007	7,879	7,914
Number of branches	648	760	763
Branch openings	11	11	8
Branch closures or mergers	36	49	12
Acquisitions (number of branches)	1	150	7
Replacement value of the fleet[(7)] (in millions of euros)	2,117	3,443	3,631
Organic growth[(8)] (%)	4.8	8.4	3.3
Revenue from Generalist France division (%)	61.9	45.5	44.4
Revenue from Specialist France division (%)	17.7	15.6	15.2
Revenue from International division (%)	20.5	38.9	40.4

The following table sets forth certain financial information as of December 31, 2018 and on an as adjusted basis to give effect to the issuance of the Notes and the use of the net proceeds thereof. See "*Use of Proceeds*" and "*Capitalization*."

	December 31, 2018	
	Actual	**As adjusted**
	(in millions of euros)	
Cash and cash equivalents [9]	**143.8**	**156.1**
Priority debt: [10]		
Bilateral credit facilities, finance leases and other indebtedness [11]	460.2	460.2
2021 Senior Secured Notes [12]	239.3	—
2022 Senior Secured Notes [12]	300.0	300.0
2023 Senior Secured Notes [12]	250.0	250.0
2024 Senior Secured Notes [12]	300.0	300.0
Senior Secured Notes offered hereby [12]	—	300.0
Gross priority debt	**1,549.5**	**1,610.2**
Net priority debt [13]	**1,405.7**	**1,454.1**
Other debt:		
Bilateral credit facilities [14]	242.2	242.2
2022 Senior Subordinated Notes [12]	225.0	—
2025 Senior Subordinated Notes [12]	250.0	250.0
Senior Subordinated Notes offered hereby [12]	—	200.0
Other	12.8 [15]	1.7 [16]
Gross debt [5]	**2,279.5**	**2,304.1**
Net debt [6]	**2,135.7**	**2,148.0**
Ratio of as adjusted net priority debt to EBITDA [1][13]		**2.9x**
Ratio of as adjusted net debt to EBITDA [1]		**4.3x**

(1) EBITDA is defined as profit from ordinary operations plus depreciation and amortization of fixed assets. We present EBITDA as additional information because we believe it is helpful to investors in highlighting trends in our business. However, other companies may present EBITDA differently than we do. EBITDA is not a measure of financial performance under IFRS and should not be considered as an alternative to net profit as an indicator of our operating performance or any other measures of performance derived in accordance with IFRS. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—EBITDA*" for a reconciliation of EBITDA to profit from ordinary operations and net profit. EBITDA Margin is equal to EBITDA divided by revenue for the relevant period.

(2) Non-rental equipment principally includes equipment used in our workshops, equipment used to outfit or maintain our branches and information technology.

(3) Net capital expenditures is capital expenditures net of proceeds from disposals of fixed assets.

(4) Free cash flow is defined as EBITDA less net capital expenditures, other operating income and expense (excluding non-cash operating income and expense), financial income and expense (excluding non-cash financial income and expense), taxes (excluding deferred taxes), capital gains on fleet disposals and certain other income and expenses and changes in working capital requirement. We present free cash flow as additional information because we believe it is helpful to investors in highlighting trends in our business. However, other companies may present free cash flow differently than we do. Free cash flow is not a measure of financial performance under IFRS and should not be considered as an alternative to net profit as an indicator of our operating performance or any other measures of performance derived in accordance with IFRS. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Free cash flow*."

(5) Gross debt is defined as loans and debt owed to credit institutions, bonds, lease liabilities, bank overdrafts and other financial debt, plus accrued interest on debt, less capitalized debt issuance costs. See "*Capitalization*."

(6) Net debt is defined as gross debt less cash and cash equivalents (cash plus marketable investment securities). Net debt is presented as additional information because we believe that netting cash against debt may be helpful to investors in understanding our financial liability exposure. However, other companies may present net debt differently than we do. Net financial debt is not a measure of financial performance under IFRS and should not be considered as an alternative to any other measures of performance derived in accordance with IFRS. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Net debt*" for a reconciliation of net debt to certain financing items on our balance sheet.

(7) The replacement value of the fleet is defined as the estimated replacement cost of the rental fleet based on the price of equipment assumed for purposes of preparing our internal budget as of the date indicated. We cannot assure you that we would be able to replace our fleet at these prices.

(8) Changes in revenue for the period indicated compared to the prior comparable period, excluding changes in the scope of consolidation.

(9) As adjusted cash and cash equivalents reflects the net proceeds from the offering of the Notes after giving effect to the redemption of the 2021 Senior Secured Notes and the 2022 Senior Subordinated Notes, including the payment of €8.8 million in accrued and unpaid interest to, but excluding, the date of redemption of the 2021 Senior Secured Notes and the 2022 Senior Subordinated Notes in connection with their redemption.

(10) We define priority debt as secured debt of the Issuer plus any debt of our subsidiaries.

(11) Includes borrowings under our subsidiaries' bilateral credit facilities, finance leases under which the Issuer and our subsidiaries are obligors and the Nationwide Revolving Facility. The bilateral credit facilities consist of senior unsecured loans borrowed by certain of our subsidiaries from a variety of banks. As of December 31, 2018, €67.8 million was owed by our subsidiaries under bilateral credit facilities (a portion of which was guaranteed by Loxam S.A.S.). Our finance leases are secured by liens over equipment in our fleet and generally have maturities of five years. Of the amounts drawn under finance leases as of December 31, 2018, €207.0 million was owed by Loxam S.A.S. and €86.3 million was owed by our subsidiaries. The Nationwide Revolving Facility provides for borrowings of up to an aggregate of £90 million on a committed basis. As of December 31, 2018, €99.1 million was outstanding under the Nationwide Revolving Facility, net of issuance costs.

(12) Represents outstanding aggregate principal amount.

(13) Represents gross priority debt less cash and cash equivalents.

(14) Includes borrowings under the Issuer's bilateral credit facilities. These bilateral credit facilities consist of senior unsecured loans borrowed by the Issuer from a variety of banks.

(15) Includes €18.2 million of accrued interest on debt, €4.4 million of other financial debt and €2.4 million of bank overdrafts, less the unamortized portion of capitalized debt issuance costs of €12.1 million (composed of €0.4 million related to the 2021 Senior Secured Notes, €0.9 million related to the 2022 Senior Subordinated Notes, €1.5 million related to the 2023 Senior Secured Notes, €2.3 million related to the 2022 Senior Secured Notes, €3.6 million related to the 2024 Senior Secured Notes and €3.3 million related to the 2025 Senior Subordinated Notes).

(16) As adjusted to take into account (i) an estimated €3.8 million in capitalized debt issuance costs related to the issuance of the Notes offered hereby, (ii) the reversal of €1.4 million in the unamortized portion of capitalized debt issuance costs related to the issuance of the 2021 Senior Secured Notes and the 2022 Senior Subordinated Notes due to their redemption and (iii) the payment of €8.8 million in accrued and unpaid interest to, but excluding, the date of redemption of the 2021 Senior Secured Notes and the 2022 Senior Subordinated Notes in connection with their redemption.

RISK FACTORS

An investment in the Notes involves a high degree of risk. You should carefully consider the risks described below, together with other information provided to you in this listing prospectus, before deciding whether to invest in the Notes. Any of the risks described below, individually or together, could have a material adverse effect on our business, financial condition, results of operations, ability to meet our financial obligations and prospects as well as the value of the Notes. The risks described below are not the only risks we face. Additional risks not currently known to us or that we now deem immaterial may also harm us and affect your investment.

Risks Related to Our Industry

Demand for our equipment fluctuates due to the cyclical nature of the industries in which we operate and according to general economic conditions.

Our equipment is principally used in connection with construction and civil engineering activities, in addition to industrial activities. These sectors in the markets where we operate are cyclical industries with activity levels that tend to increase during periods of economic growth and decline during economic downturns. The demand for our products is strongly correlated to conditions in the general economy and in the construction, engineering and industrial sectors. Consequently, a downturn in construction, civil engineering or industrial activities, or the economy in general, generally leads to decreased demand for our equipment. Downturns also intensify price competition as equipment rental providers seek to increase utilization of idle equipment.

Construction and civil engineering activities, which account for a majority of our revenue, may be impacted, either temporarily or over the long-term, by changes in:

- government infrastructure spending;
- construction spending levels by either public or private customers;
- the credit markets affecting our customers' ability to undertake new construction projects;
- the cost of construction materials; or
- weather conditions affecting a particular region.

Changes in these or other factors caused by deterioration in the construction and civil engineering sectors could have a material adverse effect on our financial position, results of operations and cash flows in the future. For example, the economic downturn in 2009 led to a decline in demand for our equipment. Additionally, we are exposed to the Middle East market, which is more volatile than the markets in which we have traditionally operated. If in any of our markets the economic conditions deteriorate or a return to economic growth is further delayed, our business, financial position, results of operations and cash flows could be adversely affected.

Unfavorable conditions or disruptions in the capital and credit markets may adversely affect business conditions and the availability of credit.

Disruptions in the global capital and credit markets as a result of an economic downturn, economic uncertainty, regulatory changes, financial institution failures or other factors could adversely affect our ability to access liquidity to invest in our equipment fleet. Unfavorable market conditions may depress construction markets by making it difficult for our customers to obtain financing for their projects and credit on reasonable terms, which may cause more of our customers to be unable to meet their payment obligations to us, increasing losses on bad debt. Delinquencies and credit losses generally can be expected to increase during economic slowdowns or recessions. See "*—Risks Related to our Business—If we are unable to collect amounts due from customers, our operating results would be adversely affected*." Moreover, our suppliers may be adversely impacted by unfavorable capital and credit markets, causing disruption or delay of product availability. These events could negatively impact our business, financial position, results of operations and cash flows.

In particular, the potential withdrawal of the United Kingdom (our largest market outside of France in terms of 2018 revenue) from the European Union ("Brexit") may also lead to significant uncertainty, volatility and disruptions in European economies and the capital and credit markets. Among other potential consequences

of Brexit, market volatility and changes in exchange rates between the British Pound and the euro could adversely affect our business, financial position, results of operations and cash flows.

In addition, if the financial institutions that have extended credit commitments to us are adversely affected by the conditions of the capital and credit markets, they may be unable to fund borrowings under those credit commitments, which could have an adverse impact on our financial condition and our ability to borrow funds, if needed, for capital expenditures, working capital, acquisitions, and other corporate purposes.

The equipment rental industry is highly competitive, which puts downward pressure on prices.

The equipment rental industry is highly competitive. Many of the markets in which we operate are served by numerous competitors, ranging from national and multi-regional equipment rental companies to small, independent businesses with a limited number of locations. We may encounter increased competition from existing competitors or new market entrants in the future.

In France, we face competition principally from national rental companies as well as from regional and local entities. In our international markets, we similarly face competition from well-established local and national competitors. Some of our competitors outside of France have greater financial, marketing and other resources than we do. We aim to develop a strategy in international markets that reflects our competitive position and financial assets, including focusing our efforts on local customers in markets where we are not a market leader, but such efforts may be unsuccessful. Our competitors may be more specialized or may have greater name recognition in some markets. We also face competition from smaller competitors operating at regional or local levels, many of whom benefit from a strong market presence and local relationships. Over time, our competitors, whether global, national, regional or local, could consolidate their businesses, and the diversified service offerings or increased synergies of these consolidated businesses could increase competition in the sectors in which we operate. Additionally, our customers might choose to use the services of our competitors rather than ours. Given that our top 10 clients at the group level represented approximately 12% of our revenue in 2018, our results might be negatively affected if we lose any of our top 10 clients to our competitors. These or other changes to the competitive landscape of our industry could result in a loss of market share, decreased revenue and a decline in profitability.

From time to time, we or our competitors may attempt to compete aggressively by lowering rental rates or prices. To the extent we lower rental rates or increase our fleet in order to retain or increase market share, our operating margins would be adversely affected. In addition, we may not be able to match a competitors' price reductions or fleet investment, which could cause our customers to reduce their level of business with us. Termination of contractual arrangements by our customers may result in decreased market share and revenue.

The cost of equipment purchases for use in our rental fleet may increase.

The cost of new equipment that we purchase for our rental fleet may increase as a result of increased raw material costs, including increases in the cost of steel, which is a primary material used in most of our equipment. These increases could materially affect our financial condition or results of operations in future periods if we are not able to pass such cost increases through to our customers. In addition, changes in customer demand due to changed technology, safety or environmental concerns, regulations, or other factors could cause certain of our existing equipment to become obsolete and require us to purchase new equipment, which would increase our costs.

Risks Related to Our Business

Our business could be hurt if we are unable to obtain additional capital as required.

We use cash generated from our operations, together with borrowings under our credit facilities and bond issuances, to fund our capital requirements. This cash may be insufficient and we may require additional financing to obtain capital for, among other purposes, purchasing equipment, completing acquisitions, establishing new locations and refinancing existing indebtedness. In the past we mainly relied on borrowings under our bilateral credit facilities to fund our capital expenditures. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Capital Expenditures*." In the future we may need to rely on different sources of financing for our capital expenditures. Our level of capital expenditures significantly affects the age and size of our equipment fleet, and if we are required to reduce these expenditures for any reason, the reduced availability of equipment or the age of our rental fleet may cause us competitive harm and increase our maintenance costs. Any additional indebtedness that we incur will make us more

vulnerable to economic downturns and limit our ability to withstand competitive pressures. If we are unable to obtain sufficient financing in the future, our business could be adversely affected.

Our revenue and operating results fluctuate.

Our revenue and operating results have historically varied from period to period. A decline in general economic conditions and/or activity in the industries in which we operate could result in an overall decline in cash flows and profitability and make it more difficult for us to make payments on our indebtedness and grow our business. We expect our results to continue to fluctuate in the future due to a number of factors, including:

- general economic conditions in the markets where we operate;
- the cyclical nature of our customers' business, particularly our construction customers;
- seasonal sales and rental patterns of our construction customers, with sales and rental activity decreasing in the winter months;
- severe weather temporarily affecting the regions where we operate;
- changes in private sector demand for plants and facilities or changes in government spending for infrastructure projects;
- our relatively high level of fixed costs, which causes revenue declines to significantly affect cash flow and profitability;
- the effectiveness of integrating acquired businesses and new start-up locations; and
- timing of acquisitions and new location openings and related costs.

In addition, we may lose sales and incur various costs when integrating newly acquired businesses or opening new start-up locations, and the profitability of a new location is lower in the initial months of operation.

We may be unable to forecast trends accurately.

Our decisions about investments in new equipment are based in significant part on our views of future demand. We believe that our experience in the rental equipment market allows us to recognize inflection points (the points at which demand is poised to level off or change direction) in the cycles affecting the construction and civil engineering sectors, so that we can increase investment just before the bottom of the cycle (before we expect demand to expand) and decrease investment just before the top of the cycle (before we expect demand to contract). However, economic volatility or uncertainty makes it difficult for us to forecast trends and set appropriate investment levels, which may have an adverse impact on our business and financial condition. If anticipated growth does not occur, we may not earn the level of returns that we hope to achieve on investments made during the bottom of the cycle. More generally, uncertainty regarding future product demand in the markets in which we operate could cause us to maintain excess equipment inventory and increase our capital expenditures beyond what is efficient. Alternatively, this forecasting difficulty could cause a shortage of equipment for rental that could result in an inability to satisfy demand for our products and a loss of market share.

We may not be able to execute our growth strategy by identifying or completing transactions with attractive acquisition candidates, and future acquisitions may result in significant transaction expenses and integration risks.

We have historically expanded our business through organic and external growth. While we have generally targeted small acquisition targets, we have recently undertaken more significant, strategic and transformational combinations, such as the Lavendon Acquisition, that may produce pronounced transactional expenses and integration risks. The management of our operations has become increasingly complex over the past three years as we have undertaken a significant number of acquisitions and have expanded our business into geographic markets in which we have not previously operated.

We cannot assure you that we will be able to identify attractive acquisition candidates or complete the acquisition of any identified candidates at favorable prices and upon advantageous terms. We expect to face competition for acquisition candidates, which may limit the number of acquisition opportunities and lead to

higher acquisition costs. We may not have the financial resources necessary to consummate any acquisitions or the ability to obtain the necessary funds on satisfactory terms. Furthermore, general economic conditions or unfavorable global capital and credit markets could affect the timing and extent to which we successfully acquire new businesses.

Risks associated with our acquisition strategy, which could materially adversely affect our business, results of operations and financial condition, include the following:

- we may lose sales and incur substantial costs, delays or other operational or financial problems in integrating acquired businesses and integration may be more costly and take longer than expected;
- we may not achieve financial and operational synergies on a timely basis or without significant costs, if at all;
- acquisitions may divert our management's attention from the operation of existing businesses;
- the assumptions underlying the business plans supporting the valuations of the acquisitions and expected synergies may prove inaccurate, in particular with respect to the future performance of the acquired businesses;
- we may be forced to divest or reduce the scope of certain businesses so as to obtain the necessary regulatory authorizations, in particular with respect to anti-trust authorizations;
- we may need to write down goodwill, market shares and certain other intangible assets from our balance sheet if our initial estimates of the value of an acquired business are higher than actual results;
- we may be further exposed to risks of fluctuations in currency exchange rates;
- we may not be able to retain key personnel or customer contracts of acquired businesses;
- we may operate an acquired company as a joint venture with partners with whom we lack a longstanding relationship; and
- we may encounter unanticipated events, circumstances or legal liabilities related to the acquired businesses, their integration and the growth of our business, particularly in geographic areas in which we have not previously operated.

In the short-term, the disruptive effects of an acquisition can result in lower employee productivity and an increase in the efforts of competitors to lure away customers, which may cause a drop in revenue from acquired branches. We have historically integrated acquired businesses into the Group gradually to preserve client relationships, and this integration period tends to be longer for larger acquisitions with many branches. In the longer term, there can be no assurance that, following integration into our Group, an acquired business will be able to maintain its customer base consistent with expectations or generate the expected margins or cash flows. Although we typically thoroughly analyze each acquisition target, our assessments are subject to a number of assumptions concerning profitability, growth, interest rates and company valuations. In addition, we may have difficulties in implementing our business model within an acquired company due to various factors, including corporate culture. There can be no assurance that our assessments of and assumptions regarding acquisition targets will prove to be correct and actual developments may differ significantly from our expectations.

Furthermore, acquisitions of companies expose us to the risk of unforeseen obligations with respect to employees, customers, suppliers and subcontractors of acquired businesses, public authorities and other parties. Although we typically engage in diligence while analyzing an acquisition opportunity, we cannot ensure that there will not be unexpected risks, liabilities or obligations that could have a material adverse effect on our business, results of operations or financial condition.

In addition to the risks described above, the integration of acquired businesses in our International division may be more difficult and take more time due to logistical, regulatory, cultural and other factors such as our relative lack of familiarity with a given market and its economic, political and social dynamics. Such risks include significant exposure of local economies and government spending (and thus of demand and pricing for

equipment rentals) to the level of oil prices, as well as economic instability, political volatility, civil war, violent conflict, social unrest or action by terrorist groups. All of these risks in any country where we operate may negatively affect our operations, revenue and profits in the affected country and for the Group generally, and competitors may take advantage of these difficulties to weaken our customer base.

Our ability to manage our growth and integrate operations, technologies, services and personnel depends on our administrative, financial and operational controls and our ability to create the infrastructure necessary to exploit market opportunities, as well as our financial resources. In order to compete effectively and to grow our business profitably, we will need, on a timely basis, to maintain and improve our financial and management controls, reporting systems and procedures, implement new systems as necessary, attract and retain adequate management personnel, and hire, retain and train a highly qualified workforce. Furthermore, we expect that as we continue to introduce new product offerings and enter new markets, we will be required to manage an increasing number of relationships with various customers and other third parties. The failure or delay of our management in responding to these challenges could have a material adverse effect on our business, financial condition and result of operations.

We may not be able to execute our growth strategy by identifying and opening attractive new branch locations.

An element of our growth strategy is to selectively identify and implement new branches, both in France and in our international markets. We cannot assure you that we will be able to identify attractive new branch locations. Opening new branches may require significant investments and may involve risks associated with entering new markets, including markets where we face significant competition. We may not have sufficient management, financial and other resources to successfully operate the new branches. Any significant diversion of management's attention or any major difficulties encountered in the locations that we open in the future could have a material adverse effect on our business, financial condition or results of operations, which could decrease our profitability and make it more difficult for us to grow our business. Furthermore, general economic conditions or unfavorable global capital and credit markets could affect the timing and extent to which we open new branches, which could adversely affect our revenue and profitability.

We are dependent on our executives, managers and employees.

Our success depends, to a large degree, upon the continued service and skills of our existing management team, particularly our chairman and chief executive officer, Mr. Gérard Déprez, and our managing director, Mr. Stéphane Hénon. Our management team has significant industry experience. Although our management team is deep, if we lose the services of any key member of our senior management team and are unable to find a suitable replacement in a timely manner, it may be a challenge for us to effectively manage our business and execute our strategy.

Our success also depends on the experience and skills of our regional managers and branch managers, who have extensive knowledge and industry experience. Competition for managers within our industry is generally significant, and, if any of our senior or regional managers joins a competitor or forms a competing company, we may lose customers, know-how and other personnel.

In addition, we depend upon the quality of our staff personnel, including sales and customer service personnel who routinely interact with and fulfill the needs of our customers. Although we believe we have established competitive pay packages, as well as the right working environment for our staff, there is no assurance we can continue to attract, hire, train and retain qualified personnel. A significant increase in personnel turnover could negatively affect our results of operations and financial performance.

If we are unable to collect amounts due from customers, our operating results would be adversely affected.

One of the reasons some of our customers find it more attractive to rent equipment than own that equipment is the need to deploy their capital elsewhere. However, some of our customers may have liquidity problems and ultimately may not be able to fulfill the terms of their rental agreements with us. Delinquencies and credit losses generally can be expected to increase during economic slowdowns or recessions. If we are unable to manage credit risk adequately, or if a large number of customers faces financial difficulties at the same time, our credit losses could increase above historical levels and our operating results would be adversely affected.

We depend on equipment manufacturers to obtain adequate rental equipment for our fleet on a timely basis.

We purchase most of our rental equipment from well-known original equipment manufacturers. However, our suppliers may not be able to fulfill the terms of their agreements with us on a timely basis or at all for logistical or strategic reasons. Further, suppliers may be unwilling to extend contracts that provide favorable terms to us, or they may seek to renegotiate existing contracts with us. As a result, we could face increased costs for our equipment or longer delivery times. Delays in the delivery of new equipment may impair our ability to respond to increases in demand and may cause us to miss opportunities in our markets. Although we believe that we have alternative sources of supply for the equipment we purchase in each of our core product categories, the termination or delay of equipment orders by a major supplier could have a material adverse effect on our business, financial condition or results of operations.

The maintenance and repair costs associated with our rental fleet may increase.

As the equipment in our rental fleet ages, the cost of maintaining such equipment, if not replaced within a certain period of time, generally increases. Determining the optimal average age for disposal of our rental fleet is subjective and requires considerable estimates by management. Our future operating results could be adversely affected because our maintenance and repair costs may be higher than estimated.

Our rental fleet is subject to residual value risk upon disposition.

Our approach to fleet management is to replace equipment only at the end of its useful rental life, at which time it is used for parts, sold for scrap or sold at auction. Usually a piece of equipment is fully amortized down to its residual value by the time it is removed from the fleet. Nonetheless, the market value of any given piece of rental equipment could be less than its depreciated value or residual value at the time it is sold. The market value of used rental equipment depends on several factors, including:

- general economic conditions;
- worldwide and domestic demands for used equipment;
- the supply of used equipment on the market;
- the market price for new equipment of the same kind; and
- wear and tear on the equipment relative to its age.

We include in the line “other operating income” in our income statement the difference between the sales price and the depreciated value of an item of equipment sold. Any significant decline in the selling prices for used equipment could have an adverse effect on our results of operations or cash flows.

Disruptions in our information technology system could limit our capacity to effectively monitor and control our operations.

We rely on information technology systems to track and bill our services, manage our fleet and gather information upon which our management makes decisions regarding our business. Our information technology systems also facilitate our ability to adjust to changing market conditions and customer needs. The administration of our business is increasingly dependent on the use of these systems. The risk of a security breach or disruption, particularly through cyber-attack or cyber intrusion, has risen as the number, intensity and sophistication of attempted attacks and intrusions around the world have increased. We can provide no assurance that our information technology systems are fully protected against such third-party intrusions or against viruses, ransom ware, or similar threats. Disruptions resulting from these threats, system crashes or other causes could have a material adverse effect on our business. In particular, we use several ERP systems across our network and any disruption to our ERP systems, or the failure of any of these systems to operate as expected could, depending on the magnitude of the problem, adversely affect our operating results. We back-up most of our data daily and have a disaster recovery plan in place for most of our systems, including our ERP system. However, our disaster recovery plan does not cover all of our systems. Our back-up systems may fail and any recovery of our data may be incomplete or subject to delay.

In addition, because our systems sometimes contain information about individuals and businesses, our failure to appropriately safeguard the security of the data we hold, whether as a result of our own error or the malfeasance or errors of others, could harm our reputation or give rise to legal liabilities. In certain of the

regions in which we operate, the processing of personal data is subject to governmental regulation and legislation. Any failure to comply with such regulations or legislation could lead to governmental sanctions, including fines or the initiation of criminal or civil proceedings. In the European Union, we must comply with strict data protection and privacy laws that restrict our ability to collect and use personal information relating to customers and potential customers, including the marketing use of that information. In particular, Regulation (EU) 2016/679 of April 27, 2016 ("General Data Protection Regulation" or "GDPR"), which became applicable on May 25, 2018, increased both the number of and the restrictive nature of the obligations binding on us for the collection and processing of personal data. Although we collect and store a limited amount of personal data, failure to comply with the provisions of GDPR could adversely affect our business, results of operations or financial condition.

We are exposed to various risks related to legal proceedings or claims that may exceed the level of our insurance coverage.

We are a party to lawsuits in the normal course of our business. Litigation in general can be expensive, lengthy and disruptive to normal business operations. Moreover, the results of complex legal proceedings are difficult to predict. Responding to lawsuits brought against us, or legal actions that we may initiate, can often be expensive and time-consuming and can divert management's attention. Unfavorable outcomes from claims or lawsuits could adversely affect our business, results of operations or financial condition. We could suffer reputational harm, incur substantial monetary liability and be required to change our business practices.

Our business exposes us to claims for personal injury, death or property damage resulting from the use of the equipment we rent, for injuries caused in motor vehicle accidents in which our delivery and service personnel are involved and for other employee-related matters. Additionally, we could be subject to potential litigation associated with compliance with various laws and governmental regulations, such as those relating to employment, health, safety, security and other regulations under which we operate.

We carry comprehensive insurance, subject to deductibles, at levels we believe are sufficient to cover existing and future claims. However, we may be exposed to multiple claims that do not exceed our deductibles, and, as a result, we could incur significant out-of-pocket costs that could adversely affect our financial condition and results of operations. In addition, the cost of such insurance policies may increase upon renewal of those policies as a result of general rate increases for the type of insurance we carry as well as our historical experience and experience in our industry. Although we have not experienced any material losses that were not covered by insurance, our existing or future claims may exceed the coverage level of our insurance, and such insurance may not continue to be available on economically reasonable terms, or at all. If we are required to pay significantly higher premiums for insurance, are not able to maintain insurance coverage at affordable rates or if we must pay amounts in excess of claims covered by our insurance, we could experience higher costs that could adversely affect our financial condition and results of operations.

Labor disputes could disrupt our operations or lead to higher labor costs.

We are subject to the risk of labor disputes, which may disrupt our operations. Labor laws applicable to our business in certain countries, particularly France, are relatively rigorous. In numerous cases, labor laws provide for the strong protection of employees' interests. In addition, some of our employees are members of unions or, based on applicable regulations, represented by work councils or other bodies. In many cases, we must inform, consult with and request the consent or opinion of union representatives or work councils in managing, developing or restructuring certain aspects of our business. These labor laws and consultative procedures could limit our flexibility with respect to employment policy or economic reorganization and could limit our ability to respond to market changes efficiently. Even where consultative procedures are not mandatory, important strategic business decisions could be negatively received by some employees and employees' representative bodies, which could lead to labor actions that could disrupt our business.

Although we believe our relations with employees are good, our operations may nevertheless be materially affected by strikes, work-stoppages, work-slowdowns or other labor-related developments in the future, which could disrupt our operations and adversely affect our business, financial condition and results of operations. Our employees in certain countries benefit from collective bargaining agreements, and we may not be able to periodically renegotiate collective agreements on acceptable terms. Settlement of actual or threatened labor disputes or an increase in the number of our employees covered by collective bargaining agreements may adversely affect our labor costs, productivity and flexibility.

Many of our suppliers and customers have unionized work forces. Strikes, work-stoppages or work-slowdowns experienced by these suppliers or customers could materially and adversely affect our business, financial condition and results of operations. See "*Business—Legal Proceedings*."

Our international operations, particularly in emerging markets, expose us to risks inherent to international business, any of which could affect our results of operations.

We are present in 22 countries worldwide. As a result, we are subject to numerous, rapidly evolving and complex laws and regulations which govern, among other things, labor matters, immigration, health and safety, financial reporting standards, corporate governance, tax, trade regulations, export controls, and competitive practices in each jurisdiction where we conduct our business. Furthermore, we need to comply with various local standards and practices of different regulatory, tax, judicial and administrative bodies specific to each jurisdiction in which we operate.

There are multiple risks associated with the global nature of our operations, including political instability (such as the threat of war, terrorist attacks or civil unrest), inconsistent regulations across jurisdictions, unanticipated changes in the regulatory environment and import and export restrictions. Furthermore, these risks may be greater in certain areas where we operate, particularly outside Europe. Any of these events may affect our employees, reputation, business or financial results as well as our ability to meet our objectives, including the following specific business risks:

- negative economic developments in economies around the world;
- social and political instability in a number of countries around the world;
- potential terrorist attacks;
- epidemics and pandemics, which may adversely affect our workforce and suppliers;
- adverse changes in governmental policies, especially those affecting trade and investment; and
- inflation, recession, fluctuations in foreign currency exchange and interest rates, burdensome fiscal policies and transfer restrictions.

We are also reliant on local managers to oversee the day-to-day functioning of our branches and to ensure their compliance with local law, and may be subject to risks based on insufficient oversight. In such cases, or if any of these international business risks were to materialize or exacerbate, we could be fined or otherwise sanctioned by regulators, which could adversely affect our business, financial condition and results of operations.

Additionally, the consequences of Brexit, including its impact on our operations and results, remain highly uncertain. If the United Kingdom and the European Union are unable to negotiate acceptable withdrawal terms, barrier-free access between the United Kingdom and other European Union member states could be diminished or eliminated. Additionally, based on the form of any withdrawal agreement, there are likely to be changes in the legal rights and obligations of commercial parties across all industries following such withdrawal. Lack of clarity about future laws and regulations may increase costs associated with operating in the United Kingdom, which could adversely affect our business, financial position, results of operations and cash flows.

Changes in tax laws or challenges to our tax position could adversely affect our results of operations and financial condition.

We are subject to complex tax laws in each of the jurisdictions in which we operate as well as to international tax laws. Changes in tax laws or regulations or to their interpretations could adversely affect our tax position, including our effective tax rate or tax payments.

In this respect, the current incorporation into French tax law of the Organization for Economic Cooperation and Development's (the "OECD") principles related to base erosions and profit shifting ("BEPS") included in the final reports released by the OECD as well as the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent BEPS signed in Paris on June 7, 2017, may increase the administrative efforts within our business and impact existing structures.

The European Union is itself pursuing its work on the harmonization of the tax legislation of the Member States. In this respect, the Council of the European Union (the "Council of the European Union") adopted a directive "laying down rules against tax avoidance practices that directly affect the functioning of the internal market" on July 12, 2016 (Council Directive 2016/1164) (the "ATAD"). Amongst the set of proposed measures, the ATAD provides for a general interest limitation rule pursuant to which the tax deduction of net financial expenses would be limited to 30% of the taxpayer's earnings before interest, tax, depreciation and amortization (EBITDA) or to a maximum amount of €3 million, whichever is higher (subject to several exceptions). Such new rules shall in principle apply as from January 2019. In this respect, Article 34 of the French Finance Law for 2019 (Law 2018-1317 of December 28, 2018) transposed into French tax law the general interest limitation rule provided for by the ATAD with effect as from January 1, 2019. See "*Risk Factors–Risks Related to the Notes and Our Capital Structure—French tax legislation may restrict the deductibility, for French tax purposes, of all or a portion of the interest on our indebtedness incurred in France, thus reducing the cash flow available to service our indebtedness*" for more details on this rule. The ATAD was later amended on May 29, 2017 by the Council Directive (EU) 2017/952 (the "ATAD 2"), which, *inter alia*, extends the scope of the ATAD to hybrid mismatches involving third countries. However, the French Finance Law for 2019 does not include any particular modification of the existing French anti-hybrid legislation in order to introduce under French tax law the provisions of the ATAD 2. Such modification is expected to occur at a later stage so that the provisions of the ATAD 2 apply in France as from January 1, 2020 (or potentially January 1, 2022, for certain provisions).

Furthermore, Article 108 of the French Finance Law for 2019 introduced under French tax law, the anti-abuse provision provided for by the ATAD with respect to French corporate income tax, which aims to address abusive tax practices that are not dealt with by specifically targeted provisions. Pursuant to this provision, the French tax authorities might ignore an arrangement or a series of arrangements which, having been put into place for the main purpose or one of the main purposes of obtaining a tax advantage that defeats the object or purpose of the applicable tax law, are not genuine taking into account all relevant facts and circumstances. The European Commission has also published a corporate reform package proposal on October 25, 2016 including three new proposals that aim at (i) re-launching the Common Consolidated Corporate Tax Base ("CCCTB") which is a single set of rules to compute companies' taxable profits in the EU, (ii) avoiding loopholes associated with profit-shifting for tax between EU countries and non-EU countries, and (iii) providing new dispute resolution rules to relieve problems with double taxation for businesses. The directive proposal on the CCCTB requires unanimity in the Council of the European Union for its adoption following consultation of the European Parliament (special legislative procedure), which gave its favorable vote on March 15, 2018. These new regulations could impact our tax position in the future.

Finally since tax laws and regulations in the various jurisdictions in which Loxam's companies are located or operate or may be located or may operate may not always provide clear-cut or definitive guidelines, the tax regime applied to Loxam's operations, intra-group transactions or reorganizations (past or future) is or may sometimes be based on Loxam's interpretations of French or foreign tax laws and regulations. Loxam cannot guarantee that such interpretations will not be questioned by the relevant tax authorities. More generally, any failure to comply with the tax laws or regulations of the countries in which Loxam's companies are located or operate may result in reassessments, late payment interests, fines and penalties.

The adoption by the Council of the European Union of an EU list of non-cooperative jurisdiction for tax purposes and the use of this list in the jurisdictions where we operate may impact our financial results.

The Council of the European Union adopted on December 5, 2017 its conclusions on the EU list of non-cooperative jurisdictions for tax purposes (the "Council Conclusions") which is composed of two sub-lists (respectively, the "Black List" and the "Grey List," together referred to as the "EU List"). The EU List was established following a screening and a dialogue conducted by a code of conduct working group appointed by the Council during 2017 with a large number of third country jurisdictions. The Black List, which shall be updated at least once a year, was initially composed of seventeen jurisdictions but shrank to the following five jurisdictions (American Samoa, Guam, Samoa, Trinidad and Tobago, and United States Virgin Islands) after most listed jurisdictions committed to change their tax rules in 2018. On March 12, 2019, such list was expanded to ten other jurisdictions (the Dutch Caribbean island of Aruba, Barbados, Belize, the British overseas territory of Bermuda, Dominica, Fiji, the Marshall Islands, Oman, the United Arab Emirates and Vanuatu) increasing thus back the number of listed jurisdictions to fifteen. Furthermore, the Council published a Grey List of screened jurisdictions that committed to introduce changes in their tax legislation in order to comply with the European Union screening criteria. Though there is no applicable sanction yet, EU Member States are encouraged by the Council Conclusions to agree on coordinated sanctions to apply at national level against these

listed jurisdictions, such as increased monitoring and audits, withholding taxes, special documentation requirements and anti-abuse provisions. A new French law that aims at fighting fraud was published on October 24, 2018 (Law 2018-898 of October 23, 2018) and expands under certain conditions the French tax regime regarding the non-cooperative States and jurisdictions as defined under Article 238-0 A of the French Tax Code to certain States and jurisdictions included into the Black List. As result, interest paid or accrued to persons domiciled or established in certain States and jurisdictions included into the Black List or paid on an account opened in a financial institution located in such States and jurisdictions may be subject to withholding tax in France and not be deductible for purposes of the computation of the debtor's corporate income tax liability.

We are exposed to the risk of violations of anti-corruption laws, sanctions or other similar regulations applicable in the countries in which we operate or intend to operate.

We must comply with certain anti-corruption laws, sanctions or other similar regulations. For example, the U.S. Foreign Corrupt Practices Act of 1977, the U.K. Bribery Act 2010, the French law of December 9, 2016 relating to transparency, fighting corruption and modernizing economic life (more widely known as the "Sapin II Law") and other similar worldwide anti-corruption laws generally prohibit companies and their intermediaries from making improper payments to foreign officials for the purposes of obtaining or retaining business. We operate in certain parts of the world that lack a developed legal system or have experienced widespread corruption. Under some circumstances, strict compliance with anti-corruption laws may conflict with local customs and practices. Our internal policies mandate compliance with these laws, but despite our compliance policies and training efforts, we cannot assure you that our internal control policies and procedures will always protect us from acts committed by our employees.

Further, due to the global nature of our operations, we may use local agents or subcontractors to understand unfamiliar environments and differences in cultural, legal, financial and accounting complexities and obligations, or to carry out a portion of the activities called for by a particular contract. There is a risk that such agents or subcontractors may be involved in illegitimate activities in local markets that are unknown to us. If we fail to adequately supervise them or maintain an adequate compliance program, we may be liable for their actions. Similarly, our clients and suppliers may be involved in activities that our onboarding and diligence procedures may be unable to detect and that may put us at risk for non-compliance with anti-corruption and similar laws.

Violations of such laws can result in civil penalties, including fines, denial of export privileges, injunctions, asset seizures, debarment from government contracts, termination of existing contracts, revocations or restrictions of licenses, criminal fines or imprisonment. In addition, such violations could also negatively impact our reputation and consequently, our ability to win future business. On the other hand, any such violation by our competitors, if undetected, could give them an unfair advantage when bidding for contracts. The consequences that we may suffer due to the foregoing could have a material adverse effect on our business, financial condition and results of operations.

Our internal control and compliance processes may fail to prevent regulatory penalties and reputational harm.

We operate a decentralized business through hundreds of branches across multiple jurisdictions. Our internal control and compliance processes may not prevent all future breaches of law, accounting standards or our internal codes of conduct. We may experience instances of fraudulent behavior and dishonesty by our employees, contractors or other agents. Any failure to comply with applicable laws and other standards could subject us to fines, legal proceedings, loss of operating licenses and reputational harm.

Changes in applicable law, regulations or requirements, or our material failure to comply with any of them, can increase our costs and have other negative impacts on our business.

We operate in France and 21 other countries in Europe, the Middle East and northern Africa and South America, which exposes us to numerous EU, national and local regulations. These laws and requirements address multiple aspects of our operations, such as worker safety, consumer rights, privacy and employee benefits, and can often have different requirements in different jurisdictions. In addition, changes in regulations could impact the ability of rental operators to utilize their equipment in certain types of projects, affecting the competitive landscape in those projects, as well as in other areas in which the non-conforming equipment may be redeployed. Changes in regulatory requirements, or any material failure by our branches to comply with them, can increase our costs, affect our reputation, limit our business, drain management time and attention and adversely affect our business, financial condition and results of operations.

We could be adversely affected by environmental and safety requirements, which could force us to increase capital expenditures and may subject us to unanticipated liabilities.

Our operations generally do not raise significant environmental risks, but we use hazardous materials to clean and maintain equipment, dispose of solid and hazardous waste and waste water from equipment washing, and store and dispense petroleum products from underground and above ground storage tanks located at certain of our locations. As a result, like other companies engaged in similar businesses that require the handling, use, storage and disposal of regulated materials, we are required to follow environmental and occupational health and safety laws and regulations.

Environmental laws also impose obligations and liability for the cleanup of properties affected by hazardous substance spills or releases. These liabilities can be imposed on the parties generating or disposing of such substances or the operator of the affected property, often without regard to whether the owner or operator knew of, or was responsible for, the presence of hazardous substances. Accordingly, we may become liable, either contractually or by operation of law, for remediation costs even if a contaminated property is not presently owned or operated by us, or if the contamination was caused by third parties during or prior to our ownership or operation of the property. There can be no assurance that prior site assessments or investigations have identified all potential instances of soil or groundwater contamination. Future events, such as changes in existing laws or policies or their enforcement, or the discovery of currently unknown contamination, may give rise to additional remediation liabilities, which may be material.

Although expenses related to environmental and safety compliance and/or remediation have not been material to date, we have made and will continue to make capital and other expenditures in order to comply with these laws and regulations. However, the requirements of these laws and regulations are complex, change frequently, and could become more stringent in the future. We may not be in complete compliance with all such requirements at all times, and we may be subject to potentially significant civil or criminal fines or penalties if we fail to comply. New regulatory requirements or interpretations or additional liabilities that arise in the future may have a material adverse effect on our business, financial condition and results of operations.

Risks Related to the Notes and Our Capital Structure

Our level of indebtedness could adversely affect our ability to react to changes in our business, and we may be limited in our ability to fulfill our obligations with respect to the Notes, and to use debt to fund future capital needs.

We are, and after the issuance of the Notes will continue to be, highly leveraged. As of December 31, 2018, we had total consolidated debt of €2,279.5 million. On an as adjusted basis, taking into account the offering of Notes and the use of the proceeds therefrom, our total consolidated debt was €2,304.1 million. See "*Capitalization*."

Our substantial indebtedness could have important consequences to holders of the Notes by adversely affecting our financial position including, but not limited to:

- requiring us to dedicate all of our cash flow from operations (after the payment of operating expenses) to payments with respect to our indebtedness, thereby reducing the availability of our cash flow for working capital, capital expenditures, acquisitions, joint ventures, product research and development, and other general corporate expenditures;
- increasing our vulnerability to, and reducing our flexibility to respond to, adverse general economic or industry conditions;
- limiting our flexibility in planning for, or reacting to, competition or changes in our business or industry;
- limiting our ability to borrow additional funds and increasing the cost of any such borrowing;
- restricting us from making strategic acquisitions or exploring business opportunities; and
- placing us at a competitive disadvantage relative to competitors that have less debt or greater financial resources.

Any of these or other consequences or events could have a material adverse effect on our ability to satisfy our debt obligations, including with respect to the Notes. Our ability to make payments on and refinance our indebtedness will depend on our ability to generate cash from our operations. Our ability to generate cash from operations is subject, in large part, to general economic, competitive, legislative and regulatory factors and other factors that are beyond our control. We may not be able to generate enough cash flow from operations or obtain enough capital to service our debt or fund our planned capital expenditures.

In addition, we may be able to incur substantial additional debt in the future, including indebtedness in connection with any future acquisition. Although the terms of the indentures governing the Existing Notes and the Notes, the Revolving Credit Facility Agreement and the Nationwide Revolving Facility Agreement will and/or do contain restrictions on the incurrence of additional indebtedness, these restrictions are subject to a number of significant qualifications and exceptions, and under certain circumstances the amount of indebtedness that could be incurred in compliance with these restrictions could be substantial. Under the Indentures, in addition to specified permitted indebtedness, (i) we (and any guarantor) will be able to incur additional indebtedness so long as our fixed charge coverage ratio (as defined in the Indentures) is at least 2.00 to 1.00; and (ii) we (and any restricted subsidiary) will be able to incur additional indebtedness so long as, in the case of additional indebtedness that is Senior Secured Debt (as defined in the Senior Secured Indenture) or, in the case of additional indebtedness that is Priority Debt (as defined in the Senior Subordinated Indenture), if our Consolidated Senior Secured Leverage Ratio (as defined in the Senior Secured Indenture) or Consolidated Net Priority Debt Leverage Ratio (as defined in the Senior Subordinated Indenture) (as applicable) is less than 4.00 to 1.00, in each case on a *pro forma* basis. The Indentures governing the Notes will also allow us to incur up to €1.4 billion of indebtedness (including on a secured basis) under the "Credit Facilities" basket and we will have significant headroom for the incurrence of additional indebtedness pursuant to this basket as of the Issue Date, although the Senior Secured Notes and the Existing Senior Secured Notes will be deemed incurred under the "Credit Facilities" basket and the "Credit Facilities" basket will be deemed fully drawn for purposes of testing the 4.00 to 1.00 Consolidated Net Senior Secured Leverage Ratio or Consolidated Net Priority Debt Leverage Ratio, as applicable. If new debt is added to our and our subsidiaries' current debt levels, the related risks that we now face could intensify. Moreover, some of the debt we may incur in the future could be structurally senior to the Notes, and may be secured by collateral that does not secure the Senior Secured Notes.

For further information regarding our substantial leverage and for more information about our outstanding indebtedness, see also "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Description of Certain Financing Arrangements*."

We are subject to restrictive debt covenants that may limit our ability to finance our future operations and capital needs and to pursue business opportunities and activities. If we default under these covenants, we will not be able to meet our payment obligations.

The indentures governing the Notes and the Existing Notes as well as the Revolving Credit Facility Agreement and the Nationwide Revolving Facility Agreement contain, and will contain, a number of significant covenants that restrict some of our and our subsidiaries' corporate activities, including our and their ability to:

- incur or guarantee additional debt and issue certain preferred stock;
- make restricted payments, including paying dividends or making other distributions and prepaying or redeeming subordinated debt or equity;
- create or incur certain liens;
- sell, lease or transfer certain assets;
- enter into arrangements that restrict dividends or other payments to us;
- create encumbrances or restrictions on the payment of dividends or other distributions, loans or advances and on the transfer of assets;
- engage in certain transactions with affiliates;
- create unrestricted subsidiaries; and

- consolidate, merge or transfer all or substantially all of our assets and the assets of our subsidiaries on a consolidated basis.

All of these limitations are or will be subject to significant exceptions and qualifications. The covenants to which we are subject could limit our ability to finance our future operations and capital needs and our ability to pursue business opportunities and activities that may be in our interest.

Also, the Revolving Credit Facility Agreement and the Nationwide Revolving Facility Agreement require us and some of our subsidiaries to comply with certain affirmative covenants. See "*Description of Certain Financing Arrangements—Revolving Credit Facility Agreement*."

Our ability to comply with these covenants and restrictions may be affected by events beyond our control. These include prevailing economic, financial and industry conditions. If we breach any of these covenants or restrictions, we could be in default under the Revolving Credit Facility Agreement. This would permit the lenders to take certain actions, including declaring all amounts that we have borrowed under the Revolving Credit Facility to be due and payable, together with accrued and unpaid interest. A failure to pay such amounts could also result in an event of default under the indentures governing the Existing Notes and the Notes. If we are unable to repay our debt to the lenders, they could seize the commercial receivables and the related bank account that secure the debt under the Revolving Credit Facility. If the debt under Revolving Credit Facility Agreement, any of the indentures governing the Existing Notes or the Notes or any other material financing arrangement that we enter into were to be accelerated, our assets may be insufficient to repay in full the Notes and our other debt.

Certain covenants may be suspended upon the occurrence of a change in our ratings.

The Indentures will provide that, if at any time following the date of the applicable Indenture, the applicable Notes receive a rating of Baa3 or better by Moody's and a rating of BBB- or better from Standard & Poor's and no default or event of default has occurred and is continuing, then beginning that day the following provisions of the applicable Indenture will not apply to the applicable Notes:

- "*Repurchase at the Option of Holders—Asset Sales*";
- "*Certain Covenants—Restricted Payments*";
- "*Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*";
- "*Certain Covenants—Dividend and Other Payment Restrictions Affecting Subsidiaries*";
- "*Certain Covenants—Designation of Restricted and Unrestricted Subsidiaries*";
- "*Certain Covenants—Transactions with Affiliates*";
- "*Certain Covenants—Additional Note Guarantees*"; and
- clause (4) of the first paragraph of the covenant described under "*Certain Covenants—Merger, Consolidation or Sale of Assets*."

Notwithstanding the foregoing, if the rating assigned by any such rating agency to such Notes should subsequently decline to below BB- or B, as applicable, the foregoing covenants will be reinstituted as of and from the date of such rating decline. If these covenants were to be suspended, we would be able to incur additional debt or make payments, including dividends or investments, without restrictions under the applicable Notes which may conflict with the interests of holders of such Notes. There can be no assurance that the Notes will ever achieve an investment grade rating or that any such rating will be maintained.

The intercreditor arrangements governing certain of our indebtedness may differ from those adopted in other European leveraged finance transactions.

Our capital structure and the intercreditor arrangements governing certain of our indebtedness may differ in a number of ways from customary European leveraged finance transactions. The Intercreditor Agreement does not include a provision restricting us in any way from making payments in respect of the Revolving Credit Facility, including following acceleration of the Notes. In these circumstances, lenders under the Revolving Credit Facility would be able to freely enforce their commercial receivables and related bank

account collateral or seek consent payments or other payments of amounts due from us without coordinating their recovery or enforcement strategy with the holders of Notes and without having to share pro rata any payments received from us with the holders of Notes.

We expect to use the Revolving Credit Facility to meet some of our liquidity requirements, and are subject to various covenants under the Revolving Credit Facility Agreement, which, if we are unable to comply with them, could result in the acceleration of our debt.

Unless the maturity date of the Revolving Credit Facility is extended, it will mature in 2022. We expect to satisfy a significant amount of our short-term liquidity needs with amounts available under the Revolving Credit Facility. Our ability to refinance the Revolving Credit Facility could be affected by a number of factors, including volatility in the financial markets, contractions in the availability of credit, including in interbank lending, and changes in investment markets, including changes in interest rates, exchange rates and returns from equity, property and other investments. Our liquidity will be adversely affected if we are unable to refinance the Revolving Credit Facility on acceptable terms or at all, and we can provide no assurance we will be able to do so.

The Revolving Credit Facility Agreement contains various covenants, and if we fail to comply with these covenants, a default may occur thereunder. In particular, the Revolving Credit Facility Agreement contains a "springing" financial covenant requiring the consolidated leverage ratio in respect of a relevant period not to exceed 5.00:1.00 if on the last day of such relevant period the aggregate amount of utilizations under the Revolving Credit Facility are equal to or exceed 30% of total commitments thereunder; provided that (a) only synergies and cost savings referred to in the definition of Consolidated Leverage Ratio shall be taken into account which result from the acquisition, restructuring or reorganization (as applicable) confirmed as reasonably anticipated to be achievable by the chief financial officer in the 12 months immediately following the acquisition, restructuring or reorganization (as applicable) and (b) the synergies referred to in the definition of consolidated leverage ratio and taken into account during any applicable relevant period may not exceed 10% of our consolidated cash flow during such period (after giving *pro forma* effect to the relevant acquisition). If required to be tested, this financial covenant will be tested quarterly on a rolling 12-month basis. If a default occurs under the Revolving Credit Facility Agreement, we may need to fund our working capital requirements from other sources.

To repay or refinance and service our debt, we will require a significant amount of cash.

Our ability to make payments on principal or interest when due on our indebtedness, including the Notes, the Revolving Credit Facility and the Existing Notes, will depend upon our future performance and our ability to generate cash. Our ability to generate cash depends on many factors beyond our control. The ability of our subsidiaries to transfer funds upstream to us, pay operating expenses and fund planned capital expenditures and any future acquisitions and research and development efforts will depend on our businesses' ability to generate cash in the future, as well as limitations that may be imposed under applicable law. This is subject, to an extent, to general economic, financial, competitive, legislative, regulatory and other factors, including those factors discussed in this "Risk Factors" section or elsewhere in this listing prospectus, many of which are beyond our and our subsidiaries' control. If we sustain losses in the future, our ability to repay and service our debt may be materially impaired.

If we are unable to generate sufficient cash flow to meet our payment obligations, we may be forced to reduce or delay planned expansions or capital expenditures, sell significant assets, discontinue specified operations, obtain additional funding in the form of debt or equity capital or attempt to restructure or refinance all or a portion of our debt on or before maturity. We cannot assure you that we would be able to accomplish any of these alternatives on a timely basis or on commercially reasonable terms, if at all. In addition, the terms of our debt, including the Revolving Credit Facility Agreement and the indentures governing the Existing Notes and the Notes, will limit our ability to pursue these alternatives. If we are unsuccessful in any of these efforts, we may not have sufficient cash to meet our obligations.

French tax legislation may restrict the deductibility, for French tax purposes, of all or a portion of the interest on our indebtedness incurred in France, thus reducing the cash flow available to service our indebtedness.

The French Finance Law for 2019 includes specific provisions which introduce into French tax legislation the provisions of the ATAD regarding interest deductibility limitations in respect of fiscal years opened as from January 1, 2019.

In relation to such introduction, (i) the provisions of (x) Articles 212 *bis* and 223 B *bis* of the French Tax Code (*i.e.*, the former 25% general limitation of deductibility of financial expenses ("*rabot fiscal*")) and (y) Article 209-IX of the French Tax Code (the "*Amendement Carrez*" limitation) have been repealed and (ii) the provisions of Article 212-II of the French Tax Code (*i.e.*, existing thin-capitalization rules) have been amended, as developed in more detail below.

The other rules limiting interest deductibility remain unchanged, in particular (i) the rules relating to the maximum rate for interest paid to direct minority shareholders or to related parties (Articles 39.1.3° and 212-I-(a) of the French Tax Code); and (ii) the Anti Hybrid Loans Provisions as defined below (Article 212-I-(b) of the French Tax Code).

Under Article 39.1.3° of the French Tax Code, the deduction of interest paid by a French company to lenders who are direct shareholders of such company but are not related parties to such company within the meaning of Article 39.12 of the French Tax Code, is subject to the conditions that (i) the share capital of the borrowing company is fully paid-in and (ii) the interest rate on the corresponding loans does not exceed a rate equal to the annual average rate of floating rate loans granted by financial establishments for a minimum term of two years (1.47% with respect to fiscal years closed on December 31, 2018). Non-deductible interest pursuant to such limitation will be treated as deemed dividend under French tax law and may in particular be subject to withholding tax, subject to applicable tax treaties. By exception, Article 212, I-(a) of the French Tax Code provides that, in respect of a given tax year, interest incurred on loans granted by a related party within the meaning of Article 39.12 of the French Tax Code is deductible up to the rate referred to in Article 39.1.3° of the French Tax Code or, if higher, up to the rate that the borrowing entity could have obtained from independent financial credit institutions in similar circumstances.

Pursuant to Article 212 § I-(b) of the French Tax Code the deductibility of interest paid to a related party within the meaning of Article 39.12 of the French Tax Code is subject to an additional requirement: if the lender is a related party to the borrower within the meaning of Article 39.12 of the French Tax Code, the French borrower shall demonstrate, at the French tax authorities' request, that the lender is, for the current fiscal year and with respect to the concerned interest, subject to an income tax in an amount that is at least equal to 25% of the corporate income tax (increased by the French additional social contribution provided for by Article 235 *ter* ZC of the French Tax Code) determined under standard French tax rules (the "Anti Hybrid Loans Provisions"). Where the related-party lender is domiciled or established outside France, the corporate income tax determined under standard French tax rules shall mean that to which it would have been liable in France on the interest received if it had been domiciled or established in France.

In this respect, the ATAD 2, which amended the ATAD by, *inter alia*, extending the scope of the ATAD to hybrid mismatches involving third countries, may impact the Anti Hybrid Loans Provisions. The ATAD 2 would be applicable as from January 1, 2020, except for certain of its provisions, which would be applicable only as from January 1, 2022. The French Finance Law for 2019 does not include any particular modification of the provisions of Article 212-I-(b) in order to introduce under French tax law the provisions of the ATAD 2 and such modification should thus occur at a later stage.

Pursuant to *Bulletin Officiel des Finances Publiques-Impôts* BOI-IS-BASE-35-50, n° 230, dated August 5, 2014, the portion of interest that is not deductible by virtue of Article 212 § I-b) of the French Tax Code is not to be recharacterized as a "deemed distribution" pursuant to Article 119 *et seq*. of the French Tax Code and, therefore, is not subject to the withholding tax set out under Article 119 *bis* 2 of the French Tax Code.

Pursuant to Article 34 of the French Finance Law for 2019 (codified under Article 212 *bis* of the French Tax Code), the deductibility of net financial expenses incurred by an entity in respect of a given fiscal year is now limited to the highest of (i) € 3 million and (ii) 30% of its adjusted EBITDA in the same fiscal year (corresponding to its taxable income before offset of carry forward tax losses and without taking into consideration net financial expenses and, to some extent, depreciation, provisions and capital gains/losses) generated by such entity (the "30% Limitation"). Such limitation applies to both related-party and third-party financings regardless of the purpose of these financings, subject to certain limited exceptions.

Furthermore, for entities being part of a group that files eligible consolidated financial statements, a safeguard clause has been implemented in order to partially exempt companies that are able to demonstrate that the ratio of their equity over their total assets is equal to or higher than the same ratio computed at the level of the accounting consolidated group to which they belong. In this specific case, net financial expenses exceeding the 30% Limitation are deductible up to 75% of their amount.

French thin-capitalization rules have also been amended and apply cumulatively to the 30% Limitation, but only to loans granted by related parties and no longer to third party debts guaranteed by related parties. In this respect, where the amount of the related party debt of a company exceeds a ratio equal to 1.5x the company's equity, the deduction of net financial expenses borne by such entity will be deductible for a portion of their amount up to the highest of (i) 30% of its adjusted EBITDA or (ii) € 3 million multiplied by a ratio equal to (A) the average amount of sums borrowed from or made available by non-related parties within the meaning of Article 39-12 of the French Tax Code increased by 1.5x the company's equity (assessed either at the beginning or at the closing date of the fiscal year) by (B) the average amount of all sums borrowed by or made available to the company during said year. The balance of net financial expenses will be deductible for a portion of their amount up to the highest of (i) 10% of its adjusted EBITDA or (ii) € 1 million multiplied by a ratio equal to (A) the average amount of sums borrowed from or made available by related parties within the meaning of Article 39-12 of the French Tax Code exceeding 1.5x the company's equity (assessed either at the beginning or at the closing date of the fiscal year) by (B) the average amount of all sums borrowed by or made available to the company during said fiscal year. Nevertheless, the interest deductibility restriction provided for by these amended thin-capitalization rules is not applicable if the borrowing company is able to demonstrate that the overall debt-to-equity ratio of the group (as determined under accounting consolidation rules) to which it belongs is higher than its own debt-to-equity ratio.

Financial expenses that are disallowed by virtue of the application of the 30% Limitation can be carried forward indefinitely and deducted in the future under the same conditions. On the other hand, the portion disallowed as a result of the application of the 10% limitation will only be eligible for carryforward for one third of its amount. The unused interest deduction capacity of a current fiscal year might also be used over the following five tax years, but only against financial expenses incurred in those fiscal years, it being noted that this measure is not available to thinly capitalized entities. Specific rules apply to companies that belong to French tax-consolidated groups.

The above-mentioned tax rules, as well as generally applicable tax principles, may limit the Group's ability to deduct interest accrued on the Group's indebtedness incurred in France and, as a consequence, may increase the Group's tax burden, which could adversely affect the Group's business, financial condition and results of operations and reduce the cash flow available to service the Group's indebtedness.

We may not be able to raise the funds necessary to finance a change of control offer required by the indentures governing the Existing Notes and the Notes and, if this occurs, we would be in default under the indentures.

Under the terms of the indentures governing the Notes and the Existing Notes, we will be required to offer to repurchase the Notes and the Existing Notes upon the occurrence of both certain events constituting a change of control and a rating decline, which is defined under the indentures governing the Notes and the Existing Notes to include, among other things, Standard & Poor's issuing, confirming or maintaining a corporate rating of the Issuer that is below B+. In addition, upon the occurrence of a change of control as defined under the Revolving Credit Facility Agreement, we may be obligated to prepay all amounts outstanding under the Revolving Credit Facility. It is possible that we may not have sufficient funds at the time of a change of control (and, in the case of the Notes and the Existing Notes a rating decline) to repurchase any or all of the Notes and the Existing Notes, or repay our outstanding obligations under the Revolving Credit Facility. We expect that we would require third-party financing to make an offer to purchase the Notes and the Existing Notes or to repay our outstanding obligations under the Revolving Credit Facility upon a change of control or, in the case of the Notes and the Existing Notes, a change of control accompanied by a rating decline. We cannot assure you that we would be able to obtain such financing. Our failure to repurchase any or all of the Notes or the Existing Notes, as applicable, would be an event of default under the indentures governing the Notes and each of the Existing Notes, respectively, and would cause a cross-default under the Revolving Credit Facility Agreement.

Except as described under "*Description of the Senior Secured Notes*" and "*Description of the Senior Subordinated Notes*," the Indentures governing the Notes will not contain provisions that would require us to offer to repurchase or redeem the Notes in the event of a reorganization, restructuring, merger, recapitalization or similar transaction. The change of control provisions contained in the Indentures governing the Notes may not protect you in the event of highly leveraged transactions and other important corporate events, including reorganizations, restructurings or mergers that may adversely affect you, because these transactions may not involve a change in voting power or beneficial interest of the magnitude required to trigger the change of control provisions or, even if they do, may not constitute a "Change of Control" as defined in the applicable Indenture.

In addition, the Indentures governing the Notes will not require us to offer to repurchase the Notes unless the change of control is accompanied by a rating decline.

The definition of "Change of Control" under the indentures governing the Notes and the Existing Notes will include a disposition to any person of "all or substantially all" of the assets of the Issuer and its restricted subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase "all or substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances, there may be a degree of uncertainty as to whether a particular transaction would involve a disposition of "all or substantially all" of the assets of the Issuer and its restricted subsidiaries taken as a whole. As a result, it may be unclear as to whether a change of control has occurred and whether the Issuer is required to make an offer to repurchase the Notes.

The Senior Secured Notes and the Guarantees will be structurally subordinated to the liabilities of non-Guarantor subsidiaries.

As of the Issue Date, certain, but not all, of our subsidiaries will guarantee the Senior Secured Notes. As of December 31, 2018, on an as adjusted basis after giving effect to the offering of the Notes and the use of proceeds therefrom, our total borrowings would have been €2,153.7 million for the Issuer and the Senior Secured Notes Guarantors, and €150.4 million for our non-Guarantor subsidiaries.

Our non-Guarantor operating subsidiaries are separate and distinct legal entities and have no obligation, contingent or otherwise, to pay any amounts due pursuant to the Notes or to make any funds available therefor, whether by dividends, loans, distributions or other payments, and do not guarantee the payment of interest on, or principal of, the Notes. Generally, claims of creditors of a subsidiary, including trade creditors, and claims of any preferred stockholders of the subsidiary, will have priority with respect to the assets and earnings of the subsidiary over the claims of creditors of the Company. In the event of any foreclosure, dissolution, winding-up, liquidation, reorganization, administration or other bankruptcy or insolvency proceeding of any of our subsidiaries, the creditors of any future Guarantors (including the holders of the Notes) will have no right to proceed against such subsidiary's assets and holders of their indebtedness and their trade creditors will generally be entitled to payment in full of their claims from the assets of those subsidiaries before any Guarantor, as direct or indirect shareholder, will be entitled to receive any distributions from such subsidiary. As such, the Notes are structurally subordinated to the creditors (including trade creditors) and any preferred stockholders of our non-Guarantor subsidiaries.

The Senior Subordinated Notes will not be guaranteed as of the Issue Date. If in the future any of our subsidiaries accede to the Senior Subordinated Indenture as guarantors of the Senior Subordinated Notes, such guarantees will be subordinated to those of the Senior Secured Notes, in addition to being structurally subordinated to the liabilities of any non-Guarantor subsidiaries.

The indentures governing the Notes include provisions that may require us to cause certain of our other subsidiaries to guarantee the Notes in certain future circumstances, subject to applicable legal limitations and cost considerations. See "*Description of the Senior Secured Notes*" and "*Description of the Subordinated Notes.*" However, there can be no assurance that these provisions will ever be triggered in future and, if triggered, not defeated by such legal limitations and cost considerations. Consequently, there can be no assurance that any additional subsidiaries will ever guarantee the Senior Secured Notes in the future or the Senior Subordinated Notes at all.

Corporate benefit, financial assistance laws and other limitations on the Guarantees may adversely affect the validity and enforceability of the Guarantees of the Notes and of the Senior Secured Collateral.

Enforcement of the obligations under a Guarantee against a Guarantor will be subject to certain laws applicable, and defenses available, to the Issuer or the relevant Guarantor, as the case may be. The Senior Secured Notes Guarantors are incorporated under the laws of England and Wales and France. Future Guarantors may be incorporated in other jurisdictions. Although laws differ in these jurisdictions, applicable laws and defenses may include those that relate to fraudulent conveyance or transfer, financial assistance, corporate purpose or benefit, voidable preference, insolvency or bankruptcy challenges, preservation of share capital, thin capitalization, capital maintenance or similar laws and regulations or defenses affecting the rights of creditors generally. See "*Certain Insolvency Law Considerations and Limitations on the Validity and Enforceability of the Guarantees and the Security Interests*."

In France, the enforcement of the Guarantees and the security interests in the Senior Secured Collateral is limited to the maximum amount that can be guaranteed or secured over such Senior Secured Collateral, as applicable, under the applicable laws of France and England and Wales, to the extent that the granting of such a Guarantee or security interest in the Senior Secured Collateral is not in the grantor's corporate interests, or the burden of such security interest exceeds the benefit to the relevant grantor, or such guarantee or security interest would be in breach of capital maintenance or thin capitalization rules or any other general statutory laws and would cause the directors of such subsidiary grantor, in certain jurisdictions, to contravene their fiduciary duties and incur civil or criminal liability.

In France, the liabilities and obligations under the Guarantees and the security interests in the Senior Secured Collateral are subject to (i) certain exceptions, including any obligations which, if incurred, would constitute prohibited financial assistance within the meaning of Article L.225-216 of the French *Code de Commerce* or infringement of the provisions of Articles L.242-6 or L.244-1 of the French *Code de Commerce*; and (ii) a financial limitation corresponding to an amount equal to the proceeds from the offering of the Notes which the Issuer has applied for the direct benefit of each French Guarantor through intercompany loans. By virtue of this limitation, each French Guarantor's obligations under the Guarantees and the security interests in the Senior Secured Collateral could be significantly less than amounts payable with respect to the Notes or a French Guarantor may have effectively no obligation under the Guarantee and the security interest in the Senior Secured Collateral. French law requires that, when a French company grants a guarantee of third-party obligations, the guarantee must be in the corporate purpose and corporate interest of the guarantor company. The existence of a real and adequate benefit to the guarantor and whether the amounts guaranteed are commensurate with the benefit received are matters of fact as to which French case law provides no clear guidance.

The interests of our principal shareholders may conflict with your interests.

Our controlling shareholder, Mr. Gérard Déprez, has the power to elect the majority of the members of our Strategic Committee, all officers and our Management Committee, as well as the directors of our subsidiaries, and to approve any changes to their organizational documents and any acquisitions or dispositions.

As a result, his actions can affect our strategic decisions, our legal and capital structure and our day to day operations. In addition, our controlling shareholder may have an interest in pursuing acquisitions, divestitures or other transactions that, in his judgment, could enhance his equity investment, even though these transactions might involve risks to you. In the event of a conflict of interest between you and our controlling shareholder, his actions could affect our ability to meet our payment obligations to you.

Investors may be required to pay a cash amount ("soulte") in the event they decide to enforce a pledge over securities granted under French law by judicial or contractual foreclosure of the Senior Secured Collateral consisting of securities rather than by a sale of such Senior Secured Collateral in a public auction.

Security interests governed by French law may only secure a creditor up to the secured amount that is due and unpaid to it. Under French law, pledges over securities may generally be enforced at the option of the secured creditors either (i) by way of a sale of the pledged securities in a public auction (the proceeds of the sale being paid to the secured creditors) or (ii) by way of judicial foreclosure (*attribution judiciaire*) or contractual foreclosure (*attribution conventionelle*) of the pledged securities to the secured creditors, following which the secured creditors become the legal owner of the pledged securities. If the secured creditors choose to enforce by way of foreclosure (whether a judicial foreclosure or contractual foreclosure), the secured liabilities would be deemed extinguished up to the value of the foreclosed securities. An expert is appointed to determine such value. If the value of the Senior Secured Collateral exceeds the amount of secured debt, the secured creditors may be required to pay the pledgor a cash amount (*soulte*) equal to the difference between the value of the foreclosed securities as so determined and the amount of the secured debt. This is true regardless of the actual amount of proceeds ultimately received by the secured creditors from a subsequent on-sale of the Senior Secured Collateral.

If the value of such securities is less than the amount of the secured debt, the relevant amount owed to the relevant creditors will be reduced by an amount equal to the value of such securities, and the remaining amount owed to such creditors will be unsecured in that respect.

Should the holders of the Senior Secured Notes decline to request the judicial or contractual foreclosure of the securities, an enforcement of the pledged securities could be undertaken through a public auction in accordance with applicable law. As public auction procedures are not designed for a sale of a business as a

going concern, it is possible that the sale price received in any such auction might not reflect the value of the Company the shares of which are pledge as a going concern.

The security over the Senior Secured Collateral will not be granted directly to the holders of the Senior Secured Notes.

Under French law, the pledgee of a French law security interest and the creditor of the claim secured by such security interest are required to be the same person. Such security interest cannot be held on behalf of third parties who do not hold the secured claim, unless they act as fiduciary (*fiduciaire*) under Article 2011 of the French Civil Code or as security agent (*agent des sûretés*) pursuant to Articles 2488-6 to 2488-12 of the French Civil Code. The beneficial holders of interests in the Senior Secured Notes from time to time will not be parties to the security documents pursuant to which the security interests in the Senior Secured Collateral will be granted. In order to permit the beneficial holders of the Senior Secured Notes to benefit from a secured claim, the Intercreditor Agreement provides for the creation of "parallel debt" obligations in favor of the Security Agent (the "Parallel Debt") mirroring the obligations of the Issuer towards the holders of the Senior Secured Notes under or in connection with the Senior Secured Indenture (the "Principal Obligations"). Any payment in respect of the Principal Obligations shall discharge the corresponding Parallel Debt and any payment in respect of the Parallel Debt shall discharge the corresponding Principal Obligations. The Security Agent will have, pursuant to the Parallel Debt, a claim against the Issuer for the full principal amount of the Senior Secured Notes. The holders of the Senior Secured Notes will not be entitled to enforce such security interest except through the Trustee as trustee for the Senior Secured Notes.

Although the French Supreme Court (*Cour de cassation*) has recognized, in a decision rendered in the context of safeguard proceedings opened in France, that, subject to certain conditions being met, the parallel debt mechanisms governed by New York law (Cass. com. 13 September 2011 n°10-25.533 Belvédère), were not incompatible with the French legal concept of international public policy (*ordre public international*), there can be no assurance that such a structure will be given effect in all cases by French courts. Indeed, this decision cannot be considered as a general recognition of the enforceability in France of the rights of a security agent benefiting from a parallel debt claim, and no assurance can be given that such a structure will be upheld by other French courts if tested.

To the extent that the security interests in the Senior Secured Collateral created to the benefit of the Security Agent as creditor of the Parallel Debt under the Parallel Debt construction are successfully challenged by other parties, holders of the Senior Secured Notes will not be entitled to receive on this basis any proceeds from an enforcement of the security interests in the Senior Secured Collateral, which in turn could materially and adversely affect the recovery under the Senior Secured Collateral in the case of an event of default. In addition, the holders of the Senior Secured Notes will bear some risks associated with the possible insolvency or bankruptcy of the Security Agent as the beneficiary of the Parallel Debt.

The Trustee as trustee for the Senior Secured Notes will have certain assigned duties and rights under the Senior Secured Indenture that become particularly important following Defaults or Events of Default, and acts in a fiduciary capacity in the best interests of the holders of the Senior Secured Notes.

The concept of "trust" has been recognized by the French Tax Code and the French Supreme Court (*Cour de cassation*), which has held, in the same published decision referred to above (Cass. com. 13 September 2011 n°10-25.533 Belvédère) that a trustee validly appointed under a trust governed by the laws of the State of New York could validly be regarded as a creditor in safeguard proceedings commenced in France. However, while substantial comfort may be derived from the above, France has not ratified the Hague Convention of July 1, 1985 on the law applicable to trusts and on their recognition, so that the concept of "trust" has not been generally recognized under French law.

The security interests to be granted in favor of holders of the Senior Secured Notes do not rank pari passu with the security interests granted in favor of holders of the Existing Senior Secured Notes, and we are relying on the Intercreditor Agreement to achieve a first priority lien in respect of the Senior Secured Collateral securing the Senior Secured Notes.

The Existing Senior Secured Notes are secured by a first priority security interest in the Senior Secured Collateral. The Senior Secured Notes will be secured by a security interest in the Senior Secured Collateral ranking after any then-existing security interest granted over the Senior Secured Collateral. Pursuant to the terms of the Intercreditor Agreement, the Senior Secured Notes will be treated and deemed to be secured on the Senior Secured Collateral on a *pari passu* basis with the Existing Senior Secured Notes and any other Senior

Secured Liabilities (See "*Description of Certain Financing Arrangements—Intercreditor Agreement—Additional Security and Guarantees—Senior Secured Creditors*"). Therefore, the first-priority right in the Senior Secured Collateral granted to the holders of the Senior Secured Notes will depend on the enforceability of the Intercreditor Agreement. As a result, if the Intercreditor Agreement or the relevant provisions thereof were found to be invalid or held to be unenforceable for any reason, or if an administrator refuses to give effect to it, the holders of the Senior Secured Notes would not benefit from such first-priority treatment and the security interests granted in favor of holders of the Senior Secured Notes in France would rank behind and be subordinated to any prior ranking security interests, including security interests granted in favor of the Existing Senior Secured Notes.

Rights in the Senior Secured Collateral may be adversely affected by the failure to perfect security interests in the Senior Secured Collateral and no assurance can be given on the priority of a security interest if it is not publicly registered.

Under applicable law, a security interest in certain assets can only be properly perfected, and its priority retained, through certain actions undertaken by the secured party and the grantor of the security. The liens on the Senior Secured Collateral securing the Senior Secured Notes may not be perfected with respect to the claims of the Senior Secured Notes if we fail or are unable to take the actions required to perfect any of these liens. Furthermore, it should be noted that neither the Trustee as trustee for the Senior Secured Notes nor the Security Agent shall have any obligation to take any steps or action to perfect any of these liens.

In France, pledges over the securities of French companies in the form of a stock company (*société par actions*) that are governed by French law consist of pledges over a securities account (*nantissement de compte de titres*) in which the relevant securities are registered. The securities account pledges will be validly established after execution of a statement of pledge (*déclaration de nantissement de compte titres financiers*) by each security provider in favor of the Security Agent. Each statement of pledge will have to be registered in the relevant shareholder's account (*compte d'actionnaire*) and shares registry (*registre de mouvement de titres*) of each relevant French company. In France, no lien searches are available for security interests which are not publicly registered, with the result that no assurance can be given on the priority of a security interest if it is not publicly registered.

Furthermore, the enforceability against third parties of certain French law intellectual property rights security interest is subject to registration of the relevant security documents pursuant to which the security interest in the Senior Secured Collateral will be granted with the appropriate intellectual property register in France. Absent registration such security will not be enforceable against third parties.

French insolvency laws may not be as favorable to you as the insolvency laws of the United States or other countries.

We conduct a major part of our business activity in France and, to the extent that the center of our main interests is deemed to be in France, we could be subject to French insolvency proceedings affecting creditors, including court-assisted pre-insolvency proceedings (*mandat ad hoc* proceedings (*procédure de mandat ad hoc*) or conciliation proceedings (*procédure de conciliation*)), court-controlled insolvency proceedings (safeguard proceedings (*procédure de sauvegarde*), accelerated safeguard proceedings (*procédure de sauvegarde accélérée*), accelerated financial safeguard proceedings (*procédure de sauvegarde financière accélérée*) ("SFA proceedings") and reorganization or liquidation proceedings (*redressement ou liquidation judiciaire*)). In general, French insolvency legislation favors the continuation of a business and protection of employment over the payment of creditors and could limit your ability to enforce your rights under the Notes. See "*Certain Insolvency Law Considerations and Limitations on the Validity and Enforceability of the Guarantees and the Security Interests.*"

A Noteholder's effective yield on the Notes may be diminished by the tax impact on that Noteholder of its investment in the Notes.

Payments of interest on the Notes, or profits realized by the Noteholder upon the sale or repayment of the Notes, may be subject to taxation in the Noteholder's home jurisdiction or in other jurisdictions in which it is required to pay taxes. Certain French, EU, and US tax matters relating to an investment in the Notes are summarized under "*Taxation*;" however, that section does not contain a comprehensive description of the tax impact of an investment in the Notes and the tax impact on an individual Noteholder may differ from the impact described in that section. The Issuer advises all investors to contact their own tax advisors for advice on the tax impact of an investment in the Notes.

Transactions in the Notes could be subject to the European financial transaction tax, if adopted.

On February 14, 2013, the European Commission published a proposal for a Directive for a common financial transaction tax (the "FTT") in Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Slovenia, Slovakia and Spain (together, except for Estonia, the "Participating Member States") and which, if enacted and implemented by France, should replace the French FTT. Following the ECOFIN Council meeting of December 8, 2015, Estonia officially announced its withdrawal from the negotiations and, on March 16, 2016, completed the formalities required to leave the enhanced cooperation on FTT.

The EU FTT could, if introduced in its current draft form, apply, under certain circumstances, to some transactions involving the Senior Secured Notes and to persons both established within and outside the Participating Member States. On October 10, 2016, the European Commission has been tasked with the drafting of the legislation that will be submitted to the Participating Member States. However, and despite several attempts, no agreement has been found between the Participating Member States so far. Recently, France and Germany expressed their wish to adopt EU FTT that would be inspired by the French FTT. The ECOFIN indicated on June 27, 2018 that Participating Member States are currently considering such proposal. However, no final agreement has been reached yet.

The EU FTT proposal remains subject to negotiation between the Participating Member States, the scope of such tax being therefore uncertain. The timing of its implementation remains also unclear. Additional EU member states may decide to participate and certain of the Participating Member States may decide to withdraw. Prospective holders of the Notes are advised to seek their own professional advice in relation to the consequences of the FTT associated with subscribing for, purchasing, holding and disposing of the Notes.

Because we are organized under the laws of France, you may be unable to recover in civil proceedings for U.S. securities laws violations.

We are an entity organized under the laws of France with our registered offices or principal place of business in France. Our directors, officers and other executive are neither residents nor citizens of the United States (the "French Individuals"). Furthermore, most of our assets or the French Individuals are located outside of the United States. As a result, judgments of U.S. courts, including those predicated on the civil liability provisions of the federal securities laws of the United States, may not be enforceable in French courts. As a result, holders of Notes who obtain a judgment against us in the United States may not be able to require us to pay the amount of the judgment. It may not be possible for holders to effect service of process within the United States upon the French Individuals, or us, or to enforce against them or us judgments of United States courts predicated upon civil liability provisions of the federal securities laws of the United States.

However, it may be possible for the holders of the Notes to effect service of process within France upon those persons or us, provided that The Hague Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters of November 15, 1965 is complied with. The United States and France are not parties to a treaty providing for the reciprocal recognition and enforcement of judgments, other than arbitral awards rendered in civil and commercial matters. Accordingly, a judgment rendered by any U.S. federal or state court based on civil liability, whether or not predicated solely upon U.S. federal or state securities laws, would not directly be recognized or enforceable in France.

A party in whose favor such judgment was rendered could initiate enforcement proceedings (*exequatur*) in France before the relevant civil court (*Tribunal de Grande Instance*) that has exclusive jurisdiction over such matter.

Enforcement in France of such U.S. judgment could be obtained following proper (i.e., *non ex parte*) proceedings if such U.S. judgment is enforceable in the United States and if the French civil court is satisfied that certain conditions have been met. See "*Service of Process and Enforcement of Liabilities*."

There may not be an active trading market for the Notes, in which case your ability to sell your Notes may be limited.

There is no existing market for the Notes. We cannot assure you as to:

- the liquidity of any market in the Notes;
- your ability to sell your Notes; or

- the prices at which you would be able to sell your Notes.

The initial purchasers of the Notes have informed us that they intend to make a market in the Notes after completing this offering. However, the initial purchasers are not obligated to make a market in the Notes and may cease market-making at any time. In addition, changes in the overall market for high-yield securities and changes in our financial performance or in the markets where we operate may adversely affect the liquidity of the trading market in these Notes and the market price quoted for these Notes. As a result, we cannot assure you that an active trading market will actually develop for these Notes.

Historically, the markets for non-investment grade debt such as the Notes have been subject to disruptions that have caused substantial volatility in their prices. Future trading prices for the Notes will depend on many factors, including, among other things, prevailing interest rates, our operating results and the market for similar securities. The market, if any, for the Notes may be subject to similar disruptions. Any disruptions may have an adverse effect on the holders of the Notes, regardless of our prospects and financial performance. As a result, there is no assurance that there will be an active trading market for the Notes. If no active trading market develops, you may not be able to resell your holding of the Notes at a fair value, if at all.

Although an application has been made for the Notes to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF, we cannot assure you that the Notes will remain listed thereon. Although no assurance is made as to the liquidity of the Notes as a result of the admission to trading on the Euro MTF, the delisting of the Notes from the Official List may have a material effect on a holder's ability to resell the Notes in the secondary market.

In addition, the Indentures governing the Notes will allow the Issuer to issue additional Notes in the future which could adversely impact the liquidity of the Notes.

The transfer of the Notes is restricted.

The Notes have not been registered under the Securities Act or the securities laws of any jurisdiction and, unless so registered, may not be offered or sold except pursuant to an exemption from, or transaction not subject to, the registration requirements of the Securities Act and any other applicable laws. See "*Notice to Investors*." We have not agreed to or otherwise undertaken to register the Notes, and have no intention to do so.

Certain considerations relating to book-entry interests.

Unless and until Notes in definitive registered form, or Definitive Registered Notes (as defined in "*Description of the Senior Secured Notes*" and "*Description of the Senior Subordinated Notes*") are issued in exchange for book-entry interests, owners of book-entry interests will not be considered owners or holders of such Notes. The common depositary for Euroclear and Clearstream (or its nominee) will be the sole holder of the global notes representing the Notes. After payment by the Paying Agent to Euroclear and Clearstream, the Issuer will have no responsibility or liability for the payment of interest, principal or other amounts to the owners of book-entry interests. Accordingly, if you own a book-entry interest, you must rely on the procedures of Euroclear or Clearstream, as applicable, and if you are not a participant in Euroclear or Clearstream, on the procedures of the participant through which you own your interest, to exercise any rights of a holder under the Indentures. See "*Book-Entry, Delivery and Form*."

Unlike the holders of the Notes themselves, owners of book-entry interests will not have the direct right to act upon the Issuer's solicitations for consents, requests for waivers or other actions from holders of the Notes. Instead, if you own a book-entry interest, you will be permitted to act only to the extent you have received appropriate proxies to do so from Euroclear or Clearstream. There can be no assurance that procedures implemented for the granting of such proxies will be sufficient to enable you to vote on any request actions on a timely basis.

Similarly, upon the occurrence of an Event of Default under the Indentures governing the Notes, unless and until Definitive Registered Notes are issued in respect of all book-entry interests, if you own a book-entry interest, you will be restricted to acting through Euroclear or Clearstream. The Issuer cannot assure you that the procedures to be implemented through Euroclear or Clearstream will be adequate to ensure the timely exercise of rights under the Notes. See "*Book-Entry, Delivery and Form*."

You may face currency exchange risks by investing in the Notes.

The Notes are denominated and payable in euro. If you measure your investment returns by reference to a currency other than the currency in which your notes are denominated, investment in such notes entails foreign currency exchange-related risks due to, among other factors, possible significant changes in the value of the euro, as applicable, relative to the currency you use to measure your investment returns, caused by economic, political and other factors which affect exchange rates and over which we have no control. Depreciation of the euro, as applicable, against the currency by reference to which you measure your investment returns would cause a decrease in the effective yield of the Notes below their stated coupon rates and could result in a loss to you when the return on the Notes is translated into the currency by reference to which you measure your investment returns. There may be tax consequences for you as a result of any foreign currency exchange gains or losses resulting from your investment in the Notes. You should consult your tax advisor concerning the tax consequences to you of acquiring, holding and disposing of the Notes.

Issuances of Additional Notes may not be fungible with the Notes, which may adversely affect the value of the Notes.

The Issuer may issue and sell additional notes under either of the Indentures ("Additional Notes"), such Additional Notes having identical terms and conditions as the applicable Notes if, the conditions for such additional issuance are satisfied. Whether any Additional Notes would be fungible with the applicable Notes for U.S. federal income tax purposes would depend on whether the issuance of such Additional Notes is treated as part of the same issue as the applicable Notes for such purposes. This determination will depend on facts that cannot be determined at this time, including the date when the Additional Notes are issued, the yield of the applicable Notes at that time (based on their fair market value)and whether such Notes are publicly traded or quoted at the time of the issuance of the Additional Notes. If the Additional Notes are not treated as part of the same issue as the applicable Notes for U.S. federal income tax purposes and the Additional Notes are issued with at least a statutorily defined de minimis amount of original issue discount ("OID") for U.S. federal income tax purposes, the market value of the applicable Notes may be adversely affected unless the Additional Notes can be distinguished from the applicable Notes. See "*Taxation—Certain U.S. Federal Income Tax Considerations—Additional Notes*."

Risks Related to the Senior Secured Notes

The Senior Secured Notes are secured only by security interests over certain of our assets and are not secured by any assets that secure the Revolving Credit Facility.

The Senior Secured Notes are secured only by the Senior Secured Collateral. Furthermore, the Senior Secured Indenture governing the Senior Secured Notes will permit us to incur additional debt that can be secured by liens on the Senior Secured Collateral that have the same priority with the liens on the Senior Secured Collateral that secures the Senior Secured Notes. Many of our assets, such as certain assets owned by our subsidiaries, are not part of the Senior Secured Collateral securing the Senior Secured Notes. With respect to those assets that are not part of the Senior Secured Collateral securing the Senior Secured Notes but which secure other obligations (such as the commercial receivables and related bank account securing our Revolving Credit Facility), the Senior Secured Notes will be effectively junior to these obligations to the extent of the value of such assets. Holders of the indebtedness under our Revolving Credit Facility will be entitled to receive proceeds from the realization of value of their separate collateral to repay such indebtedness in full before the holders of the Senior Secured Notes or any *pari passu* indebtedness will be entitled to any recovery from such collateral. As a result, holders of the Senior Secured Notes will only be entitled to receive proceeds from the realization of value of the commercial receivables securing the Revolving Credit Facility after all indebtedness and other obligations under such facility are repaid in full.

The Senior Secured Collateral may not be sufficient to secure the obligations under the Senior Secured Notes.

The Senior Secured Notes will be secured by security interests with respect to the Senior Secured Collateral. The Senior Secured Collateral which also secures the Existing Senior Secured Notes pursuant to the Intercreditor Agreement may also secure additional debt to the extent permitted by the terms of the indentures governing the Notes, the Existing Notes and the Intercreditor Agreement, including certain hedging obligations. Your rights as a holder of the Senior Secured Notes to the Senior Secured Collateral would be diluted by any increase in the debt secured by the Senior Secured Collateral or a reduction in the value of the Senior Secured Collateral securing the Senior Secured Notes.

No appraisals of any collateral have been prepared in connection with the offering of the Senior Secured Notes. There also can be no assurance that the collateral could be sold and, even if sold, the timing of its liquidation is uncertain. The value of the Senior Secured Collateral and the amount to be received upon a sale of such collateral will depend upon many factors, including, among others, the ability to sell the Senior Secured Collateral in an orderly sale, the condition of the economies in which our operations are located and the availability of buyers. The book value of the Senior Secured Collateral should not be relied on as a measure of realizable value for such assets. All or a portion of the Senior Secured Collateral may be illiquid and may have no readily ascertainable market value. Likewise, we cannot assure you that there will be a market for the sale of the Senior Secured Collateral, or, if such a market exists, that there will not be a substantial delay in its liquidation. In addition, the share pledges of an entity may be of no value if that entity is subject to an insolvency or bankruptcy proceeding. The security interest in the Senior Secured Collateral will be released in connection with an enforcement sale pursuant to the Intercreditor Agreement.

The Senior Secured Notes will be secured only to the extent of the value of the assets that have been granted as security for the Senior Secured Notes.

To the extent that the claims of the holders of the Senior Secured Notes and the Existing Senior Secured Notes (and of any Additional Secured Liabilities that may be secured by the Senior Secured Collateral in accordance with the terms of the Existing Senior Secured Notes Indentures, the Senior Secured Indenture and the Intercreditor Agreement) exceed the value of the assets securing those notes and other obligations, those claims of the holders of such notes will rank equally with the claims of the holders of all other existing and future senior unsecured indebtedness ranking *pari passu* with such notes (including the bilateral credit facilities extended to Loxam and trade payables). As a result, if the value of the assets pledged as security for the Senior Secured Notes is less than the value of the claims of the holders of the Senior Secured Notes and the Existing Senior Secured Notes (and of any Additional Secured Liabilities that may be secured by the Senior Secured Collateral in accordance with the terms of the Existing Senior Secured Notes Indentures and the Intercreditor Agreement), those claims of the holders of the Senior Secured Notes may not be satisfied in full before the claims of certain unsecured creditors have been paid.

There are circumstances other than repayment or discharge of the Senior Secured Notes under which the security interests in the Senior Secured Collateral with respect to the Senior Secured Notes will be released automatically without your consent or the consent of the Trustee as trustee for the Senior Secured Notes.

Under various circumstances, the security interests in the Senior Secured Collateral securing the Senior Secured Notes will be automatically and unconditionally released, including (without limitation):

(1) upon the sale, disposition or transfer of such Senior Secured Collateral (including by way of merger, consolidation, amalgamation or combination) to a Person that is not (either before or after giving effect to such transaction), the Issuer or a Restricted Subsidiary of the Issuer, if such sale, disposition or transfer does not violate the asset sale provisions of the Senior Secured Indenture governing the Senior Secured Notes;

(2) upon the sale, disposition or transfer of Capital Stock of the Restricted Subsidiary that has pledged such Senior Secured Collateral (or Capital Stock of a Parent of the relevant Restricted Subsidiary (other than the Issuer)) to a Person that is not (either before or after giving effect to such transaction) the Issuer or a Restricted Subsidiary of the Issuer, if (i) after giving effect to such sale, disposition or transfer, such Person is no longer a Restricted Subsidiary of the Issuer and (ii) the sale, disposition or transfer does not violate the asset sale provisions of the indenture governing the Senior Secured Notes;

(3) upon the defeasance or discharge of the Senior Secured Notes in each case, in accordance with the terms of the indenture governing the Senior Secured Notes;

(4) if the relevant Restricted Subsidiary is designated as an Unrestricted Subsidiary (or is a Subsidiary of such designated Subsidiary) and such designation complies with the other applicable provisions of the indenture governing the Senior Secured Notes (in which case, for the avoidance of doubt, such release will be of the property and assets (as well as any Equity Interests and Indebtedness) of such Restricted Subsidiary);

(5) upon full and final repayment of the Senior Secured Notes; and

(6) in accordance with the amendment and waiver provisions of the indenture governing the Senior Secured Notes.

Risks Related to the Senior Subordinated Notes

The Senior Subordinated Notes will be subordinated to our existing and future senior debt and are subject to restrictions on payment and enforcement.

The Senior Subordinated Notes will be general unsecured senior subordinated obligations of the Issuer and will:

- be expressly subordinated in right of payment to indebtedness incurred under the Revolving Credit Facility, the Existing Senior Secured Notes, the Senior Secured Notes (including the Senior Secured Notes Guarantees) and other future senior indebtedness of the Issuer and the Guarantor(s);

- rank *pari passu* in right of payment with any existing and future indebtedness of the Issuer and the Guarantor(s) (other than Senior Indebtedness) that is not expressly subordinated in right of payment to the Senior Subordinated Notes including the Existing Senior Subordinated Notes; and

- be effectively subordinated to all secured debt of the Issuer and the Guarantor(s), including the Existing Senior Secured Notes, the Senior Secured Notes and any indebtedness under the Revolving Credit Facility, to the extent of the value of the collateral securing such debt.

In addition, no enforcement action with respect to the Senior Subordinated Notes may be taken unless (subject to certain limited exceptions): (i) any enforcement action has been taken with respect to senior debt (provided that in this case enforcement action with respect to the Senior Subordinated Notes must match the enforcement action commenced by the senior creditors and can only be taken against the same debtor); (ii) there is a default on the Senior Subordinated Notes outstanding after a period of 179 days after the date on which the relevant senior creditor representatives have received written notice of such default; (iii) an insolvency event has occurred with respect to a debtor; or (iv) each relevant senior creditor representative has given its consent to the proposed action. See "*Description of Certain Financing Arrangements—Intercreditor Agreement*."

In addition, the Intercreditor Agreement contains significant restrictions with respect to payments on the Senior Subordinated Notes (including being subject to a blockage on payments upon the occurrence of certain events of default with respect to senior debt). Until the liabilities of the lenders under the Revolving Credit Facility, the Existing Senior Secured Notes, the Senior Secured Notes and holders of other senior obligations are fully discharged or the relevant event of default with respect to the senior debt has been remedied or waived, payments will not be permitted to be made in respect of the Senior Subordinated Notes until the expiration of the applicable payment blockage period (unless such parties otherwise consent thereto).

In some circumstances, including in the case in which payments were received on the Senior Subordinated Notes in breach of the Intercreditor Agreement, holders of Senior Subordinated Notes would be required to turn over such payments to the Security Agent for application in accordance with the waterfall provisions of Intercreditor Agreement. See "*Description of Certain Financing Arrangements—Intercreditor Agreement—Application of Proceeds.*"

As of December 31, 2018, on an as adjusted basis giving effect to the offering of the Notes and the transactions contemplated hereby, €1,610.2 million in priority debt, consisting of secured debt of the Issuer plus any debt of our subsidiaries, ranking effectively senior to the Senior Subordinated Notes would have been outstanding. See "*Summary Consolidated Financial Information—Other Financial and Operating Data*" and "*Capitalization*."

Claims of our senior secured creditors will have priority with respect to their security over the claims of holders of Senior Subordinated Notes, to the extent of the value of the assets securing such indebtedness.

Claims of our senior secured creditors will have priority with respect to the assets securing their indebtedness over the claims of holders of the Senior Subordinated Notes. As such, the Senior Subordinated Notes will be effectively subordinated to any secured indebtedness to the extent of the value of the assets securing such indebtedness or other obligations. In the event that any of the senior secured indebtedness of the Issuer or any Guarantors of the Senior Subordinated Notes becomes due or the creditors in respect thereof commence enforcement proceedings against collateral that secures such indebtedness, the collateral remaining after repayment of that secured indebtedness may not be sufficient to repay all amounts owing in respect of the

Senior Subordinated Notes. As a result, holders of Senior Subordinated Notes may receive less, ratably, than holders of senior secured indebtedness of the Issuer or any Guarantor.

USE OF PROCEEDS

We expect the gross proceeds to be received by us from the offering to be €500,000,000.

The net proceeds to be received by us from the offering, after deducting estimated commissions, fees and expenses including underwriting fees and commissions, other financing fees, professional and legal fees, financial advisory fees and other transaction costs, are estimated at approximately €496,200,000. We intend to use the net proceeds from the offering to redeem the outstanding aggregate principal amounts of our 2021 Senior Secured Notes and our 2022 Senior Subordinated Notes in full (including the payment of associated call premiums), to pay the fees and expenses related to the offering and for other general corporate purposes.

The table below presents our sources and uses of funds from the offering of the Notes assuming an Issue Date of April 11, 2019.

Sources of Funds	**Amount**	**Uses of Funds**	**Amount**
	(in millions of euros)		*(in millions of euros)*
Senior Secured Notes offered hereby	300.0	Redemption in full of 2021 Senior Secured Notes [(1)]	246.0
Senior Subordinated Notes offered hereby	200.0	Redemption in full of 2022 Senior Subordinated Notes [(2)]	238.0
		Estimated fees and expenses [(3)]	3.8
		General corporate purposes	12.3
Total sources	**500.0**	**Total uses**	**500.0**

(1) Represents the repayment in full of €239.3 million in aggregate principal amount of the 2021 Senior Secured Notes at a redemption price of 101.219% plus accrued and unpaid interest to, but excluding the assumed date of redemption.

(2) Represents the repayment in full of €225.0 million in aggregate principal amount of the 2022 Senior Subordinated Notes at a redemption price of 103.500% plus accrued and unpaid interest to, but excluding the assumed date of redemption.

(3) Represents our estimate of commissions, fees and expenses in connection with or otherwise related to the offering of the Notes and the application of the proceeds therefrom, including underwriting fees and commissions, other financing fees professional and legal fees, financial advisory fees and other transaction costs. Actual fees and expenses may differ.

CAPITALIZATION

The following table presents our cash position and capitalization as of December 31, 2018:

- on an actual basis; and
- as adjusted for the issuance of the Notes offered hereby and the application of the net proceeds from this offering in the manner described under "*Use of Proceeds*."

You should read this table in conjunction with "*Use of Proceeds*," "*Management's Discussion and Analysis of Financial Condition and Results of Operations*," "*Description of Certain Financing Arrangements*" and our consolidated financial statements, and the notes thereto, a free English language translation of which is included elsewhere in this listing prospectus.

	December 31, 2018	
	Actual	**As adjusted**
	(in millions of euros)	
Cash and cash equivalents [(1)]	**143.8**	**156.1**
Debt:		
Bilateral credit facilities [(2)]	310.0	310.0
Nationwide Revolving Credit Facility [(3)]	99.1	99.1
Revolving Credit Facility [(4)]	—	—
Finance leases [(5)]	293.3	293.3
Other financial debt [(6)]	12.8	1.7
2021 Senior Secured Notes [(7)]	239.3	—
2022 Senior Subordinated Notes [(7)]	225.0	—
2022 Senior Secured Notes [(7)]	300.0	300.0
2023 Senior Secured Notes [(7)]	250.0	250.0
2024 Senior Secured Notes [(7)]	300.0	300.0
2025 Senior Subordinated Notes [(7)]	250.0	250.0
Senior Secured Notes offered hereby [(7)]	—	300.0
Senior Subordinated Notes offered hereby [(7)]	—	200.0
Total debt [(8)]	**2,279.5**	**2,304.1**
Shareholders' equity	**630.5**	**630.5**
Total capitalization	**2,910.0**	**2,934.6**

(1) As adjusted cash and cash equivalents reflects the net proceeds from the offering of the Notes after giving effect to the redemption of the 2021 Senior Secured Notes and the 2022 Senior Subordinated Notes, including the payment of €8.8 million in accrued and unpaid interest to, but excluding, the date of redemption of the 2021 Senior Secured Notes and the 2022 Senior Subordinated Notes in connection with their redemption.

(2) Our bilateral credit facilities consist of senior unsecured loans borrowed by us and certain of our subsidiaries from a variety of banks. Of the total amount drawn under the bilateral credit facilities as of December 31, 2018, €242.2 million was owed by Loxam S.A.S., and €67.8 million was owed by our subsidiaries (a portion of which was guaranteed by Loxam S.A.S.). See "*Description of Certain Financing Arrangements—Bilateral Credit Facilities*."

(3) The Nationwide Revolving Facility provides for borrowings of up to an aggregate of £90 million on a committed basis. See "*Description of Certain Financing Arrangements—Nationwide Revolving Facility Agreement*." Represents the amount outstanding under the Nationwide Revolving Facility, net of issuance costs.

(4) The Revolving Credit Facility provides for borrowings of up to an aggregate of €75.0 million. See "*Description of Certain Financing Arrangements—Revolving Credit Facility Agreement*." As of December 31, 2018, no amounts were drawn under the Revolving Credit Facility. We do not intend to draw under the Revolving Credit Facility on the Issue Date.

(5) Our finance leases are secured by liens over equipment in our fleet and generally have maturities of five years. Of the amounts drawn under finance leases as of December 31, 2018, €207.0 million was owed by Loxam S.A.S. and €86.3 million was owed by our subsidiaries.

(6) Other financial debt is composed of €18.2 million of accrued interest on debt, €4.4 million of other financial debt and €2.4 million of bank overdrafts, less the unamortized portion of capitalized debt issuance costs of €12.1 million (composed of €0.4 million related to the 2021 Senior Secured Notes, €0.9 million related to the 2022 Senior Subordinated Notes, €1.5 million related to the 2023 Senior Secured Notes, €2.3 million related to the 2022 Senior Secured Notes, €3.6 million related to the 2024 Senior Secured Notes and €3.3 million related to the 2025 Senior Subordinated Notes). Other financial debt, as adjusted, takes into account (i) an estimated €3.8 million in capitalized debt issuance costs related to the issuance of the Notes offered hereby, (ii) the reversal of €1.4 million in the

unamortized portion of capitalized debt issuance costs related to the issuance of the 2021 Senior Secured Notes and the 2022 Senior Subordinated Notes due to their redemption and (iii) the payment of €8.8 million in accrued and unpaid interest to, but excluding, the date of redemption of the 2021 Senior Secured Notes and the 2022 Senior Subordinated Notes in connection with their redemption.

(7) Represents outstanding aggregate principal amount.

(8) Presented net of the unamortized portion of capitalized debt issuance costs.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

The following tables present our selected consolidated financial information as of and for the years ended December 31, 2016, 2017 and 2018 derived from our audited consolidated annual financial statements, which were audited by our Auditors. An English language translation of our audited consolidated financial statements as of and for the years ended December 31, 2016, 2017 and 2018 is included elsewhere in this listing prospectus, together with a free English language translation of the audit reports thereon from our Auditors. Our consolidated financial statements were prepared in accordance with IFRS.

The selected financial information included below is not necessarily indicative of our future results of operations and should be read in conjunction with, and is qualified in its entirety by reference to, our consolidated financial statements, including the notes thereto, a free English language translation of which is included elsewhere in this listing prospectus, "*Presentation of Financial and Other Information*," "*Use of Proceeds*," "*Capitalization*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*."

Consolidated Income Statement Information

	Year ended December 31,		
	2016	**2017**	**2018**
	(in millions of euros)		
Revenue	926.8	1,367.7	1,482.6
Other income(*)	56.3	62.6	56.7
Operating income	**983.0**	**1,430.3**	**1,539.3**
Purchases consumed	(105.5)	(144.4)	(162.8)
Personnel expenses	(244.4)	(360.1)	(381.3)
Other current expenses	(311.7)	(443.3)	(475.3)
Taxes and duties	(16.6)	(18.5)	(19.3)
Depreciation and amortization	(143.7)	(238.4)	(287.8)
Profit from ordinary operations	**161.1**	**225.6**	**212.9**
Other operating income and expense	(19.9)	(4.5)	0.2
Operating profit	**141.2**	**221.2**	**213.2**
Interest and financing-related expenses	(63.1)	(93.3)	(97.2)
Other financial expenses	(31.8)	(26.9)	(7.7)
Financial income	6.8	3.5	2.8
Financial income (expense)	**(88.1)**	**(116.7)**	**(102.1)**
Profit before tax	**53.0**	**104.4**	**111.0**
Share of profit of associates	(1.0)	(1.3)	-
Income tax expense	(17.6)	(18.9)	(20.6)
Net profit	**34.4**	**84.3**	**90.4**
Non-controlling interests	0.1	(0.4)	(5.2)
Net profit, Group share	**34.3**	**84.6**	**95.7**

(*) Other income includes capital gains on disposal of fleet assets for €43.3 million, €50.6 million and €41.5 million in 2016, 2017 and 2018, respectively. It also includes income from real estate rentals to third parties for €5.8 million, €5.5 million and €6.1 million in 2016, 2017 and 2018, respectively.

Consolidated Balance Sheet Information

	As of December 31,		
	2016	**2017**	**2018**
		(in millions of euros)	
Intangible assets and goodwill	969.0	1,333.9	1,327.3
Property, plant and equipment	630.0	1,232.6	1,354.7
Financial assets	9.9	15.6	14.4
Financial derivatives	0.8	1.2	-
Investments in associates	9.7	-	-
Deferred tax assets	7.8	21.6	18.4
Non-current assets	**1,627.2**	**2,604.9**	**2,714.8**
Inventories	18.7	29.3	30.8
Trade and other receivables	224.6	370.8	388.5
Other current assets	26.1	64.7	56.2
Corporate income tax receivables	6.6	19.4	12.3
Cash and cash equivalents	155.9	117.5	143.8
Current assets	**431.9**	**601.8**	**631.5**
Total assets	**2,059.1**	**3,206.7**	**3,346.3**
Share capital	232.4	229.8	229.8
Additional paid-in capital	1.9	1.9	1.9
Consolidated reserves	211.3	212.0	292.5
Net profit for the year	34.3	84.6	95.7
Shareholders' equity (Group share)	**479.9**	**528.3**	**619.8**
Non-controlling interests	0.9	15.4	10.6
Total equity	**480.8**	**543.7**	**630.5**
Employee benefits	18.7	16.6	11.1
Deferred tax liabilities	25.4	62.1	70.4
Borrowings and financial debt	1,189.2	2,037.5	2,063.0
Financial derivatives	4.9	2.9	2.3
Non-current liabilities	**1,238.2**	**2,119.0**	**2,146.9**
Provisions	4.9	11.2	11.1
Borrowings and financial debt	107.4	201.2	216.5
Trade and other payables	123.1	188.2	202.2
Other liabilities	103.9	135.4	135.5
Corporate income tax liabilities	0.7	8.0	3.7
Current liabilities	**340.1**	**544.0**	**569.0**
Total shareholders' equity and liabilities	**2,059.1**	**3,206.7**	**3,346.3**

Consolidated Cash Flow Statement Information

	As of December 31,		
	2016	**2017**	**2018**
		(in millions of euros)	
Cash flow from operating activities	165.6	260.8	361.9
Cash flow from investing activities	(178.3)	(1,183.8)	(366.9)
Cash flow from financing activities	7.0	883.4	28.5
Change in cash and cash equivalents	**(5.7)**	**(39.5)**	**23.5**
Cash and cash equivalents(*) at end of period	155.7	116.6	141.4

(*) Cash and cash equivalents at the end of the period is defined net of bank overdrafts.

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

*You should read the following discussion in conjunction with our consolidated financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"). This discussion includes forward-looking statements that, although based on assumptions we consider reasonable, are subject to risks and uncertainties which could cause actual events or conditions to differ materially from those expressed or implied herein. See "*Forward-Looking Statements*" and "*Risk Factors*" for a discussion of the risks, uncertainties and assumptions associated with these statements.*

Overview

We are the fifth-largest equipment rental group in the world for the construction, industry, public works, services and events sectors based on 2017 revenues. We are the leading equipment rental company in Europe based on 2018 revenues of €1,482.6 million and also have a large international presence outside of Europe through operations in Morocco, the Middle East, Brazil and Colombia. We have historically managed our activity through three divisions:

- Generalist France division, which includes equipment for earth moving (excavators, loaders and dumpers), aerial work (booms and scissors), handling (forklifts and tele-handlers), compaction, and building (concrete mixers and saws), as well as hand tools such as power drills, chainsaws and jackhammers. As of December 31, 2018, our Generalist France network included 426 branches. Our Generalist France network trades under the LOXAM Rental brand.

- Specialist France division, which includes high-access equipment, modular buildings, large compressors and generators, heavy compaction equipment, suspended platforms and scaffolding. As of December 31, 2018, our specialist network in France included 81 branches. We rent specialist equipment in France under several specific brands, such as LOXAM Access, LOXAM Module, LOXAM Power, LOXAM Laho TEC, LOXAM TP and LOXAM Event.

- International division, which comprises our specialist and generalist equipment offerings outside of France. We operate in 22 countries: France, Denmark, Belgium, the Netherlands, Germany, Spain, the United Kingdom, Ireland, Switzerland, Luxembourg, Morocco, Norway, Portugal, Italy, Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, the United Arab Emirates, Colombia and Brazil. As of December 31, 2018, our International division had a network of 256 branches. We have a majority share and full operating control of joint ventures in Morocco, Brazil, Italy and the Middle East and have a 50% share of a joint venture in Colombia.

We rent over 1,500 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 December 31, 2018, our rental fleet consisted of approximately 290,000 pieces of equipment (excluding accessories) with a gross book value of €3.0 billion. As of December 31, 2018, we have the largest rental network in Europe measured by number of branches, including 507 branches in France and 763 branches total across our network.

We generated revenue of €1,482.6 million and EBITDA of €500.7 million for the year ended December 31, 2018, representing an EBITDA margin of 33.8%. In 2018, 44.4% of our revenue was generated by our Generalist France division, 15.2% by our Specialist France division and 40.4% by our International division. As of December 31, 2018, our net debt (as defined below) (excluding derivative instruments) was €2,135.7 million and our shareholder's equity, group share was €619.8 million.

We generated revenue of €1,482.6 million in 2018, representing an increase of 8.4% compared to €1,367.7 million in 2017. At constant perimeter and exchange rates, revenue increased by 3.7% in 2018. In France, revenue increased by 5.8% in 2018, primarily due to the continuing recovery of the French construction sector and positive macroeconomic conditions. In the International division, revenue increased by 12.4%, due to the full year impact of the acquisitions made in 2017 and organic growth. At constant perimeter and exchange rates, international revenue increased by 1.0%, as the end markets in which we are active in most of the countries where we operate have experienced growth.

In 2018, our Generalist France division generated 44.4% of our revenue (down from 45.5% in 2017), our Specialist France division generated 15.2% of our revenue (down slightly from 15.6% in 2017) and our International division generated 40.4% of our revenue (up from 38.9% in 2017).

We generated EBITDA of €500.7 million in 2018, representing an increase of 7.9% compared to €464.0 million in 2017. Our EBITDA margin slightly decreased to 33.8% of our revenue in 2018 compared to 33.9% in 2017. EBITDA grew by 5.6% in our Generalist France division, by 12.5% in our Specialist France division and by 8.7% in our International division during 2018. At constant perimeter, the EBITDA of our Generalist France division and Specialist France division increased by 5.6% and 12.8%, respectively, in 2018. At constant perimeter and exchange rates, the EBITDA of the International division decreased by 1.0% in 2018, primarily due to lower capital gains on fleet disposals.

Our operating profit decreased from €221.2 million in 2017 to €213.2 million in 2018 primarily due to an increase in depreciation and other expenses.

Our net financial expense decreased from €116.7 million in 2017 to €102.1 million in 2018 as we recorded one-off costs related to the bridge facility we entered into to finance our acquisition of Lavendon in 2017. Our gross debt financial expense increased by €3.9 million, from €93.3 million in 2017 to €97.2 million in 2018, mostly because of the full year of interest paid on the €850 million aggregate principal amount of new bonds issued in 2017 to finance the Lavendon and Hune acquisitions.

Profit before tax increased from €104.4 million in 2017 to €111.0 million in 2018. Income tax increased slightly from €18.9 million in 2017 to €20.6 million in 2018 primarily due to an increase in income for the reasons stated above, but was also partly offset by income tax incentives introduced in France in 2015 related to capital expenditures.

As a result of the factors detailed above, the group share of net profit increased by 13.0% from €84.6 million in 2017 to €95.7 million in 2018.

Our cash flow from operating activities was €361.9 million in 2018, an increase of 38.8% compared to €260.8 million in 2017, primarily reflecting higher EBITDA and lower financial expenses in 2018, and a positive impact of €8.7 million from changes in working capital, compared to a negative impact of €40.7 million in 2017.

Our capital expenditures related to our fleet decreased from €399.6 million in 2017 to €373.4 million in 2018. Our capital expenditures in 2018 were used primarily to renew our existing fleet and take advantage of market growth by increasing the size of our fleet.

We typically fund our annual capital expenditures with drawdowns under our bilateral credit facilities and finance leases following bilateral negotiations with relationship banks on an annual basis, as well as through cash flows from operations. In addition, we have a €75.0 million revolving credit facility available for general corporate purposes and a £90.0 million revolving credit facility for our U.K. subsidiary Nationwide available for general corporate purposes. For further details of our various financing arrangements, see "*Description of Certain Financing Arrangements*."

Key Factors Affecting Results of Operations

Our results of operations are primarily affected by factors that impact the equipment rental industry generally, particularly cyclicality and economic conditions affecting the construction and civil engineering sectors, and our management of capital expenditures in response to changes in the cycle. Our results of operations can also be significantly affected on a short-term basis by one-time factors such as weather conditions in our principal market. Our results of operations are also affected by the expansion of our rental network through acquisitions and the opening and closing of branches. These factors are described in greater detail below. For trends affecting our business and the markets in which we operate, see also "*Risk Factors*," "*Industry*" and "*Business*."

Cyclicality, seasonality and economic conditions

Demand for our products is dependent on the industries in which our customers operate, the general economy, the stability of the global credit markets and other factors. Many of the markets in which our customers operate are cyclical, with activity levels that tend to increase during periods of economic growth and

decline during economic downturns. Demand for our products is correlated to conditions in these industries and in the general economy.

Conditions in the markets in which our customers operate have an impact on both the utilization rate of our equipment and on prices. As demand increases, utilization follows and we can then, subject to fixed pricing arrangements, choose to allocate equipment to customers who are willing to pay higher prices. When demand decreases, the opposite occurs, and we may reduce prices to preserve utilization levels. Demand can be affected by general economic trends that can have an impact (positive or negative) over a longer period and by short-term factors that affect the utilization rates and prices for a brief period. For example, demand in the construction and civil engineering markets tends to decrease in winter and during extended periods of inclement weather while increasing in the summer and during extended periods of mild weather. We seek to manage the impact of medium and long-term trends through the adjustment of our investments in new equipment, increases or decreases in sales of our equipment, and the management of our branch network.

Recently, the construction and rental markets in Europe have shown growth that is expected to continue. Euroconstruct estimated in its November 2018 report that the French construction market has continued to grow, by 3.2% in 2018, driven by all construction sub-segments, particularly civil engineering. Euroconstruct also confirmed another year of growth for the construction markets elsewhere in Europe where Loxam is active. Similarly, the European Rental Association estimated in its December 2018 report an overall growth rate of 4.4% in European rental markets in 2018. Among those markets, the French rental market was expected to grow among the fastest with a growth rate of approximately 6%.

Investment in new equipment and asset sales

The management of our level of capital expenditure by increasing or decreasing the amount of investment in our fleet is an important factor in our results of operations and cash flow. Decisions about investment in new equipment are based on the condition and remaining useful life of our existing equipment as well as on our views of future demand. We sell assets in our fleet when we believe that these assets have reached the end of their useful life because they have become obsolete or when the cost of maintaining them in proper condition for customer use is too high. We also sell assets in our fleet before the end of their useful life if we believe a decline in demand in a given market is likely to last for a significant period of time. We believe that our experience in the rental equipment market allows us to recognize inflection points (the points at which demand is poised to level off or change direction) in the cycles affecting the sectors in which our customers operate, so that we can increase investment just before the bottom of the cycle (before we expect demand to expand), and decrease investment just before the top of the cycle (before we expect demand to contract). We believe that our anticipation of trends in the cycles affecting the sectors in which our customers operate, particularly historically in the construction and civil engineering sectors, has helped us to control our levels of investment and related debt, and thus maintain strong levels of cash flow and positive net income during the periods under review.

The allocation of investments in our rental fleet is determined by the type of equipment and the requirements of our business units. In 2018, we decreased our fleet capital expenditures to €373.4 million from €399.6 million in 2017.

Operating Expenses

Our business, like that of all equipment rental groups, is capital-intensive with a predominantly fixed cost structure that principally relates to the depreciation of our equipment fleet, as well as other operating expenses that are fixed for short or long periods of time, such as certain personnel charges and rent on real estate. The management of our costs is an important factor in our results of operations and cash flow. To the extent possible we seek to deploy our fleet so as to match increases and decreases in demand rather than relying on renting equipment from a third party to then rent it out to our own customers or other more costly measures to meet the needs of our customers.

Acquisitions

We make acquisitions to take advantage of opportunities for consolidation, to increase the density of our network in our existing markets or to enter new geographical or specialist markets. During the periods under review, we made the following acquisitions:

2018

- On June 8, 2018, Loxam acquired 100% of Negoce de Vehicules Automoteurs ("NVA"), a French company specializing in logistics for events which merged into Loxam SAS on September 1, 2018.

- On June 21, 2018, Loxam completed the acquisition of the Italian powered access equipment rental company No.Ve S.r.l. ("Nove") from Haulotte Group SA. The six branches acquired merged into Loxam Access SRL on December 21, 2018.

Additionally, on July 19, 2018, we entered into a conditional agreement with HSS Hire Group Plc with respect to the acquisition of UK Platforms Limited ("UKP") by Nationwide Platforms. UKP is specialized in renting powered access equipment from its branch network throughout the United Kingdom. The acquisition was completed on January 14, 2019 after approval by the UK Competition and Mergers Authority.

2017

- On February 6, 2017, Loxam bought a 100% interest in the Spanish rental company Hune Rental S.L., which operates in Spain, Portugal, and France and has two joint ventures (Saudi Arabia and Colombia).

- On February 13, 2017, Loxam took control of Lavendon. We subsequently completed the sale on June 29, 2017 of all of Lavendon's German subsidiaries, Lavendon Holding (Deutschland) GmbH and Gardemann Arbeitsbühnen GmbH, to the TVH Group.

- On August 31, 2017, Loxam completed the acquisition of the Danish equipment rental operation of Cramo Plc. This operation was structured as an asset deal. The seven branches acquired have since been merged with Loxam's Danish operations.

- On October 31, 2017, Loxam acquired the activities of the Italian powered access equipment rental company Nacanco SpA through a newly created subsidiary, Loxam Access Srl, which is 80% owned by Loxam. The remaining 20% of Loxam Access Srl is controlled by the previous owners of Nacanco.

- In October and December 2017, we increased our stake of the shares of Degraus by 24% for a total stake of 50.10%. With this complementary acquisition, we took control of Degraus, which is fully consolidated in our consolidated accounts for the year ended December 31, 2017.

- In December 2017, Loxam acquired the Irish construction equipment rental company Swan Plant Hire ("Swan"), which operates two branches.

2016

- On April 30, 2016, we purchased an additional 0.71% of the share capital of Degraus, thereby increasing our stake in the company to 25.71%. Our prior minority interest in Degraus was accounted for in our financial statements under the equity method.

- On October 28, 2016, we acquired Salmat Nord, a French equipment rental company, with one branch in Dunkirk in northern France serving principally customers in Dunkirk. Salmat Nord was merged into Loxam on January 1, 2017.

Factors Affecting Comparability of Results

Changes in the size of our rental network as a result of opening or acquiring new branches and closing existing ones can have a significant impact on our revenue from one period to the next. This change in scale affects the comparability of our results during those periods by increasing both revenue and expenses. As a result, we present certain information at constant perimeter in this listing prospectus.

Our consolidated financial statements for the year ended December 31, 2018 include:

- 4 months of activity of NVA, acquired in June 2018 and merged into Loxam SAS on September 1, 2018,
- 6 months of activity of Nove, acquired on June 21, 2018 and merged into Loxam Access SRL on December 21, 2018, and
- 12 months of activity of Degraus, which has been consolidated based on the full consolidation method in 2018 following the increase of our stake to 50.1% at the end of 2017.

Our consolidated financial statements for the year ended December 31, 2017 include:

- 11 months of consolidation of Hune Group and Lavendon,
- 4 months of consolidation of the acquired activity of Cramo Plc,
- 2 months of consolidation of Loxam Access SRL, and
- 1 month of consolidation of Swan Hire.

The information provided at constant perimeter for the year ended December 31, 2018 compared to the year ended December 31, 2017 eliminates the financial information of Swan, Loxam Access SRL, Nove and Degraus for both years, while adding 1 month of results for Hune Group and Lavendon and 8 months of results attributable to the acquired activity of Cramo Plc to our results of operations for the year ended December 31, 2017.

The information provided at constant perimeter for the year ended December 31, 2017 compared to the year ended December 31, 2016 eliminates the financial information of Lavendon, Hune Group, Cramo, Loxam Access SRL and Swan from the results of the year ended December 31, 2017.

Information provided at constant perimeter has not been reviewed or audited by our statutory auditors and therefore investors should not place undue reliance on it.

Explanation of Key Line Items from the Income Statement

The following is a summary description of certain line items from our income statement. For more information see *"—Critical Accounting Policies and Estimates*" and the notes to our consolidated audited financial statements.

Revenue includes the fees paid by customers to rent equipment and revenue from related services such as transportation, fuel, damage waivers and the cost of repair and maintenance services charged back to our customers, as well as the retail activities at our branches.

Other income principally includes net capital gains on disposals of fleet assets and real estate rent paid by subtenants.

Purchases consumed includes (1) the cost of goods purchased for resale in our retail activity, as well as the cost of fuel and maintenance parts that are rebilled to customers and (2) the cost of parts used by the workshops in our branches to maintain our equipment.

Personnel expenses relates primarily to the salaries, social security charges and profit sharing expenses for our employees.

Other current expenses include (1) external expenses that are directly related to our rental activity, such as transportation, subcontracted maintenance costs, re-rent (subleasing equipment from external renters to fill customer orders when there is not sufficient quantity at our branches) and costs associated with temporary workers; (2) external expenses related to the group, such as rent on real estate and related expenses, general administrative expenses (including insurance, advisory fees, communications and IT), advertising expenses and other management costs; and (3) losses on bad debts net of change in provisions on current assets.

Taxes and duties relates mainly to property taxes and local taxes (including the CET or *Contribution Economique Territoriale* paid in France).

Depreciation and amortization principally includes depreciation of fixed assets (fleet and non-fleet). Depreciation and amortization also includes depreciation of intangible assets qualified as such (trademarks and customer relationships) following a purchase price allocation exercise on the Lavendon Group, Hune Group and Nacanco acquisitions. We have maintained the depreciation policy existing at the Lavendon Group prior to the acquisition and have retroactively applied the Loxam group depreciation policy to the Hune fleet.

Other operating income and expense includes a limited number of unusual, abnormal, and uncommon items with significant amounts, which are disclosed separately in the income statement to make it easier to appreciate the Group's current operating performance.

Financial income primarily includes interest income on cash balances, while *financial expense* comprises interest charges on bank loans and bonds and hedging expenses. It also includes changes in the fair value of derivatives instruments.

Income tax consists of current and deferred taxes calculated in accordance with the relevant tax laws in force in the jurisdictions in which we operate. As of December 31, 2018, the corporate tax rate in France was 32.02%. We are also subject to tax rates in the other countries in which we operate, which ranged from 0% to 34% as of the same date.

Share of associates includes the group's share of the result of companies accounted for by the equity method.

Results of Operations

The table below sets out our results of operations for the years ended December 31, 2016, 2017 and 2018.

Consolidated Condensed Income Statement Data

	Year ended December 31,		
	2016	**2017**	**2018**
		(in millions of euros)	
Revenue	926.8	1,367.7	1,482.6
Other income[(1)]	56.3	62.6	56.7
Operating income	**983.0**	**1,430.3**	**1,539.3**
Purchases consumed	(105.5)	(144.4)	(162.8)
Personnel expenses	(244.4)	(360.1)	(381.3)
Other current expenses	(311.7)	(443.3)	(475.3)
Taxes and duties	(16.6)	(18.5)	(19.3)
Depreciation and amortization	(143.7)	(238.4)	(287.8)
Profit from ordinary operations	**161.1**	**225.6**	**212.9**
Other operating income and expense[(2)]	(19.9)	(4.5)	0.2
Operating profit	**141.2**	**221.2**	**213.2**
Interest and financing-related expenses	(63.1)	(93.3)	(97.2)
Other financial expenses	(31.8)	(26.9)	(7.7)
Financial income	6.8	3.5	2.8
Financial income (expense)	**(88.1)**	**(116.7)**	**(102.1)**
Profit before tax	**53.0**	**104.4**	**111.0**
Share of profit of associates	(1.0)	(1.3)	-
Income tax	(17.6)	(18.9)	(20.6)
Net profit	**34.4**	**84.3**	**90.4**
Non-controlling interests	0.1	(0.4)	(5.2)
Net profit, Group share	**34.3**	**84.6**	**95.7**

(1) Other income includes capital gains on disposal of fleet assets for €43.3 million, €50.6 million and €41.5 million in 2016, 2017 and 2018, respectively. It also includes income from real estate rentals to third parties for €5.8 million, €5.5 million and €6.1 million in 2016, 2017 and 2018, respectively.

(2) In 2016, other operating income and expense included non-recurring costs relating to the goodwill depreciation of Loxam Denmark of €15.0 million, and non-recurring costs of €5.0 million. In 2017, other operating income and expense included non-recurring costs of €9.6 million relating to the 2017 acquisitions and a €5.1 million profit on the Gardemann Disposal, after deduction of the write-off on the goodwill and intangible assets of Gardemann. In 2018, other operating income and expense mainly consisted of the settlement gain on IAS 19 contracts in the Netherlands of €4.6 million, which were offset by non-recurring costs of €2.0 million relating to the acquisitions in 2018, an impairment on fleet of €1.5 million, a depreciation on goodwill of €0.7 million and a depreciation on the Lavendon France trademark of €0.6 million.

We consider revenue and EBITDA to be key measures in analyzing our business. EBITDA is a non-IFRS measure but we believe that it and similar measures are widely used by certain investors as supplemental measures of performance and liquidity. See "*—Liquidity and Capital Resources—EBITDA*." We do not present financial information by segment in our financial statements, but we consider our business to have three divisions: Generalist France, Specialist France and International. Each of our branches is assigned to one of these divisions, and as of December 31, 2018 we had 426 branches in Generalist France, 81 in Specialist France and 256 in International.

The following table sets out these key figures in each of the Generalist France, Specialist France and International divisions for the years ended December 31, 2016, 2017 and 2018.

	Year ended December 31,		
	2016	**2017**	**2018**
Revenue			
Generalist France[(1)]	573.3	622.6	658.7
Specialist France[(1)]	163.6	212.8	225.6
France	**736.9**	**835.4**	**884.3**
International	189.9	532.3	598.3
Total revenue	**926.8**	**1.367.7**	**1,482.6**
EBITDA			
Generalist France[(2)]	198.0	213.4	225.4
Specialist France[(2)]	50.8	68.3	76.9
France	**248.8**	**281.8**	**302.3**
International	50.9	177.0	192.4
Real Estate[(3)]	5.1	5.2	6.0
Total EBITDA	**304.8**	**464.0**	**500.7**
EBITDA margin	***32.9%***	***33.9%***	***33.8%***

(1) To present the revenue of Generalist France and Specialist France, we allocate revenue by branch. Where revenue is related to events-related rentals handled by Loxam Event, which is not in a particular division, we allocate revenue to the branch whose equipment is rented.

(2) To present the EBITDA of Generalist France and Specialist France, we allocate rebates pro rata based on revenue, which is accounted for centrally, and then allocate direct expenses (which represent a majority of expenses) 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 that branch's revenue, the gross value of its equipment or the rental value of its equipment. See "*—Liquidity and Capital Resources—EBITDA*" for a reconciliation of EBITDA to profit from ordinary operations and net profit.

(3) Real estate EBITDA corresponds to rental income from real estate held by the Group that is not assigned to a division.

Year ended December 31, 2018 compared to year ended December 31, 2017

Revenue

Our revenue increased by 8.4% from €1,367.7 million in 2017 to €1,482.6 million in 2018. The overall increase in revenue was primarily driven by a combination of organic growth and growth driven by our acquisitions in 2017 and 2018. At constant perimeter and exchange rates, revenue increased by 3.7% in 2018.

Revenue from our Generalist France division increased by 5.8% from €622.6 million in 2017 to €658.7 million in 2018. This organic growth from our Generalist France division resulted primarily from improved pricing for our services and increased rental volume in our markets and was partly fueled by an increase in the size of our fleet. Revenue from our Specialist France division increased by 6.0% from €212.8 million in 2017 to €225.6 million in 2018 as the division continued to benefit from the momentum of its network growth of the past years. Revenue from our Generalist and Specialist France divisions together increased by 5.8% from €835.4 million in 2017 to €884.3 million in 2018.

In our International division, revenue increased by 12.4% at current exchange rates from €532.2 million in 2017 to €598.3 million in 2018, due to the enlarged scope of consolidation in 2018 of acquisitions completed in the last two years. At constant perimeter and at constant exchange rates, International revenue increased by 1.0% in 2018. This result was achieved despite a decrease of our revenue in the UK and more volatile trading conditions in the Middle East in the second part of the year.

In 2018, 44.4% of our revenue was generated from our Generalist France division (down from 45.5% in 2017), 15.2% of revenue was generated from our Specialist France division (down from 15.6% in 2017), with our International division contributing 40.4% (up from 38.9% in 2017).

Other income

Other income decreased by 9.4% from €62.6 million in 2017 to €56.7 million in 2018, mainly due to lower gains on fleet disposals than in the prior period. The decrease in capital gains was primarily due to the decrease in the volume of equipment sold.

EBITDA

EBITDA increased by 7.9% from €464.0 million in 2017 to €500.7 million in 2018. Our EBITDA margin was stable at 33.8% of our revenue in 2018 compared to 33.9% in 2017. The increase in EBITDA is in line with the growth of our revenue but was offset by fewer capital gains than in the prior period, mainly due to fewer one-off sales of aging fleet equipment. Excluding capital gains, our EBITDA margin increased by 0.7% in 2018.

In our Generalist France division, EBITDA increased by 5.6% from €213.4 million in 2017 to €225.4 million in 2018 and EBITDA margin decreased slightly from 34.3% in 2017 to 34.2% in 2018. In our Specialist France division, EBITDA increased by 12.5% from €68.3 million in 2017 to €76.9 million in 2018 and EBITDA margin increased from 32.1% of revenue in 2017 to 34.1% in 2018.

EBITDA of our International division increased by 8.7% from €177.0 million in 2017 to €192.4 million in 2018. The division's EBITDA margin decreased from 33.3% in 2017 to 32.2% in 2018.

Operating Expenses

Purchases consumed

Purchases consumed increased by 12.7% from €144.4 million in 2017 to €162.8 million in 2018. At constant perimeter and exchange rates, purchases consumed increased by 8.4% as a consequence of the 10.5% growth of retail sales in 2018 and an increase in fuel costs, which are passed on to customers through periodic pricing adjustments.

Personnel expenses

Personnel expenses increased by 5.9% from €360.1 million in 2017 to €381.3 million in 2018. At constant perimeter and exchange rates, personnel expenses increased by 2.3%, in line with the increase in average number of staff.

Other current expenses

Other current expenses increased by 7.2% from €443.3 million in 2017 to €475.3 million in 2018. At constant perimeter and exchange rates, other current expenses increased moderately by 2.3%. This increase was primarily due to an increase across all of our divisions in certain variable costs, including haulage costs and bad debt in all our divisions. This increase was offset by a reduction in costs associated with renting equipment from

third parties for the purpose of renting to our own customers to meet their demand, as we purchased most such equipment during the period.

Depreciation and amortization

Depreciation and amortization increased by 20.7% from €238.4 million in 2017 to €287.8 million in 2018. Fleet depreciation increased by 21.8% because of capital expenditure in 2017 and 2018 and also reflects the effect of the alignment of the depreciation policies for the businesses acquired in 2017 and 2018. At constant perimeter, fleet depreciation and amortization increased by 15.3% over the same period due to the depreciation of the larger fleet.

Operating profit

Operating profit decreased by 3.6% from €221.2 million in 2017 to €213.2 million in 2018, resulting from the factors detailed with respect to the line items above, including an increase in depreciation and amortization. Other operating income, including non-recurring items, was €0.2 million in 2018 compared to an expense of €4.5 million in 2017. In 2018 we benefitted from the positive impact of the transfer of employees of our Dutch subsidiaries from a defined benefit plan to a defined contribution plan, which resulted in a gain of €4.6 million under IAS 19. Additionally, we recorded acquisition costs of €2.0 million.

Financial income and expense

Net financial expense decreased by 12.5% from €116.7 million in 2017 to €102.1 million in 2018, as we recorded one-off costs related to the bridge facility we entered into to finance our acquisition of Lavendon in 2017. Our gross debt financial expense increased by 4.2% from €93.3 million in 2017 to €97.2 million in 2018, principally because of the full year of interest charges on our €850 million of bonds issued in 2017.

Income tax

Profit before tax increased by 6.3% from €104.4 million in 2017 to €111.0 million in 2018. Income tax increased by 9.0% from €18.9 million in 2017 to €20.6 million in 2018, primarily due to an increase in income for the reasons stated above, but was also partly offset by income tax incentives introduced in France in 2015 related to capital expenditures.

Net profit, group share

Net profit, group share increased by 13.0% from €84.6 million in 2017 to €95.7 million in 2018 as a result of the factors described above.

Year ended December 31, 2017 compared to year ended December 31, 2016

Revenue

Our revenue increased by 47.6% from €926.8 million in 2016 to €1,367.7 million in 2017. At constant perimeter and exchange rates, revenue increased by 8.5% in 2017. The overall increase in revenue was primarily driven by the 2017 Acquisitions, in addition to the recovery of the French rental market.

Revenue from our Generalist France division increased by 8.6% from €573.3 million in 2016 to €622.6 million in 2017. This growth was purely organic and in line with the anticipated growth of the French rental and construction markets. Revenue from our Specialist France division increased by 30.1% from €163.6 million in 2016 to €212.8 million in 2017. This growth was mainly attributable to the contribution of Lavendon France but also represented organic growth of 9.7% from 2016. Revenue from our Generalist and Specialist France divisions together increased by 13.4% from €736.9 million in 2016 to €835.4 million in 2017.

Revenue from our International division grew by 180.3% from €189.9 million in 2016 to €532.3 million in 2017 due to the 2017 Acquisitions. At constant perimeter and exchange rates, revenue from our International division grew by 7.2% in 2017.

In 2017, our Generalist France division generated 45.5% of our revenue (compared to 61.9% in 2016), our Specialist France division generated 15.6% of our revenue (compared to 17.7% in 2016) and our International division generated 38.9% of our revenue (compared to 20.5% in 2016).

Other income

Other income increased by 11.2% from €56.3 million in 2016 to €62.6 million in 2017. This increase is primarily due to higher gains on fleet disposals.

EBITDA

EBITDA increased by 52.2% from €304.8 million in 2016 to €464.0 million in 2017. Our EBITDA margin increased to 33.9% of revenue in 2017 compared to 32.9% in 2016. The increase in our EBITDA was primarily driven by the integration of Lavendon and Hune and by organic growth recorded in each of our three divisions.

EBITDA of our Generalist France division increased by 7.8% from €198.0 million in 2016 to €213.4 million in 2017. The EBITDA margin for the division decreased slightly from 34.5% in 2016 to 34.3% in 2017. EBITDA of our Specialist France division increased by 34.3% from €50.8 million in 2016 to €68.3 million in 2017. The EBITDA margin for the Specialist division increased from 31.1% in 2016 to 32.1% in 2017.

EBITDA of our International division increased by 248.0% from €50.9 million in 2016 to €177.0 million in 2017. The division's EBITDA margin also increased from 26.8% in 2016 to 33.3% in 2017 due to the integration of Hune and Lavendon.

Operating Expenses

Purchases consumed

Purchases consumed increased by 36.9% from €105.5 million in 2016 to €144.4 million in 2017. At constant perimeter, purchases consumed increased by 9.9% as a consequence of the growth of retail sales, which increased by 13.2% in 2017.

Personnel expenses

Personnel expenses increased by 47.4% from €244.4 million in 2016 to €360.1 million in 2017, primarily due to the increase in headcount at our International division and our Specialist France division in connection with the acquisitions made in 2017. At constant perimeter, personnel expenses increased by 7.1%, an increase that includes the payment of a one-off bonus to all staff for Loxam's 50th anniversary for a total cost of €6.4 million, including social charges. Expressed as a percentage of revenue, our personnel expenses slightly decreased to 26.3% in 2017 compared with 26.4% in 2016.

Other current expenses

Other current expenses increased by 42.2% from €311.7 million in 2016 to €443.3 million in 2017. At constant perimeter, other current expenses increased by 8.7%. This increase was primarily driven by an increase of some variable costs tied to the level of commercial activity such as external re-rental of equipment, temporary staff costs and haulage costs.

Depreciation and amortization

Depreciation and amortization increased significantly from €143.7 million in 2016 to €238.4 million in 2017 due to the integration of Hune and Lavendon. Fleet depreciation increased by 63.5% from €127.3 million in 2016 to €208.2 million in 2017 due to capital expenditure related to our acquisition of Hune and Lavendon in 2017. At constant perimeter, fleet depreciation increased by 17.0% in the same period. Depreciation of intangible assets amounted to €7.0 million in 2017 related primarily to the impact of the Hune and Lavendon trademarks and customer relationships, which were recognized in 2017 on our balance sheet, following a purchase price allocation of both acquisitions.

Operating profit

Operating profit increased by 56.7%, from €141.2 million in 2016 to €221.2 million in 2017, resulting from the factors detailed with respect to the line items above, including primarily the increase in revenue following the 2017 Acquisitions. Other operating income and expense in 2017 included non-recurring costs of

€9.6 million incurred pursuant to the 2017 Acquisitions and a profit of €5.1 million relating to the Gardemann Disposal.

Financial income and expense

Net financial expenses increased from €88.1 million in 2016 to €116.7 million in 2017. Our gross debt financial expense increased from €63.1 million in 2016 to €93.3 million in 2017 primarily due to the issuance of the €850 million of notes to pay for the acquisition and related costs of Lavendon and Hune. The repayment of the bridge facility used for the acquisition of Lavendon in February 2017 led to a €13.8 million non-recurring expense. In August 2017, we used surplus cash to redeem €110.7 million out of the €410.0 million outstanding nominal amount of the 2021 Senior Secured Notes.

Income tax

Profit before tax nearly doubled, rising from €53.0 million in 2016 to €104.4 million in 2017. Income tax increased by 7.4% from €17.6 million in 2016 to €18.9 million in 2017. The Group benefitted from lower tax rates applicable to our International division and a tax incentive on capital expenditure.

Net profit, group share

Net profit, group share increased significantly from €34.3 million in 2016 to €84.6 million in 2017 as a result of the factors described above.

EBITDA

We define EBITDA as profit from ordinary operations plus depreciation and amortization of fixed assets. However, other companies may present EBITDA differently than we do. We present EBITDA as additional information because we believe it is helpful to investors in highlighting trends in our business. EBITDA is not a measure of financial performance under IFRS and should not be considered as an alternative to profit from ordinary operations as an indicator of our operating performance or any other measures of performance derived in accordance with IFRS.

The following table presents a reconciliation of EBITDA to profit from ordinary operations and net profit for the periods indicated.

	Year ended December 31,		
	2016	**2017**	**2018**
	(in millions of euros)		
EBITDA	**304.8**	**464.0**	**500.7**
Depreciation and amortization	(143.7)	(238.4)	(287.8)
Profit from ordinary operations	**161.1**	**225.6**	**212.9**
Other operating income and expense	(19.9)	(4.5)	0.2
Financial income and expense	(88.1)	(116.7)	(102.1)
Share of profit of associates	(1.0)	(1.3)	—
Income tax expense	(17.6)	(18.9)	(20.6)
Net profit	**34.4**	**84.3**	**90.4**

EBITDA increased from €464.0 million in 2017 to €500.7 million in 2018, with corresponding EBITDA margins of 33.9% in 2017 and 33.8% in 2018.

EBITDA from our Generalist France division increased from €213.4 million in 2017 to €225.4 million in 2018. Our EBITDA margin for our Generalist France division remained stable at 34.3% in 2017 compared to 34.2% in 2018.

EBITDA from our Specialist France division increased from €68.3 million in 2017 to €76.9 million in 2018. Our EBITDA margin for our Specialist France division increased from 32.1% in 2017 to 34.1% in 2018.

EBITDA from our International division increased from €177.0 million in 2017 to €192.4 million in 2018. Our EBITDA margin for our International division increased from 33.3% in 2017 to 32.2% in 2018.

Cash Flow

The following is a discussion of our cash flow from operations, cash flow from investing activities and cash flow from financing activities for the years ended December 31, 2016, 2017 and 2018.

Cash flow from operations includes fluctuations in our working capital requirements. In addition to typical variations in our accounts receivables and payables, working capital is also affected by the level of income tax debt or credit at the end of the year and by payables to fleet suppliers.

Cash flow from investing activities consists of our net capital expenditures, i.e., capital expenditures less the proceeds from the sale of the equipment retired from operations, as well as the cash impact of external acquisitions.

Cash flow from financing activities reflects the net issuance of new debt or equity, less debt repayments and dividend payments.

Year ended December 31, 2018 compared to the year ended December 31, 2017

The following table presents a summary of our cash flow for the year December 31, 2018, as compared to the year ended December 31, 2017:

	Year ended December 31,	
	2017	**2018**
	(in millions of euros)	
Cash flow from operations	260.8	361.9
Cash flow from investing activities	(1,183.8)	(366.9)
Cash flow from financing activities	883.4	28.5
Change in cash and cash equivalents	**(39.5)**	**23.5**
Cash and cash equivalents at the end of the period [(1)]	**116.6**	**141.4**

(1) Including bank overdrafts.

Cash flow from operations

Net cash provided by operations increased by 38.8% from €260.8 million in 2017 to €361.9 million in 2018. Before changes in working capital requirements and variations in other financial debt and in accrued interest on debt, net cash provided by operations increased by 23.1% from €285.8 million in 2017 to €351.9 million in 2018, due to a higher EBITDA in 2018 and lower financial expenses. Changes in working capital rose from a negative impact of €40.7 million in 2017 to a positive impact of €8.7 million in 2018. The improvement in working capital in 2018 was primarily due to a decrease in deposits paid in 2017 for future capital expenditure requirements relating to fixed assets, which was partly offset by the variations linked to the increase in business operations.

Cash flow from investing activities

Net cash used in investing activities decreased significantly from €1,183.8 million in 2017 to €366.9 million in 2018, primarily due to the 2017 Acquisitions. Purchases of fixed assets decreased in 2018 from €432.8 million in 2017, of which our rental fleet accounted for €399.6 million, to €412.5 million in 2018, of which our rental fleet accounted for €373.4 million. Cash from fixed asset disposals, most of which related to our rental fleet, decreased from €66.6 million in 2017 to €62.8 million in 2018. Cash used for acquisitions decreased from €817.6 million in 2017 to €17.1 million in 2018. Cash used for acquisitions in 2018 related to the acquisitions of NVA and NoVe S.r.l.

Cash flow from financing activities

Net cash provided by financing activities decreased significantly from €883.4 million in 2017 to €28.5 million in 2018.

In 2018, we incurred €492.3 million of debt, including €325.6 million of new bilateral facilities and €166.6 million of new finance leases to finance fleet capital expenditure.

We repaid €456.8 million of debt in 2018, including €60.0 million of 2021 Senior Secured Notes, €25.0 million of 2022 Senior Subordinated Notes, €279.5 million of bilateral facilities and €92.4 million of finance leases.

Year ended December 31, 2017 compared to the year ended December 31, 2016

The following table presents a summary of our cash flow for the year December 31, 2017, as compared to the year ended December 31, 2016:

	Year ended December 31,	
	2016	**2017**
	(in millions of euros)	
Cash flow from operations	165.6	260.8
Cash flow from investing activities	(178.3)	(1,183.8)
Cash flow from financing activities	7.0	883.4
Change in cash and cash equivalents	**(5.7)**	**(39.5)**
Cash and cash equivalents at the end of the period [(1)]	**155.7**	**116.6**

(1) Including bank overdrafts.

Cash flow from operations

Net cash provided by operations increased by 57.5% from €165.6 million in 2016 to €260.8 million in 2017. Before changes in working capital requirements and variations in other financial debt and in accrued interest on debt, net cash provided by operations was €164.0 million in 2016 and €285.8 million in 2017, due to a higher EBITDA in 2017, which was partially offset by higher financial expenses related to the new financing for the Lavendon Acquisition. Changes in working capital had a positive impact of €6.8 million in 2016 compared to a negative impact of €40.7 million in 2017.

Cash flow from investing activities

Net cash used in investing activities increased significantly from €178.3 million in 2016 to €1,183.8 million in 2017. Purchases of fixed assets increased by 87.4% from €230.9 million in 2016, of which our rental fleet accounted for €197.6 million, to €432.8 million in 2017, of which our rental fleet accounted for €399.6 million. Cash from fixed asset disposals, most of which related to our rental fleet, increased by 22.0% from €54.6 million in 2016 to €66.6 million in 2017. Cash used for acquisitions increased significantly from €2.0 million in 2016 to €817.6 million in 2017, mainly due to the acquisitions of Lavendon and Hune, and to a lesser extent to the acquisitions of Cramo's Danish activities, Loxam Access Srl, Swan Hire and the additional shares in Degraus.

Cash flow from financing activities

Net cash provided by financing activities increased significantly from €7.0 million in 2016 to €883.4 million in 2017.

In 2017, we issued €1,919.0 million of debt, including €850 million of new notes (less the issuance costs of €15.2 million), €174.5 million of new bilateral facilities and €130.4 million of new finance leases. We drew €779.3 million under a bridge facility during the first quarter for the Lavendon Acquisition. Proceeds from the new bonds issuance of €850 million repaid the bridge during the second quarter.

We repaid €1,021.0 million of debt in 2017, including €779.3 million of the bridge facility entered into to fund the Lavendon Acquisition, €110.7 million of 2021 Senior Secured Notes, €56.6 million of bilateral facilities and €74.5 million of finance leases.

Capital Expenditures

Our capital expenditures consist principally of investments in fixed assets (i.e., our equipment fleet). We determine and allocate our budget for capital expenditures on an annual basis. Decisions about investment in new equipment are based in significant part on our views of future demand. During growth cycles we may decide to invest in our business by replacing aging or end-of-life equipment and by expanding the total size of the fleet, while in downturns we tend to restrict capital expenditures to the replacement of end-of-life equipment and conserve cash.

The table below shows our investments for the last three years.

	Year ended December 31,		
	2016	2017	2018
		(in millions of euros)	
Purchases of rental equipment	197.6	399.6	373.4
Purchases of non-rental equipment[1]	33.2	33.3	39.1
Gross capital expenditures	**230.9**	**432.8**	**412.5**
Proceeds from disposals of rental equipment	50.0	62.7	56.2
Proceeds from disposals of non-rental equipment	4.6	3.9	6.5
Proceeds from disposals of fixed assets	**54.6**	**66.6**	**62.8**
Net fleet capital expenditures[2]	**147.6**	**336.9**	**317.2**
Net capital expenditures[3]	**176.3**	**366.2**	**349.7**

(1) Non-rental equipment principally includes equipment used in our workshops, equipment used to outfit or maintain our branches, and information technology.

(2) Net fleet capital expenditures is the net amount of purchases of rental equipment less proceeds from disposals of rental equipment.

(3) Net capital expenditures is gross capital expenditures less proceeds from disposals of fixed assets.

Gross capital expenditures decreased from €432.8 million in 2017 to €412.5 million in 2018. Fleet capital expenditures amounted to €373.4 million in 2018, compared to €399.6 million in 2017.

We benefit from a tax incentive in France which started in April 2015 and will last until mid-April 2019. This benefit was earned on any equipment ordered before mid-April 2017 where a deposit was paid to the supplier. Equipment purchased in France satisfying the tax deductibility conditions benefits from an additional tax deduction of 40% of the original value of the assets. During the fiscal years 2016, 2017 and 2018, we benefitted from a tax deduction in an amount of €3.0 million, €6.8 million and €9.5 million, respectively.

In 2018, the gross book value of disposed rental equipment was €192.2 million, compared to €245.9 million in 2017.

Free cash flow

We define free cash flow as EBITDA less net capital expenditures, other operating income and expense (excluding non-cash operating income and expense), financial income and expense (excluding non-cash financial income and expense), taxes (excluding deferred taxes), capital gains on fleet disposals and certain other income and expense and changes in working capital requirement. Free cash flow is presented before the payment of dividends to shareholders, capital increases, share buy-backs, acquisitions and high yield amortization costs. We present free cash flow as additional information because we believe it is helpful to investors in highlighting trends in our business. However, other companies may present free cash flow differently than we do. Free cash flow is not a measure of financial performance under IFRS and should not be considered as an alternative to operating income as an indicator of our operating performance or any other measures of performance derived in accordance with IFRS.

In 2018, we recorded a positive recurring free cash flow of €2.4 million compared to a negative recurring free cash flow of €50.6 million in 2017. A higher EBITDA before capital gains on fleet disposals, lower gross capital expenditure and lower cash taxes helped to improve our free cash flow performance.

In 2018, non-recurring cash items amounted to €8.5 million and related to the decrease of the deposit paid to fixed assets suppliers (€11.3 million), to the UK platforms acquisition costs (€1.7 million) and to the fees incurred for the repayment of €85 million of notes (€1.6 million).

In 2017, we recorded several non-recurring cash items which we decided to split from recurring free cash flow. Excluding the following non-recurring items, we would have recorded a negative free cash flow of €50.6 million in 2017: €16.5 million of non-recurring costs incurred for the €779.3 million bridge facility and the repayment of €110.7 million of senior secured notes, €24.0 million of non-recurring costs incurred by Lavendon for the change of shareholders and €24.0 million of impact on working capital requirements due to a 10% deposit paid to fixed assets suppliers to benefit from tax benefits.

For the years ended December 31, 2016, 2017 and 2018, free cash flow was negative €5.4 million, negative €121.1 million and €10.8 million, respectively.

The following tables present a reconciliation of free cash flow to EBITDA for the periods indicated on a recurring and non-recurring basis.

	Year ended December 31, 2018		
	Total	**Non-recurring items [6]**	**Recurring items**
		(in millions of euros)	
EBITDA	**500.7**	**—**	**500.7**
Capital gains on fleet disposals	(41.5)	—	(41.5)
EBITDA before capital gains on fleet disposals	**459.2**	**—**	**459.2**
Proceeds from disposal of fixed assets	62.8	—	62.8
Gross capital expenditure	(412.5)	—	(412.5)
Operating income and expense[1]	(2.0)	1.7	(0.3)
Financial income and expense[2]	(95.5)	1.6	(93.9)
Income taxes[3]	(8.9)	(0.5)	(9.4)
Change in working capital requirements[4]	8.7	(11.3)	(2.5)
Miscellaneous[5]	(0.9)	—	(0.9)
Recurring free cash flow			**2.4**
Non-recurring items[6]		8.5	
Free cash flow[7]	**10.8**		
Acquisition[8]	(17.1)		
Share capital decrease[9]	—		
Dividends	(6.9)		
Issue costs, amortization and currency variations	(1.4)		
Change in net debt[10]	**(14.6)**		

	Year ended December 31, 2017		
	Total	Non-recurring items [6]	Recurring items
		(in millions of euros)	
EBITDA	**464.0**	**—**	**464.0**
Capital gains on fleet disposals	(50.6)	—	(50.6)
EBITDA before capital gains on fleet disposals	**413.4**	**—**	**413.4**
Proceeds from disposal of fixed assets	66.6	—	66.6
Gross capital expenditure	(432.8)	—	(432.8)
Operating income and expense[1]	(9.6)	8.1	(1.5)
Financial income and expense[2]	(107.0)	16.5	(90.5)
Income taxes[3]	(9.3)	(8.5)	(17.8)
Change in working capital requirements[4]	(40.7)	54.4	13.7
Miscellaneous[5]	(1.6)	—	(1.6)
Recurring free cash flow			**(50.6)**
Non-recurring items[6]		(70.6)	
Free cash flow[7]	**(121.1)**		
Acquisition[8]	(842.5)		
Share capital decrease[9]	(9.6)		
Dividends	(4.9)		
Issue costs, amortization and currency variations	(2.3)		
Change in net debt[10]	**(980.4)**		

	Year ended December 31, 2016		
	Total	Non-recurring items [6]	Recurring items
		(in millions of euros)	
EBITDA	**304.8**	**—**	**304.8**
Capital gains on fleet disposals	(43.3)	—	(43.3)
EBITDA before capital gains on fleet disposals	**261.5**	**—**	**261.5**
Proceeds from disposal of fixed assets	54.6	—	54.6
Gross capital expenditure	(230.9)	—	(230.9)
Operating income and expense[1]	(4.9)	4.8	(0.1)
Financial income and expense[2]	(76.5)	16.6	(59.9)
Income taxes[3]	(12.7)	(7.4)	(20.1)
Change in working capital requirements[4]	6.8	—	6.8
Miscellaneous[5]	(3.3)	—	(3.3)
Recurring free cash flow			**8.6**
Non-recurring items[6]		(14.0)	
Free cash flow[7]	**(5.4)**		
Acquisition[8]	(3.5)		
Share capital decrease[9]	(95.5)		
Dividends	(4.9)		
Issue costs, amortization and currency variations	(6.9)		
Change in net debt[10]	**(116.3)**		

(1) Corresponds to non-recurring costs related mainly to acquisitions.

(2) Corresponds to financial income and expense immediately payable (i.e., excluding non-cash items).

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

(4) Excludes change in accrued interests on loans and change in other financial debt, which together totaled a decrease of €1.3 million in 2018 compared to a gain of €15.7 million in 2017 and a decrease of €5.3 million in 2016.

(5) Primarily composed of deduction of capital gains of non-fleet disposal and other non-cash items excluded from EBITDA, mainly related to change in provisions.

(6) Non-recurring items in 2018 include: €11.3 million of deposit payments on future capital expenditures, €1.7 million of UK Platforms acquisition costs and €1.6 million of notes redemption premiums, less income tax.

Non-recurring items in 2017 include: €24.0 million of deposit payments on future capital expenditures, €24.0 million of increase in working capital requirements related to Lavendon's advisory take-over fees, €6.4 million of excess credit tax, €8.1 million of Lavendon group acquisition costs, €13.8 million of bridge facility fees and €2.7 million of high yield bond redemption premiums, less income tax.

Non-recurring items in 2016 include: €16.6 million of high yield bond redemption premiums and €4.8 million of Lavendon advisory fees, less income tax.

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

(8) Corresponds to acquisitions.

(9) Corresponds to the share buy-back of minority shareholders.

(10) Excludes change in derivatives instruments.

Net debt

We define net debt as gross debt less cash and cash equivalents (cash plus marketable investment securities). Net debt is presented as additional information because we believe that netting cash against debt may be helpful to investors in understanding our financial liability exposure. However, other companies may present net debt differently than we do. Net financial debt is not a measure of financial performance under IFRS and should not be considered as an alternative to any other measures of performance derived in accordance with IFRS.

The following table presents a reconciliation of net debt to amounts included in the consolidated balance sheet as of the dates indicated.

	As of December 31,		
	2016	**2017**	**2018**
		(in millions of euros)	
2021 Senior Secured Notes	410.0	299.3	239.3
2022 Senior Subordinated Notes	250.0	250.0	225.0
2023 Senior Secured Notes	250.0	250.0	250.0
2022 Senior Secured Notes	—	300.0	300.0
2024 Senior Secured Notes	—	300.0	300.0
2025 Senior Subordinated Notes	—	250.0	250.0
Issuance costs related to notes	(8.0)	(17.9)	(12.1)
Bank loans on bilateral credit facilities	244.7	364.4	409.1
Accrued interest on debt securities and loans	5.0	18.6	18.2
Lease debt	143.7	218.7	293.3
Other financial debt	1.1	4.4	4.4
Bank overdrafts	0.2	1.0	2.4
Loans and financial debt (gross debt)	**1,296.6**	**2,238.7**	**2,279.5**
Cash	(90.6)	(117.5)	(143.4)
Marketable investment securities	(65.3)	(0.1)	(0.4)
Cash and cash equivalents	**(155.9)**	**(117.5)**	**(143.8)**
Net debt	**1,140.8**	**2,121.2**	**2,135.7**

Net debt increased by €14.6 million from €2,121.2 million as of December 31, 2017 to €2,135.7 million as of December 31, 2018, primarily as a result of a positive free cash flow of €10.8 million, a €17.1 million negative effect of change in the scope of consolidation related to the acquisition of NVA and Nove, and dividends paid of €6.9 million.

Net debt increased by €980.4 million from €1,140.8 million as of December 31, 2016 to €2,121.2 million as of December 31, 2017, primarily as a result of a negative impact of €842.5 million from change in the scope of consolidation mainly related to the Lavendon Acquisition and the Hune Group Acquisition and to a negative free cash flow of €121.1 million.

Liquidity and Capital Resources

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

Our sources of financing consist mainly of the following:

- cash generated from our operating activities;
- borrowings under our syndicated credit facilities (including the Revolving Credit Facility), and bilateral credit facilities and finance leases; and
- net proceeds from our outstanding debt securities and any other debt securities that we may issue in the future.

As of December 31, 2018, our gross financial debt (excluding derivatives) amounted to €2,279.5 million, compared to €2,238.7 million as of December 31, 2017. Our net financial debt (excluding derivatives) as of December 31, 2018 amounted to €2,135.7 million, an increase of €14.6 million compared to December 31, 2017.

As of December 31, 2018, we had €1,552.2 million of outstanding bond debt, after deduction of €12.1 million of issuance costs. Our bond debt of €1,564.3 million comprised €239.3 million of 2021 Senior Secured Notes, €225.0 million of 2022 Senior Subordinated Notes, €300.0 million of 2022 Senior Secured Notes, €250.0 million of 2023 Senior Secured Notes, €300.0 million of 2024 Senior Secured Notes, and €250.0 million of 2025 Senior Subordinated Notes. We also had €409.1 million outstanding debt under bilateral credit facilities from banks and €293.3 million of finance leases.

On July 23, 2018, we redeemed €60.0 million in principal amount out of the €299.3 million outstanding aggregate principal amount of the 2021 Senior Secured Notes and €25.0 million in principal amount out of the €250.0 million outstanding aggregate principal amount of the 2022 Senior Subordinated Notes using available cash.

Cash and cash equivalents net of bank overdrafts on our balance sheet amounted to €141.4 million as of December 31, 2018.

We also have access to €75.0 million under the Revolving Credit Facility, which may be used for general corporate purposes. As of December 31, 2018, the Revolving Credit Facility was undrawn.

We expect to finance future capital expenditures through cash flow from operations, finance leases or bilateral credit facilities. During 2018, new bilateral credit facilities and finance leases were entered into for €325.6 million and €166.6 million, respectively. The new bilateral credit facilities include the Nationwide Revolving Facility, which we put in place in the fourth quarter of 2018 in place of a prior intra-group loan. See "*Description of Certain Financing Arrangements—Nationwide Revolving Facility Agreement.*"

Debt maturity profile

The table below provides the maturity profile of our outstanding indebtedness, as of December 31, 2018.

(in millions of euros)	**Total**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026 and later**
Bilateral loans	409.1	103.5	72.3	59.1	42.5	130.6	0.9	0.1	0.2
Lease debt	293.3	88.0	79.7	66.0	41.9	17.2	0.5	0.0	-
Loans and financial debt owed to credit institutions	**702.4**	**191.6**	**152.0**	**125.0**	**84.4**	**147.8**	**1.4**	**0.1**	**0.2**
Other financial debt	4.4	4.4	-	-	-	-	-	-	
2021 Senior Secured Notes	238.9	-	-	238.9	-	-	-	-	-
2022 Senior Subordinated Notes	224.1	-	-	-	224.1	-	-	-	-
2023 Senior Secured Notes	248.5	-	-	-	-	248.5	-	-	-
2022 Senior Secured Notes	297.7	-	-	-	297.7		-	-	-
2024 Senior Secured Notes	296.4	-	-	-	-	-	296.4	-	-
2025 Senior Subordinated Notes	246.7	-	-	-	-	-	-	246.7	-
Total debt [(1)]	**2,259.0**	**195.9**	**152.0**	**363.9**	**606.2**	**396.3**	**297.8**	**246.7**	**0.2**

(1) Total debt figures exclude accrued interest and bank overdrafts and are presented net of issuance costs.

We have no major financial debt amortization before the 2021 Senior Secured Notes are due.

Off-balance sheet commitments

We are a party to various customary off-balance sheet arrangements, including guarantees given to financial institutions for payment of real estate rentals, guarantees on our subsidiaries' borrowings and security granted in connection with the Existing Senior Secured Notes. See note 24 to our IFRS consolidated financial statements for the years ended December 31, 2016, 2017 and 2018, an English translation of which is included elsewhere in this listing prospectus.

Currency and interest rate derivatives

We are exposed to market risks arising from fluctuations in interest rates and exchange rates in the ordinary course of our business. To manage these risks effectively, we enter into hedging transactions and use derivative financial instruments to mitigate the adverse effects of these risks. We do not enter into financial instruments for trading or speculative purposes.

The derivative financial instruments that we entered into in connection with our loans and other financial debt (especially interest rate swaps) covered a notional amount of €36.5 million at December 31, 2018 with a maximum term expiring in July 2022. As of December 31, 2018, these derivative instruments were recognized as financial liabilities at their fair value for an amount of €1.5 million, compared with €2.9 million as of December 31, 2017 and €4.9 million as of December 31, 2016. Fair value adjustments relating to these derivative instruments in the amount of €1.5 million were recorded in financial expenses in 2018, compared to €2.0 million in 2017 and €1.8 million in 2016.

As of December 31, 2018, 83% of our loans and other financial debt were at fixed interest rates compared to 84% as of December 31, 2017.

The majority of our revenue (76% in 2018), expenses and obligations are denominated in euros. However, we are exposed to foreign exchange rate risk, primarily in respect of British Pounds, Danish Krone, Swiss Francs, Moroccan Dirham, Norwegian Krone and Colombian Peso as well as Middle Eastern currencies. Our foreign exchange rate derivative financial instruments as of December 31, 2018 covered current liabilities denominated in British Pounds for GBP 74.9 million and in US dollars for USD 7.0 million.

Accounting Principles

Loxam adopted International Financial Reporting Standards "IFRS" as the accounting standard for its financial statements for the year ended December 31, 2017. Loxam also prepared restated financial statements for the years ended December 31, 2016 and 2015 to provide historical comparable data. Loxam's statutory auditors have audited the financial accounts for the years ended December 31, 2016, 2017 and 2018 under IFRS.

Critical Accounting Policies and Estimates

IFRS requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. These estimates and assumptions are based on the information available at the time of preparation of the financial statements and affect the published amounts. Actual results may differ from these estimates.

We consider the following policies and estimates to be the most critical in understanding the assumptions and judgments that are involved in preparing our financial statements and the uncertainties that could affect our financial results, financial condition and cash flows. They are continuously assessed based on past experience and various other factors that are considered to be reasonable, which form the basis for assessments of the book value of assets and liabilities. Estimates may be revised if the circumstances on which they were based change or new information becomes available. Actual results may differ significantly from these estimates depending on different conditions or assumptions. A more detailed description of the accounting rules and methods that we apply is provided in the note "Accounting Principles" to our consolidated financial statements.

Goodwill

Goodwill represents the fair value of the consideration transferred (including the fair value of any interest previously held in the company acquired), plus the amount recognized for any non-controlling interest in the company acquired, less the net amount recognized (generally at fair value) for the identifiable assets and liabilities assumed. When the difference is negative, this is badwill, representing a profit resulting from acquisitions under preferential conditions. Badwill is recognized immediately in profit or loss. Corrections or adjustments may be made to the fair value of the assets and liabilities assumed and the consideration transferred within 12 months of the acquisition. As a result, the goodwill may be corrected. Goodwill is not amortized. In accordance with IAS 36 Impairment of Assets, it is tested once a year and whenever indications of impairments arise. When the recoverable value is lower than the net book value of the asset or the cash generating unit, an impairment is recognized in profit or loss. Impairments recorded for goodwill are irreversible.

Property, plant and equipment

Property, plant and equipment are recognized at their acquisition cost, after deducting accumulated depreciation and impairment charges. They are not premeasured. The cost includes the expenditure directly attributable to the asset's acquisition. Depreciation charges for property, plant and equipment are calculated on a straight-line basis and with the following useful lives: buildings (10 to 50 years), building fixtures and fittings (5 to 20 years), tools (3 to 5 years), fleet equipment (3 to 15 years) and other property, plant and equipment (2 to 5 years). A residual value of 10% was introduced starting in 2016 on certain types of fleet equipment in order to take into account the resale value of this equipment at the end of its useful life. Land is not depreciated. Property, plant and equipment are depreciated from the moment when they are brought into service.

Other intangible assets

Other intangible assets have a finite useful life and are recorded at their acquisition cost, after deducting accumulated amortization and impairment charges. The amortization of intangible assets is recorded as an expense on a straight-line basis over the estimated useful life from the moment when assets are brought into service. These other intangible assets are primarily software products, amortized over one to three years.

Fair value of assets and liabilities

Financial assets and liabilities - including derivatives - measured at fair value are broken down into three levels (1 to 3), each corresponding to a level of fair value observability based on data used in the fair value measurement technique:

- Level 1: fair value determined based on quoted prices in active markets for identical assets or liabilities;

- Level 2: fair value estimated based on observable data for the asset or liability concerned, either directly (i.e. prices) or indirectly (i.e. pricing-derived data);

- Level 3: fair value estimated using valuation techniques that include data relating to the asset or liability that are not based on observable market data.

Leases

Finance-leased fixed assets, transferring substantially all the risks and benefits inherent in ownership of the leased asset to Loxam, are recorded as assets on the balance sheet at the lower of the fair value of the equipment leased or the present value of minimum future lease payments. The corresponding liability is recorded under financial liabilities. Lease payments are broken down between the financial expense and the reduction of the liability in order to obtain a constant periodic rate of interest for the balance of the debt recorded as a liability. Finance-leased assets are depreciated over their useful life based on the same rules as other property, plant and equipment. Leases under which the lessor retains substantially all the risks and benefits inherent in ownership of the asset are operating leases. Payments for these leases are recorded as expenses on a straight-line basis over the term of the lease.

Provision for contingencies and charges

In accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets, a provision is recorded when, on the reporting date, Loxam has an obligation (legal or implied), it is probable that an outflow of resources representing economic benefits will be required to extinguish this obligation, and the amount of the obligation can be estimated reliably. These provisions are estimated taking into account the most probable assumptions on the reporting date.

Employee benefits

Under IAS 19 (revised), all current and future benefits or compensation acquired by employees in return for services rendered during the current period and prior periods must be recognized as an expense over the period when rights are vested. In accordance with the laws and practices in each country where it operates, the Group is part of various plans for retirement and post-employment benefits.

Defined contribution plans

For defined contribution plans, we have no obligations other than the payment of contributions. The contributions paid in to plans are recognised as expenses for the period. Where applicable, provisions are recorded for contributions not made during the period.

Defined benefits plans

Retirement and related benefits under defined benefit plans are subject to provisions based on an actuarial calculation carried out at least once a year in accordance with IAS 19 (revised).

To assess retirement benefits, the projected unit credit method is applied: each period of service gives rise to an additional unit of benefit entitlements, and each unit is valued separately to determine the obligation in relation to employees.

The calculations consider the specific features of the various plans, as well as the assumptions for retirement dates, career development and wage increases, and the probability of employees still being employed by us when they reach retirement age (staff turnover, mortality tables, etc.). The present value of the obligation is determined based on the interest rates for long-term bonds from top-tier issuers.

An employee benefit liability is recorded for the obligation net of any plan assets measured at fair value.

The net expenses for retirement and related benefits are recognised in operating profit for the period in relation to the cost of services provided during the period. The net financial cost is recognised in financial income and expenses.

Under IAS 19R, the actuarial gains or losses generated by changes in assumptions on the net defined benefit liability or differences between interest income and the actual returns on plan financial assets are recognised immediately in other comprehensive income and cannot be recycled to profit or loss.

Other long-term benefits

Certain other long-term benefits are also subject to provisions, which are determined with a similar actuarial calculation to that applied for defined benefit plans.

These benefits primarily concern jubilee awards. Remeasurements of the obligation are recognised in profit or loss.

Borrowings and financial debt

Interest-bearing liabilities are initially measured at their fair value, less any directly attributable transaction costs. Subsequently, borrowings and financial debt are measured at their amortised cost using the effective interest rate method.

Derivative financial instruments – relating to interest rate risk

The Group holds interest rate swaps to reduce its net interest rate risk exposure.

These derivative financial instruments are initially recognised at their fair value, which is estimated based on observable data for the instrument. Since the hedging relationship is not documented, changes in fair value are recognised in profit or loss.

The swaps that were eligible for hedge accounting on the transition date have been recognised in other comprehensive income on the opening balance sheet. This reserve is amortized over the term of the swap agreements. With the refinancing in July 2014, virtually all the variable-rate loans held by Loxam SAS were repaid and fixed-rate bonds were subscribed to. Since July 2014, the swaps retained are no longer effective. As a result, the remaining reserve was fully recycled to profit or loss when the underlying loans disappeared.

Derivative financial instruments – relating to the foreign exchange risk

On an ad hoc basis, and consistent with our market forecasts, we use financial instruments to reduce our net foreign exchange risk exposure. We primarily use forward currency sales options.

As these instruments concern intra-group receivables, which are eliminated in the consolidated financial statements, we have not opted to apply hedge accounting. These foreign exchange derivative instruments are recognised at fair value on the balance sheet. Fair value adjustments are recognised in profit or loss.

The Group bought a pound sterling to euro call option as part of its external development projects. This instrument was valued at fair value on the balance sheet based on observable data for the instrument. Changes in fair value were recognized in the income statement. The option matured in March 2017 and was reversed to income.

INDUSTRY

Industry Overview

Equipment rental companies provide customers with lines of equipment, including larger equipment such as aerial work platforms, backhoes, excavators, earthmoving equipment and forklift trucks, as well as smaller equipment such as power saws, power generators, scaffolding, ladders, and small pumps. Rental companies can also provide a large range of services associated with the equipment for rent such as maintenance, in-service inspection, repair, transportation, storage, compliance with health and safety regulations, insurance and training on the proper use of the equipment.

The primary customers for equipment rental companies include construction contractors, industrial companies, government entities, utilities, maintenance operators and homeowners. In addition, craftsmen, as well as events and media companies, increasingly seek to rent equipment, although on a less recurring basis. We address such customers in 22 countries, the majority of which are in Europe. The dynamics of the customer and geographic end markets we serve vary widely.

Equipment Rental Business Model

The long-term growth prospects for the equipment rental industry continue to be favorable, driven by the structural shift towards equipment rental instead of each customer owning its own fleet. The rental concept has gained attractiveness in a macroeconomic context in which even financially healthy companies find equipment rental to be a prudent investment policy. Other companies simply lack the financial resources or credit for large fleet investments and have to rely on the rental channel. We also believe that the trends towards sustainable development and the "sharing economy" also favor rental over ownership.

Construction and industrial companies increasingly recognize the advantages of equipment rental over ownership, which include but are not limited to:

- Rental of equipment reduces the amount of capital required relative to purchasing equipment and allows companies to preserve capital to invest in their core operations;
- Rental of equipment allows customers to exchange fixed costs for variable costs on an as-needed basis so that rental costs are only incurred when there is a predictable source of revenue; in contrast, ownership costs are fixed and include a number of ongoing costs in addition to the cost of initial purchase, such as insurance, maintenance, in-service inspection, repair, transportation and storage; these costs tend to increase over the life of the machine, and are only marginally related to its actual use;
- Rental of equipment minimizes costs related to idle equipment during project downtimes and provides flexibility to deal with unexpected events such as equipment failure or changes in planning;
- Rental of equipment can be used to supplement owned equipment, thereby increasing the range and number of tasks that can be performed and allowing customers to take advantage of opportunities without undermining the financial strength of their business;
- Rental of equipment transfers the residual value risk of the equipment at the end of its useful life to the rental equipment provider; and
- Rental of equipment allows customers to select the most appropriate and modern piece of equipment for the task at hand, which can improve safety, efficiency and quality of work.

Our Principal Customer End Markets

We primarily serve construction, industrial and specialist customers, from small businesses and craftsmen to large international groups as well as public administration. The construction end markets represent the largest portion of our business and accounted for approximately 63% of our 2018 revenue. Through our diversification into the powered access equipment rental market, we increasingly address the needs of non-construction end users such as local authorities and companies managing events or providing other types of services. The different industries and customer sectors we address are exposed to cyclical fluctuations to a certain extent, but also have different growth patterns.

European Construction Market

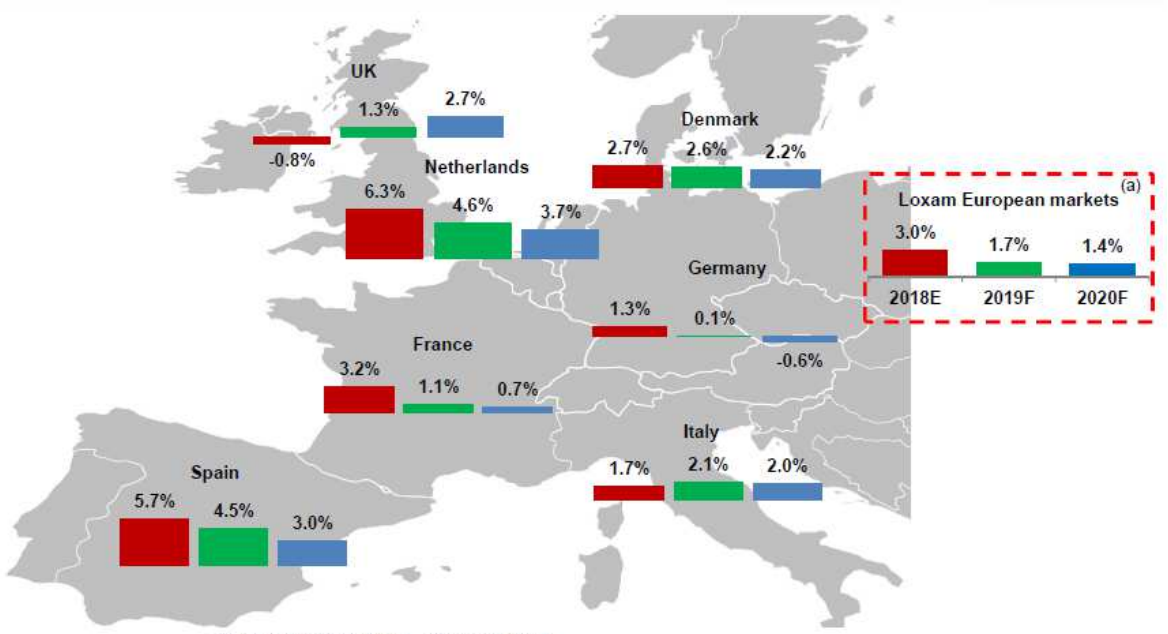
The equipment rental industry is dependent on the construction market and on general economic conditions. Growth in the equipment rental industry typically anticipates and outpaces growth in the construction market and responds more quickly to positive or negative changes.

The construction market consists of different subsectors: new residential and non-residential, renovation and maintenance and civil engineering, which includes transportation infrastructure and telecommunications as well as energy and water works. While the construction market as a whole is cyclical, individual end markets have different growth patterns and do not follow similar trends simultaneously. For example, the renovation and maintenance end market has less cyclical dynamics as customers tend to reduce new projects in favor of renovation and maintenance work during an economic downturn. In addition, the intensity of construction activity can vary significantly between different regional and local markets providing further balance to demand for rental equipment.

Overall, the European construction market is expected to continue its recent growth trend, with almost all countries expected to exhibit positive growth in the short term. The average growth rate of the 15 European countries covered by the European Rental Association ("ERA") was 3.1% in 2017 and is expected to increase to 4.6% in 2018 and 4.7% in 2019. Growth is expected to slow slightly through 2020 as many EU-funded infrastructure projects reach completion ahead of the next EU budgetary period beginning in 2021.

According to the ERA, the residential construction end market was expected to grow by 4.8% in 2018 and 2019, while the non-residential construction end market was expected to grow by 4.3% in 2018 and 4.5% in 2019. The civil engineering end market was expected to grow by 4.5% in 2018 and 4.6% in 2019.

The map below presents the expected growth rates of construction markets from 2018 through 2020 in certain of the countries we address.



Source: Euroconstruct, IHS – December 2018
(a) Average growth rate of the European countries where Loxam operates, weighted by revenue

European Powered Access Equipment Rental Market

The powered access equipment or mobile elevating work platforms ("MEWPs") market consists of booms, scissor lifts and vertical masts, including both articulated and straight telescopic booms, and can be self-propelled, pushed around, towed or vehicle-mounted. Powered access equipment accounts for a substantial portion of the equipment rental industry, in particular because most such equipment is more specialized and expensive, therefore making rental rather than ownership more cost-effective for end users. The powered access market tends to be less cyclical than the overall equipment rental market.

Loxam is the largest MEWP rental operator in Europe. Loxam's fleet size of over 48,000 pieces of powered access equipment is over twice the size the fleet of the next largest operator, TVH.

Our Primary Geographic Markets

We operate equipment rental branches in 22 countries, the majority of which are in Europe. Descriptions of our primary markets, including their size and growth prospects, are provided below.

European Equipment Rental Market Size and Trends

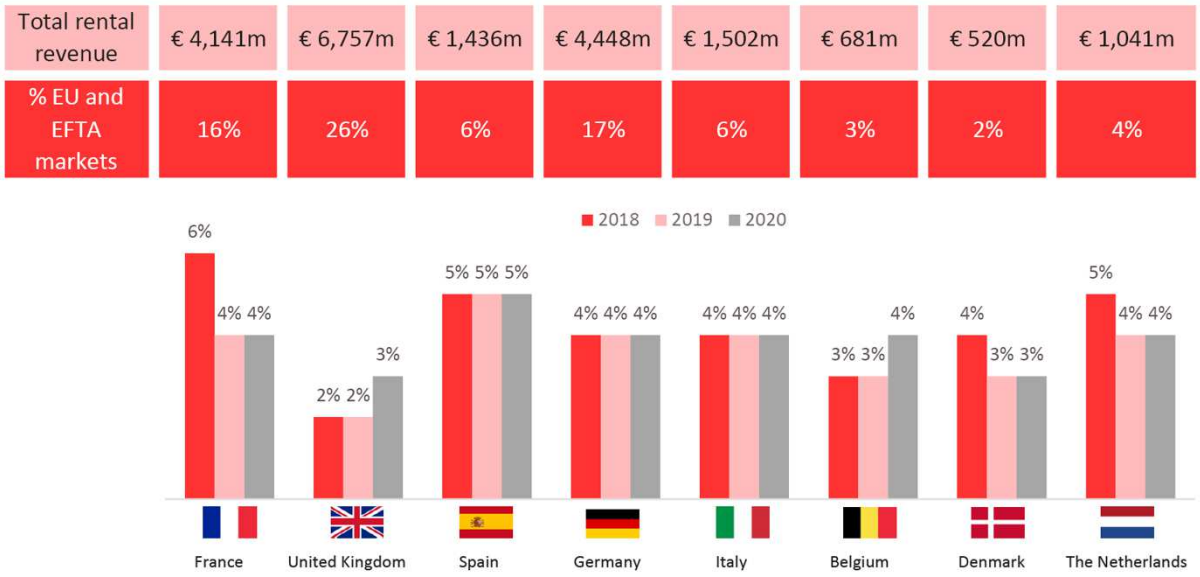
Based on data provided by the ERA, the total size of the European equipment rental market in 2017 (defined as total rental turnover, including rental-related revenue, merchandise and sale of used equipment) was estimated at €25.7 billion. The largest equipment rental markets in Europe in 2017 were the United Kingdom (€6.8 billion), Germany (€4.4 billion) and France (€4.1 billion), together accounting for approximately 60% of the total European equipment rental market.

The table below presents revenue and rental penetration rates collected by the ERA for the rental markets in certain countries where Loxam operates, as of 2017. Rental penetration refers to the total turnover of rental companies in a specific country divided by the total output of the construction sector in that country.

Geographic Area	Revenue (€m)	Rental Penetration
United Kingdom	6,757	2.7%
France	4,141	1.6%
Germany	4,448	1.7%
Belgium	681	1.0%
The Netherlands	1,041	1.1%
Italy	1,502	0.8%
Spain	1,436	0.9%
Denmark	520	1.7%

The ERA estimates that the European rental market grew by 4.4% from 2016 to 2017 and estimates further growth of 3.7% in 2018. The strongest growth in our key European markets during 2017 took place in France (7.8%), Italy (6.7%) and Spain (5.2%), which are further estimated to grow at 5.7%, 4.1% and 5.1%, respectively, in 2018.

The graph below presents the revenue (as of 2017), percentage of the European market, and projected market growth rates from 2018 through 2020 for Loxam's key European markets.



Rental penetration is expected to increase throughout Europe as users recognize the advantages of equipment rental. The penetration rate of rental equipment tends to differ widely from country to country, and is influenced by, among other factors, the existence and quality of equipment rental companies in the local market,

national economic conditions, attractiveness of financing and tax environments, weather patterns and cultural behavior towards equipment rental. In 2017, according to the ERA, the average penetration rate in the construction industry in Europe was 1.5%. France's penetration rate was estimated at 1.6% in 2017, slightly higher than the European average. Sweden and the United Kingdom topped the list in terms of rental penetration with penetration rates of 3.6% and 2.7% respectively.

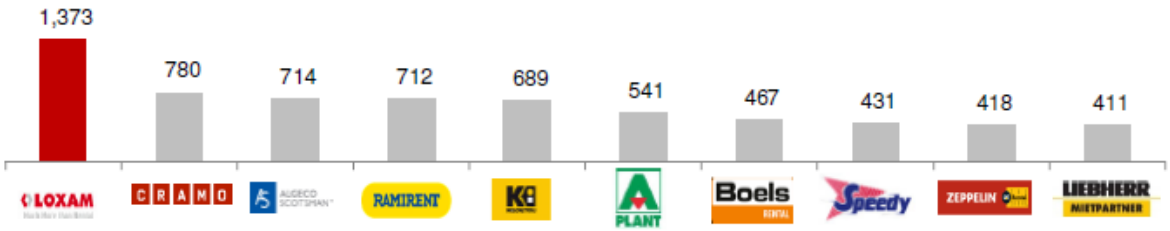
European Competitive Landscape

The European equipment rental industry is very fragmented and consists of a large number of small companies serving discrete local or regional markets and a small number of medium-sized and large companies serving regional, national or international customer bases. Specialty equipment rental companies against which Loxam also competes can experience large regional, national or international market shares in their respective specialty ranges of equipment, such as Aggreko in the rental of power and temperature control equipment and Algeco in the rental of modular construction equipment. The industry is continuing to consolidate, and large, well-financed companies such as Loxam are in a position to invest as needed to take advantage of the future growth in the rental market and of opportunities for market consolidation.

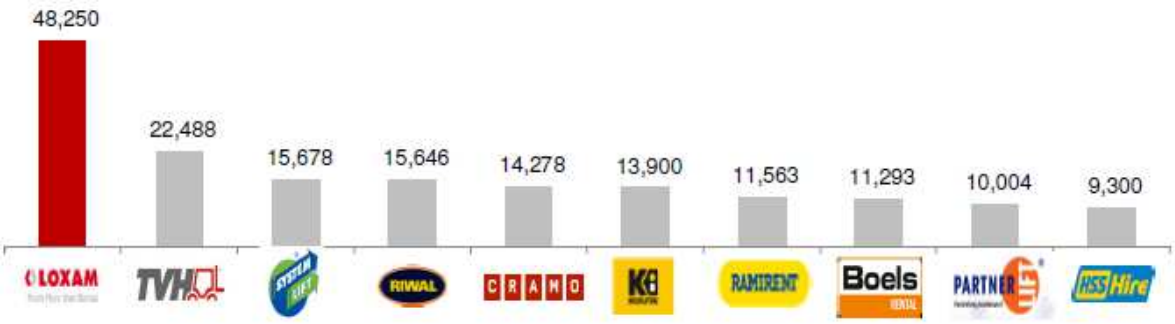
According to the ERA and public reporting, the three largest equipment rental companies in Europe as of 2017 are Loxam (5.3% market share), Cramo (3.0% market share) and Algeco Scotsman (2.8% market share). Together, these three rental players had a 11.2% combined market share in Europe in 2017.

Although the rental industry is fragmented on a European market level with Loxam being one of only a few companies with a strong pan-European platform, the industry is characterized by sizeable market shares for incumbent national operators. For example, Loxam had an estimated market share of 21% in the French equipment rental market in 2018 assuming a total market size of €4.1 billion as calculated by the ERA.

The chart below presents the top 10 European equipment rental players by 2018 revenue (in millions of euros).



The chart below presents the top 10 European MEWP rental operators in 2018 as measured by total units in their respective powered access fleets.



Competition in the equipment rental market tends to be based primarily on geographic proximity and equipment availability, as well as equipment quality, price, quality of sales relationships, delivery times, quality of service and, for our largest clients, possession of relevant health and safety certifications.

The equipment rental market is characterized by high barriers to entry due to the substantial capital investments needed, an already substantial number of competitors, and the advantages from having existing

relationships with key suppliers and customers. The geographic coverage, network flexibility, strength of brand, and economies of scale of existing key players further contribute to these challenges for potential market entrants.

French Equipment Rental Market

The French equipment rental market is the third largest market in Europe, behind the United Kingdom and Germany, with an estimated size of €4.1 billion in 2017 according to the ERA.

The challenging economic climate in France following the 2008 financial crisis affected the equipment rental industry until 2014, when the industry stabilized. The equipment rental market in France has displayed stronger growth than the French construction market since 2010. According to the ERA, the French rental market is estimated to grow at a compound annual growth rate ("CAGR") of 3.77% from 2015 through 2020 compared to an estimated CAGR of 1.45% in the French construction market over the same period.

Loxam and Kiloutou are the two main players in the French equipment rental market with estimated market shares of 21% and 14%, respectively . Both companies have contributed to consolidation of the market. Kiloutou has focused more on opening new branches in areas with rental potential, while Loxam has focused on acquisitions.

The table below presents revenue and revenue growth data from the ERA and IHS Markit about the size and growth of the equipment rental market in France.

	2016 (actual)	**2017** (estimated)	**2018** (estimated)	**2019** (forecast)	**2020** (forecast)
Revenue (€ million)	3,843	4,141	4,376	4,529	4,706
Revenue Growth	1.9%	7.8%	5.7%	3.5%	3.9%

Other European Equipment Rental Markets

Our other primary markets in Europe are the United Kingdom, where we specialize in powered access equipment, as well as the Netherlands, Spain, Denmark, Germany, Italy and Belgium. The total value of the equipment rental market in these countries based on 2017 estimates by the ERA was €16.4 billion. According to the ERA, the United Kingdom is the largest equipment rental market in Europe, with an estimated revenue of €6.8 billion in 2017, and Germany is the second largest, with an estimated revenue of €4.4 billion in the same year.

The equipment rental markets in all of these countries are expected to continue their trends of positive growth through 2020. The ERA estimates that in 2018 the equipment rental market grew by 2.1% in the United Kingdom, 5.2% in the Netherlands, 5.1% in Spain, 4.2% in Denmark, 3.7% in Germany, 4.1% in Italy and 2.7% in Belgium. The ERA estimates that the equipment rental markets in these countries will grow by an average of 3.8% and 3.7% in 2019 and 2020, respectively.

Non-European Markets

We have a presence in nine countries outside of Europe. Following our acquisition of Lavendon in 2017, we operate in six countries in the Middle East, including Bahrain, Oman, Qatar, Saudi Arabia, Kuwait and the United Arab Emirates. According to Euroconstruct, these six countries are expected to exhibit a weighted average construction market growth rate of 2.5%, 4.7% and 5.0% in 2018, 2019 and 2020, respectively. We also have also recently expanded our presence in Brazil, where we have a majority share in Degraus. According to Euroconstruct, the Brazilian construction market is expected to return to growth at rates of 1.6% and 3.6% in 2019 and 2020, respectively, after an expected contraction by 1.7% in 2018.

BUSINESS

Our Company

We are the fifth-largest equipment rental group in the world for the construction, industry, public works, services and events sectors based on 2017 revenues. We are the leading equipment rental company in Europe based on 2018 revenues of €1,482.6 million and also have a large international presence outside of Europe through operations in Morocco, the Middle East, Brazil and Colombia. We have historically managed our activity through three divisions:

- Generalist France division, which includes equipment for earth moving (excavators, loaders and dumpers), aerial work (booms and scissors), handling (forklifts and tele-handlers), compaction, and building (concrete mixers and saws), as well as hand tools such as power drills, chainsaws and jackhammers. As of December 31, 2018, our Generalist France network included 426 branches. Our Generalist France network trades under the LOXAM Rental brand.

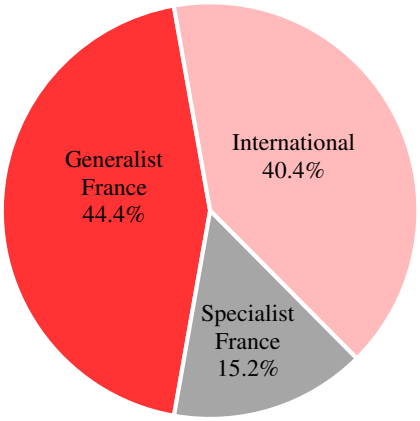
- Specialist France division, which includes high-access equipment, modular buildings, large compressors and generators, heavy compaction equipment, suspended platforms and scaffolding. As of December 31, 2018, our specialist network in France included 81 branches. We rent specialist equipment in France under several specific brands, such as LOXAM Access, LOXAM Module, LOXAM Power, LOXAM Laho TEC, LOXAM TP and LOXAM Event.

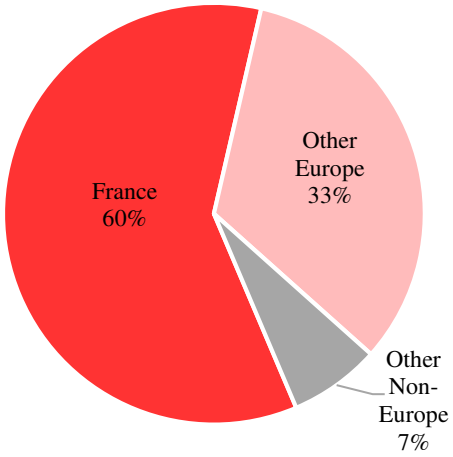
- International division, which comprises our specialist and generalist equipment offerings outside of France. We operate in 22 countries: France, Denmark, Belgium, the Netherlands, Germany, Spain, the United Kingdom, Ireland, Switzerland, Luxembourg, Morocco, Norway, Portugal, Italy, Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, the United Arab Emirates, Colombia and Brazil. As of December 31, 2018, our International division had a network of 256 branches. We have a majority share and full operating control of joint ventures in Morocco, Brazil, Italy and the Middle East and have a 50% share of a joint venture in Colombia.

We rent over 1,500 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 December 31, 2018, our rental fleet consisted of approximately 290,000 pieces of equipment (excluding accessories) with a gross book value of €3.0 billion. As of December 31, 2018, we have the largest rental network in Europe measured by number of branches, including 507 branches in France and 763 branches total across our network.

We generated revenue of €1,482.6 million and EBITDA of €500.7 million for the year ended December 31, 2018, representing an EBITDA margin of 33.8%. In 2018, 44.4% of our revenue was generated by our Generalist France division, 15.2% by our Specialist France division and 40.4% by our International division. As of December 31, 2018, our net debt (as defined below) (excluding derivative instruments) was €2,135.7 million and our shareholder's equity, group share was €619.8 million.

The charts below show our revenue for the year ended December 31, 2018 broken down by division and by geographic region.





Competitive Strengths

We believe that the following competitive strengths have been instrumental in our success and will drive our future growth:

Strong European leadership positions resulting from a successful, disciplined M&A strategy

We believe we are the largest equipment rental service provider in Europe based on our 2018 revenue of €1,482.6 million. In France, we had a market share of approximately 21% in 2018 and we believe that due to our brand recognition we are consistently one of the two largest players in most of the French regions where we are active. Elsewhere in Europe, we have leveraged the best practices cultivated from our extensive experience in France to build a strong presence that we believe has placed us in the top three market positions in each of the UK (where we are the leader in the powered access market), Spain (number one), Denmark (number two), the Netherlands and Belgium (number two) and Italy (number two). We believe we are particularly known for the quality of our fleet and our expertise in these markets.

Partly due to our successful acquisition track record, we have developed an extensive European network, including 507 branches in France and 218 branches in other European countries, most significantly in the UK, Spain, Denmark and the Netherlands. In addition, we believe that we offer the largest equipment fleet in the European market based on our European fleet's gross book value of €2.8 billion as of December 31, 2018. Our total rental fleet had a gross book value of €3.0 billion as of December 31, 2018 (and an estimated replacement value of €3.6 billion as of the same date compared to €3.4 billion as of December 31, 2017). Because availability of equipment is among the key criteria used by rental company customers for assessing a rental company's services, we believe that the size of our European network and fleet is a significant competitive advantage.

The equipment rental market is highly fragmented and offers significant opportunities for consolidation through M&A activity, which is a key part of our strategy. We have particularly focused our M&A strategy in recent years on consolidation and expansion beyond our French network and we now operate 256 branches in 21 countries outside of France (including in other European countries, the Middle East and Latin America) compared to 88 branches outside of France as of December 31, 2012. As a result of this growth, the revenue generated from our International division has increased from €118.9 million for the year ended December 31, 2012 to €598.3 million for year ended December 31, 2018 and the percentage of our total revenue generated by our International division has increased from 14.4% to 40.4% during the same period.

We played an especially active role in market consolidation in 2017, when we acquired Hune Rental S.L., which has operations in Spain, Portugal and France, and Lavendon Group plc, which was listed on the London Stock Exchange and operated 70 branches in the United Kingdom, Germany, France, Belgium and the Middle East. Additionally, in 2017, we acquired Cramo Plc's Danish business, the powered access equipment rental business of Nacanco SpA in Italy and Swan Plant Hire, a construction equipment rental company in Ireland. In 2018, we acquired the Italian powered access equipment rental company No.Ve S.r.l. in Italy and

Négoce de Véhicules Automoteurs, a company specializing in events logistics in France. Most recently, on January 14, 2019, we completed our acquisition of UK Platforms Limited, which is specialized in renting powered access equipment throughout the United Kingdom. For further details about our recent acquisitions, see "*Business—History and Development.*"

We believe that our acquisitions track record has established us as a unique market consolidator and has helped to strengthen our market leadership by acquiring scale, particularly in Europe. We use our extensive familiarity with the markets we serve to anticipate customer needs and respond to new market opportunities through additional M&A activity.

Dense commercial footprint serving diversified end markets with a large, wide-ranging fleet supported by quality customer service

We operate a fleet of approximately 290,000 pieces of equipment which serves over 200,000 customers in 22 countries as of December 31, 2018. Our fleet's diverse coverage of generalist and specialist equipment and the density of our 763 branches (particularly in France) provide us with the flexibility needed to meet our clients' changing needs, while our focus on customer service further reinforces our brand and enhances our ability to attract and retain customers.

Our portfolio of clients includes construction, industrial and specialist customers, from small businesses and craftsmen to large international groups across 22 countries which follow different economic cycles. The construction end markets represent the largest portion of our business and accounted for approximately 63% of our 2018 revenue. We are seeking to further diversify our client portfolio and have increased the percentage of revenue generated by non-construction end markets from 30% in 2013 to 37% in 2018, while the percentage of total revenue generated by our top 10 customers (all of whom operate in the construction, civil engineering and utilities end markets) has decreased to less than 12% in 2018. We have diversified our revenue across industries and in particular are increasingly supporting the day-to-day activities or occasional needs of customers engaged in municipal projects and in events and media.

We provide our customer base with access to a fleet encompassing a wide range of both generalist and specialist equipment. We believe that we are the only rental group to provide such a range of both generalist and specialist brands on our geographic scale. Our evolving fleet allows us to act as a one-stop shop meeting a full range of client needs for earth moving, aerial work, handling, compaction, energy, modular and building equipment. Additionally, we aim to obtain standardized equipment from our suppliers to the extent possible and in accordance with our high standards. Greater standardization of our fleet lowers maintenance costs and reduces training time for our staff while also promoting greater fleet utilization by making it easier to share spare parts between branches and transfer equipment from one branch to another.

Maintaining close client relationships is a core part of our business strategy and an important competitive advantage in winning profitable business. The density of our network helps us stay close to our clients and to understand their needs. For example, most of our largest customers operate multiple divisions, which results in a large portion of our business being carried out directly between our local branches and the local divisions or subsidiaries of larger groups. We believe that many of our professional customers consider Loxam to be a trusted partner in their day-to-day operations, principally as a result of the wide range of products available across our fleet and our reliability in terms of service.

Client service is a central element of our brand and we seek to go beyond being able to provide the equipment our clients need by providing outstanding service throughout the rental process. For example, our Loxam School near Paris offers our employees training on sales skills and the safe use of our equipment so that they are able to effectively advise our clients in their choice and use of rented equipment. We perform quarterly customer satisfaction surveys of approximately 30,000 customers, 93% of whom confirm their satisfaction with the quality of the services we provide. In France, we were recognized as the client service provider of the year in the rental equipment category by ESCDA (*Élection Service Client de l'Année*) in 2018 and 2019.

Proven and flexible operating model supported by superior market knowledge as well as strong fleet and network management skills

We have created a successful business model built on the smart management of our rental equipment fleet and our broad network of branches, which is due to our superior knowledge of the end markets, customers and geographic regions we serve.

Market knowledge and experience are central to each aspect of our business model. Our branches are deeply embedded in the local markets in which they operate and we emphasize building and maintaining close relationships with clients at the local level in order to learn about, and adapt to, their changing needs as well as those of the overall construction market. We use market indicators such as GDP growth and construction activity in addition to information generated from our local branch network and strong customer relationships to predict short- and medium-term demand for our services. Our responsive business model is informed by the density of our network, particularly within France, our large number of customers across diverse end markets and our more than 50 years of experience in the equipment rental market.

The quality and appropriate management of our fleet is a core part of meeting our customers' needs and maintaining our profitability and market leadership. We use the needs of our customers and the business cycles affecting our industry as well as our own set of key internal indicators, such as the age and utilization rates of the different products in our fleet, to make strategic decisions with respect to the deployment of our fleet across our network and to the level of capital expenditure dedicated for the maintenance or expansion of our fleet. We continuously update and expand our fleet in order to meet the technical demands of our clients' operations and pursue opportunities to target new sectors.

We focus on maintaining the quality and flexibility of our overall network through close quality control of our branches, training of our employees, optimized IT systems and detailed reporting tools that allow for information sharing and internal benchmarking. We monitor the quality of our branches through regular internal and external audits. We promote the quality and dynamism of our network by providing our employees with different types of comprehensive internal training across all levels and divisions to foster the development of multiple skill sets, resulting in a more efficient and motivated workforce. We rely on several integrated enterprise resource planning ("ERP") systems that support numerous aspects of our operations. In particular, these systems provide us with immediate data to inform the deployment of assets within our network to areas where the level of demand is higher, thus maximizing our utilization rates and further reinforcing the flexibility of our business model.

Profitable track record and ability to manage business cycles through nimble cost and capital expenditure control

We believe that our ability to manage our operating costs and our fleet according to market conditions is a competitive advantage that contributes to our historically high level of profitability. For example, we have maintained EBITDA margins above 30% throughout the various business cycles since 2006, illustrating the responsiveness of our business model and ability to manage growth. This profitability exists at the level of each of our three business divisions and is consistently higher than that of our three closest competitors.

The EBITDA margin of the Generalist France division has consistently been above 30% since 2006 and was 34.2% in 2018. The EBITDA margin of our Specialist France division has consistently ranged between 31% and 39% since 2006 and was 34.1% in 2018.

For our International division, the EBITDA margin increased significantly from 26.8% in 2016 to 33.3% in 2017, primarily due to the integration of the Lavendon and Hune groups, and slightly decreased to 32.2% in 2018. Margins for our International division have ranged between 22% and 33% since 2008 and were historically lower than the margins we achieved in France because we pursued an active growth strategy through branch openings and acquisitions and also because of the impact of local headquarters costs on networks with a lower density of branches.

We are able to efficiently manage our capital expenditures based on our market expectations. In a growth cycle, we invest in our rental fleet to enhance our product offering and expand into new products and markets. In a downturn, we streamline our network, reduce capital expenditures and pay down debt with our cash flows. We have no long-term engagements in respect of capital expenditures and make investment decisions on a regular, near-term basis. As a result, we are able to quickly adjust our level of investment in the fleet to respond to the state of the market. For example, based on the strength of the construction market in 2017, we increased our capital expenditures by 102% to €399.6 million from €197.6 million in 2016. On the other hand, when faced with more challenging market conditions in 2009 following the onset of the global financial crisis, we were able to significantly and quickly reduce investments in our fleet to €28.1 million.

Experienced management with superior market knowledge and proven M&A track record

Our senior management team is led by Mr. Gérard Déprez, our president, CEO and controlling shareholder who has over 30 years of experience with Loxam. The members of our management committee have significant experience in our industry and are supported by divisional and regional managers in an organizational structure that empowers middle management and keeps bureaucratic processes at a minimum. We believe that our lean management structure encourages strong commitment and entrepreneurial spirit across the Company.

Our management team has proven its ability to consistently maintain strong financial performance and protect cash flow generation. In recent years, our management team has also demonstrated its skill at expanding our business through acquisitions. Since 2012, we have successfully integrated 18 acquired companies representing approximately 300 branches. In particular, with the Lavendon Acquisition in 2017 we significantly increased our existing network in the United Kingdom and established a footprint for us in the Middle East.

In addition to our management team, our second-largest shareholder, Sparring Capital, supports our success and development through its active participation in our Strategic Committee and the contribution of additional expertise in the rental industry stemming from its previous investment in the sector. See "*Management—Strategic Committee*."

Our Strategy

The key elements described below form the base of our business strategy.

Maintain our high-quality fleet of rental equipment

We will continue to actively monitor the size, quality, age, composition and efficiency of our rental fleet. We are committed to the disciplined management of our fleet to optimize utilization and profitability through the following strategies:

- Leveraging our scale to negotiate fleet purchase prices and develop customized services and bespoke equipment addressing our requirements in terms of quality, safety and low maintenance costs. Our long-lasting relationships with key equipment suppliers will allow us to obtain useful information on new product innovations and assess market demand.

- Using our comprehensive information systems and market knowledge to increase our utilization rate and yield. We will continue redeploying assets within our branch network, optimizing pricing, adjusting our fleet mix on a real time basis and maintaining fleet quality and diversification. We will focus our primary investments in the most active markets where our fleet has a higher utilization rate and where we expect stronger market trends.

- Maintaining our fleet to rigorous standards by tracking the servicing history of each piece of equipment.

- Seeking to remove older or idle equipment from our fleet at optimal times, and rejuvenating our fleet so as to be well-positioned to serve customers and meet higher demands as a result of a strengthening market.

- Optimizing recycling of equipment through repair and salvage. For example, fleet equipment that leaves our active rental fleet at the end of its lifecycle in France is sent to a reprocessing facility near Alençon. This facility evaluates the equipment and helps us to determine whether to sell such equipment to third parties or to recycle it for spare parts for our fleet. These recycling efforts allow us to take advantage of lower costs for certain replacement parts for our rental fleet.

We believe that these strategies have helped us develop a reputation for quality and reliability that will continue to make us an attractive choice for our customers while optimizing our operating costs and making the most of our fleet-related capital expenditures.

Lead market consolidation and further strengthen market position through strategic acquisitions

Through our acquisition strategy, we seek to complement our organic growth, strengthen our leading market positions, increase the density of our network and reach a critical size to run profitable operations at a

local level. We believe the fragmentation in the global equipment rental market will continue to allow us to complete acquisitions at attractive prices and act as a market consolidator within our existing markets and globally.

We will continue our selective acquisition strategy of recent years in order to complement our organic growth, which may include, in addition to bolt-on acquisitions, potential significant transformational transactions, including acquisitions of other European leaders. In February 2017, we acquired the Lavendon Group (70 branches) and the Hune Group (34 branches). Later in 2017, we acquired the Danish equipment rental operations of Cramo (7 branches), the rental activities of the Italian company Nacanco (14 branches) and the Irish company Swan Plant Hire (2 branches). We also acquired a majority interest in Degraus (21 branches). In June 2018, we acquired Nove, which operates six branches in Italy and specializes in powered access equipment. In January 2019, we completed the acquisition, through our subsidiary Nationwide Platforms Limited, of UK Platforms Limited, a company specializing in powered access equipment with 12 branches across the United Kingdom. For further details of our recent acquisitions, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors Affecting Results of Operations—Acquisitions.*"

Following our past acquisitions and as part of our integration and general business management strategies, we monitor opportunities to optimize our network at the local, national and international levels in order to maximize profitable growth through moving branches and adjusting our offerings according to factors such as branch profitability, utilization rates and expected future local market conditions.

Further diversify our customers within and beyond the construction industry

We will continue our strategy of diversifying our customer pool in order to capture the most active segments of the construction market. For example, we have strengthened our focus on more resilient sectors such as renovation, which has been particularly active in recent years, and we have also reduced the share of our business generated from civil engineering. Additionally, our expansion of our access equipment business through the Lavendon Acquisition has diversified our customer base even further as powered access equipment reaches a broader range of market sectors.

We have also increased our exposure to other end-markets, such as manufacturing, local authorities, event organizers, landscaping, retail, petro-chemical, training, demolition and facilities management. The customers in certain of these sectors often have higher expectations in terms of access to service (24 hours a day/7 days a week) and appreciate the high standard of service and equipment quality we provide across our business.

We are also targeting additional client categories, such as small and medium enterprises (SME) or craftsmen who need smaller equipment. Additionally, we are broadening our customer base through the development of partnerships with major do-it-yourself retail chains, sometimes based on a co-branding model. We also continue to open Loxam City shops in Paris to offer our customers proximity to their sites. We had a total of 14 Loxam City branches as of December 31, 2018.

Continue to adapt our disciplined and responsive financial model

Our management's experience in equipment rental gives us a long-term vision of the construction and public works industries and thus of demand for our equipment. Our responsive business model enables us to maintain high EBITDA margins while also giving us the flexibility to quickly adjust our capital expenditure investments to demand in order to protect cash flow generation. This strategy relies on strong financial discipline implemented across our platform, and the cash flows we have generated during market downturns are evidence of our success in relying on this discipline in the past.

We plan to continue using this experience to help us identify the inflection points in the cyclical construction market, when we must decide whether to make further expenses to meet growing market demand or consider reducing capital investments and applying cash to debt repayment. We intend to continue deleveraging towards a net leverage ratio of approximately 4.0 times our EBITDA in 2019 (excluding the impact of any potential transformational merger and acquisition transactions). Our approach helps us to maintain profitability and meet the evolving needs of our customers, avoiding either excess fixed costs related to over-investment during periods of decreased demand or lost revenue opportunities and customer dissatisfaction due to under-investment during periods of increased demand. We intend to continue managing our operations with a clear focus on EBITDA and cash flow growth to fund our future investments and service our debt.

Maintain our commitments to safety, quality, corporate sustainability and responsibility and digital transformation

We intend to remain at the forefront of our industry as a leader for safety, quality, responsibility, sustainability and digital transformation.

Safety is a top priority for us. We provide safety-related trainings for both our employees and our customers and in 2018 delivered approximately 50,000 hours of training, including more than 9,000 hours of training dedicated to risk prevention. In the past year, we have also developed and implemented workshops and regular security briefings at the branch level and introduced a new motto throughout our branches: "safety, always and everywhere." Additionally, we hold ISO 9001, ISO 14001, MASE, VCA and OHSAS certifications and, shortly after integrating with the Loxam Group, Hune earned the internationally-acknowledged OHSAS 18001 certification in 2017 for its occupational health and safety management system. These certifications recognize the policies implemented by all of our teams to reduce the risk of accidents, comply with legislation and improve safety and working conditions.

Our customers benefit from similar safety-driven training and solutions. For example, our powered access customers in the UK benefit from Lavendon's BlueSky Solutions, which develops innovative solutions to reduce the risk of accidents associated with working at high heights. We also seek feedback from our customers about their experience using our equipment so that we can adjust our offerings to provide what will be most safe, reliable and adaptable to our customers' wide range of needs. Our long-standing relationships with our suppliers also make us well-positioned to help our customers use equipment safely and to relay their feedback to the manufacturers so that our customers can benefit from improved machine designs.

We are committed to promoting corporate sustainability and responsibility. In October 2015, we became a member of the UN Global Compact program, the world's largest corporate sustainability initiative. We issued our first corporate social responsibility brochure, in 2014 and released an updated report in 2018. This "Responsible Rental" report summarizes our initiatives and results relating to customer service, safety and security, respecting the environment and corporate governance. In December 2016, we underwent an audit of our corporate and social responsibility actions according to the guidelines of the ISO 26000:2010 standard. We have been rewarded in France with a performance rating of level three (on a scale of five) in the ISO 26000:2010, which demonstrates our level of commitment and maturity with regards to our corporate and social responsibility.

As part of our commitment to corporate responsibility, we also prioritize the professional development of our employees throughout their careers. The Loxam School in Bagneux, near Paris, has been open to all our employees across our three divisions and has offered sessions to both beginners and experienced staff since 2008 with the aim of improving key skills. Training is provided by experienced professionals from our network and covers a variety of fields including knowledge of equipment, safety, environment (waste processing, energy savings, etc.) sales skills and team management, among others. The Loxam School also plays a key role in the integration of employees from acquired companies.

Finally, in 2018 we began a process of digital transformation that we expect to continue to implement as a key part of our corporate strategy. Like our other strategic priorities, digital transformation impacts our internal operations as well as our customers. We launched a new customer portal in 2018 that allows our customers to manage their account online and to receive digital invoices, which represented more than 30% of our invoices during the quarter ended December 31, 2018. We have also rolled out digital tools in our branches and are already seeing an increase in logistical efficiency in response to this transformation. We plan to continue taking advantage of digital offerings in the future in order to improve our internal processes and our customer service.

History and Development

Our company was founded in 1967 in Hennebont (Brittany), France under the name "SAM Location." Since our creation we have been a generalist equipment rental company. In the early 2000s we decided to create a specialist network in order to address the growing demand from our customers in France for specialist equipment (such as access equipment, power equipment, assembled modular buildings, heavy earthmoving equipment and scaffolding). Around the same time, we began our international expansion through a combination of acquisitions and new branch openings. These three principal areas of our Group's development are further described below.

Our company was the subject of a management buy-out starting in 1994 following the acquisition of our main shareholder by Holderbank, a building materials company, which had decided to exit the equipment rental sector in order to refocus on its core business. In 2011, private equity investors 3I plc and Sparring Capital each took a minority stake in Loxam. In December 2016, the funds managed by 3I plc tendered their shares as Loxam effected a buy-back on 11% of its share capital to optimize its capital structure. As a result of the share buy-back, Mr. Déprez and his family, together with the management of Loxam and its employees, own approximately 95.2% of Loxam's shares while Sparring Capital owns 4.8%.

Generalist market expansion

We began expanding nationally in France almost 20 years ago, both organically and through a number of small and large strategic acquisitions. We opened our 100th branch in 1991. In 2004, we acquired Loueurs de France, an equipment rental company focused on the construction and civil engineering sectors with approximately 50 branches concentrated in Paris and in northern and southeastern France. In 2007 we acquired Laho, which was at the time a major general construction equipment rental firm in France with a similar range of equipment. Laho's approximately 120 branches across France significantly increased the size our network. In September 2011, we strengthened our presence in the Eastern part of France with the acquisition of Locarest. Until January 1, 2014, we operated branches under the Loueurs de France, Laho and Locarest names. Since the beginning of 2014 we have combined our networks into a single organization, operating under the Loxam Rental name. In December 2014, we acquired most of the assets of Phocomex, a French rental company based near Marseilles which had filed earlier in the year for bankruptcy. In October 2015, the Hertz Equipment Acquisition expanded our Generalist network in France by 60 branches. In October 2016, we acquired Salmat Nord, a French rental company with one branch in Dunkirk.

In 2018, we opened four branches, and merged or closed six branches.

As of December 31, 2018, our Generalist network in France consisted of 426 branches taking into account the branch opening and closures in the network.

Specialization to meet client needs

We began developing activities in specialist markets as early as the 1980's in order to address our clients' needs for large quantities of specific equipment, such as access equipment, or very specialized needs, such as high access with operators, assembled modular constructions, temperature control, high end power and large capacity compressors, which we believed presented targeted opportunities for growth. In 1988, we acquired LMI (since named Loxam Power), which specializes in air compressors and generators. In 2001, we solidified this division by establishing three business units to address the increasing demand for specialist equipment: Loxam Access, which specializes in powered-access equipment, Loxam TP, which specializes in heavy equipment for civil engineering and demolition, and Loxam Module, which specializes in modular shelters.

As of December 31, 2018, we had 81 specialist branches located in France.

International development

We established our international presence in 1996 with the acquisition of two branches in Switzerland. Between 1997 and 2002, we entered the markets of Belgium, Germany, the United Kingdom, Ireland and Spain, mostly through external growth. During the early 2000's, our most notable acquisitions were DNE and JJ in Denmark and Realsa in Spain, all in 2007. By 2011, our international revenue represented 20% of our consolidated revenue. Between 2012 and 2016, our international development accelerated through the acquisitions of Dansk Lift in Denmark in 2013 and Workx in the Netherlands in 2014. We also entered Brazil in 2015, with the acquisition of a 25% stake in Degraus.

In 2017, we acquired the Lavendon Group, specialized in renting out powered access equipment through 70 branches located in the United Kingdom, Germany, Belgium and the Middle East, and acquired the Hune Group (37 branches) which operates in Spain, Portugal, and has two joint ventures in Saudi Arabia and Colombia. During that year, we also acquired the Danish equipment rental operations of Cramo Plc, the activities of the Italian powered access equipment rental company Nacanco SpA, through a newly created subsidiary Loxam Access SRL, and the Irish company Swan Plant Hire, with 2 branches in Dublin.

In June 2018, Loxam Access SRL acquired 100% of the Italian powered access rental company No.Ve S.r.l. ("Nove") from Haulotte Group S.A. Nove operates 6 branches in Italy.

As of December 31, 2018, we had 256 generalist and specialist branches in our International network, which generated 40.4% of our consolidated revenue.

Products and Services

Our business is organized into three divisions:

- Generalist France division, which comprises our generalist rental operations in France;
- Specialist France division, which comprises our specialist rental operations in France; and
- International division, which is composed of our generalist and specialist rental operations in 21 countries other than France.

In each of our divisions, our principal activity is equipment rental, which accounted for approximately 71% of total revenue in 2018. We also provide rental services (approximately 24% of total revenue in 2018), such as transportation of equipment and assembly related to modular rentals, that complement and support our rental offerings and, to a lesser extent, engage in retail activity at our branches (approximately 5% of total revenue in 2018).

We offer over 1,500 different types of equipment and tools for rent. Most of our rentals are short-term (often less than one week).

Generalist France

Our generalist offering in France is focused on equipment principally used in construction and civil engineering projects. These projects encompass a wide range of activities, including new buildings in the residential, industrial, commercial and governmental sectors, renovation, utilities, roadwork and infrastructure. We also provide equipment for general industrial, landscaping and other activities. We rent generalist equipment under the Loxam Rental brand. Our main product lines include:

- earth moving equipment, including excavators, loaders and dumpers, which are designed for digging, lifting, loading, moving and building materials and are frequently used in construction and civil engineering projects;
- aerial work platforms, including booms, scissors and vehicle-mounted platforms, which are mechanical elevation equipment used in various activities, including general industrial and service works and facility management;
- handling equipment, such as forklifts and telescopic handlers, which are used to lift and transport materials and are often used in the construction, manufacturing and warehousing industries;
- compaction equipment, including compactors, rammers, rollers and vibrating plates, which are used to compact soil, gravel or asphalt in the construction of roads and foundations or to reduce the size of waste material;
- energy equipment, including compressors and generators, which are used to power machinery or construction sites;
- building equipment, such as drillers, concrete mixers, trowels and saws; and
- other equipment, including hand-operated tools such as power drills, chainsaws, and jackhammers as well as scaffolding, trucks, pumps, site surveillance systems and traffic management equipment , among others, which are mainly used in construction and renovation projects.

Specialist France

Our specialist equipment offerings in France serve specific client needs in terms of performance (such as power or reach) or quantity of equipment. Our different lines of specialist equipment are marketed and rented through dedicated subsidiaries and business units, as described below:

- powered-access elevation equipment, with or without operators, rented by Loxam Access and Loxam Access PL, includes truck-mounted booms, telescopic and articulated booms and other platforms for reaching significant heights, used in construction, landscaping, events and by utilities and media customers;

- modular buildings, rented by Loxam Module, include portable accommodation, workspaces and containers, often used on major construction or civil engineering sites, for special events, schools, administrative offices and for other applications;

- large compressors, generators and temperature control units, rented by Loxam Power, include air compressors used to provide power to construction machinery and electrical generators that convert mechanical energy into electrical energy to power heavy machinery or to provide electricity where the grid is not available, as well as welding and pumping equipment;

- heavy civil engineering equipment, rented by Loxam TP, is used for excavating, grading and compacting, principally for earthworks, road and railway construction, landscaping and demolition;

- equipment such as forklifts, super-silent generators and platforms, rented by Loxam Event for use in the production and logistical coordination of cultural, sporting and public events, concerts, exhibitions and television productions, and

- temporary suspended platforms, mobile and fixed scaffolding, modular portable formwork and lifting equipment, rented by TEC.

We continue to add new products to our rental catalogue, including temperature controls and cooling equipment, deconstruction equipment and accessories, bi-energy equipment (such as excavators and access equipment) and site elevators, reflecting our ongoing innovation and response to customer needs.

International

In addition to our generalist and specialist offerings in France, we offer equipment rental services in Western Europe, which we consider as our core market, via subsidiaries located in the United Kingdom, Spain, Denmark, Belgium, the Netherlands, Germany, Ireland, Switzerland, Luxembourg, Norway, Italy and Portugal.

We are also present in the Middle East, with operations in Saudi Arabia, the United Arab Emirates, Qatar, Kuwait, Oman and Bahrain. In this region, we specialize almost entirely in powered access equipment, except for our subsidiary Hunesico, which offers generalist equipment. In Brazil and Morocco, our subsidiaries offer generalist equipment.

Rental services and retail

In all three of our divisions, we offer a variety of services that complement and support our rental offerings. Rental services, which accounted for approximately 24% of total revenue in 2018, include transportation of equipment to a site and assembly of modular equipment, damage waivers, which act like a product warranty against theft and breakage, and rebilling of other services such as equipment maintenance and fuel. The cost of providing these services is passed on to customers. Our rental services activity supports our core rental business and is not a separate division.

We also sell supplies, work site accessories and tools at our branches, including replacement parts, safety equipment and cleaning tools used by our end-customers. Retail activity accounted for approximately 5% of our total revenue in 2018. We consider retail to be an activity that supports our primary rental activity.

Customers

We have a broad customer base of over 200,000 clients across all divisions, ranging from individuals to large international companies. Our customers operate in many sectors, including residential, industrial, commercial and governmental construction, civil engineering such as transportation and infrastructure, utilities, building renovation, distribution, logistics, retail, environmental, events and media. A significant portion of our customers are large construction and civil engineering groups with national operations. These customers operate through a large number of divisions with whom our relationships are established locally at the branch level by our branch managers and sales executives (and supported by key accounts managers within our headquarters), providing multiple entry points in our contacts with customers and contributing to the diversification and stability of our customer base. In 2018, construction and civil engineering customers represented approximately 38% and 25% of our sales, respectively, in France.

Our network of branches and our specialist equipment offerings enable us to provide tailored and attentive service to local and regional customers, while our developed full-service infrastructure allows us to effectively service large national and international customers. These large and diversified groups are significant operators in the construction and civil engineering sectors, as well as in road building, industrial maintenance and electrical works. They operate through hundreds of companies who we serve through our network of 507 branches in France. Our top 10 customers in France, all of which operate in the civil engineering, construction or utilities sectors, accounted for approximately 12% of our revenue in France for 2018 and no single customer on a group basis accounted for more than 5% of our revenue in the same year. In 2018, as a result of our diversification efforts, we have continued to increase the percentage of our revenue generated from smaller customers, including small- and medium-sized enterprises (SMEs) and craftsmen. See "*—Our Network of Branches—Loxam City*."

With our largest customers, we negotiate framework agreements establishing pricing policies for our equipment. These agreements typically have a duration of 12 months but do not include exclusivity or volume commitments. Smaller and more localized customers are typically subject to our standard terms and conditions. While rental rates and pricing guidelines are established centrally, branches negotiate directly with their customers and generally have flexibility to make certain price adjustments as needed.

We monitor counterparty risk, particularly in respect of our smaller customers, and are attentive to signs of liquidity problems among our customers so that we can react quickly if needed. Our bad debt ratio was approximately 1.2% of our revenue in 2018.

Sales and Marketing

We have a strong sales and marketing organization, which we believe allows us to expand our customer base and maintain loyalty with existing customers. Our sales and marketing organization operates at three levels: (i) locally, at the branch level; (ii) regionally, through commercial managers operating under the regional managers; and (iii) centrally, through our dedicated sales and marketing team. Branch managers and regional commercial managers develop relationships with local customers and assist them in planning their equipment and rental requirements, while our centralized sales and marketing team works with our largest customers and targets new customers to identify their needs and propose comprehensive solutions. In addition, we maintain an in-house call center staffed only with experienced sales staff, providing additional points of contact for our customers.

To stay informed about local markets, sales agents track rental opportunities in the area through industry reports and local contacts. In addition, our specialist branches, due to the nature of the equipment they supply, are often in contact with customers at the early phases of large construction or civil engineering projects, which we believe creates opportunities for cross-selling and cross-promotion that also benefit our generalist branches. We also offer training programs for our customers at all of our branches, which we believe improves customer satisfaction and loyalty.

We have also implemented marketing and service initiatives at a centralized level to prioritize strong relationships with our customers. These initiatives include:

- LoxCall, our dedicated call center that provides a 24/7 one-stop service to clients by phone and coordinates order fulfillment through our branches, with guaranteed equipment availability. This service is targeted to our larger clients that need to source equipment in a number of locations and prefer centralized handling of their accounts;

- Loxam Drive, a service that allows customers to use our website to reserve any piece equipment in our catalog, to be collected at the branch of the customer's choice within 24 hours;

- Loxam Global Solutions, a turn-key solution for major civil engineering and industrial sites, which can provide for a dedicated fleet of equipment, an on-site branch and optimized local service; and

- loyalty programs, including our specialty programs such as Loxam Club, which targets SMEs.

We also leverage our quality, safety and environmental certifications, including ISO 14001 for environmental commitment, ISO 9001 for product quality and MASE for employee safety, which we believe are factors used by some of our larger customers in selecting their rental partners. In October 2015, we became a member of the UN Global Compact program, the world's largest corporate sustainability initiative.

We have also issued a brochure called "Responsible Rental" providing information about our corporate responsibility initiatives. In 2017 and 2018, the quality of our customer service received recognition in France through the "Customer Service of the Year" award in the "Equipment Rental" category. This award recognizes the very best in customer care and was earned following anonymous surveys. This standard is reported as covering most of the criteria from ISO 18295-1, which provides a framework for providing customers with services that continuously and proactively meet or exceed their needs.

Rental Fleet

We have a well-maintained fleet consisting of approximately 290,000 pieces of equipment (excluding accessories) as of December 31, 2018, with approximately 165,000 pieces of equipment in our Generalist France division, approximately 30,000 in our Specialist France division and approximately 90,000 in our International division. We strive to offer a large variety of equipment and we believe that our rental fleet is one of the most extensive fleets in the European market, representing over 1,500 different types of generalist and specialist equipment and tools. All of the equipment in our fleet is branded and painted in Loxam colors or those of the relevant business unit. As of December 31, 2018, our fleet had a gross book value of €3.0 billion, of which the Generalist France division accounted for €1,146 million, the Specialist France division accounted for €535 million and the International division accounted for €1,364 million.

Our combined fleet is composed of the following principal equipment ranges and equipment types:

- earth moving: excavators, backhoes, loaders, dumpers;

- aerial work platforms: booms, scissors, van mount, truck mount;

- handling: forklifts and tele-handlers;

- compaction: compactors, rammers, rollers;

- energy: compressors, generators, coolers, heaters;

- modular: modular spaces, containers, sanitaries; and

- building and other: concrete mixers, scaffolding, pumps, tools and other equipment, such as trucks and traffic management.

Together, earth moving and aerial work platform equipment represented approximately 65% of our 2018 rental revenue while the remainder was divided among handling, compaction, energy, modular, building and other equipment.

Fleet management

Our approach with respect to fleet management is to provide regional and branch managers with wide autonomy to develop their business and manage their own equipment with the objective of maximizing its own profitability, but with central fleet managers able to monitor and assist in fleet management across branches and regions and to ensure overall efficiency. Managers of our generalist branches are encouraged to maintain and rent a diverse and balanced portfolio. Large customer orders may require cooperation among branches to

provide the quantities required, but equipment is not pooled at the regional or group level. If a branch is unable to answer its own demand for a major construction site, for example, it notifies the regional manager. The regional manager then decides whether to temporarily grant equipment to other branches. If the request is approved, the regional manager notifies the branches concerned and the relevant equipment is transferred from one branch to the other for the required duration. We believe this approach helps to ensure that each branch acts as its own profit center.

Our budget for fleet investment is established annually by management, which sets out the Group's orientation in terms of capital expenditure for the year. The investment budget is then allocated by region. Each branch manager gives his or her equipment needs (the number and types of machines) for the coming year to the regional manager. Regional managers, in consultation with branch managers, set commercial objectives and adapt the requests to the budget, allowing them to respond to trends at the local level. The consolidated requests are given to the Group's management for review, which makes any required adjustments and delivers approvals to the regional managers. Purchase orders are then centralized and new equipment is delivered directly to the branches.

Our approach to fleet management assumes the replacement of a fleet item upon the expiration of its useful rental life, which is usually when it is obsolete or no longer capable of generating revenue in excess of maintenance costs. Most of the equipment in our fleet is depreciated on a straight-line seven-year basis, while a residual value of 10% of the original cost is kept in our books. The high height equipment and larger machines are depreciated on a straight-line ten-year basis with a 10% residual value. The disposal of a piece of equipment from the fleet is a technical decision made by a technical manager at the regional level. We have established metrics and guidelines for each category of equipment that help determine the desired replacement cycle. Most metrics are based on repair costs relative to rental income, utilization rate and age. We determine whether to use equipment that has been removed from our fleet for parts, sell it for scrap or sell it at auction. We ensure that auction sales of our used equipment are made to buyers outside of our principal markets, which avoids the risk of reducing demand for rentals in the areas where we operate.

We monitor fleet utilization and other metrics to measure branch performance and maintain appropriate inventory levels and to manage fleet allocation across our networks as well as capital expenditures.

Maintenance and daily checks of equipment in the fleet are performed at each branch. Minor repairs and parts replacement, such as windshields, tires and hydraulic fittings, are outsourced to approved specialized suppliers, while major repairs are performed by manufacturer-approved dealers.

Suppliers

We purchase the equipment in our rental fleet from large, recognized original equipment manufacturers who we believe have the best product quality and support, and we typically choose to work with two or three manufacturers per equipment range. We have no long-term agreements with our fleet suppliers and no volume commitments or exclusivity clauses apply to these relationships. In 2018, our four largest fleet suppliers were Manitou, Haulotte, Genie Europe and Volvo and they accounted for approximately 31% of our equipment purchases. Furthermore, we typically bundle our purchases and solicit bids through a tender process with selected manufacturers. We believe this policy towards our fleet suppliers allows us to apply competitive pressure and optimize the prices we pay for our fleet equipment. We also work in cooperation with our suppliers to adapt our fleet equipment to client needs and limit maintenance costs. We remove all manufacturers' branding from our equipment and paint it according to our corporate colors, under which it will be offered to customers.

We also purchase goods and services, principally non-fleet vehicles and equipment, fuel, lubricants, insurance and transportation, as well as the goods sold in our retail activities, from a number of third-party suppliers. Our arrangements with service suppliers are typically governed by two- or three-year framework agreements.

Our Network of Branches

As of December 31, 2018, we had a network of 763 branches, primarily located in Western Europe. The table below shows the number of branches we operate in each country or region:

Country	Branches
France	507
The Netherlands	44
Spain	41
United Kingdom	30
Denmark	29
Brazil[(1)]	23
Germany	21
Italy	18
Belgium	17
The Middle East[(2)]	10
Switzerland	7
Ireland	4
Morocco[(3)]	4
Norway	4
Portugal	2
Colombia[(4)]	1
Luxembourg	1
Total	**763**

(1) We are present in Brazil through Degraus, which operates primarily in the state of São Paulo. Following share capital purchases, we currently have a 50.1% stake in Degraus.

(2) We are present in Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates following the Lavendon Acquisition. We operate in each of these countries through joint ventures in which we hold a majority share and have full operating control.

(3) We are present in Morocco through our subsidiary Atlas Rental, in which we have a 51% stake and full operating control.

(4) We acquired a joint venture in Colombia through the Hune Group Acquisition. We now have a 50% stake in Gruas y Equipos Hune SAS.

Our business model combines a centrally-determined strategy, budget and back-office with wide autonomy for regional and branch managers to develop their business and spend their budget allocation, which allows us to adapt at the local level to meet our clients' needs in different markets. Each branch manages its own fleet, budget and financial reporting and is responsible for bringing in business by developing local relationships and monitoring local construction sites. Branches serve as a continuous source of information about the latest market opportunities, such as planned construction projects, allowing us to offer our services early and to the right client. A typical branch includes a branch manager, a rental consultant, a sales representative, one or more mechanics and one or more drivers. At the regional level, technical managers, commercial managers and administrative managers support the branches in their region, under the oversight of a regional manager. Our branches are deeply embedded in the local markets in which they operate, and we emphasize building and maintaining close relationships with clients at the local level. Our decentralized business model allows us to adapt our equipment fleet at the branch level in order to meet our clients' needs in various markets, offering them a value-added alternative to owning and maintaining equipment in-house. Our dense network in several markets allows us to meet customer demand by moving equipment across branches.

Our branch network is dynamic, and in any given year we both open and close a number of branches. The decision to open a branch is driven by our analysis of the interaction of the proposed branch with our existing network, the conditions in the local market and the competition in that market. Whether we open a new branch or acquire an existing network depends on the level of saturation in that market and whether acquisitions can provide us a level of penetration that would take too long to develop organically. Branches may be merged or closed based on the market environment (if, for example, a large construction project concludes or an industrial site closes) or excess proximity to another branch following an acquisition. Closures have also resulted from the consolidation of branches. We may also relocate branches in light of the development of cities, the evolution of infrastructure or to optimize our geographical coverage.

We implement periodic network optimization plans to enhance the profitability of our network through better coordination of commercial activities and capital expenditures, pooling of resources, and improved

exchanges of staff and equipment among branches, savings in back office and marketing costs, and enhanced branch positioning.

Branches in France and International Branches

Most of our branches are located in France. Of our 507 branches in France as of December 31, 2018, 426 were Generalist branches and 81 were Specialist branches. Our branches are typically located in industrial zones in or near medium and large metropolitan areas. Our broad geographical coverage in France reduces our exposure to regional variations in economic activity.

Our Generalist branches in France operate under the Loxam Rental name. Our Specialist branches operate under the names Loxam Access (46 branches), Loxam Power (15 branches), Loxam Module (10 branches), Loxam Laho TEC (2 branches), Loxam TP (6 branches), Loxam Access PL (1 branch) and Event (1 branch).

In the United Kingdom, Spain, Denmark, the Benelux and Switzerland, where we operate dense networks, we compete at a national level and enjoy strong competitive positioning. In other countries we generally compete at the regional level. Our International branches operate under the Loxam brand, with the exception of the Lavendon, Hune, Nacanco, Degraus and Swan Plant Hire branches.

Loxam City

In 2011, we opened Loxam City, the first store in our urban branch initiative, in Paris. Loxam City offers a wide range of immediately available and easily transportable generalist equipment, such as portable power tools that are often used in urban construction, renovation and other projects. Loxam City also provides service and support, including advice and solutions to tackle specific urban construction site challenges, and is adapted in terms of location, selection and operating hours to the needs of smaller customers, including craftsmen and individuals. As at December 31, 2018, we operated 14 Loxam City branches in Paris.

Branch ownership and leasing

We lease the vast majority of our facilities in order to maintain flexibility in growing and developing our network and to be able to respond to demographic and other changes in the areas where we operate and the customers we serve. As of December 31, 2018, we owned the premises of approximately 10% of our branches, which were owned by companies we acquired, and leased the rest. Most of these leases provide for standard terms and renewal options.

Most of our French branches are leased pursuant to "commercial leases" (*baux commerciaux*) which grant significant rights under French law to lessees compared to leases in many other jurisdictions, in particular the lessee's right of renewal, which the lessor can avoid only by indemnifying the lessee. Most of these commercial leases are for nine-year terms (the statutory minimum) and provide termination rights for the tenant at the end of each three-year period upon six-months' prior notice. The rent paid under most of our commercial lease agreements is a fixed sum which is annually reviewed relative to national rental indices. In addition, in accordance with applicable regulations governing commercial leases, commercial rents can be adjusted upon the renewal of the lease in certain cases, and if not mutually agreed, may be determined by a competent court. In the year ended December 31, 2018, following our completed acquisitions for the year, our real estate rental expense at group level was €60 million, compared to €56 million for the corresponding period in 2017.

In other countries, our leases generally provide for standard terms under the relevant national laws and regulations. We tend to negotiate these leases with a view towards maintaining a certain level of flexibility so that we can fine tune our network as needed from time to time. Generally, rent adjustment upon renewal of our leases is based on market value.

Administrative premises

In addition to the branches in our rental network, we lease a small number of premises for administrative and logistics purposes. Our corporate headquarters are located in Paris, France.

Employees

As of December 31, 2018 we had 7,914 employees (including apprentices and trainees), nearly all of which were salaried personnel. At this date, approximately 54% of our employees were based in France. Our employees perform the following functions, amongst others: sales operations, parts operations, rental operations, technical service and office and administrative support.

Developing quality rental equipment staff is one of our priorities and staff training plays a key role in ensuring a consistent customer experience across our branches and the adoption of common internal procedures. Our group-wide training center is available to all members of our staff and provides training in areas such as customer relations, sales methods, group processes, regulation, quality and environmental management, technical expertise and management.

Information Technology

Our IT strategy is designed to reinforce our overall business strategy, and in particular, to optimize the management of our fleet and improve synergies as we expand our network. Our IT teams in France and the United Kingdom maintain our hardware and service the software we use. We use several ERP systems, including Rentalman, L-Vis and Navision, all of which specialize in rental activity.

We have taken steps to enhance the safety of our IT systems. We have a disaster recovery program to protect most of our operations and IT systems, including our ERP systems, which includes duplicate synchronized back-ups of our servers hosted by a third party.

Intellectual Property

We use several trademarks, including "Loxam," "Nationwide Platforms," "Rapid Access," "DK Rental," "Hune," "Degraus," and "Nacanco," all of which enjoy high brand recognition in their home markets. "Loxam" is protected in the countries where we do business, including France and the other members of the European Economic Community.

Environmental and Safety Matters

We are subject to comprehensive and frequently changing local, national and European Community-level laws and regulations, including those relating to discharges of substances to the air, water and land, the handling, storage, transportation, use and disposal of hazardous materials and wastes and the cleanup of properties affected by pollutants. Under these laws and regulations, we may be liable for, among other things, the cost of investigating and remediating contamination at our sites and fines and penalties for non-compliance. Our operations generally do not raise significant environmental risks, but we use hazardous materials to clean and maintain equipment and dispose of solid and hazardous waste and wastewater from equipment washing.

To our knowledge, there is no pending or likely remediation and compliance cost that could have a material adverse effect on our business. We cannot be certain, however, as to the potential financial impact on our business if new adverse environmental conditions are discovered or compliance or remediation costs are imposed that we do not currently anticipate.

We have obtained certifications under ISO 14001 for environmental commitment and MASE for employee safety. In October 2015, we became a member of the UN Global Compact program, the world's largest corporate sustainability initiative. Following an in-depth audit among customers, suppliers, staff members and other stakeholders conducted in December 2015 by SGS, the world's leading inspection and certification body, LOXAM's corporate social and environmental responsibility policy has been rewarded in France with a performance rating of level 3 (on a scale of 5) in the ISO 26000:2010 standard.

We issued our first corporate and social responsibility report entitled "Responsible Rental" in 2014 and released an updated report in 2018. "Responsible Rental" summarizes our commitment to customer service, safety, the environment, and ethical corporate governance.

Insurance

We maintain the types and amounts of insurance customary in our industry and countries of operation. Our group insurance policies, which may be supplemented locally in certain countries where we operate, comprise, in particular, our automotive fleet policy, civil liability policy, multi-risks industrial policy, direct or

indirect loss crime and data policy and include coverage for, among other things, employee-related occupational accidents and injuries, property damage, fraud, theft of vandalism of equipment, machinery break-down, and damage and injury that could be caused to third parties by poorly-maintained equipment. We have also subscribed to directors and officers insurance. We consider our insurance coverage to be adequate both as to risks and amounts for our business. We have not had any material claims that were not covered under our insurance policies.

Legal Proceedings

We are party to certain pending legal proceedings arising in the ordinary course of business. We cannot estimate with certainty our ultimate legal and financial responsibility or obligations with respect to such pending matters. See "*Risk Factors—Risks Related to our Business—We are exposed to various risks related to legal proceedings or claims that may exceed the level of our insurance coverage*." Based on our examination of these matters and the provisions we have made, we believe that any ultimate liability we may have for such matters will not have a material adverse effect on our business or financial condition.

MANAGEMENT

Pursuant to French law governing limited liability companies (*sociétés par actions simplifiées*) and our articles of association (*statuts*), our affairs are managed by our Chairman and Chief Executive Officer (*président*), who is assisted by the Managing Director and our Management Committee in running our day-to-day operations. Our Strategic Committee (*comité stratégique*) is primarily an advisory body whose purpose is to assist and advise the Chairman and Chief Executive Officer.

Chairman and Chief Executive Officer

Our Chairman and Chief Executive Officer is Mr. Gérard Déprez, who has held this position since 1986. Before joining Loxam, Mr. Déprez was regional director of the building materials manufacturer SOCIMAT from 1983 to 1986, and vice president of finance of Ciments d'Origny Group (part of the Holderbank Group, also in the building materials industry) from 1978 to 1983. Mr. Déprez also held the position of Chairman of the Board of the European Rental Association from 2005 to 2013. He holds a business degree from EM Lyon, as well as degrees in law and accounting.

The Chairman and Chief Executive Officer has broad powers to act on our behalf in any circumstances, as limited by the corporate purposes set out in our articles of association and the powers expressly reserved for the general meeting of shareholders by law or by our articles of association, to represent and bind us in dealings with third parties, to manage and administer our affairs and has full management powers in respect of the employees of the company. Our Chairman and Chief Executive Officer is appointed by our shareholders and may be dismissed by the shareholders at any time.

Managing Director

Our Managing Director is Mr. Stéphane Hénon, who has held this position since July 2012. Mr. Hénon joined Loxam in 2000 and previously held the positions of Director for Ile de France (2000-2001) and Chief Operating Officer (2001-2012). Before joining Loxam, Mr. Hénon was the director of building activities at Dagard, an industrial company from 1996 to 2000, and prior to that, an associate consultant at Axionis, a consulting company from 1995 to 1996.

Pursuant to the Articles of Association of Loxam, the Managing Director has broad powers to act on our behalf in any circumstances, as limited by the corporate purposes set out in our articles of association and the powers expressly reserved for the general meeting of shareholders by law or by our articles of association, to represent and bind us in dealings with third parties and to manage and administer our affairs and has full management powers in respect of the employees of the Company. Our Managing Director is appointed by our shareholders for a term of three years and may be dismissed by the shareholders at any time.

Management Committee

Our day-to-day operations are managed by our Management Committee, which consists of our Chairman and Chief Executive Officer, Managing Directors, Chief Financial Officer and other key managers. The members of the management committee are appointed by the Chairman and Chief Executive Officer.

The following table sets out the members of the Management Committee:

Name	Position
Gérard Déprez	Chairman and Chief Executive Officer
Stéphane Hénon	Managing Director
Olivier Grisez	Managing Director, Generalist France
Philippe Simonnet	Managing Director, Specialist France
Patrick Bourmaud	Chief Financial Officer
Pierre Yves Rallet	Sales and Marketing Director
Thierry Lahuppe	Equipment Director
Nicolas Jonville	Human Resources Director
Alain Prudhomme	Chief Operating Officer
Jean-Luc Guénard	Chief Operating Officer
Jean-Pierre Lott	Chief Operating Officer
José Manuel Rubias	Chief Operating Officer

The following is a brief description of the experience of each of the members of the Management Committee.

Stéphane Hénon. Mr. Hénon has been Managing Director since July 2012. Mr. Hénon joined Loxam in 2000 and has held the positions of Director Ile de France (2000-2001) and Chief Operating Officer (2001-2012). Prior to joining Loxam he was with the industrial company Dagard as a director of building activities (1996-2000) and the consulting company Axionis as an associate consultant (1995-1996). He holds a degree from Ecole Supérieure d'Electricité (SUPELEC).

Olivier Grisez. Mr. Grisez joined Loxam in June 2018 as the Managing Director of our Generalist France division. Before joining Loxam, he held executive positions in B2B at Saint Gobain and most recently Ivalis, where he was the CEO. He holds engineering degrees from the École Polytechnique and the École Nationale des Ponts et Chaussées.

Philippe Simonnet. Mr. Simonnet has been with Loxam since 1998 as Area Manager, then as Business Unit Manager (Loxam Access and Laho) and, since 2012, as Chief Operating Officer. From 1986 to 1998 he was with Serre & Ansot Location, a French equipment rental company acquired by Loxam in 1998, first as Branch Manager and then as Area Manager of the branches located in Ile de France. He holds a baccalaureate diploma in science.

Patrick Bourmaud. Mr. Bourmaud has been Chief Financial Officer since 2008. Mr. Bourmaud has been with Loxam since 2004, first as M&A Director of Subsidiaries Services (2004-2005) and then as Regional Director (2005-2007). Before joining Loxam he worked for HSBC in the M&A and equity capital markets departments (1994-2004). He holds a finance degree from Ecole Supérieure de Commerce Paris.

Thierry Lahuppe. Mr. Lahuppe joined Loxam in September 2015 as Equipment Director. Prior to joining Loxam, he worked at Vinci for 12 years, most recently as Equipment Director for the African Construction division, based in Morocco (2005-2007) and at the headquarters at Rueil-Malmaison (2008-2015). Previously he held positions as operations manager and project manager in construction and in nuclear maintenance. He holds an engineering degree from ENSAM (Arts & Métiers Paris Tech) and an executive MBA from CPA (HEC).

Pierre-Yves Rallet. Mr. Rallet joined Loxam in April 2016 as Sales and Marketing Director. Prior to joining Loxam, he was Sales and Marketing Director at ISS Facility Services in France, one of the world's largest facility services companies. Prior to that, between 2001 and 2005, he held several senior positions in strategy, sales and marketing at SFR, the second largest telecom operator in France. He also previously spent five years a management consultant with Ernst & Young. He holds an engineering degree from ENSIMAG and an MBA from INSEAD.

Nicolas Jonville. Mr. Jonville has been with Loxam since the end of 2013 as Human Resources Director of the Group. Before joining Loxam, he worked as a Human Resources Director at the European level of a U.S. leading provider of commercial cleaning, sanitation and hygiene solutions. Prior to this, he was a French Human Resources Director for the French dealer of Caterpillar. He holds a master's degree from Dauphine University.

Alain Prudhomme. Mr. Prudhomme has been with Loxam since 2000, initially as a Regional Manager and then as Chief Operating Officer, a position he has held since 2007. Before joining Loxam he worked for Schlumberger, the oilfield services group, as Branch Manager. He holds a baccalaureate diploma in electrotechnical studies.

Jean-Luc Guénard. Mr. Guénard has been with Loxam since 2017 as Chief Operating Officer for International Business Units. Prior to Loxam, he worked for 25 years within the rental industry developing business operations for Chep in Europe and Asia (1992-2011) and leading Portakabin Europe Continental operations (2011-2016). He holds a Master in Logistics from University of Le Havre and an MBA from Ecole Supérieure de Commerce de Paris (ESCP).

Jean-Pierre Lott. Mr. Lott has been Chief Operating Officer since June 2018. Mr. Lott joined Loxam in 2001 as Area Manager of Ile de France and remained in that position until 2005. He then developed our presence in the Aquitaine region as Director (2005-2016) and became Sales Director (2016-2018). Before joining Loxam, Mr. Lott held various sales and after-sales positions at Serre et Ansot and 2HEnergy (Fiat group). He holds a degree from ESTP.

José Manuel Rubias. Mr. Rubias has been Chief Operating Officer since June 2017. Mr. Rubias joined Loxam in September 2010 as Managing Director of Loxam Alquiler, the Spanish subsidiary of the Loxam Group. Before joining Loxam, Mr. Rubias worked in different managing positions for the Hilti Corporation in Spain and their headquarters in Liechtenstein (2001-2010), and in the FMCG industry (1995-2001). He holds a degree in Biology from CEU-San Pablo and Complutense University of Madrid and a B&A Masters Degree from IME and ICADE.

The business address of the members of the Management Committee is Loxam, 256 Rue Nicolas Coatanlem CS 90592 56855 Caudan Cedex.

Strategic Committee

Our Strategic Committee, which acts as an advisory body, is currently composed of 12 members, including the Chairman and the Managing Director. Our articles of association provide that the Strategic Committee may consist of up to 12 members who may or may not be shareholders and who are appointed by the general meeting of shareholders. Members of our Strategic Committee (other than the Chairman) are appointed for terms of three years by the ordinary general meeting of shareholders and may be dismissed by it without cause and at any time prior to the expiration of their term.

The Strategic Committee meets at least four times a year and is convened by the Chairman or the CEO. Its role is to assist and advise the Chairman on questions relating to our development strategy, the business plan, external growth transactions and any other question submitted to it by the Chairman.

Pursuant to our articles of association, shareholders may designate one or more persons (which may or may not be shareholders) as censors (*censeurs*) of the Strategic Committee. Censors participate in Strategic Committee meetings, but have no voting powers. As of the date of this listing prospectus, no censors are appointed. Pursuant to a shareholders' agreement, Sparring Capital has the right to designate, and as of the date of this listing prospectus is represented by, two members of the Strategic Committee.

The following is a brief description of the present and past experience of the members of the Strategic Committee.

Alain Blanc-Brude. Mr. Blanc-Brude is chairman of the supervisory board of ALPHA, a private equity firm specialized in mid-cap LBOs, which he joined in 1986. He was previously the CEO of the industrial company Compagnie Financière SARTEC, a position he held for 12 years. Mr. Blanc-Brude holds a degree from Ecole Centrale de Lille in engineering and an MBA from the Wharton School of the University of Pennsylvania.

Yves Coquinot. Mr. Coquinot spent 31 years at Loxam prior to his retirement in July 2012. He held the position of Managing Director from 1997 to 2012. Mr. Coquinot has a degree in law from the University of Dijon.

Hélène Déprez. Ms. Déprez is an assistant architect at Studios Architecture in Paris. Ms. Déprez holds a Masters degree from ENSA Paris, Val de Seine.

Gilles Gramat. Mr Gramat is Partner and Chairman of the Supervisory Board at Sparring Capital, a private equity firm he co-founded in 2002. He began his career as an engineer for Avions Marcel Dassault, before joining Crédit National and later Sofinnova, where he served as Deputy Managing Director. In 1987, he founded Unidev, a listed investment company, which was acquired by UI in 1993. He was Chief Executive Officer of UI from 1993 to 2001 and then its Chairman and CEO from 2001 until April 2003. He was also Director of Investments and International Participations of Credit Agricole SA. Mr. Gramat is a graduate of the Ecole Nationale Supérieure des Télécommunications.

Alice Henault. Currently managing the Access division of Loxam, Ms. Henault previously worked as an analyst with PricewaterhouseCoopers in Paris (2007-2011). She holds an MBA from Harvard Business School, an MPhil in Technology Policy from the University of Cambridge, and a Master of Science from Ecole Nationale Supérieure des Télécommunications.

Annick Lourdais. Ms. Lourdais spent 35 years at Loxam prior to her retirement in 2008. Her last position with the group was Secrétaire Général (Finance & Legal Affairs), from 1994 to 2008. Ms. Lourdais has a degree in accounting.

Daniel Milord. Mr. Milord spent 35 years at Loxam prior to his retirement in 2006, and was most recently the Deputy Managing Director (from 2001 to 2006).

Olivier de la Morinière. Mr. de la Morinière was formerly chairman and CEO of the truck rental company Fraikin, a position he has held since 2003. Previously, he was chairman and CEO of MC International, a consulting firm. Mr. de la Morinière holds a degree from Ecole Polytechnique de Paris—Ponts et Chaussées.

Jean-Pierre Créange (representative of Sparring Capital). Mr. Créange is managing director of Sparring Capital, a private equity firm he founded in 2002. Having started his career in the aeronautic sector and in the banking sector, Mr. Créange has held positions with the investment firms Unidev and UI. He holds degrees from Ecole Nationale Supérieure des Télécommunications and Institut d'Administration des Entreprises.

François Varagne. Mr. Varagne was formerly CEO of Gras Savoye, a major insurance broker, between 2012 and 2016. Mr. Varagne was previously CEO of French natural gas distributor Antargaz (2001-2011), the transport group Keolis, and Brink's France, a division on the Brinks security group. He graduated from HEC and holds a degree in philosophy.

A brief description of the present and past experience of Gérard Déprez and Patrick Bourmaud can be found under "—Chairman and Chief Executive Officer" and "—Management committee," respectively.

Audit committee

Our audit committee is currently composed of three individuals, Annick Lourdais, Jean Pierre Créange and Olivier de la Morinière, all of whom are also members of the Strategic Committee. The role of the audit committee is to examine the half-year and annual financial statements of the company and the Group prior to their presentation to the Strategic Committee. The audit committee meets at least two times per year.

Remuneration committee

Our remuneration committee is currently composed of four individuals, Jean Pierre Créange, François Varagne, Olivier de la Morinière and Gérard Déprez, all of whom are also members of the Strategic Committee. The role of the remuneration committee is to report and advise on remuneration matters with respect to the company's officers. The remuneration committee meets at least once per year.

Ethics committee

Our ethics committee is currently composed of Olivier de la Morinière who is also a member of the Strategic Committee. Loxam's Ethics Officer reports to the ethics committee on all ethical matters of which he becomes aware.

SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

Shareholders

Our share capital is comprised of ordinary shares as well as Class A and Class B shares, all of which have the same voting rights. Pursuant to our articles of association, transfers of Class B shares are subject to the prior approval of holders of Class A shares in certain circumstances.

Our Chairman and Chief Executive Officer, Gérard Déprez, and his affiliates and family members together own 84.50% of our share capital. Sparring Capital owns 4.82% of our share capital, while the remainder is owned by other members of our management team, certain retired managers, employees and other entities controlled by management. The table below lists our shareholders of ordinary shares, Class A and Class B shares as of December 31, 2018.

Shareholder	Number of shares	Percentage of share capital
Mr. Gérard Déprez and affiliates[(1)]	19,419,770	84.50%
Managers, employees, retired managers and others[(2)]	2,065,576	8.99%
FCPR Sparring Capital II[(3)]	1,108,000	4.82%
FCPE Loxam[(4)]	388,469	1.69%
Total	22,981,815	100.00%

(1) All of which are Class A shares held by Gérard Déprez, DPZ Partners SAS and certain members of the Déprez family. DPZ Partners SAS is a holding company controlled by Gérard Déprez. DPZ Partners SAS and certain members of Gérard Déprez's family have pledged 6,562,764 shares to secure personal financing agreements and other arrangements.

(2) All of which are Class B Shares.

(3) All shares held by FCPR Sparring II are ordinary shares.

(4) Shares held by Loxam employees indirectly through an employee fund, all of which are Class B shares.

Other Securities Giving Access to our Share Capital

As of December 31, 2018, there are no other securities giving access to our share capital.

Related Party Transactions

From time to time in the ordinary course of our business we enter into agreements with certain of our affiliates for the provision of management and administrative services. These agreements are established on arm's-length terms and we do not consider them to be material.

On November 30, 2011 we entered into a management agreement with DPZ Partners, a company controlled by our Chairman and Chief Executive Officer, Gérard Déprez, pursuant to which DPZ Partners provides us with strategic, organizational, research and administrative assistance, as well as analysis on business development opportunities in France and abroad, and financial and legal advice. This agreement has a one-year term and is automatically renewed for successive one-year periods unless canceled by either party prior to the end of the term. Services provided under this agreement are invoiced to us on a "cost plus" basis. For the year ended December 31, 2018 we were invoiced €1.1 million by DPZ Partners pursuant to this agreement.

DESCRIPTION OF CERTAIN FINANCING ARRANGEMENTS

The following is a summary of the material terms of our principal financing arrangements in addition to the Indentures after giving effect to the offering. The following summaries do not purport to describe all of the applicable terms and conditions of such arrangements and are qualified in their entirety by reference to the actual agreements. Capitalized terms used in the following summaries and not otherwise defined in this listing prospectus have the meanings ascribed to them in their respective agreements.

Overview

Following the completion of this offering, our outstanding indebtedness will include certain bilateral credit facilities for which the borrowers are either Loxam or our subsidiaries, the Notes, the Existing Notes, the Revolving Credit Facility and the Nationwide Revolving Facility.

Bilateral Credit Facilities

We and our subsidiaries have entered into bilateral credit facilities with a number of banks, primarily for the purpose of financing investments in our rental fleet. As of December 31, 2018, we and certain of our subsidiaries had a total of €409.1 million in debt outstanding under these bilateral credit facilities, including €166.9 million owed by our subsidiaries (of which €109.4 million was owed by the Guarantors) and €242.2 million owed by Loxam S.A.S. We guarantee certain of the bilateral credit facilities entered into by our subsidiaries.

Most of our bilateral credit facilities have terms of five years with annual straight-line amortization. Interest on most of these loans accrues at the rate of one-, two-, three-, six- or twelve-month EURIBOR plus a margin. Most of our bilateral credit facilities include a limited number of covenants, including a limitation on our ability to incur liens and create security interests. Events of default under the bilateral credit facilities typically include non-payment of amounts due, breach of terms, payment default in respect of certain other obligations, and certain insolvency events affecting us or our significant subsidiaries.

The 2023 Senior Secured Notes

On May 3, 2016, we issued €250,000,000 aggregate principal amount of 3.500% senior secured notes due 2023 (the "2023 Senior Secured Notes"). Terms capitalized and otherwise not defined in this section have the meanings given to them in the 2023 Senior Secured Notes Indenture (as defined below).

The 2023 Senior Secured Notes

The 2023 Senior Secured Notes mature on May 3, 2023. We pay interest on the 2023 Senior Secured Notes semi-annually on each March 15 and September 15, commencing September 15, 2016, at a rate of 3.500% per annum. The 2023 Senior Secured Notes are our general senior secured obligations (together with the 2021 Senior Secured Notes) and (i) are not guaranteed and are secured by a first-priority security interest in the Senior Secured Collateral and upon the issue of the Senior Secured Notes offered hereby and until their redemption in full, by a first priority security interest in the Lavendon shares held by Loxam; (ii) rank *pari passu* in right of payment with any of our existing and future obligations that are not expressly subordinated in right of payment to the 2023 Senior Secured Notes, including indebtedness incurred under the 2021 Senior Secured Notes and the Revolving Credit Facility; (iii) are structurally subordinated to all indebtedness and other liabilities (including trade payables) of our subsidiaries; and (iv) are effectively subordinated to any of our and our subsidiaries' existing or future obligations that are secured by property and assets that do not secure the 2023 Senior Secured Notes, to the extent of the value of the property and assets securing such obligations, including the Revolving Credit Facility, and additional indebtedness permitted under the 2023 Senior Secured Notes Indenture (as defined below) to be incurred and secured by assets other than the property and assets securing the 2023 Senior Secured Notes. The 2023 Senior Secured Notes are subject to the Intercreditor Agreement that governs the relative rights of certain of our creditors under our financing arrangements as described in "*—Intercreditor Agreement*" below.

We may redeem all or part of the 2023 Senior Secured Notes at any time on or after May 3, 2019 at redemption prices specified as percentages of the principal amount of 2023 Senior Secured Notes so redeemed. At any time prior to May 3, 2019 we may redeem all or part of the 2023 Senior Secured Notes at a redemption price equal to 100% of their principal amount plus accrued and unpaid interest and additional amounts, if any, to the redemption date, plus a premium equal to the greater of: (i) 1% of the principal value of the applicable note; and (ii) the excess of: (x) the present value at such redemption date of the redemption price of such note on May

3, 2019 (being 101.750% of the principal amount of the note) plus all required interest payments due on the note through May 3, 2019 (excluding accrued but unpaid interest to the redemption date), computed using a discount rate equal to the Bund Rate as of such redemption date plus 50 basis points; over (y) the outstanding principal amount of the applicable note.

Additionally, at any time and from time to time prior to May 3, 2019, during each 12-month period commencing on the issue date of the 2023 Senior Secured Notes, we may redeem up to 10% of the original aggregate principal amount of the 2023 Senior Secured Notes, at our option, at a redemption price of 103% of the principal amount of the 2023 Senior Secured Notes redeemed plus accrued and unpaid interest and additional amounts, if any, to the redemption date. In addition, at any time prior to May 3, 2019, we may redeem up to 45% of the aggregate principal amount of the 2023 Senior Secured Notes with the net proceeds from certain equity offerings at a redemption price equal to 103.500% of their principal amount, plus accrued and unpaid interest and additional amounts, if any, to the redemption date, provided that at least 55% of the aggregate principal amount of the 2023 Senior Secured Notes remains outstanding after the redemption and the redemption occurs within 90 days after the closing of such equity offering. Further, we may redeem all of the 2023 Senior Secured Notes at a price equal to their principal amount plus accrued and unpaid interest and additional amounts, if any, to the redemption date (subject to the rights of holders of the 2023 Senior Secured Notes on the relevant record date to receive interest due on the relevant interest payment date) upon the occurrence of certain changes in tax law. If we or certain of our subsidiaries sell certain of our assets or experience specific kinds of changes of control, we may also be required to make an offer to repurchase the 2023 Senior Secured Notes at specified redemption prices.

The 2023 Senior Secured Notes Indenture

The indenture governing the 2023 Senior Secured Notes (the "2023 Senior Secured Notes Indenture" and, together with the other existing indentures discussed in this "*Description of Certain Financing Arrangements,*" the "Existing Indentures"), among other things, limits our ability and the ability of the Restricted Subsidiaries (as defined therein) to (i) incur or guarantee additional indebtedness or issue preferred shares, subject to incurrence-based tests (described below); (ii) make certain investments or other restricted payments; (iii) create liens; (iv) sell assets and certain subsidiary stock; (v) pay dividends or make other distributions or repurchase or redeem capital stock or subordinated debt; (vi) engage in certain transactions with affiliates; (vii) enter into agreements that restrict the payment of dividends by subsidiaries or the repayment of intercompany loans and advances; (viii) engage in mergers or consolidations; and (ix) impair the security interests in the Senior Secured Collateral. In order to incur additional indebtedness (other than specified permitted indebtedness) under the 2023 Senior Secured Notes Indenture, our Fixed Charge Coverage Ratio (as defined in the 2023 Senior Secured Notes Indenture) must be at least 2.00 to 1.00 and, in the case of additional Indebtedness that is Senior Secured Debt (as defined in the 2023 Senior Secured Notes Indenture), our Consolidated Senior Secured Leverage Ratio (as defined in the 2023 Senior Secured Notes Indenture) must be less than 3.85 to 1.00, in each case on a *pro forma* basis.

The 2023 Senior Secured Notes Indenture also allows us to incur up to €1 billion of indebtedness (including on a secured basis) under Credit Facilities (as defined therein). The 2023 Senior Secured Notes are deemed to be incurred under Credit Facilities and the Credit Facilities are deemed to be fully drawn for purposes of testing the 3.85 to 1.00 Consolidated Senior Secured Leverage Ratio. These covenants (including these incurrence-based tests) are subject to a number of important exceptions and qualifications.

The 2023 Senior Secured Notes Indenture provides for certain events of default, including, among others, defaults under other debt instruments that (i) are caused by the failure to pay principal of, or interest or premium, if any, on indebtedness at its stated maturity prior to the expiration of the applicable grace period provided or (ii) result in the acceleration of such indebtedness prior to its maturity, and, in each case, the principal amount of such indebtedness (together with the principal amount of any other such indebtedness under which there has been a payment default or the maturity of which has been accelerated) aggregates €20 million or more.

The 2023 Senior Secured Notes Indenture and the 2023 Senior Secured Notes are governed by the laws of the State of New York.

The 2022 Senior Secured Notes

On April 4, 2017, we issued €300,000,000 aggregate principal amount of 3.500% senior secured notes due 2022 (the "2022 Senior Secured Notes"). Terms capitalized and otherwise not defined in this section have the meanings given to them in the 2022 Senior Secured Notes Indenture (as defined below).

The 2022 Senior Secured Notes

The 2022 Senior Secured Notes mature on April 15, 2022. We pay interest on the 2022 Senior Secured Notes semi-annually on each January 15 and July 15, commencing July 15, 2017, at a rate of 3.500% per annum. The 2022 Senior Secured Notes are our general senior secured obligations (together with the other Existing Senior Secured Notes) and (i) are not guaranteed and are secured by a first-priority security interest in the Senior Secured Collateral and upon the issue of the Senior Secured Notes offered hereby and until their redemption in full, by a first priority security interest in the Lavendon shares held by Loxam; (ii) rank *pari passu* in right of payment with any of our existing and future obligations that are not expressly subordinated in right of payment to the 2022 Senior Secured Notes, including indebtedness incurred under the other Existing Senior Secured Notes and the Revolving Credit Facility; (iii) are structurally subordinated to all indebtedness and other liabilities (including trade payables) of our subsidiaries; and (iv) are effectively subordinated to any of our and our subsidiaries' existing or future obligations that are secured by property and assets that do not secure the 2022 Senior Secured Notes, to the extent of the value of the property and assets securing such obligations, including the Revolving Credit Facility, and additional indebtedness permitted under the 2022 Senior Secured Notes Indenture to be incurred and secured by assets other than the property and assets securing the 2022 Senior Secured Notes. The 2022 Senior Secured Notes are subject to the Intercreditor Agreement that governs the relative rights of certain of our creditors under our financing arrangements as described in *"—Intercreditor Agreement*" below.

We may redeem all or part of the 2022 Senior Secured Notes at any time on or after April 15, 2019 at redemption prices specified as percentages of the principal amount of 2022 Senior Secured Notes so redeemed. At any time prior to April 15, 2019 we may redeem all or part of the 2022 Senior Secured Notes at a redemption price equal to 100% of their principal amount plus accrued and unpaid interest and additional amounts, if any, to the redemption date, plus a premium equal to the greater of: (i) 1% of the principal value of the applicable note; and (ii) the excess of: (x) the present value at such redemption date of the redemption price of such note on April 15, 2019 (being 101.750% of the principal amount of the note) plus all required interest payments due on the note through April 15, 2019 (excluding accrued but unpaid interest to the redemption date), computed using a discount rate equal to the Bund Rate as of such redemption date plus 50 basis points; over (y) the outstanding principal amount of the applicable note.

Additionally, at any time and from time to time prior to April 15, 2019, during each 12-month period commencing on the issue date of the 2022 Senior Secured Notes, we may redeem up to 10% of the original aggregate principal amount of the 2022 Senior Secured Notes, at our option, at a redemption price of 103% of the principal amount of the 2022 Senior Secured Notes redeemed plus accrued and unpaid interest and additional amounts, if any, to the redemption date. In addition, at any time prior to April 15, 2019, we may redeem up to 45% of the aggregate principal amount of the 2022 Senior Secured Notes with the net proceeds from certain equity offerings at a redemption price equal to 103.500% of their principal amount, plus accrued and unpaid interest and additional amounts, if any, to the redemption date, provided that at least 55% of the aggregate principal amount of the 2022 Senior Secured Notes remains outstanding after the redemption and the redemption occurs within 90 days after the closing of such equity offering. Further, we may redeem all of the 2022 Senior Secured Notes at a price equal to their principal amount plus accrued and unpaid interest and additional amounts, if any, to the redemption date (subject to the rights of holders of the 2022 Senior Secured Notes on the relevant record date to receive interest due on the relevant interest payment date) upon the occurrence of certain changes in tax law. If we or certain of our subsidiaries sell certain of our assets or experience specific kinds of changes of control, we may also be required to make an offer to repurchase the 2022 Senior Secured Notes at specified redemption prices.

The 2022 Senior Secured Notes Indenture

The indenture governing the 2022 Senior Secured Notes (the "2022 Senior Secured Notes Indenture" and, together with the other existing indentures described in this "*Description of Certain Financing Arrangements,*" the "Existing Indentures"), among other things, limits our ability and the ability of the Restricted Subsidiaries (as defined therein) to (i) incur or guarantee additional indebtedness or issue preferred shares, subject to incurrence-based tests (described below); (ii) make certain investments or other restricted

payments; (iii) create liens; (iv) sell assets and certain subsidiary stock; (v) pay dividends or make other distributions or repurchase or redeem capital stock or subordinated debt; (vi) engage in certain transactions with affiliates; (vii) enter into agreements that restrict the payment of dividends by subsidiaries or the repayment of intercompany loans and advances; (viii) engage in mergers or consolidations; and (ix) impair the security interests in the Senior Secured Collateral. In order to incur additional indebtedness (other than specified permitted indebtedness) under the 2022 Senior Secured Notes Indenture, our Fixed Charge Coverage Ratio (as defined in the 2022 Senior Secured Notes Indenture) must be at least 2.00 to 1.00 and, in the case of additional Indebtedness that is Senior Secured Debt (as defined in the 2022 Senior Secured Notes Indenture), our Consolidated Senior Secured Leverage Ratio (as defined in the 2022 Senior Secured Notes Indenture) must be less than 4.00 to 1.00, in each case on a *pro forma* basis.

The 2022 Senior Secured Notes Indenture also allows us to incur up to €1.4 billion of indebtedness (including on a secured basis) under Credit Facilities (as defined therein). The 2022 Senior Secured Notes are deemed to be incurred under Credit Facilities and the Credit Facilities are deemed to be fully drawn for purposes of testing the 4.00 to 1.00 Consolidated Senior Secured Leverage Ratio. These covenants (including these incurrence-based tests) are subject to a number of important exceptions and qualifications.

The 2022 Senior Secured Notes Indenture provides for certain events of default, including, among others, defaults under other debt instruments that (i) are caused by the failure to pay principal of, or interest or premium, if any, on indebtedness at its stated maturity prior to the expiration of the applicable grace period provided or (ii) result in the acceleration of such indebtedness prior to its maturity, and, in each case, the principal amount of such indebtedness (together with the principal amount of any other such indebtedness under which there has been a payment default or the maturity of which has been accelerated) aggregates €20 million or more.

The 2022 Senior Secured Notes Indenture and the 2022 Senior Secured Notes are governed by the laws of the State of New York.

The 2024 Senior Secured Notes

On April 4, 2017, we issued €300,000,000 aggregate principal amount of 4.250% senior secured notes due 2024 (the "2024 Senior Secured Notes"). Terms capitalized and otherwise not defined in this section have the meanings given to them in the 2024 Senior Secured Notes Indenture (as defined below).

The 2024 Senior Secured Notes

The 2024 Senior Secured Notes mature on April 15, 2024. We pay interest on the 2024 Senior Secured Notes semi-annually on each January 15 and July 15, commencing July 15, 2017, at a rate of 4.250% per annum. The 2024 Senior Secured Notes are our general senior secured obligations (together with the other Existing Senior Secured Notes) and (i) are not guaranteed and are secured by a first-priority security interest in the Senior Secured Collateral and upon the issue of the Senior Secured Notes offered hereby and until their redemption in full, by a first priority security interest in the Lavendon shares held by Loxam; (ii) rank *pari passu* in right of payment with any of our existing and future obligations that are not expressly subordinated in right of payment to the 2024 Senior Secured Notes, including indebtedness incurred under the other Existing Senior Secured Notes and the Revolving Credit Facility; (iii) are structurally subordinated to all indebtedness and other liabilities (including trade payables) of our subsidiaries; and (iv) are effectively subordinated to any of our and our subsidiaries' existing or future obligations that are secured by property and assets that do not secure the 2024 Senior Secured Notes, to the extent of the value of the property and assets securing such obligations, including the Revolving Credit Facility, and additional indebtedness permitted under the 2024 Senior Secured Notes Indenture to be incurred and secured by assets other than the property and assets securing the 2024 Senior Secured Notes. The 2024 Senior Secured Notes are subject to the Intercreditor Agreement that governs the relative rights of certain of our creditors under our financing arrangements as described in "*—Intercreditor Agreement*" below.

We may redeem all or part of the 2024 Senior Secured Notes at any time on or after April 15, 2020 at redemption prices specified as percentages of the principal amount of 2024 Senior Secured Notes so redeemed. At any time prior to April 15, 2020 we may redeem all or part of the 2024 Senior Secured Notes at a redemption price equal to 100% of their principal amount plus accrued and unpaid interest and additional amounts, if any, to the redemption date, plus a premium equal to the greater of: (i) 1% of the principal value of the applicable note; and (ii) the excess of: (x) the present value at such redemption date of the redemption price of such note on April 15, 2020 (being 102.125% of the principal amount of the note) plus all required interest payments due on

the note through April 15, 2020 (excluding accrued but unpaid interest to the redemption date), computed using a discount rate equal to the Bund Rate as of such redemption date plus 50 basis points; over (y) the outstanding principal amount of the applicable note.

Additionally, at any time and from time to time prior to April 15, 2020, during each 12-month period commencing on the issue date of the 2024 Senior Secured Notes, we may redeem up to 10% of the original aggregate principal amount of the 2024 Senior Secured Notes, at our option, at a redemption price of 103% of the principal amount of the 2024 Senior Secured Notes redeemed plus accrued and unpaid interest and additional amounts, if any, to the redemption date. In addition, at any time prior to April 15, 2020, we may redeem up to 45% of the aggregate principal amount of the 2024 Senior Secured Notes with the net proceeds from certain equity offerings at a redemption price equal to 104.250% of their principal amount, plus accrued and unpaid interest and additional amounts, if any, to the redemption date, provided that at least 55% of the aggregate principal amount of the 2024 Senior Secured Notes remains outstanding after the redemption and the redemption occurs within 90 days after the closing of such equity offering. Further, we may redeem all of the 2024 Senior Secured Notes at a price equal to their principal amount plus accrued and unpaid interest and additional amounts, if any, to the redemption date (subject to the rights of holders of the 2024 Senior Secured Notes on the relevant record date to receive interest due on the relevant interest payment date) upon the occurrence of certain changes in tax law. If we or certain of our subsidiaries sell certain of our assets or experience specific kinds of changes of control, we may also be required to make an offer to repurchase the 2024 Senior Secured Notes at specified redemption prices.

The 2024 Senior Secured Notes Indenture

The indenture governing the 2024 Senior Secured Notes (the "2024 Senior Secured Notes Indenture" and, together with the other existing indentures described in this "*Description of Certain Financing Arrangements,*" the "Existing Indentures"), among other things, limits our ability and the ability of the Restricted Subsidiaries (as defined therein) to (i) incur or guarantee additional indebtedness or issue preferred shares, subject to incurrence-based tests (described below); (ii) make certain investments or other restricted payments; (iii) create liens; (iv) sell assets and certain subsidiary stock; (v) pay dividends or make other distributions or repurchase or redeem capital stock or subordinated debt; (vi) engage in certain transactions with affiliates; (vii) enter into agreements that restrict the payment of dividends by subsidiaries or the repayment of intercompany loans and advances; (viii) engage in mergers or consolidations; and (ix) impair the security interests in the Senior Secured Collateral. In order to incur additional indebtedness (other than specified permitted indebtedness) under the 2024 Senior Secured Notes Indenture, our Fixed Charge Coverage Ratio (as defined in the 2024 Senior Secured Notes Indenture) must be at least 2.00 to 1.00 and, in the case of additional Indebtedness that is Senior Secured Debt (as defined in the 2024 Senior Secured Notes Indenture), our Consolidated Senior Secured Leverage Ratio (as defined in the 2024 Senior Secured Notes Indenture) must be less than 4.00 to 1.00, in each case on a *pro forma* basis.

The 2024 Senior Secured Notes Indenture also allows us to incur up to €1.4 billion of indebtedness (including on a secured basis) under Credit Facilities (as defined therein). The 2024 Senior Secured Notes are deemed to be incurred under Credit Facilities and the Credit Facilities are deemed to be fully drawn for purposes of testing the 4.00 to 1.00 Consolidated Senior Secured Leverage Ratio. These covenants (including these incurrence-based tests) are subject to a number of important exceptions and qualifications.

The 2024 Senior Secured Notes Indenture provides for certain events of default, including, among others, defaults under other debt instruments that (i) are caused by the failure to pay principal of, or interest or premium, if any, on indebtedness at its stated maturity prior to the expiration of the applicable grace period provided or (ii) result in the acceleration of such indebtedness prior to its maturity, and, in each case, the principal amount of such indebtedness (together with the principal amount of any other such indebtedness under which there has been a payment default or the maturity of which has been accelerated) aggregates €20 million or more.

The 2024 Senior Secured Notes Indenture and the 2024 Senior Secured Notes are governed by the laws of the State of New York.

The 2025 Senior Subordinated Notes

On April 4, 2017, we issued €250,000,000 aggregate principal amount of 6.000% senior subordinated notes due 2025 (the "2025 Senior Subordinated Notes"). Terms capitalized and otherwise not defined in this section have the meanings given to them in the 2025 Senior Subordinated Notes Indenture (as defined below).

The 2025 Senior Subordinated Notes

The 2025 Senior Subordinated Notes mature on April 15, 2025. We pay interest on the 2025 Senior Subordinated Notes semi-annually on each April 15 and October 15, commencing October 15, 2017, at a rate of 6.000% per annum. The 2025 Senior Subordinated Notes are general unsecured senior subordinated obligations and (i) are expressly subordinated in right of payment to indebtedness incurred under the Revolving Credit Facility, the Senior Secured Notes offered hereby, the Existing Senior Secured Notes and other of our future senior indebtedness; (ii) rank *pari passu* in right of payment to any of our existing or future indebtedness (other than our senior indebtedness) that is not expressly subordinated in right of payment to the 2025 Senior Subordinated Notes; (iii) are structurally subordinated to all indebtedness and other liabilities (including trade payables) of our subsidiaries; and (iv) are effectively subordinated to all secured debt (including the Senior Secured Notes offered hereby, the Existing Senior Secured Notes and any indebtedness under the Revolving Credit Facility) to the extent of the value of the collateral securing such debt (including the Senior Secured Collateral and the Revolving Credit Facility Collateral). The 2025 Senior Subordinated Notes are subject to the Intercreditor Agreement that governs the relative rights of certain of our creditors under our financing arrangements as described in "—*Intercreditor Agreement*" below.

We may redeem all or part of the 2025 Senior Subordinated Notes at any time on or after April 15, 2020 at redemption prices specified as percentages of the principal amount of 2025 Senior Subordinated Notes so redeemed. At any time prior to April 15, 2020 we may redeem all or part of the 2025 Senior Subordinated Notes at a redemption price equal to 100% of their principal amount plus accrued and unpaid interest and additional amounts, if any, to the redemption date, plus a premium equal to the greater of: (i) 1% of the principal value of the applicable note; or (ii) the excess of: (x) the present value at such redemption date of the redemption price of such note on April 15, 2020 (being 103.000% of the principal amount of the note) plus all required interest payments due on the note through April 15, 2020 (excluding accrued but unpaid interest to the redemption date), computed using a discount rate equal to the Bund Rate as of such redemption date plus 50 basis points; over (y) the outstanding principal amount of the applicable note, if greater. In addition, at any time prior to April 15, 2020, we may also redeem up to 45% of the aggregate principal amount of the 2025 Senior Subordinated Notes with the net proceeds from certain equity offerings at a redemption price equal to 106% of their principal amount, plus accrued and unpaid interest and additional amounts, if any, to the redemption date, provided that at least 55% of the original aggregate principal amount of the 2025 Senior Subordinated Notes remains outstanding after the redemption and the redemption occurs within 90 days after the closing of such equity offering. Further, we may redeem all of the 2025 Senior Subordinated Notes at a price equal to their principal amount plus accrued and unpaid interest and additional amounts, if any, upon the occurrence of certain changes in tax law. If we or our Restricted Subsidiaries sell certain of our assets or experience specific kinds of changes of control, we may also be required to make an offer to repurchase the 2025 Senior Subordinated Notes at specified redemption prices.

The 2025 Senior Subordinated Notes Indenture

The indenture governing the 2025 Senior Subordinated Notes (the "2025 Senior Subordinated Notes Indenture" and, together with the other existing indentures described in this "*Description of Certain Financing Arrangements,*" the "Existing Indentures"), among other things, limits our ability and the ability of the Restricted Subsidiaries (as defined therein) to (i) incur or guarantee additional indebtedness or issue preferred shares, subject to incurrence-based tests (described below); (ii) make certain investments or other restricted payments; (iii) create liens; (iv) sell assets and certain subsidiary stock; (v) pay dividends or make other distributions or repurchase or redeem capital stock or subordinated debt; (vi) engage in certain transactions with affiliates; (vii) enter into agreements that restrict the payment of dividends by subsidiaries or the repayment of intercompany loans and advances; and (viii) engage in mergers or consolidations. In order to incur additional indebtedness (other than specified permitted indebtedness) under the 2025 Senior Subordinated Notes Indenture, our Fixed Charge Coverage Ratio (as defined in the 2025 Senior Subordinated Notes Indenture) must be at least 2.00 to 1.00 and, in the case of additional Indebtedness that is Priority Debt (as defined in the 2025 Senior Subordinated Notes Indenture), our Consolidated Priority Debt Leverage Ratio (as defined in the 2025 Senior Subordinated Notes Indenture) must be less than 4.00 to 1.00, in each case on a *pro forma* basis.

The 2025 Senior Subordinated Notes Indenture also allows us to incur up to €1.4 billion of indebtedness (including on a secured basis) under Credit Facilities (as defined therein). The 2025 Senior Subordinated Notes are deemed to be incurred under Credit Facilities and the Credit Facilities are deemed to be fully drawn for purposes of testing the 4.00 to 1.00 Consolidated Priority Debt Leverage Ratio. These covenants (including these incurrence-based tests) are subject to a number of important exceptions and qualifications.

The 2025 Senior Subordinated Notes Indenture provides for certain events of default, including, among others, defaults under other debt instruments that (i) are caused by the failure to pay principal of, or interest or premium, if any, on indebtedness at its stated maturity prior to the expiration of the applicable grace period provided or (ii) result in the acceleration of such indebtedness prior to its maturity, and, in each case, the principal amount of such indebtedness (together with the principal amount of any other such indebtedness under which there has been a payment default or the maturity of which has been accelerated) aggregates €20 million or more.

The 2025 Senior Subordinated Notes Indenture and the 2025 Senior Subordinated Notes are governed by the laws of the State of New York.

Revolving Credit Facility Agreement

Overview

On February 28, 2017, we entered into a €75 million revolving credit facility agreement (the "Revolving Credit Facility") with Deutsche Bank AG, London Branch, Crédit Agricole Corporate and Investment Bank, Natixis and Société Générale Corporate and Investment Banking as arrangers, the financial institutions named therein as original lenders, Natixis as agent (the "Agent") and Natixis as security agent (the "Security Agent"). Terms capitalized and otherwise not defined in this section have the meanings given to them in the Revolving Credit Facility.

The Revolving Credit Facility provides for borrowings of up to an aggregate of €75 million on a committed basis. Borrowings may be prepaid or repaid and reborrowed in accordance with the terms of the Revolving Credit Facility. Borrowings may be used to fund our general corporate and working capital requirements, although we may not use borrowings under the Revolving Credit Facility to redeem the Existing Notes or the Notes.

Availability

The Revolving Credit Facility may be utilized from the date when certain conditions precedent are satisfied until the date falling one month prior to the final maturity date. The Revolving Credit Facility has a maturity of five years and all utilizations thereunder must be repaid by that date.

Interest and Fees

The amounts drawn under the Revolving Credit Facility bear interest at a rate equal to the sum of (i) EURIBOR; and (ii) the applicable margin.

The applicable margin is initially equal to a base margin of 2.75% per annum, subject to, after at least 12 months has elapsed from the date of the Revolving Credit Facility, a ratchet up or down based on our Consolidated Leverage Ratio, calculated on a quarterly basis over the then last twelve-month period. The applicable margin varies between 2.25% and 2.75% per annum, and is automatically increased up to 2.75% per annum upon the occurrence of, and as long as an Event of Default is continuing.

Default interest is calculated as an additional 1.00% on the overdue amount.

A commitment fee is payable, quarterly in arrear, at the rate of 0.75% per annum on each lender's undrawn and un-cancelled commitments, until the last day of the availability period.

We are further required to pay certain fees to the Agent and the Security Agent.

Security

The Revolving Credit Facility is secured separately from the Existing Senior Secured Notes and the Senior Secured Notes by:

- an assignment of certain eligible customer receivables (*cession de créances à titre de garantie*) in accordance with article L-313-23 and seq. of the French Monetary and Financial Code (the "*Dailly* receivables"); and

- a related pledge over the bank account into which the *Dailly* receivables are paid.

The *Dailly* receivables shall represent at least 120% of the drawn amount under the Revolving Credit Facility at any time.

Repayments

Each loan made under the Revolving Credit Facility must be repaid on the last day of the relevant interest period of one, three or six months, or any other period agreed to by the Lenders, subject to a netting mechanism against amounts to be drawn on such date. Amounts repaid may be re-borrowed during the availability period, subject to certain conditions.

The final maturity date of the Revolving Credit Facility is the date falling five years from the date of the agreement.

Prepayments

In addition to scheduled repayment of principal, the Revolving Credit Facility provides for mandatory prepayment under certain circumstances, including upon the occurrence of a Change of Control or upon a sale of all or substantially all of the assets of the Restricted Group.

In the event of (i) a Change of Control or (ii) the sale of all or substantially all of the assets of the Restricted Group (as defined in the Revolving Credit Facility), the Revolving Credit Facility will immediately be cancelled and all amounts outstanding thereunder will become due and payable on the 5th business day following such event.

A Change of Control will be deemed to have occurred under the Revolving Credit Facility if a Change of Control has been deemed to have occurred under the Existing Indentures; *provided, however*, that a Change of Control under the Revolving Credit Facility will be deemed to have occurred regardless of whether there is a decline in the Company's credit rating (referred to as a "Change of Control Rating Decline" in the Existing Indentures).

The Revolving Credit Facility contains provisions relating to cancellation of commitments and, to the extent necessary as a result of such cancellation, prepayment of outstanding loans upon repurchase of certain Existing Notes and/or the Notes.

Indebtedness under the Revolving Credit Facility may further be voluntarily cancelled or prepaid at any time, in whole or in part, subject to certain conditions, including with respect to minimum amounts, notice period and payment of any break funding costs if such prepayment is made on a day that is not the last business day of an interest period.

Amounts prepaid may be re-borrowed during the availability period, subject to certain conditions. Commitments cancelled may not be reinstated.

Covenants

General

The Revolving Credit Facility contains customary information and affirmative loan style covenants (including covenants applicable to the Company and, as the case may be, to the Company's subsidiaries or Material Subsidiaries (as such term is defined in the Revolving Credit Facility) relating to maintenance of relevant authorizations, compliance with laws, payment of taxes, change of business, preservation of assets, *pari passu* ranking, insurance, intellectual property, hedging, principal place of business, provision of financial and other information, etc.) and incorporates the restrictive covenants set forth in the 2023 Senior Secured Notes Indenture.

Financial Covenant

The Revolving Credit Facility also requires us to comply with a "springing" financial covenant. Specifically, we are required to ensure that our Consolidated Leverage Ratio in respect of a Relevant Period does not exceed 5.00:1.00 in respect of any testing period; *provided* that (a) only synergies and cost savings referred to in the definition of Consolidated Leverage Ratio shall be taken into account which result from the acquisition, restructuring or reorganization (as applicable) confirmed as reasonably anticipated to be achievable by the chief financial officer in the 12 months immediately following the acquisition, restructuring or

reorganization (as applicable) and (b) the synergies referred to in the definition of Consolidated Leverage Ratio during any applicable testing period may not exceed 10% of our Consolidated Cash Flow during such period (after giving *pro forma* effect to the relevant acquisition).

This financial covenant is tested quarterly on a rolling 12-month basis, although it is only tested if the outstanding aggregate amount of utilizations at the end of the applicable testing period is equal to or exceeds 30% of total commitments. *Pro forma* compliance with this financial covenant is also required as a condition precedent to the incurrence of new utilizations (other than rollover loans), but only if the aggregate amount of utilizations (taking into account the proposed utilization) is equal to or exceeds 30% of total commitments.

Events of Default

The Revolving Credit Facility contains customary events of default (subject in certain cases to grace periods, thresholds, materiality and other exceptions), including payment default, failure to comply with the financial covenant described above, failure to comply with any other obligation under the Finance Documents, misrepresentation, cross-default, insolvency and insolvency proceedings concerning the Company or one of the Material Subsidiaries, creditor enforcement proceedings, judicial alert proceeding (*procédure d'alerte*) initiated by the Company's auditors, failure to comply with the Intercreditor Agreement (as defined below), unlawfulness and invalidity, cessation of business, material qualification of financial statements by the Company's auditors, expropriation of assets, material litigation arising out of the transaction documents and material adverse change.

The occurrence of an event of default would allow the Agent, among other things, to (i) cancel the total commitments under the Revolving Credit Facility; (ii) declare all or part of any borrowings thereunder immediately due and payable; (iii) declare all or part of any borrowings thereunder payable on demand; and/or (iv) exercise any rights, remedies, powers or discretions it has under the revolving facility documents, including directing the Security Agent to exercise such remedies, powers or discretions in respect of the security.

Amendments and Waivers

The terms of the Revolving Credit Facility may be amended or waived with the consent of lenders representing more than two-thirds of the aggregate commitments. Certain amendments or waivers, however, such as changes to the maturity, margin, principal or interest in respect of a borrowing, changes in currency, change of control or changes to the legal entity of the borrower require the consent of all lenders.

Governing Law and Jurisdiction

The Revolving Credit Facility and any non-contractual obligations arising out of or in connection with it are governed by English law. Without prejudice to the foregoing, the restrictive covenants incorporated into the Revolving Credit Facility from the 2023 Senior Secured Notes Indenture and any non-contractual obligations arising out of or in connection with them are to be interpreted in accordance with New York law. The English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the Revolving Credit Facility.

Nationwide Revolving Facility Agreement

Overview

On December 17, 2018, Nationwide Platforms Limited as the Company entered into a £90 million revolving facility agreement (the "Nationwide Revolving Facility") with HSBC Equipment Finance (UK) Limited as Mandated Lead Arranger, HSBC Bank Plc as Agent and Initial Hedge Counterparty and HSBC Corporate Trustee Company (UK) Limited as Security Agent. Terms capitalized and otherwise not defined in this section have the meanings given to them in the Nationwide Revolving Facility.

Subject to the terms therein, the Nationwide Revolving Facility provides for borrowings of up to an aggregate of £90 million on a committed basis. Borrowings may be prepaid or repaid and re-borrowed in accordance with the terms of the Nationwide Revolving Facility. Borrowings may be used to fund any purpose permitted by the Existing Senior Secured Indentures, Existing Senior Subordinated Indentures and the Indentures (hereinafter the "Indentures"), including directly or indirectly providing balance sheet liquidity used for the repayment of indebtedness of Lavendon Group Limited and its Subsidiaries to Loxam S.A.S., although we may not use borrowings under the Nationwide Revolving Facility directly or indirectly for any payments that could constitute a violation of any applicable anti-bribery law. The Nationwide Revolving Facility also provides us with the ability to, subject to the satisfaction of certain conditions, increase the committed amount

under the Nationwide Revolving Facility in an amount not exceeding £40 million in aggregate (the "Nationwide Accordion Facility").

Availability

In addition to standard conditions to utilization, the availability of the commitments under the Nationwide Revolving Facility are also subject to there being an Available Borrowing Base which, amongst other things, requires sufficient Equipment (being certain self-propelled or powered (including truck mounted) mobile elevated working platforms and material handling attachments on hire, or available for hire, by an Obligor) being secured in favor of the Security Agent at the time of the proposed utilization. The Nationwide Revolving Facility may be utilized from the date of the agreement until the date falling one month prior to the termination date. The Nationwide Revolving Facility has a maturity of five years and all utilizations thereunder must be repaid by that date. The Nationwide Accordion Facility may be available from the date when the accordion facility is established until the termination date for the Nationwide Revolving Facility.

Interest and Fees

The amounts drawn under the Nationwide Revolving Facility bear interest at a rate equal to the sum of (i) LIBOR and (ii) the applicable margin.

The applicable margin in relation to a revolving facility loan is 2.38% per annum whereas in relation to a Nationwide Accordion Facility is as agreed between us and the relevant lender.

Default interest is calculated as an additional 1.00% on the overdue amount.

A commitment fee is payable, quarterly in arrear, at the rate of 35% of the Margin on each lender's available commitment under the Nationwide Revolving Facility for the availability period applicable to the Nationwide Revolving Facility.

We are further required to pay certain fees to the Agent and the Security Agent.

Security

The Nationwide Revolving Facility is secured separately from the Existing Senior Secured Notes and the Senior Secured Notes by security over the Equipment.

Repayments

Each loan made under the Nationwide Revolving Facility must be repaid on the last day of the interest period being the period from the Utilisation Date to the last Business Day of the month in which that Utilisation Date occurs and for Rollover Loans, starting on the first day after the expiry of the current Interest Period and ending on the last Business Day of the month (not to extend beyond the Termination Date). Amounts repaid may be re-borrowed during the availability period, subject to certain conditions.

The final maturity date of the Nationwide Revolving Facility is the date falling five years from the date of first utilization which was December 17, 2018.

Prepayments

In addition to scheduled repayment of principal, the Nationwide Revolving Facility provides for (i) mandatory prepayment where there has been a Change of Control; (ii) mandatory prepayment of net proceeds of Equipment sales while there is an Event of Default; and (iii) an undertaking to reduce the amounts outstanding under the Nationwide Revolving Facility if the outstandings exceed the Available Borrowing Base.

If a Change of Control was to occur and if a Lender so requires and notifies the Agent within 30 days of the Agent being notified of such Change of Control, the commitments of that Lender will immediately be cancelled and all amounts outstanding to such Lender will become due and payable, upon the Agent notifying the Company by not less than five Business Days' notice.

A Change of Control will be deemed to have occurred under the Nationwide Revolving Facility if: (i) a Change of Control has been deemed to have occurred under the Indentures; (ii) if Loxam S.A.S. were to cease to own and control, directly or indirectly, more than 50% of the issued share capital of Nationwide Platforms

Limited or ceasing to control, directly or indirectly, the composition of the majority of the board of directors of Nationwide Platforms Limited; or (iii) if there was a sale of all or substantially all of the assets of Nationwide Platforms Limited and its subsidiaries in one or a series of related transactions. The Nationwide Revolving Facility contains provisions relating to cancellation of commitments.

Indebtedness under the Nationwide Revolving Facility may further be voluntarily cancelled or prepaid at any time, in whole or in part, subject to certain conditions, including with respect to minimum amounts and notice period.

Amounts prepaid may be re-borrowed during the availability period, subject to certain conditions. Commitments cancelled may not be reinstated.

Covenants

General

The Nationwide Revolving Facility contains customary information and loan style covenants (including covenants applicable to Nationwide Platforms Limited and, as the case may be, Nationwide Platforms Limited's subsidiaries, relating to, amongst others, maintenance of relevant authorizations, compliance with laws, payment of taxes, change of business, *pari passu* ranking, negative pledge, disposals, financial indebtedness, insurance, sanctions, provision of financial and other information, etc.), in addition to certain additional covenants relating specifically to the Equipment and the calculation of the Available Borrowing Base.

In addition, the Nationwide Revolving Facility requires that any loans (other than trade credit in the ordinary course of trading activities) made to Nationwide Platform Limited or any of its Subsidiaries by any member of the Loxam Group must be subordinated to the Nationwide Revolving Facility pursuant to the Nationwide Intercreditor Agreement ("Shareholder Loans"). The Nationwide Revolving Facility provides that payments may only be made with respect to any Shareholder Loan at a time when Total Net Leverage (*pro forma* for such repayment or prepayment) is 4.50:1.00 or less and no Default or Deficiency has occurred or is continuing.

Financial Covenant

The Nationwide Revolving Facility also requires us to comply with various financial covenants. Specifically, we are required to ensure that in respect of a Relevant Period ending on or after December 31, 2018: (i) the Total Net Leverage does not exceed 4.50:1.00; (ii) the Interest Cover shall not be less than 4.00:1.00; and (iii) Total Net Worth as at the last day of such Relevant Period shall not be less than £60 million.

This financial covenant is tested by reference to its audited consolidated financial statements for that Financial Year and each of the consolidated management accounts for each Financial Quarter (other than a financial quarter ending on or about 31 December).

Events of Default

The Nationwide Revolving Facility contains customary events of default (subject in certain cases to grace periods, thresholds, materiality and other exceptions), including payment default, failure to comply with the financial covenants described above, failure to comply with any other obligation under the Finance Documents, misrepresentation, cross-default, insolvency and insolvency proceedings concerning the Company or one of the Material Companies, creditor enforcement proceedings, failure to comply with the Nationwide Intercreditor Agreement, unlawfulness and invalidity, cessation of business, material qualification of financial statements by the Company's auditors, expropriation of assets, material litigation and material adverse change.

The occurrence of an event of default would allow the Agent, among other things, to (i) cancel the total commitments and / or ancillary commitments under the Nationwide Revolving Facility; (ii) declare all or part of any borrowings thereunder immediately due and payable; (iii) declare all or part of any borrowings and / or ancillary commitments thereunder payable on demand; and/or (iv) exercise any rights, remedies, powers or discretions it has under the revolving facility documents, including directing the Security Agent to exercise such remedies, powers or discretions in respect of the security.

Amendments and Waivers

The terms of the Nationwide Revolving Facility may be amended or waived with the consent of lenders representing more than two-thirds of the aggregate commitments. Certain amendments or waivers, however, such as changes to the maturity, margin, change of control, sanctions-related provisions or changes to the Borrower or Guarantors (other than in accordance with the provisions therein in relation to changes to the obligors) require the consent of all lenders.

Governing Law and Jurisdiction

The Nationwide Revolving Facility and any non-contractual obligations arising out of or in connection with it are governed by English law. The English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the Nationwide Revolving Facility (although, without prejudice to the foregoing, no Finance Party or Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction and (to the extent allowed by law) may even take concurrent proceedings in any number of jurisdictions).

Nationwide Intercreditor Agreement

The below description is a brief summary of certain provisions contained in the Nationwide Intercreditor Agreement which relate to the rights and obligations of the debtors and the creditors in relation to, amongst others, the Nationwide Revolving Facility.

To establish the relative rights of certain of our creditors in relation to the Nationwide Revolving Facility, we entered into an intercreditor agreement on December 17, 2018 with, among others, HSBC Bank Plc as Initial Senior Agent and Initial Hedge Counterparty and HSBC Corporate Trustee Company (UK) Limited as Security Agent (each term as defined therein) (the "Nationwide Intercreditor Agreement").

The Nationwide Intercreditor Agreement contains standard provisions and sets out, among other things:

- the relative ranking of certain of our debt, including setting out that the liabilities pursuant to the Nationwide Revolving Facility and certain hedging liabilities rank first and pari passu, without any preference amongst them and that Intra-Group Liabilities (as defined below) and Subordinated Liabilities (as defined below) rank second;

- conditions relating to our ability to provide security for future debts, including sharing of the collateral for the Nationwide Revolving Facility with certain future creditors (including certain hedge counterparties);

- when and by whom an enforcement action can be taken in respect of that debt;

- the terms pursuant to which Nationwide Platforms Limited and its subsidiaries (the "Group") may make payments in respect of certain liabilities owed by them to other members of the Group (the "Intra Group Liabilities") and by certain shareholders of the Group (the "Subordinated Liabilities") from time to time; and

- turnover provisions.

Intercreditor Agreement

General

To establish the relative rights of certain of our creditors under our financing arrangements, we entered into the Intercreditor Agreement with, among others, the Agent for the lenders under the Revolving Credit Facility, the trustees under the Existing Senior Secured Notes (the "Senior Secured Notes Trustee"), the trustee under the Existing Senior Subordinated Notes (the "Senior Subordinated Notes Trustee") and the Security Agents in respect of the Revolving Credit Facility and the Existing Senior Secured Notes. In connection with the issuance of the Notes, the Trustee will accede to the Intercreditor Agreement in its capacity as trustee for the Senior Secured Notes and trustee for the Senior Subordinated Notes and the Senior Secured Notes will be subject to the terms of such agreement as senior secured notes and the Senior Subordinated Notes will be subject to such agreement as senior subordinated notes.

The Intercreditor Agreement sets out, among other things:

- the relative ranking of certain of our debt, including the Revolving Credit Facility, the Existing Notes and the Notes offered hereby, as well as certain future debt and hedging obligations;
- when payments can and cannot be made in respect of our debt, including in particular restrictions on payments in respect of senior subordinated notes including the Existing Senior Subordinated Notes and the Senior Subordinated Notes offered hereby that will apply in certain circumstances (such as a default in respect of senior debt);
- conditions relating to our ability to provide security for future debts, including sharing of the Senior Secured Collateral and the collateral for the Revolving Credit Facility, with certain future creditors (including certain hedge counterparties);
- when and by whom an enforcement action can be taken in respect of that debt;
- the terms pursuant to which certain of that debt will be subordinated upon the occurrence of certain insolvency events;
- the terms pursuant to which the Company and its subsidiaries (the "Group") may make payments in respect of certain liabilities (the "Intra-Group Liabilities") owed by them to other members of the Group from time to time; and
- turnover provisions.

In general, the Intercreditor Agreement does not restrict or prevent the incurrence by the Issuer or any Restricted Subsidiary of indebtedness secured by Security other than the Senior Secured Collateral and the collateral for the Revolving Credit Facility to the extent permitted by our financing agreements and the right of any lender thereon to take enforcement action with respect thereto.

The Intercreditor Agreement only regulates Intra-Group Liabilities to the extent that such Liabilities (1) are owed by a Debtor to a non-Debtor or another Debtor and (2) do not relate to current liabilities incurred in the ordinary course of business in connection with cash management, tax and accounting operations. Accordingly, other Intra-Group Liabilities are not required by the terms thereof to be subordinated or junior in right of payment to any Liabilities owed to any Secured Creditors. Members of the Group are not required to accede to the Intercreditor Agreement solely because they have incurred Intra-Group Liabilities, although such intra-group liability shall still be deemed Intra-Group Liabilities for the purposes of the Intercreditor Agreement.

The Intercreditor Agreement does not regulate liabilities owed by any member of the Group to any direct or indirect shareholders.

By accepting a Note, the relevant holder thereof shall be deemed to have agreed to, and accepted the terms and conditions of, the Intercreditor Agreement. The following description is a summary of certain provisions contained in the Intercreditor Agreement which relate to the rights and obligations of the holders of the Notes. It does not restate the Intercreditor Agreement in its entirety. In particular, we provide summary definitions of certain terms below for ease of reading, but such definitions are qualified in their entirety by the more detailed definitions contained in the Intercreditor Agreement. As such, you are urged to read the Intercreditor Agreement because it, and not the discussion that follows, defines certain rights of the holders of the Notes. You can obtain a copy of the Intercreditor Agreement in the manner described under "*General Information—Listing*."

Ranking and Priority

Priority of Liabilities

The Intercreditor Agreement provides that the liabilities of the Company and any member of the Group that becomes a debtor (collectively, "Debtors") in respect of the Revolving Credit Facility, the Existing Notes, the Notes, certain future hedging obligations and certain future debt, rank in the following order or priority:

- *first,* the Senior Lender Liabilities, the Senior Secured Liabilities and the Creditor Representative Amounts (each as defined below), *pari passu* and without any preference between them;

- *second*, the Senior Subordinated Notes Liabilities (as defined below), *pari passu* and without any preference between them; and

- *third*, the Intra-Group Liabilities.

The terms used above are defined in detail in the Intercreditor Agreement, and as a general matter have the following meanings:

"**Additional Senior Secured Creditor**" means a holder of Additional Senior Secured Liabilities.

"**Additional Senior Secured Finance Documents**" means each document or instrument entered into between any Debtor and one or more Additional Senior Secured Creditors setting out the terms of any loan, credit or debt facility, notes, indenture or security which creates or evidences any Additional Senior Secured Liabilities, or setting out the terms of any guarantee or indemnification for, or grants or evidences any Security for, any Additional Senior Secured Liabilities.

"**Additional Senior Secured Liabilities**" means liabilities owed in respect of any loan, credit or debt facility, notes, indenture or security:

(a) that are not subordinated in right of payment to any Senior Lender Liabilities or Senior Secured Notes Liabilities; and

(b) that are designated by the Company to the applicable Security Agent as "Additional Senior Secured Debt" and which are permitted under the terms of the Senior Secured Finance Documents, the Senior Lender Finance Documents and the Senior Subordinated Notes Finance Documents to rank pari passu with the other Senior Secured Liabilities including at the time of such designation; and

(c) for which the relevant Additional Senior Secured Creditors (or the applicable creditor representative on its behalf) has acceded to the Intercreditor Agreement.

"**Arranger**" means any Arranger as defined in the Revolving Credit Facility.

"**Creditor Representative Amounts**" mean certain amounts due to the Senior Secured Notes Trustee, the Trustee, the Senior Subordinated Notes Trustee, the Agent under the Revolving Credit Facility and the agent, trustee or similar representative under certain other credit facilities, indentures and similar documents. Each such party is referred to as a "Creditor Representative," and the representatives of the Additional Senior Secured Liabilities are referred to as "Additional Senior Secured Creditor Representatives."

"**Distress Event**" means the acceleration of the Senior Lender Liabilities, the Senior Secured Liabilities (other than the Hedging Liabilities) or the Senior Subordinated Notes Liabilities, or the enforcement of any related transaction security, as the context requires.

"**Senior Agent**" means Natixis in its capacity as original senior agent under the Revolving Credit Facility and any agent under an Additional Senior Facilities Agreement that has acceded to the Intercreditor Agreement in such capacity.

"**Senior Discharge Date**" means the date on which all Senior Lender Liabilities and Senior Secured Liabilities have been fully and finally discharged to the satisfaction of the relevant Creditor Representatives.

"**Senior Event of Default**" means an event of default under the Revolving Credit Facility or an Additional Senior Facilities Agreement or an event of default under a Senior Secured Finance Document.

"**Senior Lender Creditor**" means each Senior Lender and the Senior Agent.

"**Senior Lender Finance Party**" means a Finance Party as defined in the Revolving Credit Facility.

"**Senior Lender Liabilities**" mean liabilities owed to the lenders under the Revolving Credit Facility and to the lenders, issuing banks and ancillary lenders in any additional or new future senior credit facility agreement that becomes subject to the Intercreditor Agreement (the "Additional Senior Facilities Agreements"). The holders of Senior Lender Liabilities are referred to as the "Senior Lenders."

"**Senior Secured Liabilities**" mean liabilities owed to the holders of the Existing Senior Secured Notes and the Senior Secured Notes offered hereby including any additional Existing Senior Secured Notes and any additional Senior Secured Notes issued in the future (the "Senior Secured Notes Liabilities"); the liabilities in relation to certain permitted hedging agreements (the "Hedging Liabilities"), and any future senior secured liabilities that become subject to the Intercreditor Agreement as Additional Senior Secured Liabilities. The holders of Senior Secured Liabilities (including hedge counterparties) are referred to as the "Senior Secured Creditors."

"**Senior Subordinated Notes Liabilities**" mean liabilities owed to the holders of the Existing Senior Subordinated Notes and the Senior Subordinated Notes offered hereby (including any additional senior subordinated notes issued in the future).

"**Transaction Security**" means the Security created or evidenced or expressed to be created or evidenced under or pursuant to the transaction security documents relating to the Senior Lender Security and the Senior Secured Collateral.

The Senior Secured Notes and the Existing Senior Secured Notes will therefore rank *pari passu* in right of payment with certain other current and future debt of our Company, including, among others, the Revolving Credit Facility, any Additional Senior Facilities Agreements and any future Senior Secured Liabilities. The Senior Subordinated Notes and the Existing Senior Subordinated Notes will rank junior in right of payment to all such liabilities, and will rank *pari passu* among themselves in right of payment and *pari passu* in right of payment with any future Existing Senior Subordinated Notes, any future Senior Subordinated Notes and future Senior Subordinated Notes Liabilities.

Our ability to incur such future debt is subject to compliance with the incurrence tests under the Indentures (see "*Description of Certain Financing Arrangements*," "*Description of the Senior Secured Notes*" and "*Description of the Senior Subordinated Notes*"), as well as any other limitations imposed by our debt documents. If we are able to incur such future debt, it is possible that the amount of debt ranking *pari passu* in right of payment with the Senior Secured Notes and senior to the Senior Subordinated Notes and/or the amount of debt ranking *pari passu* in right of payment with the Senior Subordinated Notes will increase significantly in the future.

Priority of Security

The Revolving Credit Facility and the related security agreements provide that the Senior Lenders will benefit from a pledge of receivables owed to the Company (the "*Dailly* Pledge"), and a pledge of the bank account into which such receivables are transferred (collectively, the "Senior Lender Security"). The *Dailly* Pledge will be equal to an amount no less than 120% of the outstanding principal amount loans outstanding under the Revolving Credit Facility at all times. See "*—Revolving Credit Facility Agreement*." Additional security may be pledged for some or all of the Senior Lender Liabilities under the circumstances described herein. We may incur indebtedness secured by such receivables and/or additional receivables under Additional Senior Facilities Agreements, such security to be shared on a *pari passu* basis with the Original Senior Lenders.

The Senior Secured Indenture and related security documents will also provide that the holders of the Senior Secured Notes will benefit from a pledge of the Senior Secured Collateral, which includes a security interest in the Senior Secured Collateral ranking after any then-existing security interest in the Senior Secured Collateral which shall be deemed a first-priority security interest therein by virtue of the Intercreditor Agreement. See "*Description of the Senior Secured Notes—Security*." The Senior Secured Collateral may also secure any future Senior Secured Liabilities under the circumstances described herein. Additional security may be pledged for some or all of the Senior Secured Liabilities under the circumstances described herein. The Senior Secured Collateral and any such additional security is referred to as the "Senior Secured Security."

The holders of the Senior Subordinated Notes will not benefit from any security.

The Intercreditor Agreement provides that the Senior Lender Security will secure the liabilities of the Senior Lender Creditors only, and that the Senior Secured Security will secure the liabilities of the Senior Secured Creditors only (*pari passu* without any preference between them).

If we incur additional Senior Lender Liabilities in the future, the amount of our debt that will be secured by the Senior Lender Security will increase. As a result, the amount of Senior Lender Security that will be available to satisfy claims of other creditors in case of an enforcement action or insolvency event may be reduced.

Similarly, if we incur additional Senior Secured Liabilities in the future, the amount of our debt that will be secured by the Senior Secured Security will increase. As a result, the amount of Senior Secured Security that will be available to satisfy claims of other creditors in case of an enforcement action or insolvency event may be reduced.

The Intercreditor Agreement provides that, if we or any of the other Debtors incur incremental borrowings, new borrowings or guarantees, refinance any borrowings or guarantees, or share existing security, and if this is permitted by the terms of our outstanding debt documents (including, but not limited to, the terms of the Notes), the creditors party to the Intercreditor Agreement (including the Trustee) will (at the cost of the Debtors) co-operate with the Debtors with a view to enabling such financing or refinancing and such sharing of security to take place. In each case, the relevant creditors, including the holders of the Notes, will be deemed to have authorized their respective Creditor Representatives to execute any amendment to the Intercreditor Agreement and the other debt documents required to reflect such arrangements.

Restriction on Enforcement of Security

The Intercreditor Agreement provides that the Senior Lenders may not take any action to enforce the Senior Lender Security without the prior written consent of the Majority Senior Lender Creditors and that the Senior Secured Creditors may not take any action to enforce the transaction security without the prior written consent of the Majority Senior Secured Creditors. Notwithstanding the foregoing, if an insolvency event in relation to a Debtor (meaning generally that insolvency or similar proceedings are instituted by or in respect of such Debtor), Senior Lenders and Senior Secured Creditors may take certain enforcement actions in connection with the relevant insolvency proceedings, but may not direct the applicable Security Agent to enforce the relevant transaction security in connection with such insolvency event except with the relevant majority consent.

The "Majority Senior Lenders" are generally defined as Senior Lenders holding more than 66 2/3% of the Senior Lender Liabilities, and the "Majority Senior Secured Creditors" are generally defined as Senior Secured Creditors holding more than 50% of the Senior Secured Liabilities.

The Intercreditor Agreement does not contain any mechanism regulating enforcement action between Senior Lenders as a creditor class and Senior Secured Creditors as a creditor class.

Additional Security and Guarantees

Senior Lenders

Any Senior Lender may take, accept or receive the benefit of:

- any security from the Company or any member of the Group in respect of its Senior Lender Liabilities, subject to a requirement to offer similar security:
    - to the Security Agent as agent or trustee for the other Senior Lenders (which will then form part of the Senior Lender Security); or
    - in the case of any jurisdiction in which effective security cannot be granted in favor of the applicable Security Agent as agent or trustee for the other Senior Lenders:
        - to the other Senior Lender Creditors in respect of their secured obligations; or
        - to the applicable Security Agent under a parallel debt structure, joint and several creditor structure or agency structure for the benefit of the other Senior Lender Creditors,

- any guarantee, indemnity or other assurance against loss from any member of the Group in respect of the Senior Lender Liabilities in addition to those provided in the existing documents evidencing or relating to the Senior Lender Liabilities and in the Intercreditor Agreement, subject to a requirement to offer similar benefits to other Senior Lenders or their Creditor Representatives on their behalf to the extent legally possible and subject to certain agreed security principles.

In any such case, such security, guarantee, indemnity or other assurance against loss will rank in the same order of priority as set out under "*—Ranking and Priority—Priority of Security*," and all amounts received by any Senior Lender Finance Party (which shall generally mean the relevant Senior Lenders and their Creditor Representative(s)) with respect to such security will be paid to the applicable Security Agent and held and applied in accordance with the provisions set out under "*—Application of Proceeds*."

This provision does not require any security or guarantee to be granted in respect of the Senior Secured Liabilities or the Senior Subordinated Notes Liabilities.

In addition, the ancillary lenders or issuing banks under any Additional Senior Facilities Agreements may take, accept or receive certain additional security or guarantees, including cash cover provided under such Additional Senior Facilities Agreements, separate from the security and guarantees provided to all the Senior Lenders, and without providing any security or guarantee in respect of the Senior Secured Liabilities or the Senior Subordinated Notes Liabilities.

Senior Secured Creditors

The Senior Secured Creditors may take, accept or receive the benefit of:

- any security from any member of the Group in respect of Senior Secured Liabilities if and to the extent legally possible and subject to certain agreed security principles, at the same time, it is also offered either:
    - to the applicable Security Agent as agent or trustee for the other Senior Secured Creditors in respect of their Senior Secured Liabilities; or
    - in the case of any jurisdiction in which effective security cannot be granted in favor of the applicable Security Agent as agent or trustee for the other Senior Secured Creditors:
        - to the other Senior Secured Creditors in respect of their secured obligations; or
        - to the applicable Security Agent under a parallel debt structure, joint and several creditor structure or agency structure for the benefit of the other Senior Secured Creditors,

  and ranks in the same order of priority as set out under the caption "*—Ranking and Priority—Priority of Security*," provided that all amounts received or recovered by any Senior Secured Creditor with respect to such security are immediately paid to the applicable Security Agent and held and applied in accordance with the provisions set out under the caption "*—Application of Proceeds*;" and

- any guarantee, indemnity or other assurance against loss from any member of the Group in respect of the Senior Secured Liabilities if and to the extent legally possible, and subject to certain agreed security principles, at the same time it is also offered to the other Senior Secured Creditors in respect of their Senior Secured Liabilities and ranks in the same order of priority as set out under the caption "*—Ranking and Priority*" and all amounts received by any Senior Secured Creditor with respect thereto are immediately paid to the applicable Security Agent and held and applied in accordance with the provisions set out under the caption "*—Application of Proceeds*."

Hedge Counterparties and Hedging Liabilities

The Debtors may enter into interest rate or currency exchange rate hedge agreements under ISDA or other forms of master agreements from time to time, so long as the total hedged amounts do not exceed certain limits. The Hedging Liabilities created under such agreements may rank *pari passu* with the Senior Lender Liabilities and the Senior Secured Liabilities, and senior to the Senior Subordinated Notes Liabilities. Such Hedging Liabilities may share in the Senior Secured Security.

The Debtors may make payments due under the terms of the agreements relating to such Hedging Liabilities as they come due, as well as close-out or termination payments thereunder. Close-out and termination payments are subject to certain limitations, including compliance with the terms of the documents governing the Senior Lender Liabilities and the Senior Secured Liabilities if the close-out or termination occurs prior to a Distress Event. The Debtors may not make any payment to a hedge counterparty that has failed to make a payment under the relevant hedging agreement, and the failure by the Debtors to make such payment will not constitute an Event of Default under the Notes. Following the acceleration of the Notes or the occurrence of an Insolvency Event, the Debtors may not make payments under the hedging agreements except in connection with the enforcement of the Senior Secured Security and the application of the proceeds thereof as provided under "*—Application of Proceeds*." The hedge counterparties shall be required to terminate or close out the hedge agreements upon the acceleration of the Notes or Additional Senior Secured Finance Documents or upon the instruction of the Majority Senior Secured Creditors.

Permitted Payments in Respect of Senior Lender Liabilities and Senior Secured Liabilities

The Debtors may make payment in respect of the Senior Lender Liabilities and the Senior Secured Liabilities (other than Hedging Liabilities) at any time in accordance with the provisions of the applicable documents governing the terms of the Senior Lender Liabilities (the "Senior Lender Finance Documents") and the Senior Secured Liabilities (the "Senior Secured Finance Documents").

Option to Purchase: Senior Secured Creditors

Upon the occurrence of a Distress Event, the Senior Secured Creditors may elect to purchase the Senior Lender Liabilities for the amount that would have been required to prepay such liabilities on the purchase date plus certain costs and expenses.

The Senior Secured Creditors may not exercise their right to purchase the Senior Lender Liabilities if the Senior Subordinated Notes Trustee, on behalf of the Senior Subordinated Creditors, has exercised its right to purchase the Senior Lender Liabilities and the Senior Secured Liabilities, as described under "*—Option to Purchase—Senior Subordinated Creditors*."

Restrictions Relating to Senior Subordinated Note Liabilities

Restriction on Payment and Dealings

The Intercreditor Agreement provides that, until the Senior Discharge Date, except with the prior consent of the Creditor Representative under the Senior Facilities Agreements and (to the extent otherwise prohibited under any Senior Secured Finance Document) the Creditor Representative under such Senior Secured Finance Document, the Debtors shall not (and the Company shall ensure that no member of the Group will):

(i) pay, repay, prepay, redeem, acquire or defease any principal, interest or other amount on or in respect of, or make any distribution in respect of, any Senior Subordinated Note Liabilities in cash or in kind or apply any such money or property in or towards discharge of any Senior Subordinated Notes Liabilities except as permitted by the provisions set out below under the caption "*—Permitted Senior Subordinated Notes Payments*", the second paragraph set out in the caption "*—Restrictions on Enforcement*" and the fourth paragraph under the caption "*—Effect of Insolvency Event; Filing of Claims*" or by a refinancing of the Existing Senior Subordinated Notes or the Senior Subordinated Notes as permitted by the Intercreditor Agreement;

(ii) exercise any set-off against any Senior Subordinated Notes Liabilities, except as permitted by the provisions set out in the caption "*—Permitted Senior Subordinated Notes Payments*" below, the provisions set out in the caption "*—Restrictions on Enforcement*" below or the fourth paragraph under the caption "*—Effect of Insolvency Event; Filing of Claims*" below; or

(iii) create or permit to subsist any security over any assets of any member of the Group or give any guarantee (and the Senior Subordinated Notes Trustee may not and no Senior Subordinated Creditor may, accept the benefit of any such Security or guarantee) from any member of the Group for, or in respect of, any Senior Subordinated Notes Liabilities other than guarantees that contain subordination provisions and other limitations substantially

consistent with those of the Existing Senior Subordinated Notes and the Senior Subordinated Notes ("Senior Subordinated Guarantees").

Permitted Senior Subordinated Notes Payments

Prior to the Senior Discharge Date, the Debtors may make payments in respect of the Senior Subordinated Notes Liabilities then due in accordance with the terms of the relevant documents that govern them (the "Senior Subordinated Notes Finance Documents") if:

(i) the payment is not principal or capitalized interest, or is made after the maturity date of the Senior Subordinated Notes Liabilities, or is otherwise expressly permitted by the documents governing the Senior Lender Liabilities;

(ii) no Senior Subordinated Notes payment stop notice is outstanding (as described under "—*Payment Blockage Provisions*"); and

(iii) no Senior Payment Default has occurred and is continuing (a "Senior Payment Default" is a default on Senior Lender Liabilities or Senior Secured Liabilities resulting from non-payment, subject to certain limited exceptions).

Any other payment to the holders of the Senior Subordinated Note Liabilities may be made only if the Majority Senior Lender Creditors and Creditor Representatives for the Senior Secured Liabilities give prior consent to that payment being made.

In addition, the Debtors may make certain payments to the Creditor Representative for the Senior Subordinated Notes Liabilities, as well as certain payments of administrative expenses, tax gross-up amounts, amendment and waiver fees and similar amounts. The Debtors may also pay costs, commissions, taxes, premiums and any expenses incurred in respect of (or reasonably incidental to) any refinancing of the Senior Subordinated Notes Liabilities in compliance with the Intercreditor Agreement and the documents governing the Senior Lender Liabilities and the Senior Secured Liabilities.

On or after the Senior Discharge Date, the Debtors may make payments in respect of the Senior Subordinated Notes Liabilities in accordance with the Senior Subordinated Notes Finance Documents.

Payment Blockage Provisions

Until the Senior Discharge Date, except with the prior consent of the Creditor Representatives in respect of the Senior Lender Liabilities and the Senior Secured Liabilities, and subject to the provisions set out under "—*Effect of Insolvency Event; Filing of Claims*" below, the Debtors shall be prohibited from making payments in respect of the Senior Subordinated Notes Liabilities (other than certain amounts due to the Senior Subordinated Notes Trustee) if:

- a Senior Payment Default is continuing; or
- a Senior Event of Default (other than a Senior Payment Default) is continuing, from the date which is one business day after the date on which a Creditor Representative delivers a payment stop notice specifying the event or circumstance in relation to that Senior Event of Default to the Company, the applicable Security Agent and the Senior Subordinated Notes Trustee until the earliest of:
  - the date falling 179 days after delivery of that payment stop notice;
  - in relation to payments of Senior Subordinated Notes Liabilities, if a Senior Subordinated Notes standstill period is in effect at any time after delivery of that payment stop notice, the date on which that standstill period expires (see "—*Restrictions on Enforcement*");
  - the date on which the relevant Senior Event of Default has been remedied or waived;
  - the date on which the relevant Creditor Representative (as applicable) delivers a notice to the Company, the applicable Security Agent and the Senior Subordinated Notes Trustee cancelling the payment stop notice and no other stop notice is then in effect;

- the Senior Discharge Date; and

- the date on which the applicable Security Agent or the Senior Subordinated Notes Trustee takes Enforcement Action (as defined below) permitted under the Intercreditor Agreement against a Debtor.

Unless the Senior Subordinated Notes Trustee waives this requirement (i) a new payment stop notice may not be delivered unless and until 360 days have elapsed since the delivery of the immediately prior payment stop notice and (ii) no payment stop notice may be delivered in reliance on an Event of Default in respect of Senior Secured Liabilities more than 45 days after the Creditor Representative for the applicable Senior Lender Liabilities or Senior Secured Liabilities has received notice of that Senior Event of Default.

The Creditor Representatives for any Senior Creditors may only serve one payment stop notice with respect to the same event or set of circumstances. Subject to the immediately preceding paragraph, this shall not affect the right of any such Creditor Representative to issue a payment stop notice in respect of any other event or set of circumstances. No payment stop notice may be served by a Creditor Representative in respect of a Senior Event of Default which has been notified to such Creditor Representatives at the time at which an earlier payment stop notice was issued.

Any failure to make a payment due under the Senior Subordinated Notes Finance Documents as a result of the issue of a payment stop notice or the occurrence of a Senior Payment Default shall not prevent (i) the occurrence of an Event of Default (as defined in the relevant Senior Subordinated Notes Finance Documents) as a consequence of that failure to make a payment in relation to the relevant Senior Subordinated Notes Finance Documents or (ii) the issue of an enforcement notice with respect to the relevant Event of Default on behalf of the Senior Subordinated Creditors.

No Debtor shall be released from the liability to make any payment (including of default interest, which shall continue to accrue) under any Senior Subordinated Notes Finance Document (including the Senior Subordinated Indenture and the Existing Senior Subordinated Notes Indentures) by the operation of the provisions set out above even if its obligation to make such payment is restricted at any time by the terms of any of those provisions.

If:

(i) at any time following the issue of a payment stop notice or the occurrence of a Senior Payment Default, that payment stop notice ceases to be outstanding and/or (as the case may be) the Senior Payment Default ceases to be continuing; and

(ii) the relevant Debtor then promptly pays to the holders of the Senior Subordinated Notes Liabilities an amount equal to any payments which had accrued thereunder and which would have been permitted but for that payment stop notice or Senior Payment Default,

then any event of default which may have occurred as a result of that suspension of payments shall be waived and any Senior Subordinated enforcement notice which may have been issued as a result of that event of default shall be waived, in each case without any further action being required on the part of the Senior Subordinated Creditors.

Restrictions on Amendments and Waivers

Prior to the Senior Discharge Date, the parties to the documents governing the Senior Subordinated Notes Liabilities (the "Senior Subordinated Notes Finance Parties") may not amend or waive the terms of such documents unless the amendment or waiver does not adversely affect the rights of holders of the Senior Liabilities.

Restrictions on Enforcement

Until the Senior Discharge Date, except with the prior consent of or as required by each Creditor Representative of any Senior Lender Liabilities and Senior Secured Liabilities then outstanding:

(a) no Senior Subordinated Notes Finance Party shall direct the applicable Security Agent to enforce or otherwise (to the extent applicable), require the enforcement of, any transaction

security documents (which in any event the Senior Subordinated Notes Finance Parties ordinarily would not be able to do, since security for the Senior Subordinated Notes Liabilities is prohibited except with the consent of the Creditor Representatives of the Senior Lenders and the Senior Secured Creditors); and

(b) no Senior Subordinated Notes Finance Party shall take or require the taking of any Enforcement Action in relation to the Senior Subordinated Notes Liabilities.

These restrictions will not apply in respect of the Senior Subordinated Guarantee liabilities or the security documents (if any) which secure the Senior Subordinated Notes Liabilities if:

(i) a Senior Subordinated Event of Default is continuing;

(ii) each Creditor Representative for Senior Lender Liabilities and Senior Secured Liabilities has received a notice of such Senior Subordinated Note Default specifying the event or circumstance in relation to such Senior Subordinated Default from the Senior Subordinated Notes Trustee;

(iii) the relevant Senior Subordinated Standstill Period (as defined below) has elapsed; and

(iv) such Senior Subordinated Default is continuing at the end of the relevant Senior Subordinated Standstill Period.

In relation to a Senior Subordinated Default, a "Senior Subordinated Standstill Period" shall mean the period beginning on the date (the "Senior Subordinated Standstill Start Date") the Senior Subordinated Notes Trustee serves a notice of such event on each Creditor Representative for any Senior Lender Liabilities and Senior Secured Liabilities, and ending on the earliest to occur of:

(i) the date falling 179 days after the Senior Subordinated Standstill Start Date (the "Senior Subordinated Standstill Period");

(ii) the date the Senior Lenders or Senior Secured Creditors take any Enforcement Action in relation to a particular Debtor, provided, however, that:

(A) if a Senior Subordinated Standstill Period ends pursuant to this paragraph, the Senior Subordinated Notes Finance Parties may only take the same Enforcement Action in relation to the Debtor as the Enforcement Action taken by the Senior Lenders or the Senior Secured Creditors or holders against such Debtor and not against any other member of the Group; and

(B) Enforcement Action for the purpose of this paragraph shall not include action taken to preserve or protect any security as opposed to realizing it;

(iii) the date of an Insolvency Event (as defined below) in relation to a particular Senior Subordinated Notes Guarantor against whom Enforcement Action is to be taken; and

(iv) the expiry of any other Senior Subordinated Standstill Period outstanding at the date such first mentioned Senior Subordinated Standstill Period commenced (unless that expiry occurs as a result of a cure, waiver or other permitted remedy).

The Senior Subordinated Notes Finance Parties may take Enforcement Action under the provisions set out above in relation to a Senior Subordinated Note Default even if, at the end of any relevant Senior Subordinated Note Standstill Period or at any later time, a further Senior Subordinated Note Standstill Period has begun as a result of any other Senior Subordinated Note Default.

Option to Purchase: Senior Subordinated Creditors

Upon the occurrence of a Distress Event, the Senior Subordinated Creditors may elect to purchase all of the Senior Lender Liabilities and the Senior Secured Liabilities for the amount that would have been required to provide cash cover for any letter of credit and to prepay such liabilities on the purchase date plus certain costs and expenses. Any such purchase must include a transfer of all Hedging Liabilities, and if a transfer cannot be made, then no such purchase may be made, unless the relevant hedge counterparty otherwise agrees. The

purchase price for a transfer of Hedging Liabilities will be based on the termination payment calculation methodologies in the relevant ISDA or other agreement governing such Hedging Liabilities, and must be certified by the relevant hedge counterparty.

Effect of Insolvency Event; Filing of Claims

An "Insolvency Event" occurs in relation to any Debtor if:

- any resolution is passed or order made for its winding up, dissolution, administration or reorganization, a moratorium is declared in relation to any of its indebtedness or an administrator is appointed to it;
- any composition, compromise, assignment or arrangement is made with creditors generally;
- a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer is appointed in respect of that Debtor or any of its assets;
- certain specified French law insolvency events occur in respect of the Company or its subsidiaries; or
- any analogous procedure or step to those described above in respect of the Debtor is taken in any jurisdiction.

The Intercreditor Agreement provides that, after the occurrence of an Insolvency Event in relation to any Debtor, any party entitled to receive a distribution out of the assets of that Debtor in respect of liabilities owed to that party shall, to the extent it is able to do so, direct the person responsible for the distribution of the assets of that Debtor to pay that distribution to the applicable Security Agent until the liabilities owing to the Senior Lenders and the Senior Secured Creditors have been paid in full. In this respect, the applicable Security Agent shall apply distributions paid to it in accordance with the provisions set out under the caption "—*Application of Proceeds*" below.

Generally, to the extent that any member of Group's liabilities are discharged by way of set-off (mandatory or otherwise) after the occurrence of an Insolvency Event in relation to that member of the Group, any creditor which benefited from that set-off shall (to the extent such amount constitutes proceeds from the enforcement of security) pay an amount equal to the amount of the liabilities owed to it which are discharged by that set-off to the applicable Security Agent for application in accordance with the provisions set out in the caption "—*Application of Proceeds*" below.

If a Security Agent or any other secured party receives a distribution in a form other than in cash in respect of any of the liabilities owed to them by a member of the Group, the liabilities will not be reduced by that distribution until and except to the extent that the realization proceeds are actually applied towards such liabilities.

After the occurrence of an Insolvency Event in relation to any member of Group, each creditor (including the holders of the Notes) irrevocably authorizes the applicable Security Agent, on its behalf, to:

(i) take any Enforcement Action (in accordance with the terms of the Intercreditor Agreement) against that member of the Group;

(ii) demand, sue, prove and give receipt for any or all of that member of Group's liabilities owed to the creditors under the debt documents;

(iii) collect and receive all distributions on, or on account of, any or all of that member of Group's liabilities owed to the creditors under the debt documents; and

(iv) file claims, take proceedings and do all other things the applicable Security Agent considers reasonably necessary to recover that Debtor's liabilities owed to the creditors under the debt documents.

Each creditor will (i) do all things that the applicable Security Agent reasonably requests in order to give effect to the matters disclosed under this section and (ii) if the applicable Security Agent is not entitled to take any of the actions contemplated by this section or if the applicable Security Agent requests that a creditor

take that action, undertake that action itself in accordance with the instructions of the applicable Security Agent or grant a power of attorney to the applicable Security Agent (on such terms as the applicable Security Agent may reasonably require, although no trustee shall be under any obligation to grant such powers of attorney) to enable the applicable Security Agent to take such action.

Turnover

Subject to certain exceptions, the Intercreditor Agreement provides that if any Senior Lender, Senior Secured Creditor, holder of Senior Subordinated Liabilities or any of their respective Creditor Representatives (the "Primary Creditors") receives or recovers from any member of the Group:

(i) any payment or distribution of, or on account of or in relation to, any of the liabilities owed to the creditors under the debt documents which is not either (x) a payment permitted under the Intercreditor Agreement or (y) made in accordance with the provisions set out below under the caption "—*Application of Proceeds*;"

(ii) any amount by way of set-off in respect of any of the liabilities owed to it which does not give effect to a payment permitted under the Intercreditor Agreement;

(iii) any amount:

(A) on account of, or in relation to, any of the liabilities owed to the creditors under the debt documents:

(I) after the occurrence of an acceleration event or the enforcement of any security; or

(II) as a result of any other litigation or proceedings against a Debtor (other than after the occurrence of an Insolvency Event in respect of that Debtor); or

(B) by way of set-off in respect of any of the liabilities owed to it after the occurrence of an acceleration event or the enforcement of any security,

other than, in each case, any amount received or recovered in accordance with the provisions set out below the caption "—*Application of Proceeds*;"

(iv) the proceeds of any enforcement of any security except in accordance with the provisions set out below under the caption "—*Application of Proceeds*;" or

(v) other than in the case of set-off or a refinancing, any distribution in cash or in kind or payment of, or on account of or in relation to, any of the liabilities owed by any Debtor which is not in accordance with the provisions set out in the caption "—*Application of Proceeds*" and which is made as a result of, or after, the occurrence of an Insolvency Event in respect of that member of Group,

that Primary Creditor will: (i) in relation to receipts and recoveries not received or recovered by way of set-off (x) hold an amount of that receipt or recovery equal to the relevant liabilities (or if less, the amount received or recovered) on trust for the applicable Security Agent and promptly pay that amount to the applicable Security Agent for application in accordance with the terms of the Intercreditor Agreement and (y) promptly pay an amount equal to the amount (if any) by which the receipt or recovery exceeds the relevant liabilities to the applicable Security Agent for application in accordance with the terms of the Intercreditor Agreement; and (ii) in relation to receipts and recoveries received or recovered by way of set-off, promptly pay an amount equal to that recovery to the applicable Security Agent for application in accordance with the terms of the Intercreditor Agreement.

Subject to certain exceptions, the Intercreditor Agreement provides that if any creditor party to the Intercreditor Agreement other than a Primary Creditor receives or recovers from any member of the Group:

(i) any payment or distribution of, or on account of or in relation to, any of the liabilities owed to the creditors under the debt documents which is not either (x) a payment permitted under the Intercreditor Agreement or (y) made in accordance with the provisions set out below under the caption "—*Application of Proceeds*";

(ii) any amount by way of set-off in respect of any of the liabilities owed to it which does not give effect to a payment permitted under the Intercreditor Agreement;

(iii) any amount:

(A) on account of, or in relation to, any of the liabilities owed to the creditors under the debt documents:

(I) after the occurrence of an acceleration event or the enforcement of any security; or

(II) as a result of any other litigation or proceedings against a Debtor (other than after the occurrence of an Insolvency Event in respect of that Debtor); or

(B) by way of set-off in respect of any of the liabilities owed to it after the occurrence of an acceleration event or the enforcement of any security,

other than, in each case, any amount received or recovered in accordance with the provisions set out below the caption "*—Application of Proceeds*";

(iv) the proceeds of any enforcement of any security except in accordance with the provisions set out below under the caption "*—Application of Proceeds*"; or

(v) any distribution in cash or in kind or payment of, or on account of or in relation to, any of the liabilities owed by any member of Group which is not in accordance with the provisions set out in the caption "*—Application of Proceeds*" and which is made as a result of, or after, the occurrence of an insolvency event in respect of that member of Group,

that creditor which is not a Primary Creditor will: (i) in relation to receipts and recoveries not received or recovered by way of set-off (x) hold an amount of that receipt or recovery equal to the relevant liabilities (or if less, the amount received or recovered) on trust for the applicable Security Agents and promptly pay that amount to the applicable Security Agents for application in accordance with the terms of the Intercreditor Agreement and (y) promptly pay an amount equal to the amount (if any) by which the receipt or recovery exceeds the relevant liabilities to the applicable Security Agents for application in accordance with the terms of the Intercreditor Agreement; and (ii) in relation to receipts and recoveries received or recovered by way of set-off, promptly pay an amount equal to that recovery to the applicable Security Agents for application in accordance with the terms of the Intercreditor Agreement.

Enforcement of Security

Instructions to Enforce

The applicable Security Agent may refrain from enforcing the security unless instructed otherwise by an Instructing Group. An "Instructing Group" means (i) in relation to the Senior Lender Security, until the date on which the Senior Lender Liabilities are fully discharged, the Majority Senior Lender Creditors, and (ii) in relation to the Senior Secured Security, until the date on which the Senior Secured Liabilities are fully discharged, the relevant Senior Secured Creditor Representative, to the extent required under the terms of the Senior Secured Finance Documents, acting upon instruction of the Majority Senior Secured Creditors. Subject to the relevant security having become enforceable in accordance with its terms, the Instructing Group may give, or refrain from giving, instructions to the applicable Security Agent to enforce, or refrain from enforcing, such security as they see fit. No secured party shall have any independent power to enforce, or to have recourse to enforce, any security or to exercise any rights or powers arising under the security documents except through the applicable Security Agent.

Manner of Enforcement

If the security is being enforced as set forth above under the caption "*—Instructions to Enforce*," the applicable Security Agent shall enforce the security in such manner (including, without limitation, the selection of any administrator of any Debtor to be appointed by the applicable Security Agent) as the Instructing Group shall instruct, or, in the absence of any such instructions, as the applicable Security Agent sees fit.

Waiver of Rights

To the extent permitted under applicable law and subject to certain provisions of the Intercreditor Agreement, each of the Senior Lender Creditors, the Senior Secured Creditors, the Senior Subordinated Creditors, the other Creditors and the Debtors waives all rights it may otherwise have to require that the security be enforced in any particular order or manner or at any particular time, or that any sum received or recovered from any person, or by virtue of the enforcement of any of the security or of any other security interest, which is capable of being applied in or towards discharge of any of the secured obligations, is so applied.

Duties Owed

Pursuant to the Intercreditor Agreement, each of the secured parties and the Debtors acknowledges that, in the event that the applicable Security Agent enforces, or is instructed to enforce, the security prior to the applicable discharge date, the duties of the applicable Security Agent and of any receiver or delegate owed to any Senior Lender Finance Party or Senior Secured Creditor in respect of the method, type and timing of that enforcement or of the exploitation, management or realization of any of that security shall be no different to or greater than the duty that is owed by the applicable Security Agent, receiver or delegate to the Debtors under general law.

Exercise of Voting Rights

Each Primary Creditor (including the Trustee and holders of the Notes) agrees (to the fullest extent permitted by law at the relevant time) with the applicable Security Agent that it will cast its vote in any proposal put to the vote by, or under the supervision of, any judicial or supervisory authority in respect of any insolvency, pre-insolvency or rehabilitation or similar proceedings relating to any member of the Group as instructed by the applicable Security Agent. The applicable Security Agent shall give instructions for the purposes of this paragraph as directed by an Instructing Group.

Security Held by Other Creditors

If any security is held by a creditor other than the applicable Security Agent, then creditors may only enforce that security in accordance with instructions given by an Instructing Group in accordance with the Intercreditor Agreement.

Asset Disposals

If any Debtor disposes of any asset subject to the Transaction Security in a manner that is permitted by the documents governing the Senior Lender Liabilities and the Senior Secured Liabilities, or enters into a merger or other reorganization transaction permitted by such documents, the applicable Security Agent shall, subject to certain conditions, release the security interests created by the relevant security documents to the extent necessary to give effect to such disposal or other transaction. If such transaction involves the disposal of shares of a company (other than the Company), the applicable Security Agent shall also release any guarantee given by such company or any security interests over such company's assets created by the relevant security documents.

In connection with a disposal of an asset subject to Transaction Security other than a Distressed Disposal (defined below), if any disposal proceeds are required to be applied in mandatory prepayment of the Senior Lender Liabilities, the Senior Secured Liabilities or the Senior Subordinated Notes Liabilities (as applicable) then, subject to the terms of the Intercreditor Agreement, the disposal proceeds shall be applied in or towards payment of (or to the extent applicable under the relevant debt document the making of an offer of payment):

(i) first, on a *pro rata* basis, (x) in respect of Disposal Proceeds that are required to be applied in mandatory prepayment of the Senior Lender Liabilities, the Senior Lender Liabilities in accordance with the terms of the Senior Facilities Agreement and (y) in respect of Disposal Proceeds that are required to be applied in mandatory prepayment of the Senior Secured Liabilities, the Senior Secured Liabilities in accordance with the terms of the Senior Secured Finance Documents (without, in each case, any obligation to apply those amounts towards the Senior Subordinated Notes Liabilities); and

(ii) second, after the discharge in full of the Senior Lender Liabilities and the Senior Secured Liabilities, the Senior Subordinated Notes Liabilities in accordance with the terms of the documents governing them,

A "Distressed Disposal" is a disposal of an asset or shares of a member of the Group or a third party which is not a Debtor (a "Third Party Chargor") that secures Senior Lender Liabilities or Senior Secured Liabilities which is (a) being effected at the request of an Instructing Group in circumstances where the transaction security has become enforceable, (b) being effected by enforcement of the transaction security or (c) subject to the transaction security which is being effected, after the occurrence of a Distress Event, by a Debtor or a Third Party Chargor to a person that is not a member of the Group.

The net proceeds of each Distressed Disposal (and the net proceeds of any disposal of liabilities or Debtor liabilities) shall be paid to the Senior Secured Security Agent for application in accordance with the provisions set out under "*—Application of Proceeds*" as if those proceeds were the proceeds of an enforcement of the security and, to the extent that any disposal of liabilities or Debtor liabilities has occurred, as if that disposal of liabilities or Debtor liabilities had not occurred.

In the case of a Distressed Disposal (other than a Distressed Disposal of an asset subject to the Senior Lender Security) (or a disposal of liabilities other than the Senior Lender Liabilities) effected by, or at the request of, the Senior Secured Security Agent (acting in accordance with the Intercreditor Agreement), the Senior Secured Security Agent shall take reasonable care to obtain a fair market price in the prevailing market conditions (though the Senior Secured Security Agent shall not have any obligation to postpone any such Distressed Disposal or disposal of liabilities in order to achieve a higher price).

Where borrowing liabilities in respect of any Senior Secured Debt would otherwise be released pursuant to the Intercreditor Agreement, the creditor concerned may elect to have those borrowing liabilities transferred to the Company, in which case the Senior Secured Security Agent is irrevocably authorized (at the cost of the relevant Debtor or the Company and without any consent, sanction, authority or further confirmation from any creditor or Debtor) to execute such documents as are required to so transfer those borrowing liabilities.

If before the Senior Subordinated Discharge Date, a Distressed Disposal is being effected such that the Senior Subordinated Guarantees or assets of a Senior Subordinated Notes Guarantor will be released pursuant to the Intercreditor Agreement, it is a further condition to the release that either:

- the Senior Subordinated Notes Trustee has approved the release; or
- where shares or assets of a Senior Subordinated Notes Guarantor are sold:

  (A) the proceeds of such sale or disposal are in cash (or substantially in cash) and/or other marketable securities or, if the proceeds of such sale or disposal are not in cash (or substantially in cash) and/or other marketable securities, the requirements of paragraph (C) below are satisfied;

  (B) all claims of the Senior Secured Creditors against a member of the Group (if any), all of whose shares are pledged in favor of the Senior Secured Creditors are sold or disposed of pursuant to such Enforcement Action, are unconditionally released and discharged or sold or disposed of concurrently with such sale (and are not assumed by the purchaser or one of its affiliates), and all security under the security documents in respect of the assets that are sold or disposed of is simultaneously and unconditionally released and discharged concurrently with such sale, provided that in the event of a sale or disposal of any such claim (instead of a release or discharge):

  (I) the Creditor Representatives for the Senior Secured Creditors (other than Hedge Counterparties) (the "Relevant Creditor Representatives") determine, acting reasonably and in good faith, that the Senior Secured Finance Parties will recover more than if such claim was released or discharged; and

  (II) the Relevant Creditor Representatives serve a notice on the Senior Secured Security Agent notifying the applicable Security Agent of the same,

  in which case the Senior Secured Security Agent shall be entitled immediately to sell and transfer such claim to such purchaser (or an affiliate of such purchaser); and

(C) such sale or disposal (including any sale or disposal of any claim) is made to a public or private auction or other competitive process.

Application of Proceeds

Senior Lender Security

The Intercreditor Agreement provides that all amounts from time to time received or recovered by the applicable Security Agent pursuant to the terms of any document relating to the Senior Lender Security or in connection with the realization or enforcement of all or any part of the Senior Lender Security shall be held by the applicable Security Agent on trust, to the extent legally permitted, to apply them at any time as the applicable Security Agent (in its discretion) sees fit, to the extent permitted by applicable law (following the occurrence of an acceleration event or enforcement of any Transaction Security and subject to the establishment of certain reserves for amounts the Security Agent reasonably considers might become due or owing at any time in the future), in the following order of priority:

(i) to the payment of fees, costs and expenses due to the applicable Security Agent and any applicable receiver or delegate;

(ii) to the payment of amounts due to any Creditor Representatives of the Senior Lenders;

(iii) to pay costs and expenses incurred in connection with such enforcement or realisation taken in accordance with the terms of the Intercreditor Agreement or at the request of the Security Agent;

(iv) in payment of the Senior Lender Liabilities; and

(v) the balance, if any, in payment to the relevant Debtor.

Senior Secured Security

The Intercreditor Agreement provides that all amounts from time to time received or recovered by the applicable Security Agent pursuant to the terms of any document relating to the Senior Secured Security or in connection with the realization or enforcement of all or any part of the Senior Secured Security shall be held by the applicable Security Agent on trust, to the extent legally permitted, to apply them at any time as the applicable Security Agent (in its discretion) sees fit, to the extent permitted by applicable law (following the occurrence of an acceleration event or enforcement of any Transaction Security and subject to the provisions of the establishment of certain reserves for amounts the Security Agent reasonably considers might become due or owing at any time in the future), in the following order of priority:

(i) to the payment of fees, costs and expenses due to the applicable Security Agent and the Senior Secured Notes Trustee and any applicable receiver or delegate;

(ii) to pay costs and expenses incurred in connection with such enforcement or realisation taken in accordance with the terms of the Intercreditor Agreement or at the request of the Security Agent;

(iii) in payment of the Senior Secured Liabilities (including Hedging Liabilities) on a pro rata basis; and

(iv) the balance, if any, in payment to the relevant Debtor.

Other Recoveries

The Intercreditor Agreement provides that all amounts from time to time received or recovered by the applicable Security Agent other than in connection with the realization or enforcement of all or any part of the Senior Lender Security or Senior Secured Security shall be held by the applicable Security Agent on trust, to the extent legally permitted, to apply them at any time as the applicable Security Agent (in its discretion) sees fit, to the extent permitted by applicable law (following the occurrence of an acceleration event or enforcement of any Transaction Security and subject to the provisions of the establishment of certain reserves for amounts the Security Agent reasonably considers might become due or owing at any time in the future), in the following order of priority:

(i) to the payment of fees, costs and expenses due to the applicable Security Agent, any Creditor Representative(s) and any applicable receiver or delegate;

(ii) to pay costs and expenses incurred in connection with the realization of such proceeds;

(iii) in payment of the Senior Lender Liabilities, the Senior Secured Liabilities and the Hedging Liabilities on a pro rata basis;

(iv) to the extent resulting from the enforcement of any guarantee of the Senior Subordinated Note Liabilities, to the payment of such liabilities; and

(v) the balance, if any, in payment to the relevant Debtor.

Refinancing of Primary Creditor Liabilities

The Intercreditor Agreement provides that the Company and any Debtor may refinance any of the Senior Lender Liabilities or the Senior Secured Liabilities, to the extent permitted by the documents relating thereto. Any such refinanced debt will become part of the Senior Lender Liabilities or the Senior Secured Liabilities (as the case may be), and shall benefit from the same security and/or guarantees. The Senior Subordinated Note Liabilities may, to the extent permitted by the relevant financing documents, be refinanced with the proceeds of (without limitation) the issuance of new senior subordinated notes or new senior secured notes.

Required Consents

The Intercreditor Agreement provides that, subject to certain exceptions, it may be amended or waived only with the consent of the Senior Agent, the Senior Secured Notes Trustees, the Senior Subordinated Notes Trustees, the Trustee, the relevant Additional Senior Secured Creditor Representatives and each Security Agent.

Any amendment or waiver of the Intercreditor Agreement that has the effect of changing or which relates to, among other things, the provisions set out under the caption "*—Application of Proceeds*" and the order of priority or subordination under the Intercreditor Agreement shall not be made without the consent of:

(i) the Senior Agent, the Senior Secured Notes Trustee, the Senior Subordinated Notes Trustee, the Trustee and the other Creditor Representatives;

(ii) the Senior Lenders;

(iii) the Senior Secured Noteholders, including the holders of the Notes (to the extent that the amendment or waiver would materially and adversely affect such creditors);

(iv) the Additional Senior Secured Creditors (to the extent that the amendment or waiver would materially and adversely affect such creditors);

(v) the Senior Subordinated Noteholders (to the extent that the amendment or waiver would materially and adversely affect such creditors);

(vi) each hedge counterparty (to the extent that the amendment or waiver would adversely affect the hedge counterparty); and

(vii) each Security Agent.

The Intercreditor Agreement may be amended by the Senior Agent, the Senior Secured Notes Trustee, the Trustee, the Senior Subordinated Notes Trustee, the Additional Senior Secured Creditor Representatives and each Security Agent, without the consent of any other party, to cure defects, resolve ambiguities or reflect changes in each case of a minor technical or administrative nature or as otherwise prescribed by the relevant finance documents.

The Senior Secured Notes Trustee, the Trustee and the Senior Subordinated Notes Trustee shall, to the extent consented to by the requisite percentage of noteholders in accordance with the relevant indenture, act on such instructions in accordance therewith unless to the extent any amendments so consented to relate to any provision affecting the rights and obligations of a notes trustee in its capacity as such.

Amendments and Waivers: Security Documents

Subject to the paragraph below and to certain exceptions under the Intercreditor Agreement and unless the provisions of any debt document expressly provide otherwise, the applicable Security Agent may, if authorized by an Instructing Group, and if the Company consents, amend the terms of, waive any of the requirements of or grant consents under, any of the security documents which shall be binding on each party.

Subject to the second and third paragraphs of the section captioned "*—Exceptions*" below, the prior consent of the Senior Lenders or the Senior Secured Creditors is required to authorize any amendment or waiver of, or consent under, any Senior Lender Security document or Senior Secured Security document, as the case may be, which would adversely affect the nature or scope of the charged property or the manner in which the proceeds of enforcement of the security are distributed.

Exceptions

Subject to the third and fourth paragraphs under this caption "*—Exceptions,*" if the amendment, waiver or consent may impose new or additional obligations on, or withdraw or reduce the rights of, any party other than:

(i) in the case of a Primary Creditor, in a way which affects, or would affect, Primary Creditors of that party's class generally; or

(ii) in the case of a Debtor or a Third Party Chargor, to the extent consented to by the Company under the Intercreditor Agreement,

the consent of that party is required.

Subject to the two paragraphs immediately below, an amendment, waiver or consent which relates to the rights or obligations of an Agent, an Arranger, a Security Agent (including, without limitation, any ability of the applicable Security Agent to act in its discretion under the Intercreditor Agreement) or a hedge counterparty which is party to the Intercreditor Agreement may not be effected without the consent of that Agent or, as the case may be, that Arranger, Security Agent or such hedge counterparty which is party to the Intercreditor Agreement.

Neither of the two immediately preceding paragraphs nor the second paragraph under the caption "*—Amendments and Waivers: Security Documents*" shall apply:

- to any release of transaction security, claim or liabilities; or
- to any consent,

which, in each case, the applicable Security Agent gives in accordance with the provisions set out in the caption "*—Applications of Proceeds*" above.

The first two paragraphs under this caption "*—Exceptions*" apply to an Arranger only if any liabilities are then owed to such Arranger under the debt documents.

Snooze/Lose

Subject to certain exceptions, if in relation to a request for a consent, a request to participate in a vote of a class of creditors, a request to approve any action or a request for a confirmation or notification, in each case, under the Intercreditor Agreement, a Primary Creditor fails to respond to the request within 10 business days or fails to provide details of its credit participation, such Primary Creditor will be disregarded or be deemed to have zero participation or outstandings in respect of the matter or be deemed to have provided the relevant confirmation or notification, as applicable.

Agreement to Override

Unless expressly stated otherwise in the Intercreditor Agreement, the Intercreditor Agreement overrides anything in the debt documents to the contrary.

DESCRIPTION OF THE SENIOR SECURED NOTES

The Issuer will issue €300,000,000 aggregate principal amount of 2.875% senior secured notes due April 15, 2026 (the "Senior Secured Notes") under an indenture (the "Senior Secured Indenture"), dated as of April 11, 2019, among itself and Wilmington Trust, National Association, as Trustee (the "Trustee"), in a private transaction that is not subject to the registration requirements of the U.S. Securities Act. See "Notice to Investors" and "Transfer Restrictions." The terms of the Senior Secured Notes include those stated in the Senior Secured Indenture and will not incorporate provisions by reference to, and will not be subject to the provisions of, or qualified under, the U.S. Trust Indenture Act of 1939. The following description is a summary of the material provisions of the Senior Secured Indenture, including the Senior Secured Notes. It does not restate the Senior Secured Indenture in its entirety. We urge you to read the Senior Secured Indenture because it, and not this description, defines your rights as holders of the Senior Secured Notes.

Certain defined terms used in this description but not defined below under "—*Certain Definitions*" have the meanings assigned to them in the Senior Secured Indenture. You can find the definitions of certain terms used in this description under the subheading "—*Certain Definitions*."

The Issuer will make an application to list the Senior Secured Notes on the Official List of the Luxembourg Stock Exchange and to admit the Senior Secured Notes to trading on the Euro MTF Market. The Issuer can provide no assurance that the Senior Secured Notes will be so listed or admitted to trading.

The registered Holder of a Senior Secured Note will be treated as the owner of it for all purposes. Only registered Holders will have rights under the Senior Secured Indenture.

Brief Description of the Senior Secured Notes

The Senior Secured Notes

The Senior Secured Notes will:

- be general senior secured obligations of the Issuer;
- be guaranteed on the Issue Date by Nationwide Platforms Limited and Loxam Module S.A.S.;
- be secured as set forth under "—*Security*;"
- rank senior in right of payment to any existing and future Indebtedness of the Issuer that is expressly subordinated in right of payment to the Senior Secured Notes (if any);
- rank *pari passu* in right of payment with any existing and future Indebtedness of the Issuer that is not expressly subordinated in right of payment to the Senior Secured Notes, including Indebtedness Incurred under the Revolving Credit Facility, the 2022 Senior Secured Notes, the 2023 Senior Secured Notes and the 2024 Senior Secured Notes;
- be structurally subordinated to any existing or future obligations of the Subsidiaries of the Issuer that are not Guarantors, including obligations to trade creditors; and
- be effectively subordinated to any existing or future Indebtedness of the Issuer and its Subsidiaries that is secured by property and assets that do not secure the Senior Secured Notes, to the extent of the value of the property and assets securing such Indebtedness, including the Revolving Credit Facility, which will be secured over commercial receivables that are not pledged for the benefit of the holders of Senior Secured Notes and over the bank account on which such pledged receivables are payable, and additional indebtedness permitted under the Senior Secured Indenture to be Incurred and secured by assets other than the Collateral.

On an as adjusted basis, assuming the offering of the Senior Secured Notes and the offering of the New Senior Subordinated Notes and the use of the gross proceeds thereof had been completed as of December 31, 2018, the Issuer would have had approximately €2,044.1 million of indebtedness outstanding (net of the unamortized portion of issuance costs), of which €250.0 million would have been secured indebtedness represented by the 2023 Senior Secured Notes, €300.0 million would have been secured indebtedness represented by the 2022 Senior Secured Notes, €300.0 million would have been secured indebtedness represented by the 2024 Senior Secured Notes, €300.0 million would have been secured indebtedness

represented by the Senior Secured Notes offered hereby, €242.2 million would have been unsecured indebtedness represented by the bilateral credit facilities extended to the Issuer, €207.0 million would have been indebtedness represented by financial leases, €250.0 million would have been unsecured indebtedness represented by the 2025 Senior Subordinated Notes and €200.0 million would have been unsecured indebtedness represented by the New Senior Subordinated Notes offered hereby. See "*Capitalization*." In addition, the Issuer has €75.0 million of undrawn but committed financing available under the Revolving Credit Facility. See "*Summary Consolidated Financial Information—Other Financial and Operating Data*" and "*Capitalization*." The Senior Secured Indenture will permit the Issuer and its Subsidiaries to Incur additional indebtedness, including the Incurrence by the Issuer of additional Senior Secured Debt subject to certain limitations.

The operations of the Issuer are conducted in part through its Subsidiaries and, therefore, the Issuer depends on the cash flow of its Subsidiaries to meet its obligations, including its obligations under the Senior Secured Notes. Certain but not all of the Issuer's Subsidiaries will guarantee the Senior Secured Notes on the date of the Senior Secured Indenture, although one or more of the Issuer's Subsidiaries may be required to provide additional Note Guarantees in certain future circumstances. The Senior Secured Notes will be structurally subordinated in right of payment to all Indebtedness and other commitments, trade payables and other liabilities of the Issuer's Subsidiaries that do not guarantee the Senior Secured Notes. Any right of the Issuer to receive assets of any of its Subsidiaries that do not guarantee the Senior Secured Notes upon that Subsidiary's liquidation or reorganization (and the consequent right of the Holders of the Senior Secured Notes to participate in those assets) will be effectively subordinated to the claims of that Subsidiary's creditors, except to the extent that the Issuer is itself recognized as a creditor of the Subsidiary, in which case the claims of the Issuer would still be subordinate in right of payment to any security in the assets of the Subsidiary and any Indebtedness of the Subsidiary senior to that held by the Issuer. As of December 31, 2018, on an as adjusted basis after giving effect to the offering of the Senior Secured Notes and the New Senior Subordinated Notes and the use of the gross proceeds thereof (see "*Capitalization*"), the Issuer's Subsidiaries would have had approximately €260.1 million of other third-party indebtedness. See "*Risk Factors—Risks Related to the Notes and Our Capital Structure—Our level of indebtedness could adversely affect our ability to react to changes in our business, and we may be limited in our ability to fulfill our obligations with respect to the Senior Secured Notes, and to use debt to fund future capital needs*."

As of the date of the Senior Secured Indenture, all of our Subsidiaries will be "Restricted Subsidiaries." However, under the circumstances described below under the caption "*—Certain Covenants—Designation of Restricted and Unrestricted Subsidiaries*," we will be permitted to designate, subject to certain exceptions, Subsidiaries as "Unrestricted Subsidiaries." Our Unrestricted Subsidiaries will not be subject to many of the restrictive covenants in the Senior Secured Indentures.

We estimate that, as of December 31, 2018, we would have had approximately €44.9 million in "restricted payment" capacity under the "build-up" basket described below under the caption "*—Certain Covenants—Restricted Payments*."

The Senior Secured Note Guarantees

The Senior Secured Notes will be guaranteed by Nationwide Platforms Limited and Loxam Module S.A.S. (each a "Guarantor") on the Issue Date. In addition, if required by the covenant described under "*—Certain Covenants—Additional Note Guarantees*," certain other Restricted Subsidiaries may provide a Note Guarantee in the future. The Note Guarantees will be joint and several obligations of each Guarantor. The Note Guarantee of each Guarantor will:

- be a general senior obligation of that Guarantor;
- rank senior in right of payment to any existing and future Indebtedness of that Guarantor that is expressly subordinated in right of payment to the Senior Secured Notes (if any);
- rank *pari passu* in right of payment with any existing and future Indebtedness of that Guarantor that is not expressly subordinated in right of payment to the Senior Secured Notes, including the Guarantors' guarantees of the 2022 Senior Secured Notes, the 2023 Senior Secured Notes and the 2024 Senior Secured Notes;

- be effectively subordinated to any existing or future Indebtedness of that Guarantor and its Subsidiaries that is secured by property and assets that do not secure that Guarantor's Note Guarantee, to the extent of the value of the property and assets securing such Indebtedness; and

- be structurally subordinated to any existing or future obligations of the Subsidiaries of that Guarantor that are not Guarantors, including obligations to trade creditors.

Each of the Note Guarantees and the amounts recoverable thereunder will be contractually limited to the maximum amount that can be guaranteed by a particular Guarantor without rendering its Note Guarantee voidable or otherwise ineffective under applicable law, including laws relating to fraudulent conveyance, fraudulent transfer, maintenance of share capital, corporate benefit, financial assistance or similar laws affecting the rights of creditors generally, or otherwise to reflect applicable laws, including laws relating to capital maintenance and the liability of directors and officers. By virtue of these limitations, a Guarantor's obligations under its Note Guarantee could be significantly less than amounts payable in respect of the Senior Secured Notes. See "*Risk Factors—Risks Related to the Notes and Our Capital Structure—Corporate benefit, financial assistance laws and other limitations on the Guarantees may adversely affect the validity and enforceability of the Guarantees of the Notes*." The validity and enforceability of the Note Guarantees and the liability of each Guarantor will be subject to the limitations described in "*Limitations on the Validity and Enforceability of the Note Guarantees and Security Interests and Certain Insolvency Law Considerations*."

Principal, Maturity and Interest

The Issuer will issue €300,000,000 in aggregate principal amount of Senior Secured Notes in this offering. The Senior Secured Indenture governing the Senior Secured Notes will provide for the issuance of additional Senior Secured Notes having terms and conditions identical in all respects to the Senior Secured Notes offered in this offering (the "Additional Senior Secured Notes"). Any issuance of Additional Senior Secured Notes is subject to all of the covenants in the Senior Secured Indenture, including the covenants described below under the caption "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*" and "*—Certain Covenants—Limitation on Liens*." The Senior Secured Notes and any Additional Senior Secured Notes subsequently issued under the Senior Secured Indenture will be treated as a single class for all purposes under the Senior Secured Indenture, including, without limitation, waivers, amendments, redemptions and offers to purchase. The Issuer will issue Notes in denominations of €100,000 and integral multiples of €1,000 above €100,000. The Senior Secured Notes will mature on April 15, 2026. Unless the context otherwise requires, in this "*Description of the Senior Secured Notes*" references to the Senior Secured Notes include the Senior Secured Notes and any Additional Senior Secured Notes that are issued from time to time.

Interest on the Senior Secured Notes will accrue at the rate of 2.875% per annum and will be payable semi-annually in arrears on June 15 and December 15, commencing on December 15, 2019. Interest on overdue principal and interest and Additional Amounts, if any, will, to the extent lawful, accrue at a rate that is 1% higher than the then applicable interest rate on the Senior Secured Notes. The Issuer will make each interest payment to the Holders of record on the immediately preceding June 1 and December 1 (each, a "Record Date").

Interest on the Senior Secured Notes will accrue from the date of original issuance or, if interest has already been paid, from the date it was most recently paid. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months on the aggregate principal amount outstanding.

Methods of Receiving Payments on the Senior Secured Notes

Principal, interest, premium and Additional Amounts (as defined below), if any, on the Global Notes (as defined below) will be payable in euros at the specified office or agency of one or more paying agents; *provided* that all such payments with respect to Senior Secured Notes represented by one or more Global Notes registered in the name of a nominee of the common depositary of Clearstream and/or Euroclear will be made by wire transfer of immediately available funds to the account specified by the holder or holders thereof.

Principal, interest, premium and Additional Amounts, if any, on the Definitive Registered Notes (as defined below) will be payable at the specified office or agency of one or more paying agents in London maintained for such purposes. In addition, interest on the Definitive Registered Notes may be paid by check mailed to the person entitled thereto as shown on the register for the Definitive Registered Notes.

Paying Agent and Registrar for the Senior Secured Notes

The Issuer will maintain one or more paying agents for the Senior Secured Notes (each, a "Paying Agent"). The initial Paying Agent will be Deutsche Bank AG, London Branch, in London.

The Issuer will also maintain one or more registrars (each, a "Registrar") and a transfer agent in a member state of the European Union. The initial Registrar will be Deutsche Bank Luxembourg S.A. in Luxembourg. The initial transfer agent will be Deutsche Bank Luxembourg S.A. The Registrar will maintain a register reflecting ownership of Definitive Registered Notes, if any, outstanding from time to time.

Upon written notice to the Trustee, the Issuer may change or add any Paying Agent, Registrar or transfer agent. For so long as the Senior Secured Notes are listed on the Luxembourg Stock Exchange and its rules so require, the Issuer will publish a notice of any change of Paying Agent, Registrar or transfer agent in a newspaper having a general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) and on the official website of the Luxembourg Stock Exchange in accordance with the provisions set forth under "— *Notices*."

Transfer and Exchange

Senior Secured Notes sold within the United States to qualified institutional buyers pursuant to Rule 144A under the U.S. Securities Act will initially be represented by one or more global notes in registered form without interest coupons attached (collectively, the "144A Global Notes"). Senior Secured Notes sold outside the United States pursuant to Regulation S under the U.S. Securities Act will initially be represented by one or more global notes in registered form without interest coupons attached (collectively, the "Reg S Global Notes"). The 144A Global Notes and the Reg S Global Notes are collectively referred to herein as the "Global Notes."

The Global Notes will be deposited with a common depositary for Euroclear and Clearstream or its nominee. The Global Notes may be transferred only to Euroclear and/or Clearstream or a nominee of them, to a successor of Euroclear and/or Clearstream and/or to a nominee of such successor.

Ownership of interests in the Global Notes ("Book-Entry Interests") will be limited to persons that have accounts with Euroclear and Clearstream or persons that may hold interests through such participants. Ownership of interests in the form of Book-Entry Interests and transfers thereof will be subject to the restrictions on transfer and certification requirements summarized below and described more fully under "*Book-Entry, Delivery and Form—Transfers*." In addition, transfers of Book-Entry Interests between participants in Euroclear or participants in Clearstream will be effected by Euroclear or Clearstream pursuant to customary procedures and subject to the applicable rules and procedures established by Euroclear or Clearstream and their respective participants.

Book-Entry Interests in a 144A Global Note (the "144A Book-Entry Interests") may be transferred to a person who takes delivery in the form of Book-Entry Interests in a Reg S Global Note ("Reg S Book-Entry Interests") only upon delivery by the transferor to the transfer agent of a written certification (in the form provided in the Senior Secured Indenture) to the effect that such transfer is being made in accordance with Regulation S under the U.S. Securities Act or otherwise in accordance with the applicable restrictions set out in the Senior Secured Indenture and any applicable securities laws of any state of the United States or any other jurisdiction. Subject to the foregoing, Reg S Book-Entry Interests may be transferred to a person who takes delivery in the form of 144A Book-Entry Interests only upon delivery by the transferor to the transfer agent of a written certification (in the form provided in the Senior Secured Indenture) to the effect that such transfer is being made to a person who the transferor reasonably believes is a "qualified institutional buyer" within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A or otherwise in accordance with applicable transfer restrictions set out in the Senior Secured Indenture and any applicable securities laws of any state of the United States or any other jurisdiction.

Any Book-Entry Interest that is transferred will, upon transfer, cease to be a Book-Entry Interest in the Global Note from which it was transferred and will become a Book-Entry Interest in the Global Note to which it is transferred. Accordingly, from and after such transfer, it will become subject to all transfer restrictions, if any, and other procedures applicable to Book-Entry Interests in the Global Note to which it was transferred.

If Senior Secured Notes in definitive registered form ("Definitive Registered Notes") are issued, they will be issued only in minimum denominations of €100,000 principal amount and integral multiples of €1,000 in excess thereof, upon receipt by the Registrar of instructions relating thereto and any certificates, opinions and

other documentation required by the Senior Secured Indenture. It is expected that such instructions will be based upon directions received by Euroclear or Clearstream, as applicable, from the participant which owns the relevant Book-Entry Interests. Definitive Registered Notes issued in exchange for a Book-Entry Interest, if any, will, except as set forth in the Senior Secured Indenture or as otherwise determined by the Issuer in compliance with applicable law, be subject to, and will have a legend with respect to, the restrictions on transfer summarized below and described more fully under "*Notice to Investors*."

Definitive Registered Notes may be transferred and exchanged for Book-Entry Interests in a Global Note only in accordance with the Senior Secured Indenture and, if required, only after the transferor first delivers to the transfer agent a written certification (in the form provided in the Senior Secured Indenture) to the effect that such transfer will comply with the transfer restrictions applicable to such Senior Secured Notes.

Subject to the restrictions on transfer referred to above, the Senior Secured Notes issued as Definitive Registered Notes, if any, may be transferred or exchanged, in whole or in part, in minimum denominations of €100,000 in principal amount and integral multiples of €1,000 in excess thereof. In connection with any such transfer or exchange, the Senior Secured Indenture will require the transferring or exchanging Holder to, among other things, furnish appropriate endorsements and transfer documents, to furnish information regarding the account of the transferee at Euroclear or Clearstream, where appropriate, to furnish certain certificates and opinions, and to pay any taxes, duties and governmental charges in connection with such transfer or exchange. Any such transfer or exchange will be made without charge to the Holder, other than any taxes, duties and governmental charges payable in connection with such transfer.

Notwithstanding the foregoing, the Issuer (or, as applicable, any Registrar or transfer agent) is not required to register the transfer of any Definitive Registered Notes:

- for a period of 15 calendar days prior to any date fixed for the redemption of the Senior Secured Notes;
- for a period of 15 calendar days immediately prior to the date fixed for selection of Senior Secured Notes to be redeemed in part;
- for a period of 15 calendar days prior to the Record Date with respect to any interest payment date; or
- which the Holder has tendered (and not withdrawn) for repurchase in connection with a Change of Control Offer or an Asset Sale Offer.

Note Guarantees

General

The obligations of the Issuer pursuant to the Senior Secured Notes (including in respect of the full amount of the principal and interest or other payments due thereunder) will be guaranteed on the Issue Date by Nationwide Platforms Limited and Loxam Module S.A.S. (each guarantee by a Guarantor, a "Note Guarantee").

Each Note Guarantee will be limited to the maximum amount that would not render the Guarantor's obligations subject to avoidance under applicable fraudulent conveyance law or to comply with applicable corporate benefit, financial assistance and other laws. By virtue of this limitation, a Guarantor's obligation under its Note Guarantee could be significantly less than amounts payable with respect to the Senior Secured Notes, or a Guarantor may have effectively no obligation under its Note Guarantee. See "*Risk Factors—Risks Related to the Notes and Our Capital Structure—Corporate benefit, financial assistance laws and other limitations on the Guarantees may adversely affect the validity and enforceability of the Guarantees of the Notes*."

Not all of the Issuer's Subsidiaries will guarantee the Senior Secured Notes. In the event of a bankruptcy, liquidation, winding up or reorganization of any of these non-guarantor Subsidiaries, the non-guarantor Subsidiaries will pay the holders of their debt and their trade creditors before they will be able to distribute any of their assets to the Issuer. As of December 31, 2018, Nationwide Platforms Limited and Loxam Module S.A.S. accounted for 68% of assets, 67% of revenue and 68% of EBITDA of the Issuer and its Subsidiaries on a consolidated basis.

The Senior Secured Notes and the Note Guarantees will be effectively subordinated in right of payment to all Indebtedness and other liabilities and commitments (including trade payables and lease obligations) of the

Issuer's non-guarantor Subsidiaries. Any right of the Issuer or any Guarantor to receive assets of any of its non-guarantor Subsidiaries upon that non-guarantor Subsidiary's liquidation, winding up or reorganization (and the consequent right of the Holders of the Senior Secured Notes to participate in those assets) will be effectively subordinated to the claims of that non-guarantor Subsidiary's creditors, except to the extent that the Issuer or such Guarantor is itself recognized as a creditor of the non-guarantor Subsidiary, in which case the claims of the Issuer or such Guarantor, as the case may be, would still be subordinated in right of payment to any security in the assets of the non-guarantor Subsidiary and any Indebtedness of the non-guarantor Subsidiary senior to that held by the Issuer or such Guarantor.

Although the Senior Secured Indenture will limit the Incurrence of Indebtedness by the Issuer and its Restricted Subsidiaries, the limitation is subject to a number of significant exceptions. Moreover, the Senior Secured Indenture will not impose any limitation on the Incurrence by the Issuer or its Restricted Subsidiaries of liabilities that are not considered Indebtedness under the Senior Secured Indenture. See "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*."

Additional Note Guarantees

The Issuer may from time to time designate a Restricted Subsidiary as an additional guarantor of the Senior Secured Notes (an "Additional Guarantor") by causing it to execute and deliver to the Trustee a supplemental indenture in the form attached to the Senior Secured Indenture, pursuant to which such Restricted Subsidiary will become a Guarantor.

Each Additional Guarantor will, jointly and severally with all existing Guarantors and each other Additional Guarantor, irrevocably guarantee (each Guarantee, an "Additional Note Guarantee"), as primary obligor and not merely as surety, on a senior basis the full and punctual payment when due, whether at Stated Maturity, by acceleration or otherwise, of all payment obligations of the Issuer under the Senior Secured Indenture and the Senior Secured Notes, whether for payment of principal of, or interest on or in respect of, the Senior Secured Notes, fees, expenses, indemnification or otherwise. The obligations of any Additional Guarantor will be contractually limited under its Additional Note Guarantee to reflect limitations under applicable law. For purposes of the Senior Secured Indenture and this "*Description of the Senior Secured Notes*," references to the Note Guarantees include references to any Additional Note Guarantees and references to the Guarantors include references to any Additional Guarantors.

Security

On the Issue Date, the Senior Secured Notes will be secured by security interests granted on a first–priority basis by virtue of the Intercreditor Agreement over the "Loxam" trademark and over the issued and outstanding share capital of Loxam Module S.A.S. and Loxam Power S.A.S. (the "French Collateral"), two direct subsidiaries of the Issuer organized under French law and security interests granted over all of the Capital Stock the Issuer holds in Lavendon (the "Lavendon Collateral" and, together with the French Collateral, the "Collateral"). Any additional assets or property over which security interests may in the future be created to secure the Senior Secured Notes would also constitute Collateral.

The French Collateral was pledged on July 23, 2014 on a first-ranking and first-priority basis to the Security Agent on behalf of the holders of the 2021 Senior Secured Notes, on May 3, 2016 on a second-ranking and first-priority basis to the Security Agent on behalf of the holders of the 2023 Senior Secured Notes and on April 4, 2017 on a seventh-ranking and first-priority basis to the Security Agent on behalf of the holders of the 2022 Senior Secured Notes and 2024 Senior Secured Notes.

The Intercreditor Agreement provides that the 2022 Senior Secured Notes, 2023 Senior Secured Notes, the 2024 Senior Secured Notes and the Senior Secured Notes will be deemed and treated for the purpose of the Intercreditor Agreement (including, *inter alia*, its provisions relating to the application of proceeds following the enforcement of the Collateral) as secured on a *pari passu* basis.

Under the Senior Secured Indenture, the Issuer and the Restricted Subsidiaries will be permitted to Incur certain additional Indebtedness in the future that may share in the Collateral, including additional Permitted Collateral Liens securing Indebtedness and other related liabilities on a *pari passu* basis with the Senior Secured Notes. The amount of additional Indebtedness secured by such Permitted Collateral Liens will be limited by the covenants described under the captions "*—Certain Covenants—Limitation on Liens*" and "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*." Under certain circumstances, the amount of such additional Indebtedness secured by Permitted Collateral Liens could be significant.

Under the Security Documents, the Collateral will be pledged or security interests granted to the Security Agent on behalf of the Holders of the Senior Secured Notes by the Issuer to secure the payment when due of the Issuer's and any Guarantor's, as applicable, payment obligations under the Senior Secured Notes, any Note Guarantees and the Senior Secured Indenture. The Security Documents will be entered into by, *inter alios*, the Security Agent or its nominee(s).

Due to the laws and other jurisprudence governing the creation and perfection of security interests, the relevant Security Documents in France will provide for the creation of "parallel debt" obligations in favor of the Security Agent, and the security interests will secure the parallel debt (and not the Indebtedness under the Senior Secured Notes or other secured obligations). The parallel debt construct has not been fully tested under law in France. See "*Risk Factors—Risks Relating to the Notes and Our Capital Structure—The security over the Senior Secured Collateral will not be granted directly to the holders of the Senior Secured Notes*."

Each Holder, by accepting a Senior Secured Note, shall be deemed (1) to have authorized the Trustee to accede to the Intercreditor Agreement and the Security Agent to enter into the Security Documents and accede to the Intercreditor Agreement and (2) to be bound thereby. Each Holder, by accepting a Senior Secured Note, appoints the Trustee or the Security Agent, as the case may be, as its agent under the Security Documents and the Intercreditor Agreement, and authorizes it to act as such.

The Holders are not a party to the Security Documents, and therefore Holders may not, individually or collectively, take any direct action to enforce any rights in their favor under the Security Documents. The Holders may only act through the Security Agent (as creditor of the parallel debt, in respect of the Security Documents governed by French law). The Security Agent will agree to any release of the security interest created by the Security Documents that is in accordance with the Senior Secured Indenture and the Intercreditor Agreement without requiring any consent of such Holder. The Trustee will have the ability to direct the Security Agent to commence enforcement action under the Security Documents in accordance with the Senior Secured Indenture and the Security Documents. See "*Description of Certain Indebtedness—Intercreditor Agreement*."

Subject to the terms of the Security Documents and prior to enforcement of any Collateral or (upon the occurrence of certain triggering events specified in the Security Documents) to there being taken certain pre-enforcement steps to protect the Holders' rights, the Issuer and the Guarantors, as the case may be, will have the right to remain in possession and retain exclusive control of the Collateral securing the Senior Secured Notes and any Note Guarantees, to freely operate the Collateral and to collect, invest and dispose of any income therefrom and, in respect of the shares that are part of the Collateral, will be entitled to exercise any and all voting rights and to receive and retain any and all cash dividends, stock dividends, liquidating dividends, non-cash dividends, shares of stock resulting from stock splits or reclassifications, rights issue, warrants, options and other distributions (whether similar or dissimilar to the foregoing).

The value of the Collateral securing the Senior Secured Notes and the Senior Secured Indenture may not be sufficient to satisfy the Issuer's obligations under the Senior Secured Notes and the Collateral securing the Senior Secured Notes and the Senior Secured Indenture may be reduced or diluted under certain circumstances, including the issuance of Additional Senior Secured Notes and the disposition of assets comprising the Collateral, subject to the terms of the Senior Secured Indenture. No appraisals of the Collateral have been prepared by or on behalf of the Issuer in connection with this offering. There can be no assurance that the proceeds of any sale of the Collateral, in whole or in part, pursuant to the Senior Secured Indenture and the Security Documents, would be sufficient to satisfy amounts due on the Senior Secured Notes. By its nature, some or all the Collateral may be illiquid and may have no readily ascertainable market value. Accordingly, there can be no assurance that the Collateral would be sold in a timely manner or at all. See "*Risk Factors—Risks Relating to the Senior Secured Notes—The Senior Secured Collateral may not be sufficient to secure the obligations under the Senior Secured Notes*."

The Intercreditor Agreement

The Senior Secured Notes will be subject to the restrictions contained in the Intercreditor Agreement. The Senior Secured Indenture will be subject in all respects to the provisions of the Intercreditor Agreement and will provide that each Holder, by accepting a Senior Secured Note, shall be deemed to have agreed to and accepted the terms and conditions of the Intercreditor Agreement. For a description of the provisions of the Intercreditor Agreement, see "*Description of Certain Indebtedness—Intercreditor Agreement*."

Additional Intercreditor Agreements

The Senior Secured Indenture will provide that, at the request of the Issuer, without the consent of Holders of the Senior Secured Notes, and at the time of, or prior to, the Incurrence by the Issuer or its Restricted Subsidiaries of any (1) Senior Secured Debt permitted or not prohibited by the Senior Secured Indenture to be Incurred pursuant to the covenant under the caption "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*" or (2) any Indebtedness the proceeds of which are used, in whole or in part, to refinance the Senior Secured Notes or Senior Secured Debt, the Issuer, the relevant Restricted Subsidiaries, the Trustee and the Security Agent or any other relevant creditor representative or collateral agent shall enter into with the holders of such Indebtedness (or their duly authorized representatives) one or more intercreditor agreements or deeds (including a restatement, replacement, amendment or other modification of the existing Intercreditor Agreement (each an "Additional Intercreditor Agreement") on substantially the same terms as the Intercreditor Agreement (or terms not materially less favorable to the Holders of the Senior Secured Notes), including containing substantially the same terms with respect to release of Note Guarantees, if any, and priority and release of any Permitted Collateral Liens from time to time; *provided*, *however*, that such intercreditor agreement or Additional Intercreditor Agreement will not impose any personal obligations on the Trustee or the Security Agent or adversely affect the rights, duties, liabilities or immunities of the Trustee or Security Agent under the Senior Secured Indenture, the Intercreditor Agreement, any Additional Intercreditor Agreement or any Security Document.

The Senior Secured Indenture also will provide that, at the direction of the Issuer and without the consent of Holders of the Senior Secured Notes, the Trustee and the Security Agent shall, from time to time, enter into one or more amendments to any Intercreditor Agreement or Additional Intercreditor Agreement to: (1) cure any ambiguity, omission, defect, manifest error or inconsistency of any such agreement of a minor, technical or administrative nature, (2) increase the amount or types of Indebtedness covered by any such agreement that may be Incurred by the Issuer or any Restricted Subsidiary that is subject to any such agreement (including with respect to any Intercreditor Agreement or Additional Intercreditor Agreement, the addition of provisions relating to new Indebtedness ranking junior in right of payment to the Senior Secured Notes; *provided* that such amendment is consistent with the preceding paragraph), (3) add Restricted Subsidiaries to any Intercreditor Agreement or Additional Intercreditor Agreement, (4) further secure the Senior Secured Notes (including Additional Senior Secured Notes), (5) make provision for equal and ratable pledges of the Collateral to secure Additional Senior Secured Notes, (6) implement any Permitted Collateral Liens, (7) amend any Intercreditor Agreement or Additional Intercreditor Agreement in accordance with the terms thereof or (8) make any other change to any such agreement that does not adversely affect the rights of Holders of the Senior Secured Notes in any material respect. The Issuer shall not otherwise direct the Trustee or the Security Agent to enter into any amendment to any Intercreditor Agreement without the consent of the Holders of the majority in aggregate principal amount of the Senior Secured Notes then outstanding, except as otherwise permitted below under "*—Amendment, Supplement and Waivers*," and the Issuer may only direct the Trustee and the Security Agent to enter into any amendment to the extent such amendment does not impose any personal obligations on the Trustee or Security Agent or adversely affect their respective rights, duties, liabilities or immunities under the Senior Secured Indenture or the Intercreditor Agreement, any Additional Intercreditor Agreement or any Security Document.

The Senior Secured Indenture shall also provide that, in relation to any Intercreditor Agreement or Additional Intercreditor Agreement, the Trustee (and Security Agent, if applicable) shall consent on behalf of the Holders of Senior Secured Notes to the payment, repayment, purchase, repurchase, defeasance, acquisition, retirement or redemption of any obligations subordinated to the Senior Secured Notes thereby; *provided*, *however*, that such transaction would comply with the covenant described under "*—Restricted Payments.*"

The Senior Secured Indenture also will provide that each Holder of the Senior Secured Notes, by accepting a Senior Secured Note, shall be deemed to have agreed to and accepted the terms and conditions of the Intercreditor Agreement or any Additional Intercreditor Agreement and any amendment referred to in the preceding paragraphs. None of the Issuer, the Trustee or the Security Agent will be required to seek the consent of any Holders of Senior Secured Notes to perform its obligations under and in accordance with this covenant. The Issuer will execute any Additional Intercreditor Agreement or amendment or amendment and restatement of the Intercreditor Agreement that complies with the provisions of this covenant.

Optional Redemption

At any time prior to April 15, 2022, the Issuer may redeem up to 45% of the aggregate principal amount of Senior Secured Notes issued under the Senior Secured Indenture at a redemption price of 102.875%

of the principal amount, plus accrued and unpaid interest and Additional Amounts, if any, to the redemption date, with the net cash proceeds of one or more Equity Offerings; *provided* that:

(1) at least 55% of the aggregate principal amount of Senior Secured Notes issued under the Senior Secured Indenture (excluding the Senior Secured Notes held by the Issuer and its Affiliates, but including any Additional Senior Secured Notes) remains outstanding immediately after the occurrence of such redemption; and

(2) the redemption occurs within 120 days of the date of the closing of such sale of such Equity Offering.

At any time prior to April 15, 2022, the Issuer may also redeem all or a part of the Senior Secured Notes, upon not less than 10 nor more than 60 days' prior written notice to each Holder (with a copy to the Trustee and Paying Agent), at a redemption price equal to 100% of the principal amount of Senior Secured Notes redeemed plus the Applicable Premium as of, and accrued and unpaid interest and Additional Amounts, if any, to, but excluding, the redemption date, subject to the rights of Holders of Senior Secured Notes on the relevant Record Date to receive interest due on the relevant interest payment date.

At any time and from time to time prior to April 15, 2022, the Issuer may redeem during each twelve-month period commencing with the Issue Date up to 10% of the original aggregate principal amount of the Senior Secured Notes, at its option, upon not less than 10 nor more than 60 days' prior written notice to each Holder (with a copy to the Trustee and Paying Agent), at a redemption price equal to 103% of the principal amount of the Senior Secured Notes redeemed, plus accrued and unpaid interest and Additional Amounts, if any, to, but excluding, the redemption date (subject to the rights of Holders of Senior Secured Notes on the relevant Record Date to receive interest due on the relevant interest payment date).

Except pursuant to the three preceding paragraphs and as set out below under "*Redemption for Changes in Withholding Taxes*," the Senior Secured Notes will not be redeemable at the Issuer's option prior to April 15, 2022.

On or after April 15, 2022, the Issuer may redeem all or a part of the Senior Secured Notes in the amount of €100,000 or in integral multiples of €1,000 in excess thereof, upon not less than 10 nor more than 60 days' written notice to each Holder (with a copy to the Trustee and Paying Agent), at the redemption prices (expressed as percentages of principal amount) set forth below plus accrued and unpaid interest and Additional Amounts, if any, on the Senior Secured Notes redeemed, to, but excluding, the applicable redemption date, if redeemed during the twelve-month period beginning on the dates indicated below, subject to the rights of Holders of Senior Secured Notes on the relevant Record Date to receive interest on the relevant interest payment date:

Year	Percentage
April 15, 2022	101.438%
April 15, 2023	100.719%
April 15, 2024 and thereafter	100.000%

Unless the Issuer defaults in the payment of the redemption price, interest will cease to accrue on the Senior Secured Notes or portions thereof called for redemption on the applicable redemption date.

Open Market Purchases

The Issuer and the Restricted Subsidiaries may at any time acquire the Senior Secured Notes through open market purchases, negotiated transactions or otherwise, in accordance with applicable securities laws; *provided*, *however*, that in determining whether the Holders of the required principal amount of Senior Secured Notes have concurred in any direction, waiver or consent, Senior Secured Notes owned by the Issuer or by any Affiliate of the Issuer will be considered as though not outstanding.

Selection and Notice

If less than all the Senior Secured Notes are to be redeemed at any time, the Paying Agent or the Registrar will select the Senior Secured Notes for redemption in compliance with the requirements of the principal securities exchange, if any, on which the Senior Secured Notes are listed, as certified to the Paying

Agent or Registrar, as applicable, by the Issuer, and in compliance with the requirements of Euroclear and/or Clearstream, or if the Senior Secured Notes are not so listed or such exchange prescribes no method of selection and the Senior Secured Notes are not held through Euroclear and/or Clearstream or Euroclear and/or Clearstream prescribes no method of selection, on a *pro rata* basis or by use of a pool-factor; provided, however, that no Senior Secured Note of €100,000 in aggregate principal amount or less shall be redeemed in part. Neither the Trustee, the Paying Agent nor the Registrar shall be liable for selections made by it under this paragraph.

Notices of redemption will be transmitted at least 10 but not more than 60 days before the redemption date to each Holder of Senior Secured Notes to be redeemed, except that redemption notices may be transmitted more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Senior Secured Notes or a satisfaction and discharge of the Senior Secured Indenture. Any redemption and notice may, in the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent.

If any Senior Secured Note is to be redeemed in part only, the notice of redemption that relates to that Senior Secured Note will state the portion of the principal amount of that note that is to be redeemed. A new Senior Secured Note in principal amount equal to the unredeemed portion of the original Senior Secured Note will be issued in the name of the Holder of the original Senior Secured Note upon cancellation of the original note. Senior Secured Notes called for redemption become due on the date fixed for redemption. Unless the Issuer defaults in the payment of the redemption price, on and after the redemption date, interest ceases to accrue on the Senior Secured Notes or portions of Senior Secured Notes called for redemption.

The Trustee and/or the Registrar shall not be liable for any selection made under this "*Selection and Notice*."

General

In connection with any tender offer for any series of the Senior Secured Notes, if holders of not less than 90% in the aggregate principal amount of the outstanding Senior Secured Notes of such series validly tender and do not withdraw such Senior Secured Notes in such tender offer and the Issuer, or any third party making such tender offer in lieu of the Issuer, purchases all of the Senior Secured Notes of such series validly tendered and not withdrawn by such holders, all of the holders of Senior Secured Notes will be deemed to have consented to such tender offer and, accordingly, the Issuer or such third party, will have the right, upon not less than 10 days' nor more than 60 days' prior written notice to the holders of the relevant series of the Senior Secured Notes (with a copy to the Trustee and the Paying Agent), given not more than 30 days following such tender offer expiration date, to redeem the applicable series of Senior Secured Notes that remain outstanding in whole, but not in part, following such purchase, at a redemption price in cash equal to the highest price (excluding any early tender premium or similar payment) paid to each other holder in such tender offer, plus, to the extent not included in the tender offer payment, accrued and unpaid interest and Additional Amounts, if any, to, but excluding, the redemption date.

Any redemption or notice of redemption may, in the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent, including (without limitation) that the Issuer has received or any Paying Agent has received from the Issuer or from the Issuer's relevant Subsidiary sufficient funds to pay the full redemption price payable to the holders of the Senior Secured Notes on or before the relevant redemption date, or, in the case of a redemption related to an Equity Offering, the consummation of such Equity Offering. If such redemption or notice is subject to satisfaction of one or more conditions precedent, such notice shall state that, in the Issuer's discretion, the redemption date may be delayed until such time as any or all such conditions shall be satisfied, or such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied by the redemption date, or by the redemption date so delayed; *provided* that in no case shall the notice have been delivered less than 10 days or more than 60 days prior to the date on which such redemption (if any) occurs. In addition, the Issuer may provide in such notice that payment of the redemption price and performance of the Issuer's obligations with respect to such redemption may be performed by another Person.

If the optional redemption date is on or after an interest record date and on or before the related interest payment date, the accrued and unpaid interest and Additional Amounts, if any, will be paid to the Person in whose name the Senior Secured Note is registered at the close of business on such record date and no additional interest will be payable to holders whose Senior Secured Notes will be subject to redemption.

If it chooses to exercise its optional right to redeem the Senior Secured Notes pursuant to the provisions summarized above, the Issuer may in its discretion redeem one or more series of Senior Secured Notes, either together or separately.

Unless the Issuer defaults in the payment of the redemption price, interest will cease to accrue on the Senior Secured Notes or portions thereof called for redemption on the applicable redemption date.

Redemption for Changes in Withholding Taxes

The Issuer may redeem the Senior Secured Notes, in whole but not in part, at any time upon giving not less than 10 nor more than 60 days' prior notice to the Holders with a copy to the Trustee and Paying Agent (which notice must be given in accordance with the procedures described in "—*Selection and Notice*"), at a redemption price equal to the principal amount thereof, together with accrued and unpaid interest, if any, to the date fixed by the Issuer for redemption (a "Tax Redemption Date") and all Additional Amounts (if any) then due and which will become due on the Tax Redemption Date as a result of the redemption or otherwise (subject to the right of Holders on the relevant Record Date to receive interest due on the relevant interest payment date and Additional Amounts (if any) in respect thereof), if on the next date on which any amount would be payable in respect of the Senior Secured Notes or any Note Guarantee, the Issuer under or with respect to the Senior Secured Notes or any of the Guarantors with respect to any Note Guarantee is or would be required to pay Additional Amounts (but, in the case of the relevant Guarantor, only if such amount cannot be paid by the Issuer or another Guarantor who can pay such amount without the obligation to pay Additional Amounts), and the Issuer or relevant Guarantor, as applicable, cannot avoid any such payment obligation by taking reasonable measures available (including making payment through a Paying Agent located in another jurisdiction; *provided*, *however*, that changing the jurisdiction of the Issuer is not a reasonable measure for purposes of avoiding any such payment), as a result of:

(1) any change in, or amendment to, the laws or treaties (or any regulations, or rulings promulgated thereunder) of the relevant Tax Jurisdiction (as defined below) affecting taxation which change or amendment is publicly announced as formally proposed, in substantially the form as enacted, and becomes effective on or after the date of the Senior Secured Indenture (or, if the relevant Tax Jurisdiction has changed since the date of the Senior Secured Indenture, the date on which the then current Tax Jurisdiction became an applicable Tax Jurisdiction under the Senior Secured Indenture); or

(2) any change in, or amendment to, the existing official position or the introduction of an official position regarding the application, administration or interpretation of such laws, treaties, regulations or rulings (including a holding, judgment or order by a court of competent jurisdiction or a change in published practice), which change, amendment or introduction is publicly announced as formally proposed, in substantially the form as enacted, and becomes effective on or after the date of the Senior Secured Indenture (or, if the relevant Tax Jurisdiction has changed since the date of the Senior Secured Indenture, the date on which the then current Tax Jurisdiction became an applicable Tax Jurisdiction under the Senior Secured Indenture) (each of the foregoing clauses (1) and (2), a "Change in Tax Law").

The Issuer will not give any such notice of redemption earlier than 90 days prior to the earliest date on which the Issuer or the Guarantor, as applicable, would be obligated to make such payment or withholding if a payment in respect of the Senior Secured Notes were then due. Notwithstanding the foregoing, the Issuer may not redeem the Senior Secured Notes under this provision if the relevant Tax Jurisdiction changes under the Senior Secured Indenture and the Issuer is obligated to pay any Additional Amounts solely as a result thereof. Prior to the publication or, where relevant, delivery of any notice of redemption of the Senior Secured Notes pursuant to the foregoing, the Issuer will deliver to the Trustee (with a copy to the Paying Agent) (a) an officer's certificate stating that the obligation to pay Additional Amounts cannot be avoided by the Issuer or the relevant Guarantor taking reasonable measures available to it and (b) an opinion of outside legal counsel of recognized standing in the relevant Taxing Jurisdiction attesting to the effect that there has been such Change in Tax Law which would entitle the Issuer to redeem the Senior Secured Notes hereunder. The Trustee and the Paying Agent will accept such opinion of counsel and officer's certificate as sufficient evidence of the satisfaction of the conditions precedent described above, without further inquiry, in which event it will be conclusive and binding on the Holders.

The foregoing provisions shall apply *mutatis mutandis* to any successor Person, after such successor Person becomes a party to the Senior Secured Indenture, with respect to a Change in Tax Law occurring after the time such successor Person becomes a party to the Senior Secured Indenture.

Additional Amounts

All payments made by or on behalf of the Issuer under or with respect to the Senior Secured Notes or any of the Guarantors with respect to any Note Guarantee, if any, (whether or not in the form of Definitive Registered Notes) will be made free and clear of and without withholding or deduction for, or on account of, any present or future tax, duty, levy, impost, assessment and any other charge of a similar nature, including penalties, interest and other liabilities related thereto (collectively, "Taxes") unless the withholding or deduction of such Taxes is then required by law. If any deduction or withholding for, or on account of, any Taxes imposed or levied by or on behalf of any jurisdiction in which the Issuer or the applicable Guarantor (including any successor entity), is then incorporated or organized, engaged in business for tax purposes under the tax laws of that jurisdiction or resident for tax purposes or any political subdivision thereof or therein or any jurisdiction from or through which payment is made by or on behalf of the Issuer or any Guarantor (including the jurisdiction of any Paying Agent) or any political subdivision thereof or therein (each, a "Tax Jurisdiction"), will at any time be required to be made from any payments made by or on behalf of the Issuer under or with respect to the Senior Secured Notes, or any of the Guarantors with respect to any Note Guarantees, if any, including payments of principal, redemption price, purchase price, interest or premium, the Issuer or the relevant Guarantor, as applicable, will pay (to the extent lawful) such additional amounts (the "Additional Amounts") as may be necessary in order that the net amounts received in respect of such payments by each Holder (including Additional Amounts) after such withholding or deduction (including any such withholding or deduction from such Additional Amounts) will equal the respective amounts which would have been received in respect of such payments in the absence of such withholding or deduction; *provided, however*, that no Additional Amounts will be payable with respect to:

(1) any Taxes which would not have been imposed but for the Holder or the beneficial owner of the Senior Secured Notes being a citizen or resident or national of, incorporated or organized in, carrying on a business in, or having any other connection with, the relevant Tax Jurisdiction in which such Taxes are imposed other than by the mere acquisition or holding of such Senior Secured Note or Note Guarantee, if any, enforcement of rights thereunder or the receipt of payments in respect thereof;

(2) any Taxes that are imposed or withheld as a result of the failure of the Holder of the Senior Secured Notes or beneficial owner of the Senior Secured Notes to comply with any request, made to that Holder or beneficial owner (which request shall be made in accordance with the procedures described in "*—Notices*" below) in writing at least 30 days before any such withholding or deduction would be payable, by the Issuer or any Guarantor to provide timely or accurate information concerning the nationality, residence or identity of such Holder or beneficial owner or to make any valid or timely declaration or similar claim or satisfy any certification information or other reporting requirement (to the extent such Holder or beneficial owner is legally entitled to do so), which is required or imposed by a statute, treaty, regulation or administrative practice of the relevant Tax Jurisdiction as a precondition to exemption from, or reduction in the rate of deduction or withholding from, all or part of such Taxes;

(3) any Taxes imposed or withheld as a result of any Senior Secured Note presented for payment (where Senior Secured Notes are in the form of Definitive Registered Notes and presentation is required) more than 30 days after the relevant payment is first made available for payment to the Holder (except to the extent that the Holder would have been entitled to Additional Amounts had the note been presented on the last day of such 30 day period);

(4) any estate, inheritance, gift, sale, transfer, personal property or similar tax or assessment;

(5) any Taxes imposed or withheld pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (the "Code") as in effect on the date of

issuance of the Senior Secured Notes or any successor or amended version of these provisions, any regulations promulgated thereunder, any official interpretations thereof, any similar law or regulation adopted pursuant to an intergovernmental agreement between a non-U.S. jurisdiction and the United States with respect to the foregoing or any agreements entered into pursuant to Section 1471(b)(1) of the Code;

(6) any Taxes payable other than by deduction or withholding from payments under, or with respect to, the Senior Secured Notes or any Note Guarantee;

(7) any Taxes imposed on or with respect to any payment by the Issuer or any Guarantor, as the case may be, to the Holder if such Holder is a fiduciary of a beneficial owner or partnership or any person other than the sole beneficial owner of such payment to the extent that Taxes would not have been imposed on such payment had such beneficial owner or partner (in the case of a partnership) been the Holder of such note; or

(8) any combination of items (1) through (7) above.

In addition to the foregoing, the Issuer and the Guarantors, if any, will also pay and indemnify the Holder or beneficial owner of the Senior Secured Notes for any present or future stamp, issue, registration, transfer, court or documentary Taxes, or any other excise or property taxes, charges or similar levies or Taxes which are levied by any Tax Jurisdiction on the issuance, execution, delivery, registration or enforcement of any of the Senior Secured Notes or any Note Guarantee (other than on or in connection with a transfer of the Senior Secured Notes after the Issue Date), the Senior Secured Indenture, or any other document or instrument referred to therein, or the receipt of any payments with respect thereto (limited, solely in the case of taxes attributable to the recipient of any payments with respect thereto, to any such taxes imposed in a relevant Tax Jurisdiction that are not excluded under clauses (1) through (5) and (7) above).

If the Issuer or any Guarantor, as the case may be, becomes aware that it will be obligated to pay Additional Amounts with respect to any payment under or with respect to the Senior Secured Notes or any Note Guarantee, the Issuer or the relevant Guarantor, if any, will deliver to the Trustee (with a copy to the Paying Agent) on a date which is at least 30 days prior to the date of that payment (unless the obligation to pay Additional Amounts arises after the 45th day prior to that payment date, in which case the Issuer or the relevant Guarantor shall notify the Trustee and the Paying Agent promptly thereafter) an officers' certificate stating the fact that Additional Amounts will be payable and the amount estimated to be so payable. The officers' certificate must also set forth any other information reasonably necessary to enable the Paying Agent to pay Additional Amounts to Holders on the relevant payment date. The Trustee and Paying Agent will be entitled to rely solely on such officers' certificate as conclusive proof that such payments are necessary. If requested by the Holder or the Paying Agent, the Issuer will provide the Trustee with documentation in a form reasonably satisfactory to the Trustee evidencing the payment of Additional Amounts.

The Issuer or the relevant Guarantor, if any, will make all withholdings and deductions required by law and will timely remit the full amount deducted or withheld to the relevant Tax authority in accordance with applicable law. The Issuer will use its reasonable efforts to obtain Tax receipts from each Tax authority evidencing the payment of any Taxes so deducted or withheld. The Issuer or the relevant Guarantor, if any, will furnish to the Trustee (with a copy to the Paying Agent), within a reasonable time after the date the payment of any Taxes so deducted or withheld is made, certified copies of Tax receipts evidencing payment by the Issuer or the relevant Guarantor, as the case may be, or if, notwithstanding such entity's efforts to obtain receipts, receipts are not obtained, other evidence of payments by such entity.

Whenever in the Senior Secured Indenture or in this "*Description of the Senior Secured Notes*" there is mentioned, in any context, the payment of amounts based upon the principal amount of the Senior Secured Notes or of principal, interest or of any other amount payable under, or with respect to, any of the Senior Secured Notes or Note Guarantees, such mention shall be deemed to include mention of the payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

The above obligations will survive any termination, defeasance or discharge of the Senior Secured Indenture, any transfer by a Holder or beneficial owner of its Senior Secured Notes and will apply, mutatis mutandis, to any jurisdiction in which any successor Person to the Issuer or any Guarantor is then incorporated

or organized, engaged in business or resident for tax purposes or any jurisdiction from or through which such Person makes any payment under or with respect to the Senior Secured Notes (or any Note Guarantee) and any department or political subdivision thereof or therein.

Mandatory Redemption

The Issuer is not required to make mandatory redemption or sinking fund payments with respect to the Senior Secured Notes. However, under certain circumstances, the Issuer may be required to offer to purchase the Senior Secured Notes as described under the captions "*—Repurchase at the Option of Holders—Change of Control*" and "*—Repurchase at the Option of Holders—Asset Sales*."

Repurchase at the Option of Holders

Change of Control Triggering Event

If a Change of Control Triggering Event occurs, the Issuer shall offer to repurchase any and all of the Holders' Senior Secured Notes pursuant to a Change of Control Offer on the terms set forth in the Senior Secured Indenture. In the Change of Control Offer, the Issuer will offer a Change of Control Payment in cash equal to 101% of the aggregate principal amount of Senior Secured Notes repurchased plus accrued and unpaid interest and Additional Amounts, if any, on the Senior Secured Notes repurchased to the date of purchase, subject to the rights of Holders of Senior Secured Notes on the relevant Record Date to receive interest due on the relevant interest payment date.

Unless the Issuer has unconditionally exercised its right to redeem all the Senior Secured Notes as described under "*—Optional Redemption*" or all conditions to such redemption have been satisfied or waived, within 30 days following any Change of Control Triggering Event, the Issuer will deliver a written notice to each Holder describing the transaction or transactions that constitute the Change of Control Triggering Event and offering to repurchase Senior Secured Notes on the date (the "Change of Control Payment Date") specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is delivered, pursuant to the procedures required by the Senior Secured Indenture and described in such notice. If the Change of Control has been publicly announced but has not occurred at the time the notice of the Change of Control Offer is delivered to Holders, the Change of Control Offer may be conditional on the consummation of such Change of Control occurring prior to or concurrent with the repurchase.

The Issuer will comply with the requirements of any applicable securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the purchase of the Senior Secured Notes as a result of a Change of Control Triggering Event. To the extent that the provisions of any securities laws or regulations conflict with the provisions of the Senior Secured Indenture, the Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the Senior Secured Indenture by virtue of such compliance.

On the Change of Control Payment Date, the Issuer will, to the extent lawful:

(1) accept for payment all Senior Secured Notes or portions of Senior Secured Notes properly tendered pursuant to the Change of Control Offer;

(2) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Senior Secured Notes or portions of Senior Secured Notes properly tendered; and

(3) deliver or cause to be delivered to the Paying Agent and the Registrar the Senior Secured Notes properly accepted together with an officers' certificate (with a copy to the Trustee) stating the aggregate principal amount of Senior Secured Notes or portions of notes being purchased by the Issuer.

The Paying Agent will promptly mail (or cause to be delivered) to each Holder of Senior Secured Notes properly tendered the Change of Control Payment for such Senior Secured Notes, and the Trustee will promptly authenticate (or cause to be authenticated) and mail (or cause to be transferred by book entry) to each Holder new Senior Secured Notes equal in principal amount to any unpurchased portion of the Senior Secured Notes surrendered, if any; *provided* that such new Senior Secured Notes will be in minimum denominations of €100,000 principal amount and integral multiples of €1,000 in excess thereof. Unless the issuer defaults in making the Change of Control Payment, any Senior Secured Notes so accepted for payment will cease to accrue

interest on and after the Change of Control Payment Date. The Issuer will publicly announce the results of the Change of Control Offer on or as soon as reasonably practicable after the Change of Control Payment Date.

The provisions described above that require the Issuer to make a Change of Control Offer following a Change of Control Triggering Event will be applicable whether or not any other provisions of the Senior Secured Indenture are applicable. Except as described above with respect to a Change of Control Triggering Event, the Senior Secured Indenture does not contain provisions that permit the Holders of the Senior Secured Notes to require that the Issuer repurchase or redeem the Senior Secured Notes in the event of a takeover, recapitalization or similar transaction or any Change of Control that does not result in a Change of Control Triggering Event.

The Issuer will not be required to make a Change of Control Offer upon a Change of Control Triggering Event if (1) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Senior Secured Indenture applicable to a Change of Control Offer made by the Issuer and purchases all Senior Secured Notes properly tendered and not withdrawn under the Change of Control Offer or (2) notice of redemption has been given pursuant to the Senior Secured Indenture as described above under the caption "—*Optional Redemption*," unless and until there is a default in payment of the applicable redemption price.

The definition of Change of Control includes a phrase relating to the direct or indirect sale, lease, transfer, conveyance or other disposition of "all or substantially all" of the properties or assets of the Issuer and its Subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase "substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a Holder of Senior Secured Notes to require the Issuer to repurchase its Senior Secured Notes as a result of a sale, lease, transfer, conveyance or other disposition of less than all of the assets of the Issuer and its Subsidiaries taken as a whole to another Person or group may be uncertain.

If and for so long as the Senior Secured Notes are listed on the Luxembourg Stock Exchange and admitted for trading on the Euro MTF, and the rules of the Luxembourg Stock Exchange so require, the Issuer will publish notices as soon as practicable relating to the Change of Control Offer in a leading newspaper of general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or, to the extent and in the manner permitted by such rules, posted on the official website of the Luxembourg Stock Exchange.

The provisions of the Senior Secured Indenture relating to the Issuer's obligation to make an offer to repurchase the Senior Secured Notes as a result of a Change of Control may be waived or modified with the written consent of the Holders of a majority in aggregate principal amount of the then outstanding Senior Secured Notes.

The Revolving Credit Facility Agreement provides that the occurrence of a change of control would require the prepayment of all the outstanding Indebtedness under the Revolving Credit Facility Agreement. If the Issuer experiences a change of control that triggers a mandatory prepayment under the Revolving Credit Facility Agreement, the Issuer may seek the agreement of the relevant lenders thereunder to maintain the availability of the Revolving Credit Facility or seek to refinance the Revolving Credit Facility. Moreover, the exercise by the Holders of the Senior Secured Notes of their right to require the Issuer to repurchase the Senior Secured Notes could cause a default under, or require a repurchase of, other debt, even if a Change of Control Triggering Event does not, due to the financial effect of the repurchase of Senior Secured Notes on the Issuer. Finally, the Issuer's ability to repurchase Senior Secured Notes pursuant to a Change of Control Offer following the occurrence of a Change of Control Triggering Event may be limited by the Issuer's then-existing financial resources. There can be no assurance that sufficient funds will be available when necessary to make the required purchase of the Senior Secured Notes.

Asset Sales

The Issuer will not, and will not permit any of its Restricted Subsidiaries to, consummate an Asset Sale unless:

(1) the Issuer (or the Restricted Subsidiary, as the case may be) receives consideration (including by way of relief from, or by any other Person (other than the Issuer or a Restricted Subsidiary) assuming responsibility for, any liabilities, contingent or otherwise) at least equal to the Fair Market Value such Fair Market Value to be

determined on the date of contractually agreeing to such Asset Sale) of the Equity Interests and assets subject to such Asset Sale; and

(2) except in the case of a Permitted Asset Swap, at least 75% of the consideration received in the Asset Sale by the Issuer or such Restricted Subsidiary is in the form of cash, Cash Equivalents or Government Guaranteed Securities. For purposes of this provision, each of the following will be deemed to be cash:

(a) any liabilities, as shown on the Issuer's most recent consolidated balance sheet, of the Issuer or any Restricted Subsidiary (other than contingent liabilities and liabilities that are by their terms subordinated to the Senior Secured Notes) that are assumed by the transferee of any such assets or are discharged pursuant to an agreement that releases the Issuer or such Restricted Subsidiary from any further liability in connection therewith or indemnifies them against such further liability;

(b) any securities, notes or other obligations received by the Issuer or any such Restricted Subsidiary from such transferee that are within 180 days, subject to ordinary settlement periods, converted by the Issuer or such Restricted Subsidiary into cash or Cash Equivalents, to the extent of the cash or Cash Equivalents received in that conversion;

(c) any share or assets of the kind referred to in clauses (1)(d), (1)(e) or (1)(f) of the next paragraph of this covenant;

(d) any Designated Non-Cash Consideration;

(e) Indebtedness of any Restricted Subsidiary of the Issuer that is no longer a Restricted Subsidiary as a result of such Asset Sale, to the extent that the Issuer and each other Restricted Subsidiary are released from or indemnified against any guarantee of such Indebtedness in connection with such Asset Sale; and

(f) Indebtedness of the Issuer or of any Restricted Subsidiary (other than Indebtedness that is by its terms subordinated to the Senior Secured Notes) received from Persons who are not the Issuer or any Restricted Subsidiary.

Within 365 days after the receipt of any Net Proceeds from an Asset Sale, the Issuer (or the applicable Restricted Subsidiary, as the case may be) may:

(1) apply such Net Proceeds, at its option:

(a) (i) to make an offer to purchase the Senior Secured Notes on a *pro rata* basis to all of the Holders of Senior Secured Notes at a purchase price equal to not less than 100% of the principal amount thereof, plus accrued and unpaid interest and Additional Amounts, if any, to, but excluding, the date of purchase; or (ii) to make an offer pursuant to the preceding sub-clause (a)(i) and a substantially equivalent offer on a *pro rata* basis to holders of any other Pari Passu Indebtedness;

(b) to prepay, repay or repurchase the Revolving Credit Facility or any other Indebtedness that is permitted by the Senior Secured Indenture to be Incurred and secured by a Lien on the Collateral with super senior status with respect to Collateral enforcement proceeds and/or other distressed disposals (or any Permitted Refinancing Indebtedness in respect thereof); *provided, however*, that, in connection with any prepayment, repayment or repurchase of Indebtedness pursuant to this clause (b), the Issuer or such Restricted Subsidiary will retire such Indebtedness and will cause the related commitment (if any) (except in the case of any revolving Indebtedness including, but not limited to, the revolving credit facility made available under the Revolving Credit Facility Agreement) to be permanently reduced in an amount equal to the principal amount so prepaid, repaid or repurchased;

(c) purchase or permanently prepay or redeem or repay (i) any Indebtedness that is only secured by Liens on assets or property that do not constitute Collateral and, if

the Indebtedness prepaid, redeemed or repaid is revolving credit Indebtedness, to correspondingly reduce commitments with respect thereto; or (ii) with respect to the Net Proceeds from an Asset Sale made by a Restricted Subsidiary of the Issuer that is not a Guarantor, any Indebtedness of such Restricted Subsidiary (other than Indebtedness owed to the Issuer or another Restricted Subsidiary or any Affiliate thereof) and, if such Indebtedness repaid is revolving credit Indebtedness, to correspondingly reduce commitments with respect thereto;

(d) to acquire all or substantially all of the assets of, or any Capital Stock of a Person engaged in, another Permitted Business, if, after giving effect to any such acquisition of Capital Stock, such Person is or becomes a Restricted Subsidiary of the Issuer or is merged with or into a Restricted Subsidiary of the Issuer;

(e) to make a capital expenditure;

(f) to acquire other assets that are not classified as current assets under IFRS and that are used or useful in a Permitted Business; or

(g) any combination of the foregoing;

provided, *however*, that, if the assets disposed of constitute Collateral or constitute all or substantially all of the assets of a Restricted Subsidiary whose Capital Stock has been pledged as Collateral, the Issuer shall pledge or shall cause the applicable Restricted Subsidiary to pledge any Capital Stock or assets (to the extent such assets were of a category of assets included in the Collateral as of the date of the Asset Sale) that were acquired with the Net Proceeds of an Asset Sale in accordance with this covenant to secure the Senior Secured Notes on a first-priority basis;

(2) enter into a binding commitment to apply the Net Proceeds pursuant to clause (c), (d), (e) or (f) of clause (1) above, *provided* that such binding commitment shall be treated as a permitted application of the Net Proceeds from the date of such commitment until the earlier of (x) the date on which such acquisition or expenditure is consummated and (y) the 180th day following the expiration of the aforementioned 365-day period; or

(3) any combination of the foregoing.

Pending the final application of any Net Proceeds, the Issuer or any applicable Restricted Subsidiary may temporarily reduce revolving credit borrowings or otherwise invest the Net Proceeds in any manner that is not prohibited by the Senior Secured Indenture.

Any Net Proceeds from Asset Sales that are not applied or invested as provided in the second paragraph of this covenant will constitute "Excess Proceeds." When the aggregate amount of Excess Proceeds exceeds the greater of €50.0 million and 1.5% of the Consolidated Total Assets of the Issuer (or the equivalent in another currency), within 30 days thereof, the Issuer will make an offer (an "Asset Sale Offer") to all Holders of Senior Secured Notes and (at the Issuer's election) to holders of Pari Passu Indebtedness containing provisions similar to those set forth in the Senior Secured Indenture with respect to offers to purchase, prepay, redeem or repay with the proceeds of sales of assets to purchase the maximum principal amount of Senior Secured Notes and such other Pari Passu Indebtedness that may be purchased out of the Excess Proceeds. The offer price in any Asset Sale Offer in respect of the Senior Secured Notes will not be less than 100% of the principal amount of the Senior Secured Notes and, in the case of Pari Passu Indebtedness, not greater than the principal amount thereof plus the offer premium offered with respect to the Senior Secured Notes in the Asset Sale Offer, plus, in each case, accrued and unpaid interest, and in the case of the Senior Secured Notes, Additional Amounts, if any, to the date of purchase in accordance with the Senior Secured Indenture or the agreements governing such Pari Passu Indebtedness, as applicable, and in the case of the Senior Secured Notes, in minimum denominations of €100,000 and in integral multiples of €1,000 in excess thereof. If any Excess Proceeds remain after consummation of an Asset Sale Offer, the Issuer or any Restricted Subsidiaries may use those Excess Proceeds for any purpose not otherwise prohibited by the Senior Secured Indenture. If the aggregate principal amount of Senior Secured Notes and other Pari Passu Indebtedness tendered into (or to be redeemed in connection with) such Asset Sale Offer exceeds the amount of Excess Proceeds, the Registrar will select the Senior Secured Notes and such other Pari Passu Indebtedness to be repaid on a *pro rata* basis based on

the principal amount of Senior Secured Notes and such other Pari Passu Indebtedness presented for purchase. Upon completion of each Asset Sale Offer, the amount of Excess Proceeds will be reset at zero.

The Asset Sale Offer, insofar as it relates to the Senior Secured Notes, will remain open for a period of not less than 20 Business Days following its commencement (the "Asset Sale Offer Period"). No later than five Business Days after the termination of the Asset Sale Offer period the Issuer will purchase the principal amount of Senior Secured Notes and to the extent the Issuer elects, Pari Passu Indebtedness required to be purchased by it pursuant to this covenant, or if less than the Asset Sale Offer Amount has been so validly tendered, all Senior Secured Notes and Pari Passu Indebtedness validly tendered in response to the Asset Sale Offer.

On and after the repurchase date, unless the Issuer defaults in payment of the purchase price, interest shall cease to accrue on the Senior Secured Notes or portions thereof purchased.

The Issuer will comply with the requirements of any relevant securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with each repurchase of Senior Secured Notes pursuant to an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with the Senior Secured Indenture, the Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the Asset Sale provisions of the Senior Secured Indenture by virtue of such compliance.

Certain Covenants

Changes in Covenants When Senior Secured Notes Rated Investment Grade

If on any date following the date of the Senior Secured Indenture:

(1) the Senior Secured Notes are rated Baa3 or better by Moody's and BBB- or better by S&P (or, if either such entity ceases to rate the Senior Secured Notes for reasons outside of the control of the Issuer, the equivalent investment grade credit rating from any other "nationally recognized statistical rating organization" registered under Section 15E of the U.S. Exchange Act selected by the Issuer as a replacement agency); and

(2) no Default or Event of Default shall have occurred and be continuing, then, beginning on that day and subject to the provisions of the following paragraph, the covenants specifically listed under the following captions in this listing prospectus will be suspended:

(a) "*—Repurchase at the Option of the Holders—Asset Sales*;"

(b) "*—Restricted Payments*;"

(c) "*—Incurrence of Indebtedness and Issuance of Preferred Stock*;"

(d) "*—Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries*;"

(e) "*—Designation of Restricted and Unrestricted Subsidiaries*;"

(f) "*—Transactions with Affiliates*;"

(g) clause (4) of the covenant described below under the caption "*—Merger, Consolidation or Sale of Assets*;" and

(h) "*—Additional Note Guarantees*."

The Issuer will notify the Trustee in writing that the foregoing covenants have been suspended; *provided* that such notification shall not be a condition for the suspension of the covenants set forth above to be effective; *provided, further*, that the Trustee shall be under no obligation to inform the Holders that the foregoing covenants have been suspended. During any period that the foregoing covenants have been suspended (such period the "Suspension Period"), the Issuer's Board of Directors may not designate any of its Subsidiaries

as Unrestricted Subsidiaries pursuant to the covenant described below under the caption "*—Designation of Restricted and Unrestricted Subsidiaries*" or the second paragraph of the definition of "Unrestricted Subsidiary."

Notwithstanding the foregoing, if on any subsequent date, the Senior Secured Notes cease to maintain ratings of at least Baa3 and BBB- from Moody's and S&P, respectively, the foregoing covenants will be reinstituted as of and from the date of such rating decline; *provided* that (i) with respect to Restricted Payments made after such reinstatement, the amount available to be made as Restricted Payments will be calculated as though the covenant described under "*—Restricted Payments*" had been in effect prior to, but not during, the Suspension Period; (ii) all Indebtedness Incurred, or Disqualified Stock issued, during the Suspension Period will be classified to have been Incurred or issued pursuant to clause (2) of the second paragraph of "*—Incurrence of Indebtedness and Issuance of Preferred Stock*;" (iii) any transactions with Affiliates entered into after such reinstatement pursuant to an agreement entered into during any Suspension Period shall be deemed to be permitted pursuant to clause (12) of the second paragraph of the covenant described under "*—Transactions with Affiliates*;" and (iv) any encumbrance or restriction on the ability of any Restricted Subsidiary that is not a Guarantor to take any action described in clauses (1) through (3) of the first paragraph of the covenant described under "*—Dividend and Other Payment Restrictions Affecting Subsidiaries*" that becomes effective during any Suspension Period shall be deemed to be permitted pursuant to clause (1) of the second paragraph of the covenant described under "*—Dividend and Other Payment Restrictions Affecting Subsidiaries*."

For the avoidance of doubt, the Issuer and any Restricted Subsidiary will be permitted, without causing a Default or Event of Default or breach of any kind under the Senior Secured Indenture, to honor, comply with or otherwise perform any contractual commitments or obligations entered into during a Suspension Period and to consummate the transactions contemplated thereby; *provided*, *however*, that (a) the Issuer and its Subsidiaries did not Incur or otherwise enter into such contractual commitments or obligations in contemplation of the Suspension Period ending and (b) the Issuer reasonably believed that such Incurrence or actions would not result in the of the Suspension Period ending. For purposes of clauses (a) and (b) in the preceding sentence, anticipation and reasonable belief shall be as determined in good faith by a responsible accounting or financial officer of the Issuer.

Within 20 Business Days of the end of a Suspension Period, the Issuer will cause any of its Restricted Subsidiaries that is not a Guarantor and that guaranteed any Indebtedness of the Issuer or any Guarantor during such Suspension Period to execute and deliver a Note Guarantee, subject to the second, fourth, fifth and seventh paragraphs of the covenant described under "*—Additional Note Guarantees*."

There can be no assurance that the Senior Secured Notes will ever achieve an investment grade rating or that any such rating will be maintained.

Restricted Payments

The Issuer will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly:

(1) declare or pay any dividend or make any other payment or distribution on account of the Issuer's or any of its Restricted Subsidiaries' Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving the Issuer's or any of its Restricted Subsidiaries) or to the direct or indirect holders of the Issuer's or any of its Restricted Subsidiaries' Equity Interests in their capacity as such on account of such Equity Interests (other than dividends or distributions payable in Equity Interests (other than Disqualified Stock) of the Issuer or in the form of Subordinated Shareholder Debt and other than dividends or distributions payable to the Issuer or a Restricted Subsidiary of the Issuer);

(2) purchase, redeem or otherwise acquire or retire for value (including, without limitation, in connection with any merger or consolidation involving the Issuer) any Equity Interests of the Issuer or any direct or indirect parent of the Issuer (other than in exchange for Equity Interests of the Issuer (other than Disqualified Stock) or Subordinated Shareholder Debt);

(3) make any principal payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value, prior to the scheduled maturity, scheduled repayment or scheduled sinking fund payment, any Subordinated Obligations of the Issuer (excluding (i) any intercompany Indebtedness between or among the Issuer

and any of its Restricted Subsidiaries and (ii) the purchase, repurchase, redemption, acquisition or retirement of Subordinated Obligations acquired in anticipation of satisfying a sinking fund obligation, principal installment or final maturity, in each case due within one year of the date of the purchase, repurchase, redemption, acquisition or retirement);

(4) make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value any Subordinated Shareholder Debt (other than non-cash interest payable in Equity Interests (other than Disqualified Stock) of the Issuer or any payment in the form of additional Subordinated Shareholder Debt); or

(5) make any Restricted Investment,

(all such payments and other actions set forth in the foregoing clauses (1) through (5) being collectively referred to as "Restricted Payments"), unless, at the time of and after giving *pro forma* effect to such Restricted Payment:

(1) no Default or Event of Default has occurred and is continuing or would occur as a consequence of such Restricted Payment;

(2) the Issuer would, at the time of such Restricted Payment and after giving *pro forma* effect thereto as if such Restricted Payment had been made at the beginning of the applicable four-quarter period, have been permitted to Incur at least €1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in clause (a) of the first paragraph of the covenant described below under the caption "*—Incurrence of Indebtedness and Issuance of Preferred Stock*;" and

(3) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Issuer and its Restricted Subsidiaries since July 1, 2017 and not returned or rescinded (excluding Restricted Payments permitted by clauses (2), (3), (4), (6), (7), (11) and (13) of the next succeeding paragraph), is less than the sum, without duplication, of:

(a) 50% of the Consolidated Net Income of the Issuer for the period (taken as one accounting period) from July 1, 2017 to the end of the Issuer's most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment (or, if such Consolidated Net Income for such period is a deficit, less 100% of such deficit); *plus*

(b) 100% of the aggregate net cash proceeds and the Fair Market Value of marketable securities and other property received by the Issuer since July 1, 2017 as a contribution to its common equity capital or from the issue or sale of Equity Interests of the Issuer (other than Disqualified Stock and Excluded Contributions) or Subordinated Shareholder Debt or from the issue or sale of convertible or exchangeable Disqualified Stock or convertible or exchangeable debt securities of the Issuer that have been converted into or exchanged for such Equity Interests or Subordinated Shareholder Debt (other than Equity Interests (or Disqualified Stock or debt securities) sold to a Subsidiary of the Issuer); *plus*

(c) to the extent that any Restricted Investment that was (i) made after July 1, 2017 is sold or otherwise disposed of or otherwise cancelled, liquidated or repaid, 100% of the aggregate amount received in cash and of the Fair Market Value of the marketable securities and other property received or (ii) made in an entity that subsequently becomes a Restricted Subsidiary (or is merged or consolidated with or into the Issuer or a Restricted Subsidiary), 100% of the Fair Market Value of the Restricted Investment of the Issuer and its Restricted Subsidiaries as of the date such entity becomes a Restricted Subsidiary (or is so merged or consolidated) or (iii) a guarantee made by the Issuer or one of its Restricted Subsidiaries to any Person, upon the full and unconditional release of such Restricted Investment, an amount equal to the amount of such guarantee; *plus*

(d) to the extent that any Unrestricted Subsidiary of the Issuer designated as such after July 1, 2017 is redesignated as a Restricted Subsidiary after such date, or has been merged or consolidated with or into, or transfers or conveys its assets to, the Issuer or a Restricted Subsidiary of the Issuer, 100% of the Fair Market Value of the Issuer's Investment in such Subsidiary as of the date of such redesignation, combination or transfer (or of the assets transferred or conveyed, as applicable); *plus*

(e) the amount by which Indebtedness of the Issuer or a Restricted Subsidiary is reduced on the Issuer's consolidated balance sheet upon the conversion or exchange (other than by the Issuer or its Restricted Subsidiary) of such Indebtedness for Equity Interests (other than Disqualified Stock) of the Issuer or Subordinated Shareholder Debt (less the amount of any cash, and the Fair Market Value of any other property, received or distributed by the Issuer or any Restricted Subsidiary on any such conversion or exchange); *plus*

(f) 100% of the Fair Market Value of any dividends, distributions or payments received by the Issuer or a Restricted Subsidiary of the Issuer after July 1, 2017 from an Unrestricted Subsidiary of the Issuer or from a Person in which the Issuer or a Restricted Subsidiary of the Issuer has a Restricted Investment to the extent that such dividends, distributions or payments were not otherwise included in the Consolidated Net Income of the Issuer for such period.

The preceding provisions will not prohibit:

(1) the payment of any dividend or distribution or the consummation of any redemption within 60 days after the date of declaration of the dividend or distribution or giving of the redemption notice, as the case may be, if at the date of declaration or notice, the dividend or distribution or redemption payment would have complied with the provisions of the Senior Secured Indenture;

(2) the making of any Restricted Payment in exchange for (including any such exchange pursuant to the exercise of a conversion right or privilege in connection with which cash is paid in lieu of the issuance of fractional shares or scrip), or out of the net cash proceeds of the substantially concurrent sale or issuance (other than to a Subsidiary of the Issuer) of, Equity Interests of the Issuer (other than Disqualified Stock) or Subordinated Shareholder Debt or from the substantially concurrent contribution of such proceeds to the common equity capital to the Issuer; *provided* that the amount of any such net cash proceeds that are utilized for any such Restricted Payment will be excluded from clause (3)(b) of the preceding paragraph and will not constitute Excluded Contributions;

(3) any purchase, repurchase, redemption, defeasance or other acquisition or retirement of Subordinated Obligations made by exchange for, or out of the proceeds of the substantially concurrent sale of, Indebtedness permitted to be Incurred pursuant to the covenant described under "— *Incurrence of Indebtedness and Issuance of Preferred Stock*" below;

(4) the declaration or payment of any dividend or the making of any payment or distribution by a Restricted Subsidiary of the Issuer to the holders of its Equity Interests other than the Issuer or another Restricted Subsidiary on a no more than *pro rata* basis;

(5) so long as no Default has occurred and is continuing or would be caused thereby, the repurchase, redemption or other acquisition or retirement for value of any Equity Interests of the Issuer or any Restricted Subsidiary of the Issuer, or distribution to enable such repurchase, redemption or other acquisition or retirement for value of any Equity Interests of the Issuer or any Parent or Restricted Subsidiary of the Issuer, held directly or indirectly by any current or former officer, director, consultant or employee of the Issuer or any Parent or Restricted Subsidiary of the Issuer (or permitted transferees of such current or former officers, directors, consultants or

employees); *provided* that the aggregate price paid for all such repurchased, redeemed, acquired or retired Equity Interests may not exceed the greater of €17.5 million and 0.5% of the Consolidated Total Assets of the Issuer in any calendar year, beginning in the year starting January 1, 2016, with the unused portion carried over to the next calendar year; *provided, further,* that such amount in any one-year period may be increased by an amount not to exceed the cash proceeds received by the Issuer or a Restricted Subsidiary during such period from the sale of Equity Interests of the Issuer or a Restricted Subsidiary in each case to members of management or directors or consultants of the Issuer or any Restricted Subsidiary or any Parent of the Issuer to the extent the cash proceeds from the sale of Equity Interests have not otherwise been applied to the making of Restricted Payments pursuant to clause (3)(b) of the preceding paragraph or clauses (2), (8) or (15) of this paragraph;

(6) the repurchase of Equity Interests deemed to occur upon the exercise of stock options or warrants to the extent such Equity Interests represent a portion of the exercise price of those stock options or warrants;

(7) the declaration and payment of regularly scheduled or accrued dividends to holders of any class or series of Disqualified Stock of the Issuer or any preferred stock of any Restricted Subsidiary of the Issuer issued on or after the date of the Senior Secured Indenture in accordance with the Fixed Charge Coverage Ratio test set forth in the covenant described below under the caption "*—Incurrence of Indebtedness and Issuance of Preferred Stock*;"

(8) so long as no Default has occurred and is continuing or would be caused thereby, following an Initial Public Offering, the declaration and payment by the Issuer of, or loans, advances, dividends or distributions to any Parent to pay, dividends on the Capital Stock of the Issuer or any Parent, in an amount not to exceed in any fiscal year the greater of (a) 6% of the net cash proceeds received by the Issuer from such Initial Public Offering or contributed to the equity (other than through the issuance of Disqualified Stock or an Excluded Contribution) of the Issuer and (b) an amount equal to the greater of (i) 6% of the Market Capitalization (*provided* that after giving *pro forma* effect to such loans, advances, dividends or distributions, the Consolidated Leverage Ratio would not exceed 2.75 to 1.0) and (ii) 6% of the IPO Market Capitalization (*provided* that after giving *pro forma* effect to such loans, advances, dividends or distributions, the Consolidated Leverage Ratio would not exceed 2.75 to 1.0);

(9) the declaration and payment of cash dividends and any repurchase, redemption, retirement or cancellation of the Issuer's Equity Interests not to exceed the greater of €25.0 million and 0.75% of the Consolidated Total Assets of the Issuer in any calendar year commencing on or after January 1, 2015, with the unused portion carried over to the next calendar year;

(10) so long as no Default has occurred and is continuing or would be caused thereby, (A) other Restricted Payments in an aggregate amount not to exceed the greater of €150.0 million and 4.5% of the Consolidated Total Assets of the Issuer and (B) any Restricted Payments; *provided* that, in the case of clause (B) only, the Consolidated Leverage Ratio of the Issuer does not exceed 3.0 to 1.0 on a *pro forma* basis after giving effect to any such Restricted Payments;

(11) any payments to minority shareholders as required by law or regulation pursuant to or in contemplation of a merger or consolidation involving the Issuer or any of its Restricted Subsidiaries that does not violate the provisions of the covenant described under "*—Merger, Consolidation or Sale of Assets*;"

(12) payments of cash, dividends, distributions, advances or other Restricted Payments by the Issuer or any Restricted Subsidiary to allow the payment of cash in lieu of the issuance of fractional shares upon (x) the exercise of options or warrants or (y) the conversion or exchange of Capital Stock of any such Person;

(13) payments or other transactions pursuant to any tax sharing agreement or arrangement among the Issuer or any of its Restricted Subsidiaries and any other Person with which the Issuer or any of its Restricted Subsidiaries files or filed a consolidated tax return or with which the Issuer or any of its Restricted Subsidiaries is or was part of a consolidated group for tax purposes or any tax advantageous group contribution made pursuant to applicable legislation in amounts not otherwise prohibited by the Senior Secured Indenture; *provided, however*, that such payments, and the value of such transactions, shall not exceed the amount of tax that the Issuer or such Restricted Subsidiaries would owe without taking into account such other Person, unless and to the extent that such other Person has made a payment to the Issuer or such Restricted Subsidiary with respect to or resulting from any taxes attributable to the income of such other Person for any taxable period, in which case, such payments may be increased by the amount actually paid for such taxes by such other Person to the Issuer or such Restricted Subsidiary with respect to such taxable period;

(14) distributions or payments of Securitization Fees, sales contributions and other transfers of Securitization Assets and purchases of Securitization Assets pursuant to a Securitization Repurchase Obligation, in each case, in connection with a Qualified Securitization Financing or a Permitted Recourse Receivables Financing;

(15) Restricted Payments that are made with Excluded Contributions; and

(16) any purchase, repurchase, redemption, defeasance or other acquisition or retirement of Subordinated Obligations or Disqualified Stock or preferred stock of a Restricted Subsidiary:

(a) from Net Proceeds to the extent permitted under "*—Repurchase at the Option of Holders—Asset Sales*" above, but only if (and to the extent required) the Issuer shall have first complied with the terms described under "*—Repurchase at the Option of Holders—Asset Sales*" and purchased all Notes tendered pursuant to any offer to repurchase all the Notes required thereby, prior to purchasing, repurchasing, redeeming, defeasing or otherwise acquiring or retiring such Subordinated Obligations, Disqualified Stock or preferred stock;

(b) to the extent required by the agreement governing such Subordinated Obligations, Disqualified Stock or preferred stock, following the occurrence of (i) a Change of Control Triggering Event (or other similar event described therein as a "change of control") or (ii) an Asset Sale (or other similar event described therein as an "asset disposition" or "asset sale") but only if (and to the extent required) the Issuer shall have first complied with the terms described under "*—Repurchase at the Option of Holders—Change of Control Triggering Event*" or "*—Repurchase at the Option of Holders—Asset Sales*," as applicable, and purchased all Notes tendered pursuant to the offer to repurchase all the Notes required thereby, prior to purchasing, repurchasing, redeeming, defeasing or otherwise acquiring or retiring such Subordinated Obligations, Disqualified Stock or preferred stock; or

(c) consisting of Acquired Debt (other than Indebtedness Incurred (A) to provide all or any portion of the funds utilized to consummate the transaction or series of related transactions pursuant to which such Person became a Restricted Subsidiary or was otherwise acquired by the Issuer or a Restricted Subsidiary or (B) otherwise in connection with or contemplation of such acquisition).

For purposes of determining compliance with this covenant, in the event that a Restricted Payment (or portion thereof) meets the criteria of more than one of the categories described in clauses (1) through (16) above, and/or is permitted pursuant to the first paragraph of this covenant and/or constitutes a Permitted Investment, the Issuer will be entitled to classify such Restricted Payment or Investment (or portion thereof) on the date of its payment or later reclassify (based on circumstances existing on the date of such reclassification) such Restricted Payment or Investment (or portion thereof) in any manner that complies with this covenant, including as a Permitted Investment.

The amount of all Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Issuer or such Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. The Fair Market Value of any assets or securities that are required to be valued by this covenant will be determined by the Board of Directors of the Issuer whose resolution with respect thereto will be delivered to the Trustee. For the avoidance of doubt, the Trustee shall have no obligation to determine the Fair Market Value of any assets or securities.

Incurrence of Indebtedness and Issuance of Preferred Stock

The Issuer will not, and will not permit any of its Restricted Subsidiaries to Incur any Indebtedness (including Acquired Debt), and the Issuer will not issue any Disqualified Stock and will not permit any of its Restricted Subsidiaries to issue any shares of preferred stock; *provided*, *however*, that:

(a) the Issuer and any Guarantor may Incur Indebtedness other than Senior Secured Debt (including Acquired Debt) or issue Disqualified Stock if the Fixed Charge Coverage Ratio for the Issuer's most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Indebtedness is Incurred or such Disqualified Stock is issued, as the case may be, would have been at least 2.0 to 1.0, determined on a *pro forma* basis (including the *pro forma* application of the net proceeds therefrom), as if the additional Indebtedness had been Incurred or the Disqualified Stock had been issued, as the case may be, at the beginning of such four-quarter period; and

(b) the Issuer and its Restricted Subsidiaries may Incur Senior Secured Debt (including Acquired Debt and preferred stock issued by Restricted Subsidiaries that are not Guarantors) if, in addition to compliance with the ratio set forth in clause (a), the Consolidated Net Senior Secured Leverage Ratio for the Issuer's most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Senior Secured Debt is Incurred would have been less than 4.0 to 1.0, determined on a *pro forma* basis (including the *pro forma* application of the net proceeds therefrom), as if such additional Senior Secured Debt had been Incurred at the beginning of such four-quarter period.

The first paragraph of this covenant will not prohibit the Incurrence of any of the following items of Indebtedness (collectively, "Permitted Debt"):

(1) the Incurrence by the Issuer and its Restricted Subsidiaries of Indebtedness and letters of credit under Credit Facilities in an aggregate principal amount at any one time outstanding under this clause (1) not to exceed €1,400 million, plus, in the case of any refinancing of any Indebtedness permitted under this clause (1) or any portion thereof, the aggregate amount of fees, underwriting discounts, accrued and unpaid interest, premiums (including tender premiums) and other costs and expenses (including fees and commissions paid as discounts) Incurred in connection with such refinancing;

(2) the Incurrence by the Issuer and its Restricted Subsidiaries of the Existing Indebtedness (other than Indebtedness Incurred under clause (1) or clause (3) of this paragraph);

(3) the Incurrence by the Issuer of Indebtedness represented by the New Senior Subordinated Notes to be issued on the Issue Date;

(4) the Incurrence by the Issuer or any of its Restricted Subsidiaries of Indebtedness represented by Capital Lease Obligations, mortgage financings or purchase money obligations or other Indebtedness or preferred stock, in each case, Incurred for the purpose of financing or refinancing all or any part of the purchase price or cost of acquisition, design, development, construction, lease, installation, transportation or improvement of property (real or personal), plant or equipment that is used or useful in the business of the Issuer or any of its Restricted Subsidiaries (each, a "Productive Asset Financing") (including Equity Interests of any Person owning such assets) (including any reasonable related fees or expenses Incurred in

connection therewith), in an aggregate principal amount at any one time outstanding not to exceed the greater of €85.0 million and 2.5% of the Consolidated Total Assets of the Issuer;

(5) the Incurrence by the Issuer or any of its Restricted Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge any Indebtedness (other than intercompany Indebtedness) that was permitted by the Senior Secured Indenture to be Incurred under the first paragraph of this covenant or clauses (2), (3), (5) or (14) of this paragraph;

(6) the Incurrence by the Issuer or any of its Restricted Subsidiaries of intercompany Indebtedness between or among the Issuer and any of its Restricted Subsidiaries; *provided, however*, that:

(a) except in respect of current liabilities Incurred in the ordinary course of business in connection with cash management, tax and accounting operations, if the Issuer or a Guarantor is the obligor on such Indebtedness, the aggregate principal amount of such Indebtedness exceeds €10.0 million and the payee is not the Issuer or a Guarantor, such Indebtedness must be expressly subordinated to the prior payment in full in cash of all Obligations then due with respect to the Senior Secured Notes, in the case of the Issuer, or the applicable Note Guarantee, in the case of a Guarantor; and

(b) (i) any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness being held by a Person other than the Issuer or a Restricted Subsidiary of the Issuer and (ii) any sale or other transfer of any such Indebtedness to a Person that is not either the Issuer or a Restricted Subsidiary of the Issuer, will be deemed, in each case, to constitute an Incurrence of such Indebtedness by the Issuer or such Restricted Subsidiary, as the case may be, that was not permitted by this clause (6);

(7) the issuance by any of the Issuer's Restricted Subsidiaries to the Issuer or to any of its Restricted Subsidiaries of shares of preferred stock; *provided, however*, that:

(a) any subsequent issuance or transfer of Equity Interests that results in any such preferred stock being held by a Person other than the Issuer or a Restricted Subsidiary of the Issuer; and

(b) any sale or other transfer of any such preferred stock to a Person that is not either the Issuer or a Restricted Subsidiary of the Issuer, will be deemed, in each case, to constitute an issuance of such preferred stock by such Restricted Subsidiary that was not permitted by this clause (7);

(8) the Incurrence by the Issuer or any of its Restricted Subsidiaries of Hedging Obligations in the ordinary course of business and not for speculative purposes;

(9) the guarantee by the Issuer or a Restricted Subsidiary of Indebtedness of the Issuer or any of its Restricted Subsidiaries so long as the Incurrence of such Indebtedness by the Issuer or such Restricted Subsidiary is permitted under the terms of the Senior Secured Indenture, *provided* that such guarantee is Incurred in accordance with the covenant described under "*—Additional Note Guarantees*;"

(10) guarantees by the Issuer or a Restricted Subsidiary of the Issuer of Indebtedness arising pursuant to terms requiring such Indebtedness to be guaranteed if the Senior Secured Notes are also guaranteed by the same Restricted Subsidiary on a senior or *pari passu* basis;

(11) the Incurrence by the Issuer or any of its Restricted Subsidiaries of Indebtedness in respect of workers' compensation claims, payment obligations in connection with health or other types of social security benefits, unemployment or other insurance or self-insurance obligations, statutory obligations, bankers' acceptances, export,

import, customs, VAT and other tax guarantees, performance and bid, reclamation, remediation, completion, surety, appeal or similar bonds or performance guarantees in the ordinary course of business or consistent with past practice;

(12) Indebtedness constituting reimbursement obligations with respect to letters of credit, bankers' acceptances or similar instruments or obligations issued in the ordinary course of business, *provided* that upon the drawing or other funding of such letters of credit or other instruments or obligations, such drawings or fundings are reimbursed within ten Business Days;

(13) the Incurrence by the Issuer or any of its Restricted Subsidiaries of Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently drawn against insufficient funds, so long as such Indebtedness is extinguished within ten Business Days;

(14) Indebtedness of any Person (a) outstanding on the date on which such Person becomes a Restricted Subsidiary of the Issuer or is merged, consolidated, amalgamated or otherwise combined with (including pursuant to any acquisition of assets and assumption of related liabilities) the Issuer or any Restricted Subsidiary or (b) Incurred to provide all or a portion of the funds utilized to consummate the transaction or series of related transactions pursuant to which such Person became a Restricted Subsidiary or was otherwise acquired by the Issuer or a Restricted Subsidiary; *provided, however*, with respect to this clause (14), that at the time of the acquisition or other transaction pursuant to which such Indebtedness was deemed to be Incurred (x)(i) the Issuer would have been able to Incur €1.00 of additional Indebtedness pursuant to clause (a) of the first paragraph of this covenant after giving *pro forma* effect to the Incurrence of such Indebtedness pursuant to this clause (14) or (ii) the Fixed Charge Coverage Ratio would be no less than it was immediately prior to the Incurrence of such Indebtedness pursuant to this clause (14) and (y)(i) the Issuer and its Restricted Subsidiaries would have been able to Incur €1.00 of additional Indebtedness pursuant to clause (b) of the first paragraph of this covenant after giving *pro forma* effect to the Incurrence of such Indebtedness pursuant to this clause (14) or (ii) the Consolidated Net Senior Secured Leverage Ratio would be no greater than it was prior to the Incurrence of such Indebtedness pursuant to this clause (14);

(15) the Incurrence by the Issuer and its Restricted Subsidiaries of Indebtedness arising from agreements of the Issuer or a Restricted Subsidiary providing for indemnification, earnouts, adjustments of purchase price, guarantees or, in each case, similar obligations, in each case, Incurred or assumed in connection with the acquisition or disposition of any business or assets or Person or any Equity Interests of a Subsidiary in accordance with the terms of the Senior Secured Indenture, other than guarantees of Indebtedness Incurred or assumed by any Person acquiring all or any portion of such business, assets or Equity Interests of a Subsidiary for the purpose of financing such acquisition;

(16) customer deposits and advance payments received in the ordinary course of business from customers for goods and services purchased in the ordinary course of business;

(17) the Incurrence by the Issuer or any of its Restricted Subsidiaries of additional Indebtedness or the issuance by any Restricted Subsidiary that is not a Guarantor of preferred stock in an aggregate principal amount (or accreted value, as applicable) or having an aggregate liquidation preference at any time outstanding Incurred pursuant to this clause (17), not to exceed the greater of €100.0 million and 3.0% of the Consolidated Total Assets of the Issuer;

(18) any customary cash management, cash pooling or netting or setting off arrangements in the ordinary course of business;

(19) Indebtedness of the Issuer in an aggregate outstanding principal amount (or accreted value, as applicable) at any time outstanding, not to exceed 100% of the Net

Proceeds received by the Issuer from the issuance or sale (other than to a Subsidiary) of its Capital Stock (other than Disqualified Stock or an Excluded Contribution) or otherwise contributed to the equity (other than through the issuance of Disqualified Stock or an Excluded Contribution) of the Issuer or from the issuance or sale (other than to a Subsidiary) of Subordinated Shareholder Debt, in each case, subsequent to the Issue Date; *provided, however*, that (i) any such Net Proceeds that are so received or contributed shall be excluded for purposes of making Restricted Payments under the first paragraph and clause (2), the second proviso to clause (5), clause (8) and clause (15) of the second paragraph of the covenant described under the caption "*—Restricted Payments*" to the extent the Issuer Incurs Indebtedness in reliance thereon; and (ii) any Net Cash Proceeds that are so received or contributed shall be excluded for purposes of Incurring Indebtedness pursuant to this clause (19) to the extent the Issuer or any of its Restricted Subsidiaries makes a Restricted Payment under the first paragraph or clause (2), the second proviso to clause (5), clause (8) or clause (15) of the second paragraph of the covenant described under the caption "*—Restricted Payments*" in reliance thereon;

(20) Indebtedness of the Issuer or any Restricted Subsidiary in respect of Management Advances;

(21) Indebtedness of the Issuer or a Restricted Subsidiary in respect of any Qualified Securitization Financing; and

(22) Indebtedness of the Issuer or a Restricted Subsidiary in respect of any Permitted Recourse Receivables Financing not to exceed €75.0 million.

For purposes of determining compliance with this "*Incurrence of Indebtedness and Issuance of Preferred Stock*" covenant, in the event that an item of proposed Indebtedness or preferred stock meets the criteria of more than one of the categories of Permitted Debt described in clauses (1) through (22) above, or is entitled to be Incurred pursuant to the first paragraph of this covenant, the Issuer will be permitted, in its sole discretion, to classify such item of Indebtedness or preferred stock on the date of its Incurrence and will only be required to include the amount and type of such Indebtedness or preferred stock in one of the above clauses, although the Issuer may, in its sole discretion, divide and classify an item of Indebtedness or preferred stock in one or more of the types of Indebtedness or preferred stock and may later reclassify all or a portion of such item of Indebtedness or preferred stock in any manner that complies with this covenant; *except* that Indebtedness outstanding under the Revolving Credit Facility as of the Issue Date, the 2022 Senior Secured Notes, the 2023 Senior Secured Notes, the 2024 Senior Secured Notes and the Senior Secured Notes issued on the Issue Date and any Permitted Refinancing Indebtedness thereof that constitutes Senior Secured Debt will be deemed to have been Incurred under clause (1) of the definition of Permitted Debt and may not be reclassified.

The accrual of interest or dividends, the accretion or amortization of original issue discount, the payment of interest on any Indebtedness in the form of additional Indebtedness with the same terms, the reclassification of preferred stock as Indebtedness due to a change in accounting principles, and the payment of dividends on Disqualified Stock or preferred stock in the form of additional shares of the same class of Disqualified Stock or preferred stock and the reclassification of commitments or obligations not treated as Indebtedness due to a change in IFRS will not be deemed to be an Incurrence of Indebtedness or an issuance of Disqualified Stock for purposes of this covenant; *provided*, in each such case, that the amount of any such accrual, accretion or payment is included in Fixed Charges of the Issuer as accrued.

Notwithstanding any other provision of this covenant (including pursuant to any Permitted Refinancing Indebtedness permitted pursuant to this covenant), the maximum amount of Indebtedness that the Issuer or any Restricted Subsidiary may Incur pursuant to this covenant shall not be deemed to be exceeded solely as a result of fluctuations in exchange rates or currency values. Furthermore, notwithstanding anything in this covenant to the contrary, in the case of any Indebtedness Incurred to refinance Indebtedness initially Incurred in reliance on a clause of the second paragraph of this covenant measured by reference to a percentage of Consolidated Total Assets at the time of Incurrence, if such refinancing would cause the percentage of Consolidated Total Assets restriction to be exceeded if calculated based on the percentage of Consolidated Total Assets on the date of such refinancing, such percentage of Consolidated Total Assets restriction shall not be deemed to be exceeded so long as the principal amount of such refinancing Indebtedness does not exceed the principal amount of such Indebtedness being refinanced, plus premiums (including tender premiums), defeasance, costs and fees in connection with such refinancing.

For purposes of determining compliance with any euro-denominated restriction on the Incurrence of Indebtedness, the Euro Equivalent of the principal amount of Indebtedness denominated in another currency will be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was Incurred, in the case of term Indebtedness, or first committed, in the case of Indebtedness Incurred under a revolving credit facility; *provided* that (1) if such Indebtedness is Incurred to refinance other Indebtedness denominated in a currency other than euros, and such refinancing would cause the applicable euro-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such euro-denominated restriction will be deemed not to have been exceeded so long as the principal amount of such Permitted Refinancing Indebtedness does not exceed the principal amount of such Indebtedness being refinanced; (2) the Euro Equivalent of the principal amount of any such Indebtedness outstanding on the date of the Senior Secured Indenture will be calculated based on the relevant currency exchange rate in effect on the date of the Senior Secured Indenture; and (3) if and for so long as any such Indebtedness is subject to an agreement intended to protect against fluctuations in currency exchange rates with respect to the currency in which such Indebtedness is denominated covering principal and interest on such Indebtedness, the amount of such Indebtedness, if denominated other than in euros, will be the amount of the principal payment required to be made under such currency agreement and, otherwise, the Euro Equivalent of such amount plus the Euro Equivalent of any premium which is at such time due and payable but is not covered by such currency agreement.

For purposes of determining compliance with this covenant, with respect to Indebtedness Incurred under a Credit Facility, reborrowings of amounts previously repaid pursuant to "cash sweep" or "clean down" provisions or any similar provisions under a Credit Facility that provide that Indebtedness is deemed to be repaid periodically shall only be deemed for purposes of this covenant to have been Incurred on the date such Indebtedness was first Incurred and not on the date of any subsequent reborrowing thereof.

In the event that the Issuer or a Restricted Subsidiary enters into or increases commitments under a revolving credit facility, enters into any commitment to Incur or issue Indebtedness or commits to Incur any Lien pursuant to clause (21) of the definition of "*Permitted Liens*," the Incurrence or issuance thereof for all purposes under the Senior Secured Indenture, including without limitation for purposes of calculating the Fixed Charge Coverage Ratio, the Consolidated Net Senior Secured Leverage Ratio or the Consolidated Leverage Ratio, as applicable, or usage of clauses (1), (2), (4), (5), (9), (12), (14), (17), (19), (21) and (22) of the second paragraph of this covenant (if any) for borrowings and re-borrowings thereunder (and including issuance and creation of letters of credit and bankers' acceptances thereunder) will, at the Issuer's option, either (a) be determined on the date of such revolving credit facility or such entry into or increase in commitments (assuming that the full amount thereof has been borrowed as of such date) or other Indebtedness, Disqualified Stock or Preferred Stock, and, if such Fixed Charge Coverage Ratio, the Consolidated Net Senior Secured Leverage Ratio or the Consolidated Leverage Ratio, as applicable, test or other provision of the Senior Secured Indenture is satisfied with respect thereto at such time, any borrowing or re-borrowing thereunder (and the issuance and creation of letters of credit and bankers' acceptances thereunder) will be permitted under this covenant irrespective of the Fixed Charge Coverage Ratio, the Consolidated Net Senior Secured Leverage Ratio or the Consolidated Leverage Ratio, as applicable, or other provision of the Senior Secured Indenture at the time of such borrowing or re-borrowing (or issuance or creation of letters of credit or bankers' acceptances thereunder) (the committed amount permitted to be borrowed or reborrowed (and the issuance and creation of letters of credit and bankers' acceptances) on a date pursuant to the operation of this clause (a) shall be the "Reserved Indebtedness Amount" as of such date for purposes of the Fixed Charge Coverage Ratio, the Consolidated Net Senior Secured Leverage Ratio or the Consolidated Leverage Ratio, as applicable, and, to the extent of the usage of clauses (1) through (22) of the preceding paragraph (if any), shall be deemed to be Incurred and outstanding under such clauses) or (b) be determined on the date such amount is borrowed pursuant to any such facility or increased commitment, and in each case, the Issuer may revoke such determination at any time and from time to time.

The amount of any Indebtedness outstanding as of any date will be:

(1) the accreted value of the Indebtedness, in the case of any Indebtedness issued with original issue discount;

(2) the principal amount of the Indebtedness, in the case of any other Indebtedness; and

(3) in the case of Hedging Obligations, the net amount payable if such Hedging Obligations were terminated at that time due to default by such Person (after giving effect to any contractually permitted set-off);

(4) in respect of Indebtedness of another Person secured by a Lien on the assets of the specified Person, the lesser of:

(a) the Fair Market Value of such assets at the date of determination; and

(b) the amount of the Indebtedness of the other Person; and

(5) the principal amount of any Disqualified Stock of the Issuer or Preferred Stock of a Restricted Subsidiary will be equal to the greater of the maximum mandatory redemption or repurchase price (not including, in either case, any redemption or repurchase premium) or the liquidation preference thereof.

Financial Calculations

When calculating the availability under any basket or ratio under the Senior Secured Indenture, in each case in connection with any merger, acquisition, disposition, joint venture, Investment or other similar transaction, in each case where there is a time difference between commitment and closing or Incurrence (including in respect of Incurrence of Indebtedness, Restricted Payments and Permitted Investments), the date of determination of such basket or ratio and of any Default or Event of Default shall, at the option of the Issuer, be the date the definitive agreements for such merger, acquisition, disposition, joint venture, Investment or other similar transaction are entered into (or, in case of a transaction in the form of a tender or exchange offer in connection with which no definitive agreement is entered into with the target company, the date of such tender or exchange offer) and such baskets or ratios shall be calculated on a *pro forma* basis after giving effect to such merger, acquisition, disposition, joint venture, Investment or other similar transaction and the other transactions to be entered into in connection therewith (including any Incurrence of Indebtedness and the use of proceeds thereof) as if they occurred at the beginning of the applicable reference period for purposes of determining the ability to consummate any such transaction (and not for purposes of any subsequent availability of any basket or ratio), and, for the avoidance of doubt, (x) if any of such baskets or ratios are exceeded as a result of fluctuations in such basket or ratio (including due to fluctuations in Consolidated Cash Flow or Consolidated Total Assets or the share price or share value of any Person) subsequent to such date of determination and at or prior to the consummation of the relevant transaction, such baskets or ratios will not be deemed to have been exceeded as a result of such fluctuations solely for purposes of determining whether the transaction is permitted hereunder and (y) such baskets or ratios shall not be tested at the time of consummation of such transaction or related transactions; *provided*, that if the Issuer elects to have such determinations occur at the time of entry into such definitive agreement (or the time of such tender or exchange offer, as the case may be), any such transactions (including any Incurrence of Indebtedness and the use of proceeds thereof) shall be deemed to have occurred on the date the definitive agreements are entered (or the date of such tender or exchange offer, as the case may be) and outstanding thereafter for purposes of calculating any baskets or ratios under the Senior Secured Indenture after the date of such agreement (or tender or exchange offer, as the case may be) and before the consummation of such transaction.

No Layering of Debt

Neither the Issuer nor any Guarantor will Incur any Indebtedness (including Permitted Debt) that is contractually subordinated in right of payment to any other Indebtedness of the Issuer or such Guarantor unless such Indebtedness is also contractually subordinated in right of payment to the Senior Secured Notes and the applicable Note Guarantee on substantially identical terms. No such Indebtedness will be considered to be subordinate or junior in right of payment to any other Indebtedness by reason of any Liens or guarantees arising or created in respect of such other Indebtedness or by virtue of the fact that holders of any secured Indebtedness have entered into intercreditor agreements giving one or more holders priority over other holders in the collateral held by them.

Additional Note Guarantees

The Issuer will not permit any of its Restricted Subsidiaries, directly or indirectly, to Guarantee any other Indebtedness of the Issuer (other than the Senior Secured Notes) or a Guarantor (other than a Guarantee of the Senior Secured Notes and other than Indebtedness Incurred pursuant to clause (17) of the definition of Permitted Debt) unless such Restricted Subsidiary simultaneously executes and delivers a supplemental indenture providing for the Note Guarantee of the payment of the Senior Secured Notes by such Restricted Subsidiary, which Note Guarantee will be senior to or *pari passu* with such Restricted Subsidiary's Guarantee of such other Indebtedness.

The first paragraph of this covenant will not be applicable to any guarantees of any Restricted Subsidiary:

(1) that existed at the time such Person became a Restricted Subsidiary if the guarantee was not Incurred in connection with, or in contemplation of, such Person becoming a Restricted Subsidiary; or

(2) arising solely due to the granting of a Permitted Lien that would not otherwise constitute a guarantee of Indebtedness of the Issuer.

On or before the date falling 60 days after receipt by the Trustee of each set of annual financial statements required to be delivered pursuant to the covenant described under "*—Reports*," the Issuer shall cause such Restricted Subsidiaries as are necessary to ensure that the aggregate of earnings before interest, tax, depreciation and amortization of the Issuer and any Guarantors (calculated on the same basis as Consolidated Cash Flow taking each entity on an unconsolidated basis and excluding all intra-group items) for the most recently ended fiscal year exceeds 55% of the Consolidated Cash Flow of the Issuer (the "Coverage Percentage") over the same fiscal year (the "Coverage Test") to:

(i) execute and deliver to the Trustee a supplemental indenture in the form attached to the Senior Secured Indenture pursuant to which such Restricted Subsidiary will provide a Note Guarantee; and

(ii) accede as a party to the Intercreditor Agreement or any Additional Intercreditor Agreement.

No Note Guarantee shall be required if such Note Guarantee could reasonably be expected to give rise to or result in (A) personal liability for the officers, directors or shareholders of the Issuer or such Restricted Subsidiary, (B) any violation of applicable law that cannot be avoided or otherwise prevented through measures reasonably available to the Issuer or such Restricted Subsidiary, including, for the avoidance of doubt, "whitewash" or similar procedures or (C) any significant cost, expense, liability or obligation (including with respect of any Taxes) other than reasonable out-of-pocket expenses and other than reasonable expenses Incurred in connection with any governmental or regulatory filings required as a result of, or any measures pursuant to clause (B) undertaken in connection with, such Note Guarantee, which cannot be avoided through measures reasonably available to the Issuer or the Restricted Subsidiary.

The Note Guarantee of a Guarantor will automatically and unconditionally be released:

(1) in connection with any sale, disposition or transfer of all or substantially all of the assets of that Guarantor or a Parent of that Guarantor other than the Issuer (including by way of merger, amalgamation, combination or consolidation) to a Person that is not (either before or after giving effect to such transaction) the Issuer or a Restricted Subsidiary of the Issuer, if the sale or other disposition does not violate the "Asset Sale" provisions of the Senior Secured Indenture;

(2) in connection with any sale, disposition or transfer of all of the Capital Stock of that Guarantor (or Capital Stock of a Parent of the relevant Guarantor (other than the Issuer)) to a Person that is not (either before or after giving effect to such transaction) the Issuer or a Restricted Subsidiary of the Issuer or a direct or indirect Parent of the Issuer, if the sale or other disposition does not violate the "Asset Sale" provisions of the Senior Secured Indenture;

(3) if the Issuer designates any Restricted Subsidiary that is a Guarantor (or designates a Parent of such Guarantor) to be an Unrestricted Subsidiary in accordance with the applicable provisions of the Senior Secured Indenture;

(4) upon repayment in full of the Senior Secured Notes;

(5) upon legal defeasance or satisfaction and discharge of the Senior Secured Indenture as provided below under the captions "*—Legal Defeasance and Covenant Defeasance*" and "*—Satisfaction and Discharge*;"

(6) as described under "*—Amendment, Supplement and Waiver*;"

(7) in the case of any Restricted Subsidiary that after the date of the Senior Secured Indenture is required to provide a Guarantee pursuant to the first paragraph of the covenant described under "*—Additional Note Guarantees*," upon the release or discharge of the guarantee of Indebtedness by such Restricted Subsidiary which resulted in the obligation to provide such Guarantee so long as no other Indebtedness is at that time guaranteed by the relevant Restricted Subsidiary that would result in the requirement that such Guarantor provide a Guarantee pursuant to the covenant described under the caption "*—Additional Note Guarantees*;" or

(8) in the case of a Note Guarantee given by a Guarantor pursuant to the third paragraph of this covenant, if, after giving *pro forma* effect to such release, the Coverage Test would continue to be satisfied for the most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date of the release.

Upon any release of a Note Guarantee contemplated under this "*—Additional Note Guarantees*" section, the Trustee shall execute any documents reasonably required in order to evidence such release, discharge and termination in respect of such Note Guarantee.

Each Note Guarantee provided pursuant to the provisions of this covenant will be limited to the maximum amount that can be guaranteed by such Guarantor without rendering such Guarantee void, voidable or unenforceable under applicable law or as otherwise necessary to recognize certain defenses generally available to guarantors (including those that relate to fraudulent conveyance or transfer, voidable preference, financial assistance, corporate purpose, corporate benefit, capital maintenance or similar laws, regulations or defenses affecting the rights of creditors generally) or other considerations under applicable law, including the liability of directors and officers.

The Issuer will be permitted after the Issue Date to cause additional Restricted Subsidiaries to become Guarantors under the Senior Secured Indenture that are not required at such time to become Guarantors pursuant to the first or third paragraph of this covenant (such Guarantors "Optional Guarantors"). The Issuer will be entitled to release any such Optional Guarantor from its Note Guarantee provided (x) no Default or Event of Default would be in existence following such a release; (y) there is no Indebtedness of such Guarantor outstanding which was Incurred after the Issue Date and which could not have been Incurred under the covenant described under the caption "*—Incurrence of Indebtedness and Issuance of Permitted Stock*" as at the date of such release if such Guarantor were not designated as a Guarantor as at that date and (z) such Optional Guarantor is not at the time of the proposed release otherwise required to be a Guarantor pursuant to this covenant. Upon any release of a Note Guarantee contemplated under this "*Additional Note Guarantees*" section, the Trustee shall execute any documents reasonably required in order to evidence such release, discharge and termination in respect of such Note Guarantee.

Limitation on Liens

The Issuer will not and will not permit any of the Restricted Subsidiaries to, directly or indirectly, create, Incur, assume or suffer to exist any Lien of any kind securing Indebtedness of the Issuer or any Restricted Subsidiary of the Issuer upon any of their property or assets, now owned or hereafter acquired, except (1) in the case of any property or asset that does not constitute Collateral (a) Permitted Liens, or (b) if such Lien (the "Initial Lien") is not a Permitted Lien, to the extent that all payments due under the Senior Secured Indenture, the Senior Secured Notes and the Note Guarantees, as the case may be, are secured on an equal and ratable basis (or in the case of Indebtedness which is subordinated in right of payment to the Senior Secured Notes or any Note Guarantees (as the case may be), prior or senior thereto with the same relative priority as the Senior Secured Notes or such Note Guarantee, as applicable, shall have with respect to such subordinated Indebtedness) with the obligations so secured and (2) in the case of any property or asset that constitutes Collateral, Permitted Collateral Liens.

The Issuer will not, and will not cause or permit any of its Restricted Subsidiaries to, Incur any Indebtedness that is secured by a Lien upon any of the Principals' or their Related Parties' respective Equity Interests in the Issuer, now owned or hereafter acquired, except for Liens securing the Senior Secured Notes on a first-priority basis and (if the Senior Secured Notes are so secured) other Permitted Collateral Liens.

Any Lien created for the benefit of the Holders of Senior Secured Notes shall provide by its terms that such Lien shall be automatically and unconditionally released and discharged upon (or where not automatically

released and discharged, the Person having granted such security will be entitled to seek such Liens' unconditional release and discharge) under any one or more of the following circumstances:

(1) the release and discharge of the Initial Lien to which it relates;

(2) upon the sale, disposition or transfer of the assets which are subject to such Liens (including by way of merger, consolidation, amalgamation or combination) to a Person that is not (either before or after giving effect to such transaction), the Issuer or a Restricted Subsidiary of the Issuer, if such sale, disposition or transfer does not violate the provisions set forth under "*—Repurchase at the Option of Holders—Asset Sales*;"

(3) upon the sale, disposition or transfer of Capital Stock of the Restricted Subsidiary that has granted such Liens (or Capital Stock of a Parent of the relevant Restricted Subsidiary (other than the Issuer)) to a Person that is not (either before or after giving effect to such transaction) the Issuer or a Restricted Subsidiary of the Issuer, if (i) after giving effect to such sale, disposition or transfer, such Person is no longer a Restricted Subsidiary of the Issuer and (ii) the sale, disposition or transfer does not violate the provisions set forth under "*—Repurchase at the Option of Holders—Asset Sales*;"

(4) upon the defeasance or discharge of the Senior Secured Notes as provided in "*—Legal Defeasance and Covenant Defeasance*" or "*—Satisfaction and Discharge*," in each case, in accordance with the terms of the Senior Secured Indenture;

(5) if the relevant Restricted Subsidiary is designated as an Unrestricted Subsidiary (or is a Subsidiary of such designated Subsidiary) and such designation complies with the other applicable provisions of the Senior Secured Indenture (in which case, for the avoidance of doubt, such release will be of the property and assets (as well as any Equity Interests and Indebtedness) of such Restricted Subsidiary);

(6) upon full and final repayment of the Senior Secured Notes; and

(7) in accordance with the captions below entitled "*—Certain Covenants—Impairment of Security Interest*" and "*—Amendment, Supplement and Waiver*."

Upon any occurrence giving rise to a release and discharge of a Lien created for the benefit of the Holders pursuant to the third paragraph, as specified above, the Security Agent, subject to receipt of an officer's certificate certifying that the event or circumstance in question has occurred, will execute any documents reasonably required in order to evidence or effect such release and discharge in respect of such Lien.

A Lien shall be deemed to rank equally with another Lien notwithstanding (i) any different preference or hardening period applicable thereto, (ii) any other difference in priority so long as an "assignment of ranking" or other sharing arrangement has been entered into by or for the benefit of beneficiaries of each such Lien or (iii) any difference in validity or enforceability.

Dividend and Other Payment Restrictions Affecting Subsidiaries

The Issuer will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to:

(1) pay dividends or make any other distributions on its Capital Stock to the Issuer or any of its Restricted Subsidiaries, or with respect to any other interest or participation in, or measured by, its profits, or pay any indebtedness owed to the Issuer or any of its Restricted Subsidiaries;

(2) make loans or advances to the Issuer or any of its Restricted Subsidiaries; or

(3) sell, lease or transfer any of its properties or assets to the Issuer or any of its Restricted Subsidiaries,

provided, that (x) the priority of any preferred stock in receiving dividends or liquidating distributions prior to dividends or liquidating distributions being paid on common stock and (y) the subordination of (including the application of any standstill period to) loans or advances made to the Issuer or any Restricted Subsidiary to other Indebtedness Incurred by the Issuer or any Restricted Subsidiary, in each case, shall not be deemed to constitute such an encumbrance or restriction.

However, the preceding restrictions will not apply to encumbrances or restrictions existing under or by reason of:

(1) agreements governing Existing Indebtedness, Capital Lease Obligations and Credit Facilities as in effect on the date of the Senior Secured Indenture and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements; *provided* that such amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings are not materially more restrictive, taken as a whole, with respect to such dividend and other payment restrictions than those contained in those agreements on the Issue Date or would not, in the good faith determination of the Issuer, materially impair the ability to (a) make payments of amounts due in respect of the Senior Secured Notes or (b) comply with the respective obligations of the Issuer under the Senior Secured Notes or the Senior Secured Indenture (as, in each case, determined in good faith by a responsible accounting or financial officer of the Issuer);

(2) the Senior Secured Notes, the New Senior Subordinated Notes, the Existing Notes, and, in each case, the related indenture and Security Documents, as applicable;

(3) applicable law, rule, regulation, order, approval, license, authorization, permit or concession or any similar restriction or other control by any government or governmental authority;

(4) any instrument or agreement governing Indebtedness or Capital Stock of a Person acquired by the Issuer or any of its Restricted Subsidiaries as in effect at the time of such acquisition (except to the extent such Indebtedness or Capital Stock was Incurred or issued in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired; *provided* that, in the case of Indebtedness, such Indebtedness was permitted by the terms of the Senior Secured Indenture to be Incurred;

(5) customary non-assignment provisions or subletting restrictions in contracts, leases and licenses entered into in the ordinary course of business;

(6) purchase money obligations for property (including Capital Stock) acquired in the ordinary course of business and Capital Lease Obligations that impose restrictions on the property purchased or leased of the nature described above in clause (3) of the preceding paragraph;

(7) any agreement for the sale or other disposition of the Capital Stock or assets of a Restricted Subsidiary that restricts distributions by that Restricted Subsidiary pending closing of the sale or other disposition;

(8) Permitted Refinancing Indebtedness; *provided* that the restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are not materially more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced (as determined in good faith by a responsible accounting or financial officer of the Issuer);

(9) Liens permitted to be Incurred under the provisions of the covenant described above under the caption "*—Limitation on Liens*" that limit the right of the debtor to dispose of the assets subject to such Liens;

(10) customary provisions limiting the disposition or distribution of assets or property or transfer of Capital Stock in joint venture agreements, limited liability company organizational documents, asset sale agreements, sale-leaseback agreements, stock sale agreements, minority shares arrangements and other similar agreements entered into (A) in the ordinary course of business, consistent with past practice or (B) with the approval of the Issuer's Board of Directors, which limitation is applicable only to the assets, property or Capital Stock that are the subject of such agreements;

(11) restrictions on cash, Cash Equivalents, Government Guaranteed Securities or other deposits or net worth imposed by customers, suppliers or lessors or required by insurance, surety or bonding companies under contracts or leases entered into in the ordinary course of business;

(12) any agreement or instrument relating to Indebtedness permitted to be Incurred after the date of the Senior Secured Indenture under the covenant entitled "*—Incurrence of Indebtedness and Issuance of Preferred Stock*"; *provided, however*, that such encumbrance or restriction is not materially more disadvantageous to the Holders of the Senior Secured Notes than is customary in comparable financings (as determined in good faith by a responsible accounting or financial officer of the Issuer) and either (x) a responsible accounting or financial officer of the Issuer determines that such encumbrance or restriction will not materially affect the Issuer's ability to make principal or interest payments on the Senior Secured Notes as and when they come due or (y) such encumbrance or restriction applies only if a default occurs in respect of a payment or financial covenant relating to such Indebtedness;

(13) Hedging Obligations entered into from time to time for *bona fide* hedging purposes of the Issuer and its Restricted Subsidiaries;

(14) encumbrances on property that exist at the time the property was acquired by the Issuer or a Restricted Subsidiary of the Issuer provided such encumbrance was not created in anticipation of such acquisition;

(15) any encumbrances or restrictions imposed by any amendments or refinancings of the contracts, instruments or obligations referred to in clauses (1) through (14) above; *provided* that such amendments or refinancings are not materially more restrictive, taken as a whole, than such encumbrances and restrictions prior to such amendment or refinancing (as determined in good faith by a responsible accounting or financial officer of the Issuer); and

(16) restrictions created in connection with any Qualified Securitization Financing or Permitted Recourse Receivables Financing that, in the good faith determination of the Issuer, are necessary or advisable to effect such Qualified Securitization Financing or Permitted Recourse Receivables Financing.

Merger, Consolidation or Sale of Assets

The Issuer

The Issuer will not, directly or indirectly: (1) consolidate or merge with or into another Person (whether or not the Issuer is the surviving corporation); or (2) sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of the Issuer and its Restricted Subsidiaries taken as a whole, in one or more related transactions, to another Person. The previous sentence will not apply if at the time and immediately after giving effect to any such transaction or series of transactions:

(1) either: (a) the Issuer is the surviving corporation; or (b) the Person formed by or surviving any such consolidation or merger (if other than the Issuer) or to which such sale, assignment, transfer, conveyance or other disposition has been made is a corporation organized or existing under the laws of any European Union Member State, Switzerland, Norway, Canada or the United States, any state of the United States or the District of Columbia;

(2) the Person formed by or surviving any such consolidation or merger (if other than the Issuer) or the Person to which such sale, assignment, transfer, conveyance or other disposition has been made assumes all the obligations of the Issuer under the Senior Secured Notes, the Senior Secured Indenture, the Intercreditor Agreement, any Additional Intercreditor Agreement and the Security Documents;

(3) immediately after giving effect to such transaction or series of transactions, no Default or Event of Default will have occurred and be continuing;

(4) the Issuer or the Person formed by or surviving any such consolidation or merger (if other than the Issuer), or to which such sale, assignment, transfer, conveyance or other disposition has been made would, on the date of such transaction after giving *pro forma* effect thereto and any related financing transactions as if the same had occurred at the beginning of the applicable four-quarter period (i) be permitted to Incur at least €1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in clause (a) of the first paragraph of the covenant described above under the caption "*—Incurrence of Indebtedness and Issuance of Preferred Stock*" or (ii) have a Fixed Charge Coverage Ratio no less than it was immediately prior to giving effect to such transaction; and

(5) the Issuer shall have delivered to the Trustee an officers' certificate and an opinion of counsel, each to the effect that such consolidation, merger or transfer and, in the event of a successor to the Issuer, supplemental indenture and other customary agreements (if any) comply with the Senior Secured Indenture and an opinion of counsel to the effect that such supplemental indenture and other customary agreements (if any) have been duly authorized, executed and delivered and are the legal, valid and binding agreements enforceable against the successor to the Issuer (in each case, in form and substance reasonably satisfactory to the Trustee), *provided* that in giving an opinion of counsel, counsel may rely on an officers' certificate as to any matters of fact.

Any Indebtedness that becomes an obligation of the Issuer or any Restricted Subsidiary (or that is deemed to be Incurred by any Person that becomes a Restricted Subsidiary) as a result of any such consolidation or merger or sale, assignment, transfer, lease, conveyance, or other disposition, in each case, undertaken in compliance with this covenant, and any Permitted Refinancing Indebtedness with respect thereto, shall be deemed to have been Incurred in compliance with the covenant described under "*—Incurrence of Indebtedness and Issuance of Preferred Stock*," *provided* that such Indebtedness was originally Incurred in compliance with the Senior Secured Notes Indenture.

For purposes of this covenant, the sale, lease, conveyance, assignment, transfer or other disposition of all or substantially all of the properties and assets of one or more Subsidiaries of the Issuer, which properties and assets, if owned by the Issuer instead of such Subsidiaries, would constitute all or substantially all of the properties and assets of the Issuer on a consolidated basis, shall be deemed to be the transfer of all or substantially all of the properties and assets of the Issuer, as applicable.

The successor Issuer will succeed to, and be substituted for, and may exercise every right and power of, the Issuer under the Senior Secured Indenture but in the case of a lease of all or substantially all its assets, the predecessor company will not be released from its obligations under the Senior Secured Indenture or the Senior Secured Notes.

Although there is a limited body of case law interpreting the phrase "all or substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstance there may be a degree of uncertainty as to whether a particular transaction would involve "all or substantially all" of the property or assets of a Person.

This "Merger, Consolidation or Sale of Assets" covenant will not apply to:

(1) a merger of the Issuer with an Affiliate solely for the purpose of reincorporating the Issuer in another jurisdiction or changing the legal form of the Issuer; or

(2) any consolidation or merger, or any sale, assignment, transfer, conveyance, lease or other disposition of assets between or among the Issuer and its Restricted Subsidiaries.

The Guarantors

A Guarantor may not sell or otherwise dispose of all or substantially all of its properties or assets to, or consolidate with or merge with or into (whether or not such Guarantor is the surviving Person), another Person, other than the Issuer or another Guarantor, unless:

(1) immediately after giving effect to that transaction or series of related transactions, no Default or Event of Default exists; and

(2) (i) either (x) such Guarantor is the surviving entity or (y) the Person formed by or surviving any such consolidation or merger or the Person to which such sale, assignment, transfer, conveyance or other disposition has been made is either the Issuer or a Restricted Subsidiary of the Issuer that assumes all the obligations of such Guarantor under the Senior Secured Indenture by supplemental indenture executed and delivered to the Trustee and under the Intercreditor Agreement, any Additional Intercreditor Agreement and the Security Documents, as applicable, by customary agreements; or (ii) the transaction constitutes a sale or other disposition (including by way of consolidation or merger) of the Guarantor or the sale or disposition of all or substantially all the assets of the Guarantor (in each case other than to the Issuer or a Restricted Subsidiary) otherwise permitted by and conducted in compliance with the provisions of the covenant described above under the caption "*—Repurchase at the Option of Holders—Asset Sales*," *provided* that the Note Guarantee will be permitted to be released pursuant to clause (2) of the fifth paragraph of the covenant described under the caption "*—Additional Note Guarantees*" in connection with such a transaction; and

(3) the Issuer shall have delivered to the Trustee an officer's certificate and an opinion of counsel, each stating that such merger or consolidation and such supplemental indenture and each such amendment comply with this covenant.

The paragraph above will not apply to:

(1) a merger of the Guarantor with an Affiliate solely for the purpose of reincorporating the Guarantor in another jurisdiction; or

(2) the merger, consolidation with, liquidation into or transfer of all or substantially all of the properties and assets of any Guarantor to the Issuer or another Guarantor.

Transactions with Affiliates

The Issuer will not, and will not permit any of its Restricted Subsidiaries to, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend, in any material respect, any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Issuer (each, an "Affiliate Transaction"), involving aggregate consideration in any single Affiliate Transaction or series of related Affiliate Transactions in excess of €20.0 million unless:

(1) the Affiliate Transaction is on terms that are not materially less favorable to the Issuer or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction on an arm's-length basis by the Issuer or such Restricted Subsidiary with an unrelated Person;

(2) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of €40.0 million, the Issuer delivers to the Trustee a resolution of the majority of the Disinterested Members (or, if there is only one Disinterested Member, such Disinterested Member) set forth in an officers' certificate certifying that such Affiliate Transaction complies with this covenant; and

(3) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of €40.0 million in which there is no such Disinterested Member, a written opinion of an accounting, appraisal or investment banking firm of international standing, or other recognized independent expert of international standing with experience appraising the terms and conditions of the type of transaction or series of related transactions for which an opinion is required, stating that the transaction or series of related transactions is (i) fair to the Issuer or the relevant Restricted Subsidiary from a financial point of view taking into account all relevant circumstances or (ii) on terms not materially less favorable, taken as a whole, than might have been obtained in a comparable transaction at such time on an arm's length basis from a Person who is not an Affiliate.

The following items will not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of the prior paragraph:

(1) any employment agreement, collective bargaining agreement, employee benefit plan, officer or director indemnification agreement, including any stock option, stock appreciation rights, stock incentive or similar plans, or any similar arrangement entered into by the Issuer or any of its Restricted Subsidiaries in the ordinary course of business or consistent with past practice and payments or other transactions pursuant thereto;

(2) transactions (including a merger) between or among the Issuer and/or any of its Restricted Subsidiaries;

(3) transactions with a Person (other than an Unrestricted Subsidiary of the Issuer) that is an Affiliate of the Issuer solely because the Issuer owns, directly or through a Restricted Subsidiary, an Equity Interest in, or controls, such Person;

(4) payment of reasonable fees to and reimbursements of expenses and indemnity provided on behalf of officers, directors, employees or consultants;

(5) any transaction between or among the Issuer and/or its Restricted Subsidiaries and any joint venture (a) pursuant to the terms of the respective joint venture agreement, (b) in the ordinary course of business or (c) which are fair to the Issuer or the relevant Restricted Subsidiary in the reasonable determination of the Board of Directors of the Issuer or the senior management of the Issuer or the Restricted Subsidiary, as applicable, or are on terms no less favorable (taking into account the costs and benefits of associated with such transactions) than those that could reasonably have been obtained at such time from an unaffiliated Person;

(6) any issuance or sale of Equity Interests (other than Disqualified Stock) of the Issuer to Affiliates of the Issuer or to any director, officer, employee or consultant of the Issuer or receipt of cash capital contributions from Affiliates of the Issuer in exchange for Equity Interests of the Issuer (other than Disqualified Stock) and the Incurrence of Subordinated Shareholder Debt;

(7) Restricted Payments that do not violate the provisions of the Senior Secured Indenture described above under the caption "*—Restricted Payments*" and Permitted Investments (other than Permitted Investments described in clauses (3), (13), (15) or (16) of the definition thereof);

(8) transactions with customers, clients, lenders, suppliers or purchasers or sellers or other providers of goods or services or providers of employees or other labor, or lessors or lessees of property, in each case in the ordinary course of business and otherwise in compliance with the terms of the Senior Secured Indenture that are fair to the Issuer or the Restricted Subsidiaries, or are on terms at least as favorable as might reasonably have been obtained at such time from an unaffiliated Person in each case, as determined by a responsible accounting or financial officer of the Issuer or the senior management thereof;

(9) Management Advances;

(10) (a) pledges of Equity Interests or Indebtedness of Unrestricted Subsidiaries and joint ventures for the benefit of lenders thereto; (b) guarantees of performance by the Issuer and its Restricted Subsidiaries of the Issuer's Unrestricted Subsidiaries in the ordinary course of business (as determined in good faith by a responsible accounting officer of the Issuer), except for guarantees of Indebtedness in respect of borrowed money, and (c) to the extent constituting Affiliate Transactions, transactions with charities and charitable foundations or with or that form part of community or social or environmental projects or initiatives;

(11) if such Affiliate Transaction, following an Initial Public Offering, is with a Person in its capacity as a holder of Capital Stock of the Issuer or any Restricted Subsidiary where such Person is treated no more favorably than the holders of Capital Stock of the Issuer or any Restricted Subsidiary;

(12) transactions effected pursuant to or contemplated by agreements or arrangements in effect or entered into on the date of the Senior Secured Indenture and any amendments, modifications or replacements of such agreements or arrangements (so long as such amendments, modifications or replacements are not materially more disadvantageous to the Holders of the Senior Secured Notes, taken as a whole, than the original agreements or arrangements as in effect on or entered into on the date of the Senior Secured Indenture) (as determined in good faith by a responsible accounting or financial officer of the Issuer);

(13) transactions effected pursuant to or contemplated by agreements or arrangements between any Person and an Affiliate of such Person existing at the time such Person is acquired by, merged into or amalgamated, arranged or consolidated with the Issuer or any of its Restricted Subsidiaries; *provided* that such agreements or arrangements were not entered into in contemplation of such acquisition, merger, amalgamation, arrangement or consolidation, and any amendments, modifications or replacements of such agreements or arrangements (so long as such amendments, modifications or replacements are not materially more disadvantageous to the Holders of the Senior Secured Notes, taken as a whole, than the original agreements or arrangements as in effect on the date of such acquisition, merger, amalgamation, arrangement or consolidation) (as determined in good faith by a responsible accounting or financial officer of the Issuer);

(14) Hedging Obligations entered into from time to time for *bona fide* hedging purposes of the Issuer and the Restricted Subsidiaries and the unwinding of any Hedging Obligations;

(15) execution, delivery and performance of any consolidated group arrangements for tax or accounting purposes, *provided* that any payments to be made pursuant to such arrangements are made in compliance with the covenant as set forth in "— *Restricted Payments*;"

(16) transactions in which the Issuer or any Restricted Subsidiary, as the case may be, delivers to the Trustee a written opinion of an accounting, appraisal or investment banking firm of international standing, or other recognized independent expert of international standing with experience appraising the terms and conditions of the type of transaction or series of related transactions for which an opinion is required, stating that such transaction or series of related transactions (i) is fair to the Issuer or such Restricted Subsidiary, as applicable, from a financial point of view taking into account all relevant circumstances or (ii) meets the requirements of clause (1) of the preceding paragraph; and

(17) any transaction effected as part of a Qualified Securitization Financing or any disposition or repurchase of Securitization Assets or related assets in connection with any Qualified Securitization Financing.

Impairment of Security Interest

The Issuer will not, and will not cause or permit any of its Restricted Subsidiaries to take or knowingly or negligently omit to take, any action which action or omission would have the result of materially impairing any Security Interest with respect to the Collateral (it being understood that the Incurrence of Liens on the Collateral permitted by the definition of Permitted Collateral Liens shall under no circumstances be deemed to materially impair Security Interests with respect to the Collateral) for the benefit of the Security Agent on behalf of the Trustee and the Holders of Senior Secured Notes and the Issuer will not, and will not cause or permit any of its Restricted Subsidiaries to, grant to any Person other than the Security Agent on behalf of the Trustee and the Holders of Senior Secured Notes and the other beneficiaries described in the Security Documents, the Intercreditor Agreement and any Additional Intercreditor Agreement any interest whatsoever in any of the Collateral; *provided* that:

(a) nothing in this provision shall restrict the discharge or release of the Collateral in accordance with the Senior Secured Indenture, the Security Documents, the Intercreditor Agreement and any Additional Intercreditor Agreement, and

(b) the Issuer and its Restricted Subsidiaries may Incur Permitted Collateral Liens,

provided further, that no Security Document may be amended, extended, renewed, restated, supplemented or otherwise modified, replaced or released (followed by an immediate retaking of a Lien of at least equivalent ranking over the same assets) unless contemporaneously with such amendment, extension, replacement, restatement, supplement, modification, renewal or release (followed by an immediate retaking of a Lien of at least equivalent ranking over the assets), the Issuer delivers to the Trustee and the Security Agent one of the following:

(1) a solvency opinion from an internationally recognized investment bank or accounting firm confirming the solvency of the Issuer and its Subsidiaries, taken as a whole, after giving effect to any transactions related to such amendment, extension, restatement, renewal, supplement, modification, replacement or release and retaking;

(2) a certificate from the board of directors of the relevant Person (acting in good faith) that confirms the solvency of the Person granting such Lien after giving effect to any transactions related to such amendment, extension, renewal, restatement, replacement, supplement, modification or release and retaking; or

(3) an opinion of counsel (subject to customary exceptions and qualifications), confirming that, after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, modification, replacement or release and retaking, the Lien or Liens securing the Senior Secured Notes created under the Security Documents so amended, extended, renewed, restated, supplemented, modified, replaced or released and retaken are valid and perfected Liens not otherwise subject to any limitation imperfection or new hardening period, in equity or at law, and that such Lien or Liens were not otherwise subject to immediately prior to such amendment, extension, renewal, restatement, supplement, modification, replacement or release and retaking.

At the written direction of the Issuer and without the consent of the Holders of Senior Secured Notes (subject to compliance with the first paragraph of this covenant), the Security Agent may from time to time enter into one or more amendments, extensions, renewals, restatements, supplements, modification, replacement or release and retaking in connection with the Security Documents or enter into additional or supplemental Security Documents to: (i) cure any ambiguity, omission, defect, manifest error or inconsistency therein, (ii) provide for Permitted Collateral Liens, (iii) add to the Collateral, (iv) comply with the terms of the Intercreditor Agreement or any Additional Intercreditor Agreement, (v) evidence the succession of another Person to the Issuer or any Guarantor and the assumption by such successor of the obligations under the Senior Secured Notes Indenture, the Senior Secured Notes, the Intercreditor Agreement, any Additional Intercreditor Agreement and the Security Documents, in each case, including in accordance with "*—Merger, Consolidation or Sale of Assets*", (vi) evidence or provide for the appointment of a successor Trustee or Security Agent or (vii) make any other change thereto that does not adversely affect the rights of the Holders of Senior Secured Notes in any material respect. In the event that the Issuer complies with this covenant, the Trustee and/or the Security Agent, as applicable, shall (subject to customary protections and indemnifications) take all action

necessary to effect such amendment, extension, renewal, restatement, supplement, modification, replacement or release with no need for instructions from the Holders; *provided* that such amendment, extension, renewal, restatement, supplement, modification, replacement or release will not impose any personal obligations on the Trustee or the Security Agent or adversely affect the rights, duties, liabilities or immunities of the Trustee or the Security Agent.

Further Assurances

The Issuer will, and will procure that each of its Subsidiaries will, at its own expense, execute and do all such acts and things and provide such assurances as the Security Agent may reasonably require (i) for registering any Security Documents in any required register and for perfecting or protecting any Security Interests intended to be afforded or created by such Security Documents; and (ii) if such Security Documents have become enforceable, for facilitating the realization of all or any part of the assets which are subject to such Security Documents and for facilitating the exercise of all powers, authorities and discretions vested in the Security Agent or in any receiver of all or any part of those assets. The Issuer will, and will procure that each of its Subsidiaries will, execute all transfers, conveyances, assignments and releases of that property whether to the Security Agent or to its nominees and give all notices, orders and directions which the Security Agent may reasonably request.

Designation of Restricted and Unrestricted Subsidiaries

The Board of Directors of the Issuer may designate any Restricted Subsidiary to be an Unrestricted Subsidiary if that designation would not cause a Default. If a Restricted Subsidiary is designated as an Unrestricted Subsidiary, the aggregate Fair Market Value of all outstanding Investments owned by the Issuer and its Restricted Subsidiaries in the Subsidiary designated as an Unrestricted Subsidiary will be deemed to be an Investment made as of the time of the designation and will reduce the amount available for Restricted Payments under the covenant described above under the caption "*—Restricted Payments*" or under one or more clauses of the definition of Permitted Investments, as determined by the Issuer. That designation will only be permitted if the Investment would be permitted at that time and if the Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. The Board of Directors of the Issuer may redesignate any Unrestricted Subsidiary to be a Restricted Subsidiary if that redesignation would not cause a Default.

Any designation of a Restricted Subsidiary of the Issuer as an Unrestricted Subsidiary will be evidenced to the Trustee by filing with the Trustee a certified copy of a resolution of the Board of Directors of the Issuer giving effect to such designation and an officer's certificate certifying that such designation complied with the preceding conditions and was permitted by the covenant described above under the caption "*—Restricted Payments*." If, at any time, any Unrestricted Subsidiary would fail to meet the preceding requirements as an Unrestricted Subsidiary, it will thereafter cease to be an Unrestricted Subsidiary for purposes of the Senior Secured Indenture and any Indebtedness of such Subsidiary will be deemed to be Incurred by a Restricted Subsidiary of the Issuer as of such date and, if such Indebtedness is not permitted to be Incurred as of such date under the covenant described under the caption "*—Incurrence of Indebtedness and Issuance of Preferred Stock*," the Issuer will be in default of such covenant. The Board of Directors of the Issuer may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary of the Issuer; *provided* that such designation will be deemed to be an Incurrence of Indebtedness by a Restricted Subsidiary of the Issuer of any outstanding Indebtedness of such Unrestricted Subsidiary, and such designation will only be permitted if (1) such Indebtedness is permitted under the covenant described under the caption "*—Incurrence of Indebtedness and Issuance of Preferred Stock*," calculated on a *pro forma* basis taking into account such designation as if such designation had occurred at the beginning of the applicable reference period; and (2) no Default or Event of Default would be in existence following such designation.

Listing of the Senior Secured Notes

The Issuer will use its commercially reasonable efforts to list and maintain the listing of the Senior Secured Notes on the Luxembourg Stock Exchange and to admit the Senior Secured Notes to trading on the Euro MTF market of the Luxembourg Stock Exchange *provided*, *however*, that if the Issuer is unable to list the Senior Secured Notes on the Luxembourg Stock Exchange or if maintenance of such listing becomes unduly onerous, it will use its commercially reasonable efforts to maintain a listing of such Senior Secured Notes on another "recognized stock exchange" as defined in Section 1005 of the Income Tax Act 2007 of the United Kingdom.

Reports

So long as any Senior Secured Notes are outstanding, the Issuer will furnish to the Trustee and make available to the Holders of Senior Secured Notes and potential investors:

(1) commencing with the fiscal year ending December 31, 2019, within 120 days after each fiscal year of the Issuer: (a) an operating and financial review of the audited financial statements, including a discussion of the results of operations, financial condition and liquidity and capital sources and a discussion of material commitments and contingencies and critical accounting policies, (b) a description of the business, management and shareholders of the Issuer, all material affiliate transactions, indebtedness and material financing arrangements, (c) material risk factors and material recent developments; (d) *pro forma* income statement and balance sheet information of the Issuer, together with explanatory footnotes for any acquisition or disposition that individually represents 20% or more of the consolidated revenues, earnings before interest, taxation, depreciation and amortization, or assets of the Issuer on a *pro forma* basis in each case unless such *pro forma* financial information has been provided in a previous report pursuant to clause (2) or (3) below or is available only at unreasonable expense; and (e) audited consolidated statements of income and statements of cash flow of the Issuer (or any predecessor company of the Issuer) as of and for the most recent three fiscal years and balance sheets as of the two most recent fiscal years, including appropriate footnotes to such financial statements, for and as of the end of such fiscal year, and the report of the independent auditors on such financial statements;

(2) commencing with the fiscal quarter ending March 31, 2019, within 60 days following the end of the first and third fiscal quarters in each fiscal year of the Issuer and within 75 days following the end of the second fiscal quarter in each fiscal year of the Issuer, information including: (a) an unaudited condensed consolidated balance sheet as of the end of such quarter and unaudited condensed statements of income and cash flow for the most recent quarter year-to-date period ending on the unaudited condensed balance sheet date, and the comparable prior year periods, together with condensed footnote disclosure; (b) *pro forma* income statement and balance sheet information of the Issuer, together with explanatory footnotes for any acquisition or disposition that individually represents 20% or more of the consolidated revenues, earnings before interest, taxation, depreciation and amortization, or assets of the Issuer on a *pro forma* basis in each case unless such *pro forma* financial information has been provided in a previous report pursuant to clause (1) or (3) of this covenant or is available only at unreasonable expense; (c) an operating and financial review of the unaudited financial statements, including a discussion of material commitments and contingencies; (d) material recent developments and (e) a presentation of EBITDA; and

(3) promptly after the occurrence of a material acquisition, disposition, restructuring, senior management changes, change in auditors, the entering into of an agreement that will result in a Change of Control or any other material event that the Issuer or any Restricted Subsidiary announces publicly, in each case, a report containing a description of such event.

If the Issuer has designated any of its Subsidiaries as Unrestricted Subsidiaries, then the quarterly and annual financial information required by the preceding paragraphs will include a reasonably detailed presentation, either on the face of the financial statements or in the footnotes thereto, and in the discussion of the financial condition and results of operations of the Issuer and its Restricted Subsidiaries separate from the financial condition and results of operations of the Unrestricted Subsidiaries of the Issuer.

The Issuer may comply with any requirement to provide reports or financial statements of the Issuer under this covenant by providing any financial statements or reports of any Parent thereof, in which case references to the Issuer in clauses (1), (2) and (3) of the first paragraph hereof will be deemed to be references to such Parent; *provided* that to the extent comparable prior period consolidated or condensed financial information of such Parent does not exist, the comparable prior period combined financial information of the Issuer or another Parent may be provided in lieu thereof. To the extent that material differences exist between

the financial condition or results of operations of the Issuer and its Restricted Subsidiaries and any Parent that is the reporting entity (if applicable), the annual and quarterly reports shall include a reasonably detailed explanation of such material differences.

In the event that, and for so long as, the equity securities of the Issuer or any Parent are listed on the main market of Euronext Paris (or any other nationally recognized regulated stock exchange or listing authority in a member state of the European Union as of the Issue Date) and the Issuer or such Parent is subject to the Admission and Disclosure Standards applicable to issuers of equity securities admitted to trading on the main market of Euronext Paris (or the equivalent standards applicable to issuers of equity securities admitted to trading on one or more of the equivalent nationally recognized regulated stock exchanges or listing authorities in member states of the European Union as of the Issue Date), for so long as it elects, the Issuer will be entitled to deliver to the Trustee such annual and semi-annual reports, information, documents and other reports that the Issuer or such Parent is, or would be, required to file with Euronext Paris pursuant to such Admission and Disclosure Standards (or the applicable standards of one or more of the equivalent nationally recognized regulated stock exchanges or listing authorities in member states of the European Union as of the Issue Date). Upon complying with the foregoing requirements, and provided that such requirements require the Issuer or any Parent to prepare and file annual and semi-annual reports, information, documents and other reports with the regulated market of Euronext Paris, or one or more of the equivalent nationally recognized regulated stock exchanges or listing authorities in member states of the European Union as of the Issue Date, as applicable, and provided that the Issuer or such Parent additionally provides the reports set forth in clause (2) above with respect to its first and third fiscal quarters, the Issuer will be deemed to have complied with the provisions contained in the preceding paragraphs.

The Issuer will also make available copies of all reports required by clauses (1) through (3) above on the Issuer's website and (ii) at the offices of the listing agent in Luxembourg.

In addition, so long as any Senior Secured Notes are "restricted securities" (as defined in Rule 144 under the U.S. Securities Act) during any period during which the Issuer is not subject to Section 13 or 15(d) of the U.S. Exchange Act nor exempt therefrom pursuant to Rule 12g3-2(b), the Issuer has agreed that it will, upon their request, furnish to the Holders and to securities analysts and prospective purchasers of the Senior Secured Notes, the information required to be delivered pursuant to Rule 144A(d)(4) under the U.S. Securities Act.

Furthermore, within 20 Business Days subsequent to the date of the publication of the reports described in (1) and (2) above, the Issuer shall hold a conference call for current and prospective Holders of the Senior Secured Notes in which at least one member of the senior management of the Issuer shall participate. Notice of such conference calls shall be deemed a report required by clause (3) above and will state the date, time and dial-in number and shall be published at least one Business Day in advance of such conference call.

All reports made pursuant to this covenant shall be made in, or translated to, the English language.

Events of Default and Remedies

Each of the following is an "Event of Default":

(1) default for 30 days in the payment when due of interest on, or Additional Amounts, if any, with respect to, the Senior Secured Notes;

(2) default in the payment when due (at maturity, upon redemption or otherwise) of the principal of, or premium, if any, on, the Senior Secured Notes;

(3) failure by the Issuer or any of its Restricted Subsidiaries to comply with the provisions described under the caption "*—Certain Covenants—Merger, Consolidation or Sale of Assets*;"

(4) failure by the Issuer or any of its Restricted Subsidiaries for 60 days after notice to the Issuer by the Trustee or Holders of at least 30 % in aggregate principal amount of the Senior Secured Notes then outstanding voting as a single class to comply with any of the other agreements in the Senior Secured Indenture (other than a default in performance, or breach, or a covenant or agreement which is specifically dealt with in clauses (1), (2) or (3));

(5) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Issuer or any of its Restricted Subsidiaries (or the payment of which is guaranteed by the Issuer or any of its Restricted Subsidiaries), whether such Indebtedness or Guarantee now exists, or is created after the date of such default (but excluding Indebtedness owed to the Issuer or a Restricted Subsidiary), if that default:

(a) is caused by a failure to pay principal of, or interest or premium, if any, on, such Indebtedness prior to the expiration of the grace period provided in such Indebtedness on the date of such Indebtedness (a "*Payment Default*"); or

(b) results in the acceleration of such Indebtedness prior to its Stated Maturity,

and, in each case, either (i) the principal amount of any such Indebtedness that is due and has not been paid or which has been accelerated, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates €35.0 million or more or (ii) to the extent such Indebtedness is Incurred pursuant to clause (1) of the second paragraph of the covenant captioned "*—Incurrence of Indebtedness and Issuance of Preferred Stock*" and is designated as a Senior Lender Liability under the Intercreditor Agreement or assigned a substantially equivalent designation under any Additional Intercreditor Agreement, the requisite majority of holders of such Indebtedness has instructed the Security Agent to commence enforcement of their separate security;

(6) failure by the Issuer or any of its Restricted Subsidiaries to pay final and non-appealable judgments entered by a court or courts of competent jurisdiction aggregating in excess of €35.0 million (net of any amounts which are covered by insurance or bonded), which judgments are not paid, waived, satisfied, discharged or stayed for a period of 60 days;

(7) certain events of bankruptcy or insolvency described in the Senior Secured Indenture with respect to the Issuer or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary;

(8) any Note Guarantee, if any, is held in any judicial proceeding to be unenforceable or invalid or ceases for any reason to be, or shall for any reason be asserted in writing by any Guarantor or the Issuer not to be, in full force and effect and enforceable in accordance with its terms, except to the extent contemplated by the Senior Secured Indenture and any such Note Guarantee; or

(9) (i) any security interest created by any Security Document shall, at any time, cease to be in full force and effect (except as permitted by the terms of the Senior Secured Indenture, the Intercreditor Agreement, any Additional Intercreditor Agreement or the Security Documents) with respect to Collateral having a Fair Market Value in excess of €5.0 million for any reason other than the satisfaction in full of all obligations under the Senior Secured Indenture or the release of any such security interest in accordance with the terms of the Senior Secured Indenture, the Intercreditor Agreement, any Additional Intercreditor Agreement or the Security Documents, or an assertion by the Issuer or any of its Restricted Subsidiaries that any Collateral having a Fair Market Value in excess of €5.0 million is not subject to a valid, perfected security interest (except as permitted by the terms of the Senior Secured Indenture or Security Documents); (ii) the repudiation by the Issuer or any of its Restricted Subsidiaries of any of its material obligations under any Security Document.

In the case of an Event of Default arising from certain events of bankruptcy or insolvency, with respect to the Issuer, any Restricted Subsidiary of the Issuer that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Issuer that, taken together, would constitute a Significant Subsidiary, all outstanding Senior

Secured Notes will become due and payable immediately without further action or notice. If any other Event of Default occurs and is continuing, the Trustee or the Holders of at least 30% in aggregate principal amount of the then outstanding Senior Secured Notes may declare all the Senior Secured Notes to be due and payable immediately. In the event of a declaration of acceleration of the Senior Secured Notes because an Event of Default described in clause (5) of this paragraph has occurred and is continuing, the declaration of acceleration of the Senior Secured Notes shall be automatically annulled if the event of default or payment default triggering such Event of Default pursuant to clause (5) shall be remedied or cured, or waived by the holders of the Indebtedness, or the Indebtedness that gave rise to such Event of Default shall have been discharged in full, within 30 days after the declaration of acceleration with respect thereto and if (1) the annulment of the acceleration of the Senior Secured Notes would not conflict with any judgment or decree of a court of competent jurisdiction and (2) all existing Events of Default, except nonpayment of principal, premium or interest on the Senior Secured Notes that became due solely because of the acceleration of the Senior Secured Notes, have been cured or waived.

Subject to certain limitations, Holders of a majority in aggregate principal amount of the then outstanding Senior Secured Notes may direct the Trustee in its exercise of any trust or power. The Trustee may refuse to follow any direction that conflicts with law or the Senior Secured Indenture, or that may involve the Trustee in personal liability. Furthermore, the Trustee may withhold from Holders of the Senior Secured Notes notice of any continuing Default or Event of Default if it determines that withholding notice is in their interest, except a Default or Event of Default relating to the payment of principal, interest or premium or Additional Amounts, if any.

Subject to the provisions of the Senior Secured Indenture relating to the duties of the Trustee, in case an Event of Default occurs and is continuing, the Trustee will be under no obligation to exercise any of the rights or powers under the Senior Secured Indenture at the request or direction of any Holders of Senior Secured Notes unless such Holders have offered to the Trustee indemnity and/or security, including by way of pre-funding, satisfactory to it, against any loss, liability or expense (including the costs of the Trustee's legal counsel). Except to enforce the right to receive payment of principal, premium, if any, or interest or Additional Amounts, if any, when due, no Holder of a Senior Secured Note may pursue any remedy with respect to the Senior Secured Indenture or the Senior Secured Notes unless:

(1) such Holder has previously given the Trustee notice that an Event of Default is continuing;

(2) Holders of at least 30% in aggregate principal amount of the then outstanding Senior Secured Notes have requested the Trustee to pursue the remedy;

(3) such Holders have offered the Trustee security, and/or indemnity, including by way of pre-funding, satisfactory to it, against any loss, liability or expense (including the costs of the Trustee's legal counsel);

(4) the Trustee has not complied with such request within 60 days after the receipt of the request and the offer of such security or indemnity; and

(5) Holders of a majority in aggregate principal amount of the then outstanding Senior Secured Notes have not given the Trustee a direction inconsistent with such request within such 60-day period.

The Holders of a majority in aggregate principal amount of the then outstanding Senior Secured Notes by written notice to the Trustee may, on behalf of the Holders of all of the Senior Secured Notes, rescind an acceleration or waive any past or existing Default or Event of Default and its consequences under the Senior Secured Indenture, except a continuing Default or Event of Default in the payment of interest or premium or Additional Amounts, if any, on, or the principal of, the Senior Secured Notes (including in connection with an offer to purchase) and rescind any such acceleration with respect to such Senior Secured Notes and its consequences if rescission would not conflict with any judgment or decree of a court of competent jurisdiction. Upon any such rescission or waiver, such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured for every purpose of the Senior Secured Indenture; but no such waiver shall extend to any subsequent or other Default or impair any right consequent thereon.

The Issuer is required to deliver to the Trustee annually a statement regarding compliance with the Senior Secured Indenture. Within 20 business days after becoming aware of any Default or Event of Default, the Issuer is required to deliver to the Trustee a statement specifying such Default or Event of Default.

No Personal Liability of Directors, Officers, Employees and Shareholders

No director, officer, employee, incorporator or shareholder of the Issuer or any Guarantor, or any of their respective Subsidiaries or Affiliates, as such, will have any liability for any obligations of the Issuer under the Senior Secured Notes, the Senior Secured Indenture, any Note Guarantee, the Security Documents, the Intercreditor Agreement, any Additional Intercreditor Agreement or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of Senior Secured Notes by accepting a note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Senior Secured Notes. The waiver may not be effective to waive liabilities under the federal securities laws of the United States.

Legal Defeasance and Covenant Defeasance

The Issuer may at any time, at the option of its Board of Directors evidenced by a resolution set forth in an officers' certificate, elect to have all of its and each Guarantor's obligations discharged with respect to the outstanding Senior Secured Notes and the Senior Secured Indenture ("Legal Defeasance") and cure all then existing Defaults and Events of Default except for:

(1) the rights of Holders of outstanding Senior Secured Notes to receive payments in respect of the principal of, or interest or premium and Additional Amounts, if any, on, such Senior Secured Notes when such payments are due from the trust referred to below;

(2) the Issuer's obligations with respect to the Senior Secured Notes concerning issuing temporary Senior Secured Notes, registration of Senior Secured Notes, mutilated, destroyed, lost or stolen Senior Secured Notes and the maintenance of an office or agency for payment and money for security payments held in trust;

(3) the rights, powers, trusts, duties, indemnifications, fees and immunities of the Trustee, and the Issuer's obligations in connection therewith; and

(4) the Legal Defeasance and Covenant Defeasance provisions of the Senior Secured Indenture.

Subject to the foregoing, if the Issuer exercises its legal defeasance option, the Security Documents in effect at such time will terminate.

In addition, the Issuer may, at its option and at any time, elect to have the obligations of the Issuer and each Guarantor released with respect to certain covenants (including its obligation to make Change of Control Offers and Asset Sale Offers and the cross-acceleration provision and judgment default provisions described under "*—Events of Default and Remedies*")) that are described in the Senior Secured Indenture ("Covenant Defeasance") and thereafter any omission to comply with those covenants will not constitute a Default or Event of Default with respect to the Senior Secured Notes. In the event Covenant Defeasance occurs, certain events (not including non-payment, bankruptcy, receivership, rehabilitation and insolvency events) described under "*—Events of Default and Remedies*" will no longer constitute an Event of Default with respect to the Senior Secured Notes.

In order to exercise either Legal Defeasance or Covenant Defeasance:

(1) the Issuer must irrevocably deposit with the Trustee (or such other entity, directed, designated or appointed by the Issuer and reasonably acceptable to the Trustee, acting for the Trustee for this purpose), for the benefit of the Holders of the Senior Secured Notes, cash in euro and euro-denominated, non-callable government securities, or a combination of cash in euro and non-callable government securities, in amounts as will be sufficient, in the opinion of a nationally recognized investment bank, appraisal firm or firm of independent public accountants, to pay the principal of, or interest and premium and Additional Amounts, if any, on, the outstanding Senior Secured Notes on the stated date for payment thereof or on the applicable

redemption date, as the case may be, and the Issuer must specify whether the Senior Secured Notes are being defeased to such stated date for payment or to a particular redemption date;

(2) in the case of Legal Defeasance, the Issuer must deliver to the Trustee an opinion of U.S. counsel reasonably acceptable to the Trustee (subject to customary exceptions and exclusions) confirming that (a) the Issuer has received from, or there has been published by, the U.S. Internal Revenue Service a ruling or (b) since the date of the Senior Secured Indenture, there has been a change in the applicable U.S. federal income tax law, in either case to the effect that, and based thereon such opinion of counsel will confirm that, the Holders of the outstanding Senior Secured Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Legal Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of Covenant Defeasance, the Issuer must deliver to the Trustee an opinion of U.S. counsel reasonably acceptable to the Trustee (subject to customary exceptions and exclusions) confirming that the Holders of the outstanding Senior Secured Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Covenant Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no Default or Event of Default has occurred and is continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit) and the deposit will not result in a breach or violation of, or constitute a default under, any other instrument to which the Issuer is a party or by which the Issuer is bound;

(5) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under, any material agreement or instrument (other than the Senior Secured Indenture and the agreements governing any other Indebtedness being defeased, discharged or replaced) to which the Issuer or any of its Subsidiaries is a party or by which the Issuer or any of its Subsidiaries is bound;

(6) the Issuer must deliver to the Trustee an officers' certificate stating that the deposit was not made by the Issuer with the intent of preferring the Holders of Senior Secured Notes over the other creditors of the Issuer with the intent of defeating, hindering, delaying or defrauding any creditors of the Issuer or others; and

(7) the Issuer must deliver to the Trustee an officers' certificate and an opinion of counsel, each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

Amendment, Supplement and Waiver

Except as provided in the next two succeeding paragraphs and without limiting the Issuer's ability to effect modifications or amendments that are expressly permitted under "*—Certain Covenants—Impairment of Security Interest*" or "*—Security—Additional Intercreditor Agreements*," the Senior Secured Indenture or the Senior Secured Notes may be amended or supplemented with the consent of the Holders of at least a majority in aggregate principal amount of the Senior Secured Notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Senior Secured Notes), and, subject to certain exemptions, any existing Default or Event of Default or compliance with any provision of the Senior Secured Indenture or the Senior Secured Notes may be waived with the consent of the Holders of a majority in aggregate principal amount of the then outstanding Senior Secured Notes (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Senior Secured Notes).

Without the consent of Holders holding at least 90% (or, in the case of clause (8) below, 75%) of the then outstanding principal amount of Senior Secured Notes affected thereby, an amendment, supplement or waiver may not (with respect to any Senior Secured Notes held by a non-consenting Holder):

(1) reduce the principal amount of Senior Secured Notes whose Holders must consent to an amendment, supplement or waiver;

(2) reduce the principal of or extend the fixed maturity of any Senior Secured Note or reduce the premium payable upon the redemption of any Senior Secured Note or change the time at which any such Senior Secured Note may be redeemed (in each case as described above under the caption "*—Repurchase at the Option of Holders*");

(3) reduce the rate of or extend the time for payment of interest, including default interest, on any Senior Secured Note;

(4) waive a Default or Event of Default in the payment of principal of, or interest or premium, or Additional Amounts, if any, on, the Senior Secured Notes (except a rescission of acceleration of the Senior Secured Notes by the Holders of at least a majority in aggregate principal amount of the then outstanding Senior Secured Notes and a waiver of the payment default that resulted from such acceleration);

(5) make any Senior Secured Note payable in money other than that stated in the Senior Secured Notes;

(6) make any change in the provisions of the Senior Secured Indenture relating to waivers of past Defaults or Events of Default;

(7) waive a redemption payment with respect to any note (other than a payment required by the provisions described above under the caption "*—Repurchase at the Option of Holders*" and "*—Repurchase at the Option of Holders—Asset Sales*");

(8) release Collateral from any Lien created in favor of the Security Agent pursuant to the Security Documents except as otherwise permitted by the terms of the Senior Secured Indenture, the Security Documents, the Intercreditor Agreement or any Additional Intercreditor Agreement;

(9) release any Guarantor from its Note Guarantee created pursuant to the Senior Secured Indenture or any supplemental indenture thereto except as otherwise permitted by the terms of the Senior Secured Indenture, the Intercreditor Agreement or any Additional Intercreditor Agreement; or

(10) make any change in the preceding amendment and waiver provisions.

Notwithstanding the preceding, without the consent of any Holder of Senior Secured Notes, the Issuer and the Trustee may amend or supplement the Senior Secured Indenture or the Senior Secured Notes:

(1) to cure any ambiguity, mistake, omission, defect, manifest error or inconsistency;

(2) to provide for uncertificated Senior Secured Notes in addition to or in place of certificated Senior Secured Notes;

(3) to provide for the assumption of by successor Person of the obligations of the Issuer or any Guarantor under the Senior Secured Indenture, the Senior Secured Notes, the Note Guarantees, the Security Documents, the Intercreditor Agreement and any Additional Intercreditor Agreement;

(4) to make any change that would provide any additional rights or benefits to the Holders of Senior Secured Notes or that does not adversely affect the legal rights under the Senior Secured Indenture of any such Holder in any material respect;

(5) to conform the text of the Senior Secured Indenture, the Senior Secured Notes, the Note Guarantees, the Security Documents, the Intercreditor Agreement or any Additional Intercreditor Agreement to any provision of this "*Description of the Senior Secured Notes*" or under the heading "*Description of Other Indebtedness—Intercreditor Agreement*" of the Offering Memorandum to the extent that such provision in this "*Description of the Senior Secured Notes*" or under the heading "*Description of Other Indebtedness—Intercreditor Agreement*" of the Offering Memorandum was intended to be a verbatim recitation of a provision of the Senior Secured Indenture, the Senior Secured Notes, the Note Guarantees, the Security Documents, the Intercreditor Agreement or any Additional Intercreditor Agreement;

(6) to provide for any Restricted Subsidiary to provide a Note Guarantee in accordance with the covenant described under "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*" and "*—Certain Covenants—Limitation on Issuances of Guarantees of Indebtedness*" to add Note Guarantees, to add security to or for the benefit of the Senior Secured Notes, or to confirm and evidence the release, termination, discharge or retaking of any Note Guarantee or Lien (including the Collateral and the Security Documents) with respect to or securing the Senior Secured Notes when such release, termination, discharge or retaking is provided for under the Senior Secured Indenture, the Intercreditor Agreement, any Additional Intercreditor Agreement or the Security Documents;

(7) to provide for the issuance of additional notes in accordance with the limitations set forth in the Senior Secured Indenture as of the date of the Senior Secured Indenture;

(8) to allow any Guarantor to execute a supplemental Senior Secured Indenture and/or a Guarantee with respect to the Senior Secured Notes;

(9) to evidence and provide for the acceptance of the appointment under the Senior Secured Indenture, the Intercreditor Agreement, any Additional Intercreditor Agreement or the Security Documents of a successor Trustee or Security Agent or to provide for the accession by the Trustee or the Security Agent to any such document;

(10) to make any amendment to the provisions of the Senior Secured Indenture relating to the transfer and legending of Senior Secured Notes as permitted by the Senior Secured Indenture, including, without limitation, to facilitate the issuance and administration of the Senior Secured Notes; *provided*, *however*, that (i) compliance with the Senior Secured Indenture as so amended would not result in Senior Secured Notes being transferred in violation of the U.S. Securities Act or any applicable securities law and (ii) such amendment does not materially and adversely affect the legal rights under the Senior Secured Indenture of Holders to transfer Senior Secured Notes;

(11) to mortgage, pledge, hypothecate or grant a security interest in favor of the Security Agent for the benefit of the Holders of the Senior Secured Notes as security for the payment and performance of the Issuer's or any Guarantor's obligations under the Senior Secured Indenture, in any property, or assets, including any of which are required to be mortgaged, pledged or hypothecated, or in which a security interest is required to be granted to the Security Agent pursuant to the Senior Secured Indenture or otherwise (any such additional security shall be deemed to be Collateral for all purposes under the Senior Secured Indenture); or

(12) to comply with the rules of any applicable securities depositary.

The consent of the Holders of Senior Secured Notes is not necessary under the Senior Secured Indenture to approve the particular form of any proposed amendment, waiver or consent; it is sufficient if such consent approves the substance of the proposed amendment, waiver or consent.

The Trustee shall be entitled to rely on such evidence as it deems appropriate, including officers' certificates and opinions of counsel.

The Intercreditor Agreement may be amended pursuant to its terms, as described in this Description of Senior Secured Notes under the caption "*—Certain Covenants—Additional Intercreditor Agreements*" or in "*Description of Certain Indebtedness—Intercreditor Agreement*."

Acts by Holders

In determining whether the Holders of the required principal amount of the Senior Secured Notes have concurred in any direction, waiver or consent, the Senior Secured Notes owned by the Issuer, or by any Person directly or indirectly controlling or controlled by or under direct or indirect common control with the Issuer will be disregarded and deemed not to be outstanding.

Satisfaction and Discharge

The Senior Secured Indenture, the Senior Secured Notes, the Note Guarantees and the Collateral and any related defaults will be discharged and cease to be of further effect (except as to surviving rights of conversion or transfer or exchange of the Senior Secured Notes, as expressly provided for in the Senior Secured Indenture) as to all outstanding Senior Secured Notes issued thereunder when:

(1) either:

(a) all Senior Secured Notes that have been authenticated and delivered, except lost, stolen or destroyed Senior Secured Notes that have been replaced or paid and Senior Secured Notes for whose payment money has been deposited and thereafter repaid to the Issuer, have been delivered to the Paying Agent for cancellation; or

(b) all Senior Secured Notes that have not been delivered to the Paying Agent for cancellation have become due and payable by reason of the delivery of a notice of redemption or otherwise or will become due and payable within one year and the Issuer has irrevocably deposited or caused to be deposited with the Trustee (or such other entity directed, designated or appointed by the Issuer and reasonably acceptable to the Trustee, acting for the Trustee for this purpose) for the benefit of the Holders, cash in euro, non-callable government securities, or a combination of cash in euro and non-callable government securities, in amounts as will be sufficient, without consideration of any reinvestment of interest, to pay and discharge the entire Indebtedness on the Senior Secured Notes not delivered to the Paying Agent for cancellation for principal, premium and Additional Amounts, if any, and accrued interest to, but excluding, the date of maturity or redemption, as the case may be;

(2) the Issuer has paid or caused to be paid all sums payable by it under the Senior Secured Indenture; and

(3) the Issuer has delivered irrevocable instructions to the Trustee and Paying Agent (or such other entity directed, designated or appointed by the Issuer and reasonably acceptable to the Trustee, acting for the Trustee for this purpose) under the Senior Secured Indenture to apply the deposited money toward the payment of the Senior Secured Notes at maturity or on the redemption date, as the case may be.

In addition, the Issuer must deliver an officers' certificate and an opinion of counsel in form and substance reasonably satisfactory to the Trustee stating that all conditions precedent to satisfaction and discharge have been satisfied; *provided* that any such counsel may rely on any officers' certificate as to matters of fact (including as to compliance with the foregoing clauses (1), (2) and (3)).

Judgment Currency

The sole currency of account and payment for all sums payable by the Issuer or any Guarantor under the Senior Secured Indenture is the euro. Any payment on account of an amount that is payable in euros (the "*Required Currency*") which is made to or for the account of any Holder or the Trustee in lawful currency of any other jurisdiction (the "*Judgment Currency*"), whether as a result of any judgment or order or the enforcement thereof or the liquidation of the Issuer, shall constitute a discharge of the Issuer's obligation under the Senior Secured Indenture or the Senior Secured Notes, as the case may be, only to the extent of the amount of the Required Currency which such Holder or the Trustee, as the case may be, could purchase in the London foreign exchange markets with the amount of the Judgment Currency in accordance with normal banking

procedures at the rate of exchange prevailing on the first Business Day following receipt of the payment in the Judgment Currency. If the amount of the Required Currency that could be so purchased is less than the amount of the Required Currency originally due to such Holder or the Trustee, as the case may be, and the Issuer shall indemnify and hold harmless the Holder or the Trustee, as the case may be, from and against all loss or damage arising out of, or as a result of, such deficiency. This indemnity shall constitute an obligation separate and independent from the other obligations contained in the Senior Secured Indenture, the Senior Secured Notes, and shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Holder or the Trustee from time to time and shall continue in full force and effect notwithstanding any judgment or order for a liquidated sum in respect of an amount due hereunder or under any judgment or order.

Prescription

There is no express term in the Senior Secured Indenture as to any time limit on the validity of claims of the Holders to interest and repayment of principal, but any such claims will be subject to any statutory limitation period prescribed under the laws of the State of New York.

Notices

All notices to the Holders (while any Senior Secured Notes are represented by one or more Global Notes) shall be delivered to Euroclear and Clearstream, as applicable, for communication to entitled account Holders or, alternatively, will be valid if disseminated through the newswire service of Bloomberg (or if Bloomberg does not operate, any similar agency) or published in a leading English language daily newspaper published in the City of London or, if such publication is not reasonably practicable, in such other English language daily newspaper with general circulation in Europe. It is expected that any such publication will normally be made in the *Financial Times*. So long as the Senior Secured Notes are listed on the Luxembourg Stock Exchange and its rules so require, all notices to Holders will also be published in a newspaper having a general circulation in Luxembourg, which is expected to be the *Luxemburger Wort*, or on the official website of the Luxembourg Stock Exchange. If publication as provided above is not practicable, notice will be given in such other manner, and shall be deemed to have been given on such date, as the Trustee may approve. In the case of Definitive Registered Notes, notices will be mailed to Holders by first-class mail at their respective addresses as they appear on the records of the Registrar.

Notices given by publication, including without limitation through the newswire service of Bloomberg (or if Bloomberg does not operate, any similar agency), will be deemed given on the first date on which publication is made. Notices delivered to Euroclear and Clearstream will be deemed given on the date when delivered. Notices given by first class mail, postage paid, will be deemed given five calendar days after mailing whether or not the addressee receives it.

So long as any Senior Secured Notes are admitted to the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF market of the Luxembourg Stock Exchange, and to the extent required by the Luxembourg Stock Exchange, the Issuer will provide a copy of all notices to the Luxembourg Stock Exchange.

Concerning the Trustee

Wilmington Trust, National Association is to be appointed as Trustee under the Senior Secured Indenture.

The Holders of a majority in aggregate principal amount of the then outstanding Senior Secured Notes will have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee, subject to certain exceptions. The Senior Secured Indenture will provide that in case an Event of Default occurs, of which a responsible officer of the Trustee has received written notice, and is continuing, the Trustee will be required, in the exercise of its power, to use the degree of care of a prudent person in the conduct of his own affairs. The permissive rights of the Trustee to take or refrain from taking any action enumerated in the Senior Secured Indenture will not be construed as an obligation or duty. The Trustee will be under no obligation to exercise any of its rights or powers under the Senior Secured Indenture at the request of any Holder of Senior Secured Notes, unless such Holder has offered to the Trustee security and/or indemnity, including by way of pre-funding, satisfactory to it against any loss, liability or expense (which includes the cost of the Trustee's legal counsel).

The Senior Secured Indenture will set out the terms under which the Trustee may retire or be removed, and replaced. Such terms will include, among others, (1) that the Trustee may be removed at any time by the Holders of a majority in principal amount of the then outstanding Senior Secured Notes, or may resign at any time by giving 30 days' written notice to the Issuer and (2) that if the Trustee at any time (a) has or acquires a conflict of interest that is not eliminated or (b) becomes incapable of acting as Trustee or becomes insolvent or bankrupt, then the Issuer may remove the Trustee, or any Holder of Senior Secured Notes who has been a *bona fide* Holder of Senior Secured Notes for not less than six months may petition any court for removal of the Trustee and appointment of a successor Trustee.

Any removal or resignation of the Trustee shall not become effective until the acceptance of appointment by the successor Trustee.

The Senior Secured Indenture will contain provisions for the indemnification of the Trustee for any loss, liability, taxes and expenses incurred without gross negligence, willful misconduct or fraud on its part, arising out of or in connection with the acceptance or administration of the Senior Secured Indenture.

Consent to Jurisdiction and Service of Process

The Issuer will irrevocably submit to the jurisdiction of any New York state or U.S. federal court located in The Borough of Manhattan, City of New York, State of New York in relation to any legal action or proceeding (i) arising out of, related to or in connection with the Senior Secured Indenture, the Senior Secured Notes and any related documents and (ii) arising under any U.S. federal or U.S. state securities laws. The Issuer will appoint CT Corporation as its agent for service of process in any such action or proceeding.

Additional Information

Anyone who receives this listing prospectus may obtain a copy of the Senior Secured Indenture without charge by writing to the Issuer, 89, avenue de la Grande Armée, 75219 Paris Cedex 16, France, Attention: Director of Finance and Administration.

So long as any Senior Secured Notes are admitted to the official list of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF market of the Luxembourg Stock Exchange, and to the extent required by the Luxembourg Stock Exchange, copies of the Issuer's annual audited consolidated and unconsolidated financial statements, the Issuer's unaudited consolidated interim quarterly financial statements, the Senior Secured Indenture (including the form of Senior Secured Notes), the Intercreditor Agreement, any Additional Intercreditor Agreement, the Security Documents, the articles of incorporation of the Issuer, the listing prospectus and any documents furnished to the Trustee under the covenant described under the heading "*—Certain Covenants—Reports*" may be obtained, free of charge, during normal business hours at the offices of the listing agent in Luxembourg.

Governing Law

The Senior Secured Indenture and the Senior Secured Notes will be governed by and construed in accordance with the laws of the State of New York.

Certain Definitions

Set forth below are certain defined terms used in the Senior Secured Indenture. Reference is made to the Senior Secured Indenture for a full disclosure of all defined terms used therein, as well as any other capitalized terms used herein for which no definition is provided.

"2021 Senior Secured Notes" means the 4.875% Senior Secured Notes due 2021 issued on July 23, 2014.

"2022 Senior Secured Notes" means the 3.500% Senior Secured Notes due 2022 issued on April 4, 2017.

"2023 Senior Secured Notes" means the 3.500% Senior Secured Notes due 2023 issued on May 3, 2016.

"2024 Senior Secured Notes" means the 4.250% Senior Secured Notes due 2024 issued on April 4, 2017.

"2025 Senior Subordinated Notes" means the 6.000% Senior Subordinated Notes due 2025 issued on April 4, 2017.

"Acquired Debt" means, with respect to any specified Person:

(1) Indebtedness of any other Person existing at the time such other Person is merged with or into or became a Subsidiary of such specified Person, whether or not such Indebtedness is Incurred in connection with, or in contemplation of, such other Person merging with or into, or becoming a Subsidiary of, such specified Person; and

(2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

"Affiliate" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control," as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise. For purposes of this definition, the terms "controlling," "controlled by" and "under common control with" have correlative meanings.

"Applicable Premium" means, with respect to any note on any redemption date, the greater of:

(1) 1.0% of the principal amount of the note; or

(2) the excess of:

(a) the present value at such redemption date of (i) the redemption price of the note at April 15, 2022 (such redemption price being set forth in the table appearing above under the caption "*—Optional Redemption*") plus (ii) all required interest payments due on the note through April 15, 2022 (excluding accrued but unpaid interest to the redemption date), computed using a discount rate equal to the Bund Rate as of such redemption date plus 50 basis points; over

(b) the outstanding principal amount of the note, if greater,

as calculated by the Issuer or on behalf of the Issuer by such Person as the Issuer shall designate. For the avoidance of doubt, calculation of the Applicable Premium shall not be a duty or obligation of the Trustee or Paying Agent.

"Asset Sale" means:

(1) the sale, lease (other than operating leases entered into in the ordinary course of business), conveyance or other disposition of any assets or rights; *provided* that the sale, lease, conveyance or other disposition of all or substantially all of the assets of the Issuer and its Restricted Subsidiaries taken as a whole will be governed by the provisions of the Senior Secured Indenture described above under the caption "*—Repurchase at the Option of Holders—Change of Control Triggering Event*" and/or the provisions described above under the caption "*—Certain Covenants—Merger, Consolidation or Sale of Assets*" and not by the provisions of the Asset Sale covenant; and

(2) the issuance or sale of Equity Interests in any of the Issuer's Restricted Subsidiaries.

Notwithstanding the preceding, none of the following items will be deemed to be an Asset Sale:

(1) any single transaction or series of related transactions that involves assets or rights having a Fair Market Value of less than the greater of: (a) €35.0 million; and (b) 1.0% of Consolidated Total Assets of the Issuer;

(2) a transfer of assets, rights or Equity Interests, between or among the Issuer and its Restricted Subsidiaries;

(3) an issuance of Equity Interests by a Restricted Subsidiary of the Issuer to the Issuer or to a Restricted Subsidiary of the Issuer;

(4) the sale or lease of equipment, products or accounts receivable (including discounting thereof) in the ordinary course of business and any sale or other disposition of obsolete or permanently retired equipment and facilities and equipment and facilities that are no longer useful in the conduct of the business of the Issuer and its Restricted Subsidiaries;

(5) the sale or other disposition of cash, Cash Equivalents or Government Guaranteed Securities;

(6) a Restricted Payment that does not violate the covenant described above under the caption "*—Certain Covenants—Restricted Payments*," a Permitted Investment or any transaction specifically excluded from the definition of Restricted Payment;

(7) licensing or sublicensing of intellectual property or other general intangibles and licenses, leases or subleases of other property in the ordinary course of business;

(8) the unwinding of Hedging Obligations;

(9) the disposition of receivables in connection with the compromise, settlement or collection thereof in the ordinary course of business or in bankruptcy or similar proceedings and exclusive of factoring or similar arrangements;

(10) any exchange of assets (including a combination of assets and Cash Equivalents) for assets related to a Permitted Business (including Capital Stock of an entity that either is and remains or becomes a Restricted Subsidiary immediately after giving effect to such exchange) of comparable or greater market value or usefulness to the business of the Issuer and its Restricted Subsidiaries as a whole, as determined in good faith by the Issuer;

(11) the sale, lease, assignment, exchange or other transfer of inventory, products, services, raw materials, receivables or other assets in the ordinary course of business;

(12) any sale or other disposition of damaged, worn-out, obsolete or excess assets or properties or other assets that are no longer used or useful in or necessary for the proper conduct of the business of the Issuer and its Restricted Subsidiaries;

(13) any sale of assets received by the Issuer or any of its Restricted Subsidiaries upon the foreclosure on a Lien;

(14) the foreclosure, condemnation or any similar action with respect to any property or other assets, or the surrender, or waiver of contract rights or settlement, release or surrender of contract, tort or other claims;

(15) licenses and sublicenses by the Issuer or any of its Restricted Subsidiaries in the ordinary course of business;

(16) dispositions to the extent required by, or made pursuant to, customary buy/sell arrangements between joint venture parties set forth in joint venture arrangements and similar binding agreements;

(17) the granting of Liens not otherwise prohibited by the Senior Secured Indenture; and

(18) any disposition of Securitization Assets or participations therein, in connection with any Qualified Securitization Financing or Permitted Recourse Receivables Financing.

"Beneficial Owner" has the meaning assigned to such term in Rule 13d-3 and Rule 13d-5 under the U.S. Exchange Act as in effect on the Issue Date, except that in calculating the beneficial ownership of any particular "person" (as that term is used in Section 13(d)(3) of the U.S. Exchange Act as in effect on the Issue Date), such "person" will be deemed to have beneficial ownership of all securities that such "person" has the right to acquire by conversion or exercise of other securities, whether such right is currently exercisable or is exercisable only after the passage of time. The terms "Beneficially Owns" and "Beneficially Owned" have a corresponding meaning. Notwithstanding the preceding or any provision of Rule 13d-3 and Rule 13d-5 under the U.S. Exchange Act, (i) a Person or group shall not be deemed to Beneficially Own securities subject to an equity or asset purchase agreement, merger agreement or similar agreement until the consummation of the transactions contemplated by such agreement and (ii) if any group includes one or more Principals or their Related Parties, the issued and outstanding Voting Stock of the Issuer Beneficially Owned, directly or indirectly, by any Principals or their Related Parties that are part of such group shall not be treated as being Beneficially Owned by any other member of such group for purposes of determining whether a Change of Control has occurred.

"Board of Directors" means:

(1) with respect to a corporation, the board of directors of the corporation or any committee thereof duly authorized to act on behalf of such board;

(2) with respect to a partnership, the Board of Directors of the general partner of the partnership;

(3) with respect to a limited liability company, the managing member or members or any controlling committee of managing members thereof;

(4) with respect to the Issuer, for so long as it has no board of directors, the Issuer's president in relation to actions to be taken under "*—Certain Covenants—Designation of Restricted and Unrestricted Subsidiaries*," "*—Legal Defeasance and Covenant Defeasance*" and all other determinations and valuations to be made under the Senior Secured Indenture, among others; *provided, however*, that for the purposes of clause (3) and (4) of the first paragraph of "*—Certain Covenants—Transactions with Affiliates*" the definitions of "Disinterested Members" and "Board of Directors" shall mean the Issuer's Strategic Committee; and

(5) with respect to any other Person, the board or committee of such Person serving a similar function.

"Bund Rate" means, with respect to any relevant date, the rate per annum equal to the equivalent yield to maturity as of such date of the Comparable German Bund Issue, assuming a price for the Comparable German Bund Issue (expressed as a percentage of its principal amount) equal to the Comparable German Bund Price for such relevant date, where:

(a) "Comparable German Bund Issue" means the German Bundesanleihe security selected by any Reference German Bund Dealer as having a fixed maturity most nearly equal to the period from such redemption date to April 15, 2022 and that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of euro denominated corporate debt securities in a principal amount approximately equal to the then outstanding principal amount of the Senior Secured Notes and of a maturity most nearly equal to April 15, 2022, *provided, however*, that, if the period from such redemption date to April 15, 2022 is less than one year, a fixed maturity of one year shall be used;

(b) "Comparable German Bund Price" means, with respect to any relevant date, the average of all Reference German Bund Dealer Quotations for such date (which, in any event, must include at least two such quotations), after excluding the highest and lowest such Reference German Bund Dealer Quotations, or if the Issuer obtains fewer than four such Reference German Bund Dealer Quotations, the average of all such quotations;

(c) "Reference German Bund Dealer" means any dealer of German Bundesanleihe securities appointed by the Issuer in good faith; and

(d) "Reference German Bund Dealer Quotations" means, with respect to each Reference German Bund Dealer and any relevant date, the average as determined by the Issuer of the bid and offered prices for the Comparable German Bund Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Issuer by such Reference German Bund Dealer at 3:30 p.m. Frankfurt, German time on the third Business Day preceding the relevant date.

"Business Day" means any day on which commercial banking institutions are open for business and carrying out transactions in euro in France and in the country in which the Paying Agent has its specified office or in which Senior Secured Notes may be presented for payment in accordance with the terms of the agency agreement and is a day on which the Trans-European Automated Real Time Gross Settlement Express Transfer System ("TARGET") is operating.

"Capital Lease Obligation" means, at the time any determination is to be made, the amount of the liability in respect of a capital lease that would at that time be required to be capitalized on a balance sheet prepared in accordance with IFRS in effect as of the Issue Date, and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty.

"Capital Stock" means:

(1) in the case of a corporation, corporate stock;

(2) in the case of an association or business entity that is not a corporation, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership interests (whether general or limited) or membership interests; and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person, but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

"Cash Equivalents" means:

(1) direct obligations (or certificates representing an interest in such obligations) issued by, or unconditionally guaranteed by, the government of a European Union Member State, Switzerland or the United States of America (including, in each case, any agency or instrumentality thereof), as the case may be, the payment of which is backed by the full faith and credit of the relevant European Union Member State, Switzerland or the United States of America, as the case may be, and which are not callable or redeemable at the Issuer's option; *provided* that such country (or agency or instrumentality) has a long-term government debt rating of "A1" or higher by Moody's or "A+" or higher by S&P or the equivalent rating category of another internationally recognized rating agency, as of the date of the investment;

(2) overnight bank deposits, time deposit accounts, certificates of deposit, banker's acceptances and money market deposits with maturities (and similar instruments) of 12 months or less from the date of acquisition issued by a bank or trust company *provided* that (A)(i) such bank or trust company is organized under, or authorized to operate as a bank or trust company under, the laws of a European Union Member State, Switzerland or the United States of America or any state thereof and has capital, surplus and undivided profits aggregating in excess of €250.0 million (or the foreign currency equivalent thereof as of the date of such investment) and whose rating is "P-2" or higher by Moody's or "A-2" or higher by S&P or the equivalent rating category of another internationally recognized rating agency, as of the date of the investment and (ii) such country under which such bank or trust company is organized or authorized to operate has a long-term government debt rating of "A1"

or higher by Moody's or "A+" or higher by S&P or the equivalent rating category of another internationally recognized rating agency, as of the date of the investment; or (B) such bank or trust company has capital, surplus and undivided profits aggregating in excess of €250.0 million (on the foreign currency equivalent thereof as of the date of such investment) and whose rating is "P-1" or higher by Moody's or "A-1" or higher by S&P or the equivalent rating category of another internationally recognized rating agency, as of the date of the investment;

(3) repurchase obligations for underlying securities of the types described in clauses (1) and (2) above entered into with any financial institution meeting the qualifications specified in clause (2) above;

(4) commercial paper having one of the two highest ratings obtainable from Moody's or S&P and, in each case, maturing within one year after the date of acquisition;

(5) money market funds at least 95% of the assets of which constitute Cash Equivalents of the kinds described in clauses (1) through (4) of this definition; and

(6) Investments made for non-speculative cash management purposes in the ordinary course of business not exceeding €35.0 million at any one time outstanding.

"Change of Control" means the occurrence of any of the following:

(1) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Issuer and its Subsidiaries taken as a whole to any "person" (as that term is used in Section 13(d) of the Exchange Act as in effect on the Issue Date) other than a Principal or a Related Party of a Principal;

(2) the adoption of a plan relating to the liquidation or dissolution of the Issuer; or

(3) the consummation of any transaction (including, without limitation, any merger or consolidation), the result of which is that any "person" (as defined above), other than the Principals and their Related Parties becomes the Beneficial Owner, directly or indirectly, of more than 50% of the Voting Stock of the Issuer, measured by voting power rather than number of shares; *provided* that so long as the Issuer is a Subsidiary of a parent Person, no "person" shall be deemed to be or become a Beneficial Owner of more than 50% of the total voting power of the Voting Stock of the Issuer unless such "person" shall be or become a Beneficial Owner of more than 50% of the total voting power of the Voting Stock of such parent Person.

"Change of Control Offer" has the meaning assigned to that term in the Senior Secured Indenture governing the Senior Secured Notes.

"Change of Control Rating Decline" means the occurrence at any time during the period commencing on the date of the first public notice of the occurrence of an event specified in clauses (1), (2) or (3) of the definition of Change of Control and ending on the date that is 90 days following the occurrence of such event (which period shall be extended so long as during such period the rating of the Senior Secured Notes is under publicly announced consideration by S&P) of any of the following events:

(1) S&P shall issue, confirm or maintain a corporate rating of the Issuer which rating is below B+; or

(2) S&P shall withdraw or will have previously withdrawn its corporate rating of the Issuer.

If S&P does not announce an action with regard to its rating of the Senior Secured Notes as soon as reasonably practicable after the occurrence of an event specified in clauses (1), (2) or (3) of the definition of Change of Control, the Issuer shall request S&P to confirm its rating of the Senior Secured Notes before the end of such 90-day period.

"Change of Control Triggering Event" means the occurrence of both (a) a Change of Control and (b) a Change of Control Rating Decline.

"Consolidated Cash Flow" means, with respect to any specified Person for any period, the Consolidated Net Income of such Person for such period plus, without duplication:

(1) provision for taxes based on income or profits of such Person and its Restricted Subsidiaries, including pursuant to the *cotisation sur la valeur ajoutée des entreprises*, for such period, to the extent that such provision for taxes was deducted in computing such Consolidated Net Income; *plus*

(2) the Fixed Charges of such Person and its Restricted Subsidiaries for such period, to the extent that such Fixed Charges were deducted in computing such Consolidated Net Income; *plus*

(3) depreciation, amortization (including, without limitation, amortization of intangibles and deferred financing fees but excluding amortization of prepaid cash expenses that were paid in a prior period) and other non-cash charges and expenses (including, without limitation, write-downs and impairment of property, plant, equipment and intangibles and other long-lived assets) of such Person and its Restricted Subsidiaries (excluding any such non-cash charge or expense to the extent that it represents an accrual of or reserve for cash charges or expenses in any future period or amortization of a prepaid cash charge or expense that was paid in a prior period) for such period to the extent that such depreciation, amortization and other non-cash expenses were deducted in computing such Consolidated Net Income; *plus*

(4) the amount of loss or discount on sale of Securitization Assets and related assets in connection with a Qualified Securitization Financing or Permitted Recourse Receivables Financing; *plus*

(5) any income or charge attributable to a post-employment benefit scheme other than the current service costs and any past service costs and curtailments and settlements attributable to the scheme; *plus*

(6) any unrealized foreign currency translation or transaction losses of the Person and its Restricted Subsidiaries (including losses related to currency remeasurements of Indebtedness); *plus*

(7) acquisition costs and any fees, expenses, charges or other costs related to equity or debt financings, investments, restructurings, dispositions or acquisitions, establishing a joint venture, disposition, recapitalization or listing or the Incurrence of Indebtedness permitted to be Incurred under the covenant described above under the caption "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*" (or the refinancing thereof) whether or not successful, including (i) such fees, expenses or charges related to an Incurrence of Indebtedness and (ii) any amendment or other modification of any Incurrence; *plus*

(8) all expenses Incurred directly in connection with any early extinguishment of Indebtedness; *minus*

(9) non-cash items increasing such Consolidated Net Income for such period, other than the accrual of revenue in the ordinary course of business and other than the reversal of a reserve for cash charges in a future period in the ordinary course of business,

in each case, on a consolidated basis and determined in accordance with IFRS.

"Consolidated Leverage" means, with respect to any Person, the sum of (a) the aggregate outstanding Indebtedness of that Person and its Restricted Subsidiaries (excluding Subordinated Shareholder Debt), the aggregate outstanding amount of Disqualified Stock issued by the Issuer and the aggregate liquidation preference of any preferred equity issued by a Restricted Subsidiary, *less* cash and Cash Equivalents, in each case, as of the relevant date of calculation.

"Consolidated Leverage Ratio" means, as of any date of determination, the ratio of (1) the sum of (a) the Consolidated Leverage of such Person on such date and (b) the Reserved Indebtedness Amount on such date to (2) the Consolidated Cash Flow of such Person for the most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Indebtedness is Incurred, *provided* that in calculating the Consolidated Leverage Ratio or any element thereof for any period, cost reduction, cost savings and cost synergies plans or programs in connection with any transaction, Investment, acquisition, disposition, restructuring, corporate reorganization or otherwise (as determined in good faith by the Issuer's Chief Financial Officer or chief accounting officer) and that are reasonably expected to be realized within 18 months following the Calculation Date (as defined below) may be given *pro forma* effect (regardless of whether these cost savings and cost reduction synergies could then be reflected in *pro forma* financial statements to the extent prepared). In the event that the specified Person or any of its Restricted Subsidiaries Incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than ordinary working capital borrowings) or issues, repurchases or redeems Disqualified Stock or preferred stock subsequent to the commencement of the period for which the Consolidated Leverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Consolidated Leverage Ratio is made (the "Calculation Date") (but not giving effect to (i) any additional Indebtedness to be Incurred on the Calculation Date as part of the same transaction or series of transactions pursuant to the second paragraph under the caption "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*" other than Indebtedness Incurred pursuant to clause (14) thereof or (ii) the discharge on such Calculation Date of any Indebtedness to the extent such discharge is made with the proceeds of such additional Indebtedness), then the Consolidated Leverage Ratio will be calculated giving *pro forma* effect (as determined in good faith by a responsible accounting or financial officer of the Issuer and may include anticipated expense and cost reduction synergies) to such Incurrence, assumption, guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, or such issuance, repurchase or redemption of Disqualified Stock or preferred stock, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the applicable four-quarter reference period.

In addition, for purposes of calculating the Consolidated Cash Flow for such period:

(1) acquisitions that have been made by the specified Person or any of its Subsidiaries which are Restricted Subsidiaries, including through mergers or consolidations, or by any Person or any of its Subsidiaries which are Restricted Subsidiaries acquired by the specified Person or any of its Subsidiaries which are Restricted Subsidiaries, and including all related financing transactions and including increases in ownership of Subsidiaries which are Restricted Subsidiaries (including any Unrestricted Subsidiary that has been redesignated as a Restricted Subsidiary), during the four-quarter reference period or subsequent to such reference period and on or prior to the Calculation Date, or that are to be made on the Calculation Date, will be given *pro forma* effect (as determined in good faith by a responsible accounting or financial officer of the Issuer and may include anticipated expense and cost reduction synergies) as if they had occurred on the first day of the four-quarter reference period;

(2) the Consolidated Cash Flow attributable to discontinued operations, as determined in accordance with IFRS, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded;

(3) any Person that is a Restricted Subsidiary (including any Unrestricted Subsidiary that has been redesignated as a Restricted Subsidiary) on the Calculation Date will be deemed to have been a Restricted Subsidiary at all times during such four-quarter period; and

(4) any Person that is not a Restricted Subsidiary on the Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such four-quarter period.

For purposes of this definition, whenever *pro forma* effect is to be given to an Asset Sale, Investment or acquisition, the amount of income or earnings relating thereto or the amount of Consolidated Cash Flow associated therewith, the *pro forma* calculation shall be determined in good faith by a responsible financial or accounting Officer of the Issuer and may include anticipated expense and cost reduction synergies. Interest on

any Indebtedness that bears interest at a floating rate and that is being given *pro forma* effect shall be calculated as if the rate in effect on the date of calculation had been applicable for the entire period.

When Consolidated Cash Flow is being calculated for the purpose of any grower basket set forth hereunder, it shall be calculated on a *pro forma* basis consistent with the calculation of Consolidated Cash Flow for purposes of the Fixed Charge Coverage Ratio.

"Consolidated Net Income" means, with respect to any specified Person for any period, the aggregate of the net income (loss) of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, determined in accordance with IFRS; *provided* that:

(1) any gain (loss), together with any related provision for taxes on such gain (loss) realized in connection with: (a) any Asset Sale by any such Person or its Restricted Subsidiaries or (b) the disposition of any securities by such Person or any of its Restricted Subsidiaries or (c) the extinguishment of any Indebtedness of such Person or any of its Restricted Subsidiaries will be excluded;

(2) any extraordinary, exceptional, unusual or non-recurring gain, loss, charge or expense, together with any related provision for taxes on such extraordinary, exceptional, unusual or non-recurring gain, loss, charge or expense, will be excluded;

(3) the net income (loss) of any Person that is not a Restricted Subsidiary (including an Unrestricted Subsidiary or a joint venture that is not a Restricted Subsidiary) or that is accounted for by the equity method of accounting will be included only to the extent of the amount of dividends or similar distributions paid in cash to the specified Person or a Restricted Subsidiary of the Person;

(4) solely for purposes of determining the amount available for Restricted Payments under clause 3(a) following the definition of Restricted Payments, the net income (loss) of any Restricted Subsidiary that is not a Guarantor will be excluded to the extent that the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of that net income is not at the date of determination permitted without any prior governmental approval (that has not been obtained) or, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary or its stockholders (other than (a) restrictions with respect to the payment of dividends or similar distributions that have been legally waived or released or (b) restrictions listed under clauses (1) through (4), (12), (15) and (16) of the second paragraph of "*—Certain Covenants—Dividend and Other Payment Restrictions Affecting Subsidiaries*");

(5) the cumulative effect of a change in accounting principles will be excluded; and

(6) any increase in amortization or depreciation resulting from purchase accounting in relation to any acquisition of another Person or business will be excluded.

"Consolidated Net Senior Secured Leverage Ratio" means, as of any date of determination, the ratio of (1) the sum of (a) the Senior Secured Debt of such Person on such date, *plus* (b) the Reserved Indebtedness Amount secured by a first lien on the Collateral and not contractually subordinated to the obligations under the Senior Secured Notes, *less* (c) the aggregate amount of cash and Cash Equivalents of the Issuer and the Restricted Subsidiaries on a consolidated basis to (2) the Consolidated Cash Flow of such Person for the most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Indebtedness is Incurred; *provided, however*, that, for the purposes of clause (b) of the first paragraph of the covenant "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*" and clause (14)(y)(i) and (14)(y)(ii) of the second paragraph of the covenant "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*" the calculation of the Consolidated Net Senior Secured Leverage Ratio shall be made assuming that the maximum amount of Indebtedness permitted to be Incurred under clause (1) of the second paragraph of the covenant "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*" has been Incurred and is outstanding in the form of Senior Secured Debt and *provided, further* that in calculating the Consolidated Net Senior

Secured Leverage Ratio or any element thereof for any period, cost reduction, cost savings and cost synergies plans or programs in connection with any transaction, Investment, acquisition, disposition, restructuring, corporate reorganization or otherwise (as determined in good faith by the Issuer's Chief Financial Officer or chief accounting officer) and that are reasonably expected to be realized within 18 months following the Calculation Date (as defined below) may be given *pro forma* effect (regardless of whether these cost savings and cost reduction synergies could then be reflected in *pro forma* financial statements to the extent prepared). In the event that the specified Person or any of its Restricted Subsidiaries Incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than ordinary working capital borrowings) or issues, repurchases or redeems Disqualified Stock or preferred stock subsequent to the commencement of the period for which the Consolidated Net Senior Secured Leverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Consolidated Net Senior Secured Leverage Ratio is made (the "Calculation Date"), then the Consolidated Net Senior Secured Leverage Ratio will be calculated giving *pro forma* effect (as determined in good faith by a responsible accounting or financial officer of the Issuer and may include anticipated expense and cost reduction synergies) to such Incurrence, assumption, guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, or such issuance, repurchase or redemption of Disqualified Stock or preferred stock, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the applicable four-quarter reference period; *provided, however*, that the *pro forma* calculation of the Consolidated Net Senior Secured Leverage Ratio shall not give effect to (i) any Indebtedness Incurred on the date of determination pursuant to the provisions described in the definition of Permitted Debt (other than any such additional Indebtedness that is Incurred on the date of determination under clause (1) and clause (14) of the definition of Permitted Debt, the Incurrence of which itself requires the calculation of the Consolidated Net Senior Secured Leverage Ratio); or (ii) the discharge on the date of determination of any Indebtedness to the extent that such discharge results from the application of the proceeds of Indebtedness Incurred at the date of determination pursuant to the provisions described in the definition of Permitted Debt.

In addition, for purposes of calculating the Consolidated Cash Flow for such period:

(1) acquisitions that have been made by the specified Person or any of its Subsidiaries which are Restricted Subsidiaries, including through mergers or consolidations, or by any Person or any of its Subsidiaries which are Restricted Subsidiaries acquired by the specified Person or any of its Subsidiaries which are Restricted Subsidiaries, and including all related financing transactions and including increases in ownership of Subsidiaries which are Restricted Subsidiaries (including any Unrestricted Subsidiary that has been redesignated as a Restricted Subsidiary), during the four-quarter reference period or subsequent to such reference period and on or prior to the Calculation Date, or that are to be made on the Calculation Date, will be given *pro forma* effect (as determined in good faith by a responsible accounting or financial officer of the Issuer and may include anticipated expense and cost reduction synergies) as if they had occurred on the first day of the four-quarter reference period;

(2) the Consolidated Cash Flow attributable to discontinued operations, as determined in accordance with IFRS, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded;

(3) any Person that is a Restricted Subsidiary (including any Unrestricted Subsidiary that has been redesignated as a Restricted Subsidiary) on the Calculation Date will be deemed to have been a Restricted Subsidiary at all times during such four-quarter period; and

(4) any Person that is not a Restricted Subsidiary on the Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such four-quarter period.

For purposes of this definition, whenever *pro forma* effect is to be given to an Asset Sale, Investment or acquisition, the amount of income or earnings relating thereto or the amount of Consolidated Cash Flow associated therewith, the *pro forma* calculation shall be determined in good faith by a responsible financial or accounting Officer of the Issuer and may include anticipated expense and cost reduction synergies. Interest on any Indebtedness that bears interest at a floating rate and that is being given *pro forma* effect shall be calculated as if the rate in effect on the date of calculation had been applicable for the entire period.

When Consolidated Cash Flow is being calculated for the purpose of any grower basket set forth hereunder, it shall be calculated on a *pro forma* basis consistent with the calculation of Consolidated Cash Flow for purposes of the Fixed Charge Coverage Ratio.

"Consolidated Total Assets" means, with respect to any specified Person at any time, the total assets of such Person and its Subsidiaries which are Restricted Subsidiaries, in each case as shown on the most recent balance sheet of such Person, determined on a consolidated basis in accordance with IFRS (giving *pro forma* effect to any acquisitions or dispositions of assets or properties that have been made by the Issuer or any of its Restricted Subsidiaries subsequent to the date of such balance sheet, including through mergers or consolidations).

"Contingent Obligations" means, with respect to any Person, any obligation of such Person guaranteeing any leases, dividends or other obligations that do not constitute Indebtedness ("primary obligations") of any other Person in any manner, whether directly or indirectly, including, without limitation, any obligation of such Person, whether or not contingent:

(1) to purchase any such primary obligation or any property constituting direct or indirect security thereof;

(2) to advance or supply funds (A) for the purchase or payment of any such primary obligation or (B) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor; or

(3) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such obligation against loss in respect thereof.

"Credit Facilities" means any credit agreement, indentures or other agreements (including, without limitation, the Senior Secured Indenture) between the Issuer or one or more Restricted Subsidiaries and a financial institution or institutions providing for the making of loans, on a term or revolving basis, the issuance of letters of credit, commercial paper facilities, notes (including, without limitation, the Senior Secured Notes offered hereby and other debt securities), receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables) or equipment financing facilities (including, without limitation, finance leases, asset-based lending, sale-and-leaseback transactions and similar arrangements), in each case, as amended, restated, modified, renewed, refunded, replaced or refinanced (including by means of a sale of debt securities) in whole or in part from time to time in one or more agreements or indentures (in each case with the same or new lenders or institutional investors), including any agreement or indenture extending the maturity thereof or otherwise restructuring all or any portion of the Indebtedness thereunder or increasing the amount loaned or issued thereunder or altering the maturity thereof.

"Default" means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

"Designated Non-Cash Consideration" means the Fair Market Value of non-cash consideration received by the Issuer or any Restricted Subsidiary in connection with an Asset Sale that is designated as such on the closing date of such Asset Sale pursuant to an officers' certificate, setting forth the basis of such valuation. The aggregate Fair Market Value of the Designated Non-Cash Consideration at the time of receipt, taken together with the Fair Market Value (measured on the date of receipt) of all other Designated Non-Cash Consideration received by the Issuer or any Restricted Subsidiary since the date of the Senior Secured Indenture that is outstanding, may not exceed the greater of €50.0 million and 1.5% of Consolidated Total Assets in the aggregate.

"Disinterested Members" means, with respect to any transaction or series of related transactions, one or more members of the Board of Directors of the Issuer who does not have any material direct or indirect financial interest in or with respect to such transaction or series of related transactions. A member of the Board of Directors of the Issuer shall not be deemed to have such a financial interest by reason of such member's holding Capital Stock of the Issuer or any Affiliate thereof, any Capital Stock or other debt or equity debt or equity securities of any entity formed for the purpose of investing in Capital Stock of the Issuer or any options, warrants or other rights in respect of any of the foregoing or being an officer, director, consultant or employee of any such entities.

"Disqualified Stock" means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case, at the option of the holder of the Capital Stock), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder of the Capital Stock, in whole or in part, on or prior to the date that is 91 days after the date on which the Senior Secured Notes mature. Notwithstanding the preceding sentence, any Capital Stock that would constitute Disqualified Stock solely because the holders of the Capital Stock have the right to require the Issuer to repurchase such Capital Stock upon the occurrence of a change of control or an asset sale will not constitute Disqualified Stock if the terms of such Capital Stock provide that the Issuer may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with the covenant described above under the caption "*—Certain Covenants—Restricted Payments*." The amount of Disqualified Stock deemed to be outstanding at any time for purposes of the Senior Secured Indenture will be the maximum amount that the Issuer and its Restricted Subsidiaries may become obligated to pay upon the maturity of, or pursuant to any mandatory redemption provisions of, such Disqualified Stock, exclusive of accrued dividends.

"Equity Interests" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"Equity Offering" means any public or private offering of the Capital Stock (other than Disqualified Stock) of the Issuer or a Parent of the Issuer, *provided* that (x) any such offering shall exclude Capital Stock issued to an Affiliate of the Issuer or pursuant to a stock option or employment compensation program and (y) in the case of any such offering by a Parent of the Issuer, the Net Proceeds thereof are contributed to the equity of the Issuer (other than through the issuance of Disqualified Stock or as an Excluded Contribution) or loaned to the Issuer as Subordinated Shareholder Debt.

"Euro Equivalent" means, with respect to any monetary amount in a currency other than euro, at any time for the determination thereof, the amount of euro obtained by converting such foreign currency involved in such computation into euro at the spot rate for the purchase of euro with the applicable foreign currency as published in the "*Currencies*" section of the *Financial Times* (or, if the *Financial Times* is no longer published, or if such information is no longer available in the *Financial Times*, such source as may be selected in good faith by the Issuer) on the date that is two Business Days prior to such determination.

"European Union Member State" shall mean any country that was a member of the European Union as of January 1, 2004.

"Excluded Contribution" means the net cash proceeds received by the Issuer after the Issue Date from:

(1) contributions to its common equity capital; and

(2) the sale (other than to a Subsidiary of the Issuer) of Capital Stock (other than Disqualified Stock) or Subordinated Shareholder Debt of the Issuer,

in each case designated as "Excluded Contribution" pursuant to an Officer's Certificate of the Issuer (which shall be designated no later than the date on which such Excluded Contribution has been received by the Issuer), the net cash proceeds of which are excluded from the calculation set forth in clause (3)(b) of the second paragraph of the covenant described under "*—Certain Covenants—Restricted Payments*" hereof.

"Existing Indebtedness" means Indebtedness of the Issuer and its Restricted Subsidiaries (other than the 2022 Senior Secured Notes, the 2023 Senior Secured Notes, the 2024 Senior Secured Notes and any Indebtedness outstanding under the Revolving Credit Facility as of the Issue Date) in existence on the date of the Senior Secured Indenture, after giving effect to the net proceeds of the issuance of the Senior Secured Notes, until such amounts are repaid (including, without limitation the 2025 Senior Subordinated Notes).

"Existing Notes" means, collectively, the 2022 Senior Secured Notes, the 2023 Senior Secured Notes, the 2024 Senior Secured Notes and the 2025 Senior Subordinated Notes.

"Fair Market Value" means the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving distress or necessity of either party, determined in good faith by the chief executive officer, chief financial officer or responsible accounting or financial officer of the Issuer (unless otherwise provided in the Senior Secured Indenture). For the avoidance of doubt the Trustee shall have no obligation to determine the Fair Market Value.

"Fixed Charge Coverage Ratio" means, with respect to any specified Person for any period, the ratio of the Consolidated Cash Flow of such Person for such period to the Fixed Charges of such Person for such period. In the event that the specified Person or any of its Restricted Subsidiaries Incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than ordinary working capital or capital expenditure borrowings) or has caused any Reserved Indebtedness Amount to be deemed to be Incurred during such period or issues, repurchases or redeems preferred stock subsequent to the commencement of the period for which the Fixed Charge Coverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Fixed Charge Coverage Ratio is made (the "Calculation Date"), then the Fixed Charge Coverage Ratio will be calculated giving *pro forma* effect to such Incurrence, deemed Incurrence, assumption, Guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, or such issuance, repurchase or redemption of preferred stock, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the applicable four-quarter reference period; *provided*, *however*, that the *pro forma* calculation of the Fixed Charge Coverage Ratio shall not give effect to (i) any Indebtedness Incurred on the date of determination pursuant to the provisions described in the definition of Permitted Debt (other than any such additional Indebtedness that is Incurred on the date of determination under clause (14) of the definition of Permitted Debt, the Incurrence of which itself requires the calculation of the Fixed Charge Coverage Ratio) or (ii) the discharge on the date of determination of any Indebtedness to the extent that such discharge results from the proceeds Incurred on the date of determination pursuant to the provisions described in the definition of Permitted Debt.

In addition, for purposes of calculating the Fixed Charge Coverage Ratio:

(1) acquisitions that have been made by the specified Person or any of its Restricted Subsidiaries, including through mergers or consolidations, or any Person or any of its Restricted Subsidiaries acquired by the specified Person or any of its Restricted Subsidiaries, and including any related financing transactions and including increases in ownership of Restricted Subsidiaries (including any Unrestricted Subsidiary that has been redesignated as a Restricted Subsidiary), during the four-quarter reference period or subsequent to such reference period and on or prior to the Calculation Date, or that are to be made on the Calculation Date, will be given *pro forma* effect as if they had occurred on the first day of the four-quarter reference period; *provided* that in calculating the Fixed Charge Coverage Ratio or any element thereof for any period, cost reduction, cost savings and cost synergies plans or programs in connection with any transaction, Investment, acquisition, disposition, restructuring, corporate reorganization or otherwise (as determined in good faith by the Issuer's Chief Financial Officer or chief accounting officer) and that are reasonably expected to be realized within 18 months may be given *pro forma* effect (regardless of whether these cost savings and cost reduction synergies could then be reflected in *pro forma* financial statements to the extent prepared);

(2) the Consolidated Cash Flow attributable to discontinued operations, as determined in accordance with IFRS, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded;

(3) the Fixed Charges attributable to discontinued operations, as determined in accordance with IFRS, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded, but only to the extent that the obligations giving rise to such Fixed Charges will not be obligations of the specified Person or any of its Restricted Subsidiaries following the Calculation Date;

(4) any Person that is a Restricted Subsidiary (including any Unrestricted Subsidiary that has been redesignated as a Restricted Subsidiary) on the Calculation Date will be deemed to have been a Restricted Subsidiary at all times during such four-quarter period;

(5) any Person that is not a Restricted Subsidiary on the Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such four-quarter period;

(6) if any Indebtedness bears a floating rate of interest, the interest expense on such Indebtedness will be calculated as if the rate in effect on the Calculation Date had

been the applicable rate for the entire period (taking into account any Hedging Obligation applicable to such Indebtedness if such Hedging Obligation has a remaining term as at the Calculation Date in excess of 12 months, or, if shorter, at least equal to the remaining term of such Indebtedness); and

(7) interest on a Capital Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by a responsible financial or accounting officer of the Issuer to be the rate of interest implicit in such Capital Lease Obligation in accordance with IFRS.

For purposes of this definition, whenever *pro forma* effect is to be given to an acquisition or other Investment and the amount of income or earnings relating thereto, the *pro forma* calculations will be as determined in good faith by a responsible financial or accounting officer of the Issuer (including in respect of anticipated expense and cost reductions, operating improvements and synergies). In addition, for purposes of this definition, in determining the amount of Indebtedness outstanding on any date of determination, *pro forma* effect shall be given to any Incurrence, repayment, repurchase, defeasance or other acquisition, retirement or discharge of Indebtedness on such date.

"Fixed Charges" means, with respect to any specified Person for any period, the sum, without duplication, of:

(1) the consolidated interest expense of such Person and its Restricted Subsidiaries on their Indebtedness for such period, net of consolidated interest income, whether paid or accrued, including, without limitation, amortization of original issue discount, non-cash interest payments, the interest component of any deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations, commissions, discounts and other fees and charges Incurred in respect of letter of credit or bankers' acceptance financings, and net of the effect of all payments made or received pursuant to Hedging Obligations in respect of interest rates (excluding non-cash interest expense on Subordinated Shareholder Debt); *plus*

(2) the consolidated interest expense of such Person and its Restricted Subsidiaries on their Indebtedness that was capitalized during such period; *plus*

(3) any interest on Indebtedness of another Person that is guaranteed by such Person or one of its Restricted Subsidiaries or secured by a Lien on assets of such Person or one of its Restricted Subsidiaries, whether or not such Guarantee or Lien is called upon; *plus*

(4) all dividends, whether paid or accrued and whether or not in cash, on any series of preferred stock of such Person or any of its Restricted Subsidiaries, other than dividends on Equity Interests payable solely in Equity Interests or Subordinated Shareholder Debt of the Issuer (other than Disqualified Stock) or to the Issuer or a Restricted Subsidiary of the Issuer; *plus*

(5) the Fixed Charges attributable to discontinued operations, as determined in accordance with IFRS, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded, but only to the extent that the obligations giving rise to such Fixed Charges will not be obligations of the specified Person or any Restricted Subsidiary following the Calculation Date.

"Government Guaranteed Securities" means:

(1) securities issued or directly and fully guaranteed or insured by the U.S. government or any agency or instrumentality thereof (other than Cash Equivalents) and in each case with maturities not exceeding two years from the date of acquisition;

(2) corresponding instruments by any European Union Member State (*provided* that such member state has one of the two highest ratings obtainable from Moody's or S&P) or Switzerland or Norway or Japan, or any agency or instrumentality of any European Union Member State (*provided* that such member state has one of the two highest ratings obtainable from Moody's or S&P) or Switzerland or Norway or

Japan and in each case with maturities not exceeding two years from the date of acquisition; and

(3) investments in any fund that invests exclusively in investments of the type described in clauses (1) and (2) above which fund may also hold immaterial amounts of cash pending investment and/or distribution.

"Guarantee" means a guarantee other than by endorsement of negotiable instruments for collection in the ordinary course of business, direct or indirect, in any manner including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take or pay or to maintain financial statement conditions or otherwise).

"Guarantor" means any Subsidiary of the Issuer that executes a Note Guarantee in accordance with the provisions of the Senior Secured Indenture, and its respective successors and assigns, in each case, until the Note Guarantee of such Person has been released in accordance with the provisions of the Senior Secured Indenture.

"Hedging Obligations" means, with respect to any specified Person, the obligations of such Person under:

(1) interest rate swap agreements (whether from fixed to floating or from floating to fixed), interest rate cap agreements and interest rate collar agreements;

(2) other agreements or arrangements designed to manage interest rates or interest rate risk; and

(3) other agreements or arrangements designed to protect such Person against fluctuations in currency exchange rates.

"Holder" means each Person in whose name the Senior Secured Notes are registered on the Registrar's books, which shall initially be the respective nominee of Euroclear or Clearstream, as applicable.

"IFRS" means the International Financial Reporting Standards (formerly, International Accounting Standards) as endorsed from time to time by the European Union; *provided* that at any date after the Issue Date the Issuer may make an irrevocable election to establish that "IFRS" shall mean IFRS as in effect on a date that is on or prior to the date of such election. The Issuer shall give notice of any such election to the Trustee. Notwithstanding the foregoing, the impact of IFRS 16 Leases and any successor standard thereto shall be disregarded with respect to all ratios, calculations and determinations based upon IFRS to be calculated or made, as the case may be, pursuant to the Senior Secured Indenture and (without limitation) any lease, concession or license of property that would be considered an operating lease under IFRS as of the Issue Date and any guarantee given by the Issuer or any Restricted Subsidiary in the ordinary course of business solely in connection with, and in respect of, the obligations of the Issuer or any Restricted Subsidiary under any such operating lease shall be accounted for in accordance with IFRS as in the effect on the Issue Date.

"Incur" means issue, create, assume, enter into any Notes Guarantee of, incur, extend or otherwise become liable for; *provided, however*, that any Indebtedness or Capital Stock of a Person existing at the time such Person becomes a Restricted Subsidiary (whether by merger, amalgamation, consolidation, acquisition or otherwise) will be deemed to be Incurred by such Restricted Subsidiary at the time it becomes a Restricted Subsidiary and the terms "Incurred" and "Incurrence" have meanings correlative to the foregoing and any Indebtedness pursuant to any revolving credit or similar facility shall only be "Incurred" at the time any funds are borrowed thereunder, subject to the definition of "Reserved Indebtedness Amount" and related provisions.

"Indebtedness" means, with respect to any specified Person, any indebtedness of such Person (excluding accrued expenses and trade payables), whether or not contingent:

(1) in respect of borrowed money;

(2) evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof);

(3) in respect of banker's acceptances;

(4) representing Capital Lease Obligations;

(5) representing the balance deferred and unpaid of the purchase price of any property or services due more than six months after such property is acquired or such services are completed; or

(6) representing any Hedging Obligations,

if and to the extent any of the preceding items (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet of the specified Person prepared in accordance with IFRS. In addition, the term "Indebtedness" includes all Indebtedness of others secured by a Lien on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person) and, to the extent not otherwise included, the Guarantee by the specified Person of any Indebtedness of any other Person.

Notwithstanding the foregoing, "Indebtedness" shall not include any:

(A) Contingent Obligations Incurred in the ordinary course of business;

(B) in connection with the purchase by the Issuer or any Restricted Subsidiary of any business, any post-closing payment adjustments to which the seller may become entitled to the extent such payment is determined by a final closing balance sheet or such payment depends on the performance of such business after the closing; *provided, however*, that, at the time of closing, the amount of any such payment is not determinable and, to the extent such payment thereafter becomes fixed and determined, the amount is paid within 90 days thereafter;

(C) any contingent obligations in respect of workers' compensation claims, early retirement or termination obligations, pension fund obligations or contributions or similar claims, obligations or contributions or social security or wage Taxes;

(D) Subordinated Shareholder Debt;

(E) anything accounted for as an operating lease under IFRS in effect as of the Issue Date;

(F) any deposits or prepayments received by the Issuer or a Restricted Subsidiary for services or products to be provided or delivered; or

(G) obligations under, or in respect of, a Qualified Securitization Financing.

No Indebtedness will be considered to be subordinate or junior in right of payment to any other Indebtedness by reason of any Liens or guarantees arising or created in respect of such other Indebtedness or by virtue of the fact that holders of any secured Indebtedness have entered into intercreditor agreements giving one or more holders priority over other holders in the collateral held by them.

"Initial Public Offering" means an Equity Offering of common stock or other common equity interests of the Issuer or any Parent or any successor of the Issuer or any such Parent (the "IPO Entity") following which there is a Public Market and, as a result of which, the shares of common stock or other common equity interests of the IPO Entity in such offering are listed on an internationally recognized exchange or traded on an internationally recognized market.

"Intercreditor Agreement" means that certain intercreditor agreement dated July 23, 2014 between the Issuer, Wilmington Trust, National Association, as trustee for the 2021 Senior Secured Notes, Wilmington Trust (London) Limited as security agent for the 2021 Senior Secured Notes, Natixis S.A. as senior agent and security agent for the lenders and the financial institutions listed therein as the lenders under the Revolving Credit Facility and as acceded to by the Trustee on or about the Issue Date, as amended, restated or otherwise modified or varied from time to time.

"Investments" means, with respect to any Person, all direct or indirect investments by such Person in other Persons (including Affiliates) in the forms of loans (including Guarantees or other obligations), advances or capital contributions (excluding commission, travel and similar advances to directors, officers and employees

made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with IFRS. If the Issuer or any Subsidiary of the Issuer sells or otherwise disposes of any Equity Interests of any direct or indirect Subsidiary of the Issuer such that, after giving effect to any such sale or disposition, such Person is no longer a Subsidiary of the Issuer, the Issuer will be deemed to have made an Investment on the date of any such sale or disposition equal to the Fair Market Value of the Issuer's Investments in such Subsidiary that were not sold or disposed of. Except as otherwise provided in the Senior Secured Indenture, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value. The amount of any Investment outstanding at any time shall be the original cost of such Investment, reduced (at the Issuer's option) by any dividend, distribution, interest payment, return of capital, repayment or other amount or value received in respect of such Investment; *provided,* that to the extent that the amount of Restricted Payments outstanding at any time pursuant to paragraph (a) of the covenant described under "*—Certain Covenants—Restricted Payments*" is so reduced by any portion of any such amount or value that would otherwise be included in the calculation of Consolidated Net Income, such portion of such amount or value shall not be so included for purposes of calculating the amount of Restricted Payments that may be made pursuant to paragraph (a) of the covenant described under "*—Certain Covenants—Restricted Payments*."

"IPO Market Capitalization" means an amount equal to (a) the total number of issued and outstanding shares of common stock or common equity interests of the IPO Entity at the time of closing of the Initial Public Offering multiplied by (b) the price per share at which such shares of common stock or common equity interests are sold in such Initial Public Offering.

"Issue Date" means April 11, 2019.

"Lavendon" means Lavendon Group Limited.

"Lien" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction.

"Management Advances" means, loans or advances made to, or guarantees with respect to loans or advances made to, directors, officers, employees or consultants of the Issuer or any Restricted Subsidiary:

(1) in respect of travel, entertainment or moving related expenses Incurred in the ordinary course of business;

(2) in respect of moving related expenses Incurred in connection with any closing or consolidation of any facility or office; or

(3) (in the case of this clause (3)) in the ordinary course of business or consistent with past practice not to exceed €5.0 million in the aggregate at any one time outstanding.

"Market Capitalization" means an amount equal to (i) the total number of issued and outstanding shares of common stock or common equity interests of the IPO Entity on the date of the declaration of the relevant dividend or distribution or the making of the relevant loan or advance multiplied by (ii) the arithmetic mean of the closing prices per share of such common stock or common equity interests for the thirty (30) consecutive trading days immediately preceding the date of declaration of such dividend or distribution or the making of the relevant loan or advance.

"Moody's" means Moody's Investors Service, Inc. and any of its successors or assigns.

"Net Proceeds" means the aggregate cash proceeds received by the Issuer or any of its Restricted Subsidiaries in respect of any Asset Sale (including, without limitation, any cash received upon the sale or other disposition of any non-cash consideration received in any Asset Sale), net of the direct costs relating to such Asset Sale, including, without limitation, legal, accounting and investment banking fees, and sales commissions, and any relocation expenses Incurred as a result of the Asset Sale, taxes paid or payable as a result of the Asset Sale, in each case, after taking into account any available tax credits or deductions and any tax sharing

arrangements and any reserve for adjustment in respect of the sale price of such asset or assets established in accordance with IFRS.

"New Senior Subordinated Notes" means the €200 million Senior Subordinated Notes due 2027 expected to be issued on or about the Issue Date.

"Non-Recourse Debt" means Indebtedness as to which neither the Issuer nor any of its Restricted Subsidiaries (a) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness), (b) is directly or indirectly liable as a guarantor or otherwise, or (c) constitutes the lender.

"Note Guarantee" means the Guarantee by each Guarantor of the Issuer's obligations under the Senior Secured Indenture and the Senior Secured Notes, executed pursuant to the provisions of the Senior Secured Indenture.

"Obligations" means any principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Indebtedness.

"Parent" means any Person of which the Issuer at any time is or becomes a Subsidiary after the Issue Date and any holding companies established by the Principals or any Related Party for purposes of holding its investment in any Parent.

"Pari Passu Indebtedness" means any Indebtedness of the Issuer or any Guarantor (other than Indebtedness that is a Guarantee of the Indebtedness of another Person and other than Indebtedness owed to the Issuer or a Restricted Subsidiary or an Affiliate of the Issuer) that is secured by a Lien on the Collateral that is *pari passu* (or deemed under the Intercreditor Agreement to be *pari passu*) with the Lien on the Collateral securing the Senior Secured Notes and that is not subordinated in right of payment to the Senior Secured Notes or any Note Guarantee. For the avoidance of doubt, Pari Passu Indebtedness includes the 2022 Senior Secured Notes, the 2023 Senior Secured Notes and the 2024 Senior Secured Notes.

"Permitted Asset Swap" means the substantially concurrent purchase and sale or exchange of Related Business Assets or a combination of Related Business Assets and cash or Cash Equivalents between the Issuer or any of its Restricted Subsidiaries and another Person; *provided* that any cash or Cash Equivalents received in excess of the value of any Cash Equivalents sold or exchanged must be applied in accordance with the covenant described under "*—Certain Covenants—Asset Sales*."

"Permitted Business" means any business in which the Issuer and its Subsidiaries were engaged on the date of the Senior Secured Indenture, and any business incidental, reasonably related, complementary or ancillary thereto, or which is a reasonable extension thereof.

"Permitted Collateral Liens" means:

(1) Liens on the Collateral to secure the 2022 Senior Secured Notes (or any guarantee thereof, as the case may be), the 2023 Senior Secured Notes (or any guarantee thereof, as the case may be), the 2024 Senior Secured Notes (or any guarantee thereof, as the case may be) and the Senior Secured Notes (or any guarantee thereof, as the case may be) (but, in each case, not any additional notes (or any Note Guarantee thereof, as the case may be)) and any Permitted Refinancing Indebtedness in respect thereof; *provided* that each of the parties thereto or their representatives will have entered into the Intercreditor Agreement and any Additional Intercreditor Agreement; *provided further* that all property and assets (including, without limitation, the Collateral) securing such Permitted Refinancing Indebtedness also secure the 2022 Senior Secured Notes (or any guarantee thereof, as the case may be), the 2023 Senior Secured Notes (or any guarantee thereof, as the case may be), the 2024 Senior Secured Notes (or any guarantee thereof, as the case may be) and the Senior Secured Notes and the Note Guarantees on a senior or *pari passu* basis;

(2) Liens on the Collateral to secure:

(a) Indebtedness of the Issuer or a Guarantor that is permitted to be Incurred by clause (1) of the definition of Permitted Debt; *provided* that each of the parties

thereto or their representatives will have entered into the Intercreditor Agreement and any Additional Intercreditor Agreement; *provided further* that all property and assets (including, without limitation, the Collateral) securing such Indebtedness also secure the Senior Secured Notes and the Note Guarantees on a *pari passu* or senior basis;

(b) Senior Secured Debt of the Issuer or a Guarantor that is permitted to be Incurred by the first paragraph of the covenant "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*" or Indebtedness of the Issuer or a Guarantor that is permitted to be Incurred by clause (4) (other than in respect of Capital Lease Obligations), sub-clause (y) of clause (14), clause (17) or clause (19) of the definition of Permitted Debt and Permitted Refinancing Indebtedness in respect thereof; *provided* that each of the parties to such Indebtedness or Permitted Refinancing Indebtedness or their representatives will have entered into the Intercreditor Agreement and any Additional Intercreditor Agreement; *provided further* that all property and assets (including, without limitation, the Collateral) securing such Senior Secured Debt or Permitted Refinancing Indebtedness also secure the Senior Secured Notes and the Note Guarantees on a senior or *pari passu* basis;

(3) Liens on the Collateral to secure Hedging Obligations of the Issuer or a Guarantor permitted to be Incurred by clause (8) of the definition of Permitted Debt to the extent relating to (i) the Senior Secured Notes, (ii) Indebtedness that is permitted to be secured on the Collateral pursuant to clause (2) above and is secured on the Collateral on the same first-priority basis as the 2022 Senior Secured Notes, the 2023 Senior Secured Notes and the 2024 Senior Secured Notes and that ranks *pari passu* in right of payment with the Senior Secured Notes or any Note Guarantee; *provided* that each of the parties thereto or their representatives will have entered into the Intercreditor Agreement and any Additional Intercreditor Agreement; *provided further* that all property and assets (including, without limitation, the Collateral) securing such Indebtedness also secure the Senior Secured Notes and any Note Guarantees on a *pari passu* or senior basis;

(4) Liens on the Collateral to secure on a second-priority basis Subordinated Obligations of the Issuer or a Guarantor that are permitted to be Incurred under the covenant "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*" and that are permitted to be so secured by the Intercreditor Agreement or any Additional Intercreditor Agreement; *provided* that such Liens rank junior to the Permitted Collateral Liens securing the Senior Secured Notes and the Note Guarantees; *provided further* that each of the parties thereto or their representatives will have entered into the Intercreditor Agreement and any Additional Intercreditor Agreement; or

(5) Liens on the Collateral that are described in one or more of clauses (5), (8), (9), (10), (14), (15), (16), (17), (18), (19) and (20) of the definition of "Permitted Liens".

For purposes of determining compliance with this definition, in the event that a Permitted Collateral Lien meets the criteria of one or more categories of Permitted Collateral Liens described above, the Issuer will be permitted to classify such Permitted Collateral Lien on the date of its Incurrence and reclassify such Permitted Collateral Lien at any time and in any manner that complies with this definition.

"Permitted Investments" means:

(1) any Investment in the Issuer or in a Restricted Subsidiary of the Issuer;

(2) any Investment in cash, Cash Equivalents or Government Guaranteed Securities;

(3) any Investment by the Issuer or any Restricted Subsidiary of the Issuer in a Person, if as a result of such Investment:

(a) such Person becomes a Restricted Subsidiary of the Issuer; or

(b) such Person, in one transaction or a series of related transactions, is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, the Issuer or a Restricted Subsidiary of the Issuer;

(4) any Investment made as a result of the receipt of non-cash consideration from an Asset Sale that was made pursuant to and in compliance with the covenant described above under the caption "*—Repurchase at the Option of Holders—Asset Sales*;"

(5) any acquisition of assets or Capital Stock solely in exchange for the issuance of Equity Interests (other than Disqualified Stock) of the Issuer;

(6) any Investments received: (i) in compromise or resolution of (A) obligations of trade creditors or customers that were Incurred in the ordinary course of business of the Issuer or any of its Restricted Subsidiaries, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer, (B) litigation, arbitration or other disputes with Persons who are not Affiliates or (C) foreclosure, perfection or enforcement of any Lien; or (ii) as a result of foreclosure by the Issuer or any of its Restricted Subsidiaries with respect to any secured Investment or other transfer or title with respect to any secured Investment in default;

(7) lease, utility and workers' compensation, performance and other similar deposits made in the ordinary course of business;

(8) Investments represented by Hedging Obligations;

(9) Management Advances;

(10) repurchases of the Senior Secured Notes, including any Additional Senior Secured Notes issued pursuant to the Senior Secured Indenture, and any Pari Passu Indebtedness;

(11) Investments in receivables owing to the Issuer or any Restricted Subsidiary created or acquired in the ordinary course of business;

(12) (i) Investments acquired after the date of the Senior Secured Indenture as a result of the acquisition by the Issuer or any Restricted Subsidiary of another Person, including by way of a merger, amalgamation or consolidation with or into the Issuer or any of its Restricted Subsidiaries in a transaction that is not prohibited by the covenant described above under the caption "*—Merger, Consolidation or Sale of Assets*" to the extent that such Investments were not made in contemplation of such acquisition, merger, amalgamation or consolidation and were in existence on the date of such acquisition, merger, amalgamation or consolidation and (ii) Investments of a Restricted Subsidiary existing on the date such Person becomes a Restricted Subsidiary to the extent that such Investments were not made in contemplation of such Person becoming a Restricted Subsidiary;

(13) other Investments in any Person having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (13) that are at the time outstanding not to exceed the greater of (i) 4.0% of Consolidated Total Assets of the Issuer or (ii) €135.0 million; *provided* that if an Investment is made pursuant to this clause in a Person that is not a Restricted Subsidiary and such Person subsequently becomes a Restricted Subsidiary or is merged into or with the Issuer or a Restricted Subsidiary or is subsequently designated a Restricted Subsidiary pursuant to the covenant described above under the caption "*—Certain Covenants—Restricted Payments*," such Investment shall

thereafter be deemed to have been made pursuant to clause (1) or (3) of the definition of "Permitted Investments" and not this clause;

(14) any Investment existing on, or made pursuant to written agreements existing on, the date of the Senior Secured Indenture and any Investment that replaces, refinances or refunds an existing Investment (or an Investment made pursuant to binding written commitments in existence on the date of the Senior Secured Indenture); *provided* that the amount of any such Investment may be increased (a) as required by the terms of such Investment as in existence on the date of the Senior Secured Indenture or (b) as otherwise permitted under the Senior Secured Indenture;

(15) Investments by the Issuer or a Restricted Subsidiary in an amount at any time outstanding not to exceed the greater of €200.0 million and 6.0% of Consolidated Total Assets of the Issuer in one or more joint ventures engaged in a Permitted Business; *provided* that if an Investment is made pursuant to this clause in a Person that is not a Restricted Subsidiary and such Person subsequently becomes a Restricted Subsidiary or is merged with or into a Restricted Subsidiary of the Issuer or is subsequently designated a Restricted Subsidiary pursuant to the covenant described above under the caption "*—Certain Covenants—Restricted Payments*," such Investment shall thereafter be deemed to have been made pursuant to clause (1) or (3) of the definition of "Permitted Investments" and not this clause and *provided* that, to the extent any such Investment is in Equity Interests of such joint venture, the amount of the Investment deemed outstanding for the purposes of this clause (15) shall be equal to the proportionate share held by the Issuer or such Restricted Subsidiary, as the case may be, in the Fair Market Value of the net assets of such joint venture at the time of the Investment;

(16) guarantees of Indebtedness permitted to be Incurred by the Issuer or its Restricted Subsidiaries by the covenant described under "*—Certain Covenants— Incurrence of Indebtedness and Issuance of Preferred Stock*" and keepwells and similar arrangements not prohibited by the covenant described under "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*;" and

(17) Investments (a) arising in connection with a Qualified Securitization Financing or a Permitted Recourse Receivables Financing; and (b) constituting distributions or payments of Securitization Fees and purchases of Securitization Assets in connection with a Qualified Securitization Financing or Permitted Recourse Receivables Financing;

provided, *however,* that with respect to any Investment, the Issuer may in its sole discretion, allocate all or any portion of any Investment to one or more of the above clauses (1) through (17) so that the entire Investment would be a Permitted Investment.

"Permitted Liens" means:

(1) Liens on commercial receivables of the Issuer and its Restricted Subsidiaries securing the Revolving Credit Facility or other Indebtedness that is Incurred pursuant to clause (1) of the second paragraph of the covenant captioned "*—Incurrence of Indebtedness and Issuance of Preferred Stock*" and is designated as a Senior Lender Liability under the Intercreditor Agreement or assigned a substantially equivalent designation under any Additional Intercreditor Agreement;

(2) Liens in favor of the Issuer or any Restricted Subsidiary of the Issuer;

(3) Liens on property (including Capital Stock) of a Person existing at the time such Person becomes a Restricted Subsidiary of the Issuer or is merged with or into or consolidated with the Issuer or any Restricted Subsidiary of the Issuer; *provided* that such Liens were in existence prior to the contemplation of such Person becoming a Restricted Subsidiary of the Issuer or such merger or consolidation and do not extend to any assets other than those of the Person that becomes a Restricted

Subsidiary or is merged into or consolidated with the Issuer or the Subsidiary (plus improvements, accessions, proceeds or dividends or distributions in respect thereof);

(4) Liens on property or assets (including Capital Stock) existing at the time of acquisition of the property or assets by the Issuer or any Subsidiary of the Issuer (plus improvements, accessions, proceeds or dividends or distributions in respect thereof); *provided* that such Liens were in existence prior to, such acquisition, and not Incurred in contemplation of, such acquisition;

(5) Liens or deposits to secure the performance of tenders, bids, statutory or regulatory obligations, surety, appeal, indemnity or performance bonds, letters of credit, banker's acceptances, warranty, contractual, netting or set-off requirements or other obligations of a like nature Incurred in the ordinary course of business (including Liens to secure letters of credit issued to assure payment of such obligations);

(6) Liens to secure Productive Asset Financings permitted by clause (4) of the second paragraph of the covenant entitled "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*" and Liens to secure Productive Asset Financings, to the extent limited to tangible fixed assets, otherwise permitted to be Incurred pursuant to the covenant entitled "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*", in each case, covering only the assets acquired with or financed or refinanced by, directly or indirectly, such Productive Asset Financings;

(7) Liens existing on the date of the Senior Secured Indenture or provided for under written arrangements existing on the date of the Senior Secured Indenture;

(8) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings or the non-payment of which in the aggregate would not reasonably be expected to have a material adverse effect on the Issuer and its Restricted Subsidiaries; *provided* that any reserve or other appropriate provision as is required in conformity with IFRS has been made therefor;

(9) Liens imposed by law, such as carriers', warehousemen's, landlord's, lessors', suppliers', banks', repairmen's and mechanics' Liens and Liens of landlords securing obligations to pay lease payments that are not yet due and payable or in default, in each case, Incurred in the ordinary course of business;

(10) Encumbrances, ground leases, survey exceptions, easements or reservations (including severances, leases or reservations of oil, gas, coal, minerals or water rights) of, or rights of others for, licenses, rights-of-way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning, building codes or other restrictions as to the use of real property or title defects that were not Incurred in connection with Indebtedness and that do not in the aggregate materially adversely affect the value of said properties (as such properties are used by the Issuer and its Subsidiaries) or materially impair their use in the operation of the business of the Issuer and its Subsidiaries;

(11) Liens created for the benefit of (or to secure) the Senior Secured Notes and any Note Guarantee;

(12) Liens securing Indebtedness under Hedging Obligations, which obligations are permitted by clause (8) of the second paragraph of the covenant described above under the caption "*—Certain Covenants— Incurrence of Indebtedness and Issuance of Preferred Stock*;"

(13) Liens to secure any Permitted Refinancing Indebtedness permitted to be Incurred under the Senior Secured Indenture; *provided, however*, that:

(a) the new Lien shall be limited to all or part of the same property and assets that secured or, under the written agreements pursuant to which the original Lien

arose, could secure the original Lien (plus improvements and accessions to, such property or proceeds or distributions thereof); and

(b) the Indebtedness secured by the new Lien is not increased to any amount greater than the sum of (x) the outstanding principal amount, or, if greater, committed amount, of the Permitted Refinancing Indebtedness and (y) an amount necessary to pay any fees and expenses, including premiums, related to such renewal, refunding, refinancing, replacement, defeasance or discharge;

(14) Liens on cash, Cash Equivalents or other property arising in connection with the defeasance, discharge or redemption of Indebtedness;

(15) Liens on specific items of inventory or other goods (and the proceeds thereof) of any Person securing such Person's obligations in respect of bankers' acceptances issued or created in the ordinary course of business for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods;

(16) leases, licenses, subleases and sublicenses of assets or property (including intellectual property) in the ordinary course of business;

(17) Liens arising out of conditional sale, title retention, extended title retention, consignment or similar arrangements for the sale of assets entered into in the ordinary course of business;

(18) (a) mortgages, liens, security interests, restrictions, encumbrances or any other matters of record that have been placed by any developer, landlord or other third party on property over which the Issuer or any Restricted Subsidiary has easement rights or on any real property leased by the Issuer or any Restricted Subsidiary and subordination or similar agreements relating thereto and (b) any condemnation or eminent domain proceedings or compulsory purchase order affecting real property;

(19) Liens on property or assets under construction (and related rights) in favor of a contractor or developer or arising from progress or partial payments by a third party relating to such property or assets;

(20) Liens securing or arising by reason of any netting or set-off arrangement entered into in the ordinary course of banking or other trading activities;

(21) Liens Incurred in the ordinary course of business (other than for borrowing purposes) of the Issuer or any Restricted Subsidiary of the Issuer with respect to obligations that do not exceed the greater of €85.0 million and 2.5% of Consolidated Total Assets of the Issuer at any one time outstanding;

(22) Liens on (i) escrowed proceeds and related escrow accounts for the benefit of related holders of debt securities (including holders of a specific series of Senior Secured Notes and not any other series) or other Indebtedness (or the underwriters, arrangers or trustees (including the Trustee) thereof), (ii) on cash set aside at the time of the Incurrence of any Indebtedness or government securities purchased with such cash, in either case to the extent such cash or government securities prefund the payment of interest on such Indebtedness and are held in an escrow account or similar arrangement to be applied for such purpose, or (iii) on any guarantee or backstop commitment relating to any escrow shortfall;

(23) Liens on assets or property of any direct or indirect Restricted Subsidiary of the Issuer that is not a Guarantor securing Indebtedness of any direct or indirect Restricted Subsidiary of the Issuer that is not a Guarantor permitted by the covenant described under "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*;"

(24) Liens arising in connection with a Qualified Securitization Financing or a Permitted Recourse Receivables Financing; and

(25) any amendment, modification, extension, renewal, refinancing or replacement, in whole or in part, of any Lien described in the foregoing clauses (1) through (25).

In the event that a Permitted Lien meets the criteria of more than one of the types of Permitted Liens (at the time of Incurrence or at a later date), the Issuer in its sole discretion may divide, classify or from time to time reclassify all or any portion of such Permitted Lien in any manner that complies with the Senior Secured Indenture and such Permitted Lien shall be treated as having been made pursuant only to the clause or clauses of the definition of "Permitted Liens" to which such Permitted Lien has been classified or reclassified.

"Permitted Recourse Receivables Financing" means any financing other than a Qualified Securitization Financing pursuant to which the Issuer or any of its Restricted Subsidiaries may sell, convey or otherwise transfer to any other Person, or grant a security interest in, any Securitization Assets (and related assets) of the Issuer or any of its Restricted Subsidiaries in an aggregate principal amount equal to the Fair Market Value of such Securitization Assets (and related assets); *provided* that (a) the covenants, events of default and other provisions applicable to such financing shall be on market terms (as determined in good faith by the Issuer's Board of Directors or senior management) at the time such financing is entered into and (b) the interest rate applicable to such financing shall be a market interest rate (as determined in good faith by the Issuer's Board of Directors or senior management) at the time such financing is entered into.

"Permitted Refinancing Indebtedness" means any Indebtedness of the Issuer or any of its Restricted Subsidiaries issued in exchange for, or the net proceeds of which are used to extend, renew, refund, refinance, replace, defease or discharge other Indebtedness of the Issuer or any of its Restricted Subsidiaries (other than intercompany Indebtedness) (including any other Permitted Refinancing Indebtedness); *provided* that:

(1) the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness extended, renewed, refunded, refinanced, replaced, defeased or discharged (which, for the avoidance of doubt, may include Indebtedness under one or more separate agreements or instruments that will be refinanced with a single agreement or instrument, as well as Indebtedness under a single agreement or instrument that will be refinanced with multiple separate agreements or instruments), *plus* an amount equal to any unutilized commitment that has been designated a Reserved Indebtedness Amount relating to the Indebtedness being refinanced or otherwise then outstanding under a Credit Facility or other financing arrangement being refinanced immediately prior to such refinancing, *plus* any accrued interest and any premium required to be paid on the Indebtedness and the amount of all fees and expenses, including premiums, Incurred in connection therewith;

(2) such Permitted Refinancing Indebtedness (a) has a final maturity date (i) later than the final maturity date of the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged or (ii) after the final maturity date of the Senior Secured Notes and (b) has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of, the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged or, alternatively, a final maturity date that is later than the final Stated Maturity of the Senior Secured Notes;

(3) if the Indebtedness being extended, renewed, refunded, refinanced, replaced, defeased or discharged is subordinated in right of payment to the Senior Secured Notes, such Permitted Refinancing Indebtedness is subordinated in right of payment to the Senior Secured Notes on terms at least as favorable to the Holders of Senior Secured Notes as those contained in the documentation governing the Indebtedness being extended, renewed, refunded, refinanced, replaced, defeased or discharged; and

(4) such Indebtedness is Incurred by the Issuer or a Guarantor if the Issuer or a Guarantor is the obligor on the Indebtedness being extended, renewed, refunded, refinanced, replaced, defeased or discharged.

Permitted Refinancing Indebtedness in respect of any Credit Facility may be Incurred from time to time at or after the termination, discharge or repayment of any such Credit Facility or other Indebtedness.

"Person" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company or government or other entity.

"Principals" means Mr. Gérard Déprez and his estate, spouse, siblings, ancestors, heirs and lineal descendants, and spouses of any such Persons, the legal representatives of any of the foregoing, and the trustee of any bona fide trust of which one or more of the foregoing are the principal beneficiaries or the grantors or any other Person that is controlled by any of the foregoing.

"Public Market" means any time after:

(1) an Equity Offering has been consummated; and

(2) at least 20% of the total issued and outstanding shares of common equity interests of the IPO Entity has been distributed to investors (other than the Principals and their Related Parties).

"Qualified Securitization Financing" means any financing pursuant to which the Issuer or any of its Restricted Subsidiaries may sell, convey or otherwise transfer to any other Person, or grant a security interest in, any Securitization Assets (and related assets) of the Issuer or any of its Restricted Subsidiaries in an aggregate principal amount equal to the Fair Market Value of such Securitization Assets (and related assets); *provided* that (a) the covenants, events of default and other provisions applicable to such financing shall be on market terms (as determined in good faith by the Issuer's Board of Directors or senior management) at the time such financing is entered into, (b) the interest rate applicable to such financing shall be a market interest rate (as determined in good faith by the Issuer's Board of Directors or senior management) at the time such financing is entered into and (c) such financing shall be non-recourse to the Issuer or any of its Restricted Subsidiaries except to a limited extent customary for such transactions.

"Related Business Assets" means assets (other than cash or Cash Equivalents) used or useful in a Permitted Business; *provided* that any assets received by the Issuer or a Restricted Subsidiary in exchange for assets transferred by the Issuer or a Restricted Subsidiary will not be deemed to be Related Business Assets if they consist of securities of a Person, unless upon receipt of the securities of such Person, such Person would become a Restricted Subsidiary.

"Related Party" means:

(1) any controlling stockholder, Subsidiary, or immediate family member (in the case of an individual) of any Principal; or

(2) any trust, corporation, partnership, limited liability company or other entity, the beneficiaries, stockholders, partners, members, owners or Persons beneficially holding a controlling interest of which consist of any one or more Principals and/or such other Persons referred to in the immediately preceding clause (1).

"Reserved Indebtedness Amount" has the meaning set forth in the covenant described under "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*."

"Restricted Investment" means an Investment other than a Permitted Investment.

"Restricted Subsidiary" of a Person means any Subsidiary of the referent Person that is not an Unrestricted Subsidiary.

"Revolving Credit Facility" means the senior secured revolving credit facility made available under the Revolving Credit Facility Agreement.

"Revolving Credit Facility Agreement" means the senior secured revolving credit facility agreement entered into on February 28, 2017, as amended, restated or otherwise modified or varied from time to time, entered into by among others, the Issuer, Deutsche Bank AG, London Branch, Crédit Agricole Corporate and Investment Bank, Natixis and Société Générale.

"S&P" means Standard & Poor's Ratings Group and any of its successors or assigns.

"Securitization Asset" means (1) any accounts receivable, mortgage receivables, loan receivables, royalty, franchise fee, license fee, patent, rent or other revenue streams and other rights to payment or related assets and the proceeds thereof and (2) all collateral securing such receivable or asset, all contracts and contract rights, guarantees or other obligations in respect of such receivable or asset, lockbox accounts and records with respect to such account or asset and any other assets customarily transferred (or in respect of which security interests are customarily granted) together with accounts or assets in connection with a securitization, factoring or receivable sale transaction.

"Securitization Fees" means distributions or payments made directly or by means of discounts with respect to any Securitization Asset or participation interest therein issued or sold in connection with, and other fees and expenses (including reasonable fees and expenses of legal counsel) paid in connection with, any Qualified Securitization Financing or Permitted Recourse Receivables Financing.

"Securitization Repurchase Obligation" means any obligation of a seller of or grantor of security interests in Securitization Assets to repurchase or otherwise make payments with respect to Securitization Assets arising as a result of a breach of a representation, warranty or covenant or otherwise, including as a result of a receivable or portion thereof becoming subject to any asserted defense, dispute, offset or counterclaim of any kind as a result of any action taken by, any failure to take action by or any other event relating to the seller.

"Security Agent" means Wilmington Trust (London) Limited, until a successor replaces it in accordance with the applicable provisions of the Senior Secured Indenture, the Intercreditor Agreement or any Additional Intercreditor Agreement and thereafter means the successor thereof.

"Security Documents" means the trademark and share pledges under French law, the Lien granted over the Capital Stock of Lavendon under English law and any other instrument and document executed and delivered pursuant to the Senior Secured Indenture or otherwise or any of the foregoing, as the same may be amended, supplemented or otherwise modified from time to time and pursuant to which the Collateral is pledged, assigned or granted to or on behalf of the Security Agent for the benefit of the Holders of the Senior Secured Notes or in its capacity as a parallel debt creditor (as applicable) or notice of such pledge, assignment or grant is given.

"Senior Secured Debt" means all secured Indebtedness of the Issuer or a Guarantor (including, without limitation, the Revolving Credit Facility, the 2022 Senior Secured Notes, the 2023 Senior Secured Notes, the 2024 Senior Secured Notes and the Senior Secured Notes) and any Indebtedness of any Restricted Subsidiary that is not a Guarantor permitted to be Incurred under the terms of the Senior Secured Indenture (excluding Permitted Debt Incurred under clauses (6), (7), (8), (9), (11), (12) and (13) thereof).

Notwithstanding anything to the contrary in the preceding, Senior Secured Debt will not include:

(1) any liability for federal, state, local or other taxes owed or owing by the Issuer or any of its Restricted Subsidiaries;

(2) any trade payables;

(3) Indebtedness which is classified as non-recourse in accordance with IFRS or any unsecured claim arising in respect thereof by reason of the application of any relevant bankruptcy or insolvency law, rule or regulation;

(4) the 2025 Senior Subordinated Notes; and

(5) the New Senior Subordinated Notes.

"Significant Subsidiary" means any Subsidiary that together with its Subsidiaries which are Restricted Subsidiaries (i) for the most recent fiscal year, accounted for more than 10% of the consolidated revenues of the Issuer or (ii) as of the end of the most recent fiscal year, was the owner of more than 10% of the consolidated assets of the Issuer.

"Stated Maturity" means, with respect to any installment of interest or principal on any series of Indebtedness, the date on which the payment of interest or principal was scheduled to be paid in the documentation governing such Indebtedness as of the date of the Senior Secured Indenture, and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

"Subordinated Obligations" means any Indebtedness (whether outstanding on the date of the Senior Secured Indenture or thereafter Incurred) that is subordinated or junior in right of payment to the Senior Secured Notes).

"Subordinated Shareholder Debt" means, collectively, any funds provided to the Issuer by an Affiliate of the Parent or the Parent in exchange for or pursuant to any security, instrument or agreement other than Capital Stock, together with any such security, instrument or agreement and any other security or instrument other than Capital Stock issued in payment of any obligation under any Subordinated Shareholder Debt; *provided, however,* that such Subordinated Shareholder Debt:

(1) does not (including upon the happening of any event) mature or require any amortization, redemption or other repayment of principal or any sinking fund payment prior to the first anniversary of the Stated Maturity of the Senior Secured Notes (other than through conversion or exchange of such funding into Capital Stock (other than Disqualified Stock) of the Issuer or any funding meeting the requirements of this definition);

(2) does not (including upon the happening of any event) require, prior to the first anniversary of the Stated Maturity of the Senior Secured Notes, payment of cash interest, cash withholding amounts or other cash gross-ups, or any similar cash amounts;

(3) contains no change of control or similar provisions and does not (including upon the happening of any event) accelerate and has no right (including upon the happening of any event) to declare a default or event of default or take any enforcement action or otherwise require any cash payment, in each case, prior to the first anniversary of the Stated Maturity of the Senior Secured Notes;

(4) does not provide for or require any security interest or encumbrance over any asset of the Issuer or any of its Restricted Subsidiaries and is not guaranteed by any Restricted Subsidiary of the Issuer;

(5) pursuant to its terms, is subordinated in right of payment to the prior payment in full in cash of the Senior Secured Notes and the Note Guarantees in the event of any default, bankruptcy, reorganization, liquidation, winding up or other disposition of assets of the Issuer;

(6) does not (including upon the happening of any event) restrict the payment of amounts due in respect of the Senior Secured Notes or the Note Guarantees or compliance by the Issuer with its obligations under the Senior Secured Indenture;

(7) does not (including upon the happening of an event) constitute Voting Stock; and

(8) is not (including upon the happening of any event) mandatorily convertible or exchangeable, or convertible or exchangeable at the option of the holder thereof; in whole or in part, prior to the date on which the Senior Secured Notes mature, other than into or for Capital Stock (other than Disqualified Stock) of the Issuer.

"Subsidiary" means, with respect to any specified Person:

(1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency and after giving effect to any voting agreement or stockholders' agreement that effectively transfers voting power) to vote in the election of directors, managers or trustees of the corporation, association or other business entity is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(2) any partnership (a) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (b) the only general partners

of which are that Person or one or more Subsidiaries of that Person (or any combination thereof).

"Unrestricted Subsidiary" means any Subsidiary of the Issuer that is designated by the Board of Directors of the Issuer as an Unrestricted Subsidiary pursuant to a resolution of the Board of Directors, but only to the extent that such Subsidiary:

(1) has no Indebtedness other than Non-Recourse Debt;

(2) except as permitted by the covenant described above under the caption "*—Certain Covenants—Transactions with Affiliates*," is not party to any agreement, contract, arrangement or understanding with the Issuer or any Restricted Subsidiary of the Issuer unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to the Issuer or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Issuer;

(3) is a Person with respect to which neither the Issuer nor any of its Restricted Subsidiaries has any direct or indirect obligation (a) to subscribe for additional Equity Interests or (b) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results; and

(4) has not guaranteed or otherwise directly or indirectly provided credit support for any Indebtedness of the Issuer or any of its Restricted Subsidiaries.

except (i) that the Issuer or any Restricted Subsidiaries may pledge Equity Interests or Indebtedness of an Unrestricted Subsidiary on a non-recourse basis as long as the pledge has no claim whatsoever against the Issuer, Guarantor or any Restricted Subsidiary other than to obtain such pledged property and (ii) to the extent that Indebtedness of the Issuer or any Restricted Subsidiary was permitted to be Incurred under "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*."

"U.S. Exchange Act" means the U.S. Securities Exchange Act of 1934, as amended.

"U.S. Securities Act" means the U.S. Securities Act of 1933, as amended.

"Voting Stock" of any specified Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

"Weighted Average Life to Maturity" means, when applied to any Indebtedness at any date, the number of years obtained by dividing:

(1) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect of the Indebtedness, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by

(2) the then outstanding principal amount of such Indebtedness.

DESCRIPTION OF THE SENIOR SUBORDINATED NOTES

The Issuer will issue €200,000,000 aggregate principal amount of 4.500% senior subordinated notes due April 15, 2027 (the "Senior Subordinated Notes") under an indenture (the "Senior Subordinated Indenture"), dated as of April 11, 2019, among itself and Wilmington Trust, National Association, as Trustee (the "Trustee"), in a private transaction that is not subject to the registration requirements of the U.S. Securities Act. See "Notice to Investors" and "Transfer Restrictions." The terms of the Senior Subordinated Notes include those stated in the Senior Subordinated Indenture and will not incorporate provisions by reference to, and will not be subject to the provisions of, or qualified under, the U.S. Trust Indenture Act of 1939. The following description is a summary of the material provisions of the Senior Subordinated Indenture, including the Senior Subordinated Notes. It does not restate the Senior Subordinated Indenture in its entirety. We urge you to read the Senior Subordinated Indenture because it, and not this description, defines your rights as holders of the Senior Subordinated Notes.

Certain defined terms used in this description but not defined below under "*—Certain Definitions*" have the meanings assigned to them in the Senior Subordinated Indenture. You can find the definitions of certain terms used in this description under the subheading "*—Certain Definitions*."

The Issuer will make an application to list the Senior Subordinated Notes on the Official List of the Luxembourg Stock Exchange and to admit the Senior Subordinated Notes to trading on the Euro MTF Market. The Issuer can provide no assurance that the Senior Subordinated Notes will be so listed or admitted to trading.

The registered Holder of a Senior Subordinated Note will be treated as the owner of it for all purposes. Only registered Holders will have rights under the Senior Subordinated Indenture.

Brief Description of the Senior Subordinated Notes

The Senior Subordinated Notes will:

- be general unsecured senior subordinated obligations of the Issuer;
- be expressly subordinated in right of payment to Indebtedness Incurred under the Revolving Credit Facility, the 2022 Senior Secured Notes, the 2023 Senior Secured Notes, the 2024 Senior Secured Notes, the New Senior Secured Notes and other future Senior Indebtedness of the Issuer;
- rank *pari passu* in right of payment with any existing and future Indebtedness of the Issuer (other than Senior Indebtedness) that is not expressly subordinated in right of payment to the Senior Subordinated Notes, including the 2024 Senior Subordinated Notes;
- not be guaranteed on the Issue Date and as a result will be structurally subordinated to all indebtedness and other liabilities (including trade payables) of the Issuer's Subsidiaries; and
- be effectively subordinated to all secured debt of the Issuer, including the 2022 Senior Secured Notes, the 2023 Senior Secured Notes, the 2024 Senior Secured Notes, the New Senior Secured Notes and any indebtedness under the Revolving Credit Facility to the extent of the value of the collateral securing such debt.

On an as adjusted basis, assuming the offering of the Senior Subordinated Notes and the offering of the New Senior Secured Notes and the use of the gross proceeds thereof had been completed as of December 31, 2018, the Issuer and its Subsidiaries would have had approximately €2,304.1 million of indebtedness outstanding, of which €1,610.2 million would have been Priority Debt. See "*Capitalization*." In addition, the Issuer has €75.0 million of undrawn but committed financing available under the Revolving Credit Facility, which, if drawn, will also constitute Priority Debt. See "*Summary Consolidated Financial Information—Pro forma financial information*" and "*Capitalization*." As discussed under the caption "*—The Intercreditor Agreement*" and "*Description of Certain Indebtedness—The Intercreditor Agreement,"* payments on the Senior Subordinated Notes will be expressly subordinated in right of payment to, and be subject to certain payment blockage, standstill and turnover provisions in favor of, Senior Indebtedness. The Senior Subordinated Indenture will permit the Issuer and its Subsidiaries to Incur additional indebtedness, including the Incurrence by the Issuer of additional Priority Debt subject to certain limitations.

The operations of the Issuer are conducted in part through its Subsidiaries and, therefore, the Issuer depends on the cash flow of its Subsidiaries to meet its obligations, including its obligations under the Senior Subordinated Notes. None of the Issuer's Subsidiaries will guarantee the Senior Subordinated Notes on the date

of the Senior Subordinated Indenture, although one or more of the Issuer's Subsidiaries may be required to provide additional Note Guarantees in certain future circumstances. The Senior Subordinated Notes will be structurally subordinated in right of payment to all Indebtedness and other commitments, trade payables and other liabilities of the Issuer's Subsidiaries that do not guarantee the Senior Subordinated Notes. Any right of the Issuer to receive assets of any of its Subsidiaries that do not guarantee the Senior Subordinated Notes upon that Subsidiary's liquidation or reorganization (and the consequent right of the Holders of the Senior Subordinated Notes to participate in those assets) will be effectively subordinated to the claims of that Subsidiary's creditors, except to the extent that the Issuer is itself recognized as a creditor of the Subsidiary, in which case the claims of the Issuer would still be subordinated in right of payment to any security in the assets of the Subsidiary and any Indebtedness of the Subsidiary senior to that held by the Issuer. As of December 31, 2018, on an as adjusted basis after giving effect to the offering of the Senior Subordinated Notes and the New Senior Secured Notes and the use of the gross proceeds thereof, the Issuer's Subsidiaries would have had approximately €260.1 million of other third-party indebtedness. See "*Capitalization*" and "*Risk Factors—Risks Related to the Notes and Our Capital Structure—You may not be able to enforce your right to receive payment, or recover any amounts due under the Senior Subordinated Notes due to the subordination provisions and restrictions on enforcement contained in the Senior Subordinated Indenture and in the Intercreditor Agreement*."

As of the date of the Senior Subordinated Indenture, all of our Subsidiaries will be "Restricted Subsidiaries." However, under the circumstances described below under the caption "*—Certain Covenants—Designation of Restricted and Unrestricted Subsidiaries*," we will be permitted to designate, subject to certain exceptions, Subsidiaries as "Unrestricted Subsidiaries." Our Unrestricted Subsidiaries will not be subject to many of the restrictive covenants in the Senior Subordinated Indentures.

We estimate that, as of December 31, 2018, we would have had approximately €44.9 million in "restricted payment" capacity under the "build-up" basket described below under the caption "*—Certain Covenants—Restricted Payments*."

Principal, Maturity and Interest

The Issuer will issue €200,000,000 in aggregate principal amount of Senior Subordinated Notes in this offering. The Senior Subordinated Indenture governing the Senior Subordinated Notes will provide for the issuance of additional Senior Subordinated Notes having terms and conditions identical in all respects to the Senior Subordinated Notes offered in this offering (the "Additional Senior Subordinated Notes"). Any issuance of Additional Senior Subordinated Notes is subject to all of the covenants in the Senior Subordinated Indenture, including the covenants described below under the caption "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*" and "*—Certain Covenants—Limitation on Liens*." The Senior Subordinated Notes and any Additional Senior Subordinated Notes subsequently issued under the Senior Subordinated Indenture will be treated as a single class for all purposes under the Senior Subordinated Indenture, including, without limitation, waivers, amendments, redemptions and offers to purchase. The Issuer will issue Notes in denominations of €100,000 and integral multiples of €1,000 above €100,000. The Senior Subordinated Notes will mature on April 15, 2027. Unless the context otherwise requires, in this "*Description of the Senior Subordinated Notes*" references to the Senior Subordinated Notes include the Senior Subordinated Notes and any Additional Senior Subordinated Notes that are issued from time to time.

Interest on the Senior Subordinated Notes will accrue at the rate of 4.500% per annum and will be payable semi-annually in arrears on June 15 and December 15, commencing on December 15, 2019. Interest on overdue principal and interest and Additional Amounts, if any, will, to the extent lawful, accrue at a rate that is 1% higher than the then applicable interest rate on the Senior Subordinated Notes. The Issuer will make each interest payment to the Holders of record on the immediately preceding June 1 and December 1 (each, a "Record Date").

Interest on the Senior Subordinated Notes will accrue from the date of original issuance or, if interest has already been paid, from the date it was most recently paid. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months on the aggregate principal amount outstanding.

Methods of Receiving Payments on the Senior Subordinated Notes

Principal, interest, premium and Additional Amounts (as defined below), if any, on the Global Notes (as defined below) will be payable in euros at the specified office or agency of one or more paying agents; *provided* that all such payments with respect to Senior Subordinated Notes represented by one or more Global

Notes registered in the name of a nominee of the common depositary of Clearstream and/or Euroclear will be made by wire transfer of immediately available funds to the account specified by the holder or holders thereof.

Principal, interest, premium and Additional Amounts, if any, on the Definitive Registered Notes (as defined below) will be payable at the specified office or agency of one or more paying agents in London maintained for such purposes. In addition, interest on the Definitive Registered Notes may be paid by check mailed to the person entitled thereto as shown on the register for the Definitive Registered Notes.

Paying Agent and Registrar for the Senior Subordinated Notes

The Issuer will maintain one or more paying agents for the Senior Subordinated Notes (each, a "Paying Agent"). The initial Paying Agent will be Deutsche Bank AG, London Branch, in London.

The Issuer will also maintain one or more registrars (each, a "Registrar") and a transfer agent in a member state of the European Union. The initial Registrar will be Deutsche Bank Luxembourg S.A. in Luxembourg. The initial transfer agent will be Deutsche Bank Luxembourg S.A. The Registrar will maintain a register reflecting ownership of Definitive Registered Notes, if any, outstanding from time to time.

Upon written notice to the Trustee, the Issuer may change or add any Paying Agent, Registrar or transfer agent. For so long as the Senior Subordinated Notes are listed on the Luxembourg Stock Exchange and its rules so require, the Issuer will publish a notice of any change of Paying Agent, Registrar or transfer agent in a newspaper having a general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) and on the official website of the Luxembourg Stock Exchange in accordance with the provisions set forth under "—*Notices*."

Transfer and Exchange

Senior Subordinated Notes sold within the United States to qualified institutional buyers pursuant to Rule 144A under the U.S. Securities Act will initially be represented by one or more global notes in registered form without interest coupons attached (collectively, the "144A Global Notes"). Senior Subordinated Notes sold outside the United States pursuant to Regulation S under the U.S. Securities Act will initially be represented by one or more global notes in registered form without interest coupons attached (collectively, the "Reg S Global Notes"). The 144A Global Notes and the Reg S Global Notes are collectively referred to herein as the "Global Notes."

The Global Notes will be deposited with a common depositary for Euroclear and Clearstream or its nominee. The Global Notes may be transferred only to Euroclear and/or Clearstream or a nominee of them, to a successor of Euroclear and/or Clearstream and/or to a nominee of such successor.

Ownership of interests in the Global Notes ("Book-Entry Interests") will be limited to persons that have accounts with Euroclear and Clearstream or persons that may hold interests through such participants. Ownership of interests in the form of Book-Entry Interests and transfers thereof will be subject to the restrictions on transfer and certification requirements summarized below and described more fully under "*Book-Entry, Delivery and Form—Transfers*." In addition, transfers of Book-Entry Interests between participants in Euroclear or participants in Clearstream will be effected by Euroclear or Clearstream pursuant to customary procedures and subject to the applicable rules and procedures established by Euroclear or Clearstream and their respective participants.

Book-Entry Interests in a 144A Global Note (the "144A Book-Entry Interests") may be transferred to a person who takes delivery in the form of Book-Entry Interests in a Reg S Global Note ("Reg S Book-Entry Interests") only upon delivery by the transferor to the transfer agent of a written certification (in the form provided in the Senior Subordinated Indenture) to the effect that such transfer is being made in accordance with Regulation S under the U.S. Securities Act or otherwise in accordance with the applicable restrictions set out in the Senior Subordinated Indenture and any applicable securities laws of any state of the United States or any other jurisdiction. Subject to the foregoing, Reg S Book-Entry Interests may be transferred to a person who takes delivery in the form of 144A Book-Entry Interests only upon delivery by the transferor to the transfer agent of a written certification (in the form provided in the Senior Subordinated Indenture) to the effect that such transfer is being made to a person who the transferor reasonably believes is a "qualified institutional buyer" within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A or otherwise in accordance with applicable transfer restrictions set out in the Senior Subordinated Indenture and any applicable securities laws of any state of the United States or any other jurisdiction.

Any Book-Entry Interest that is transferred will, upon transfer, cease to be a Book-Entry Interest in the Global Note from which it was transferred and will become a Book-Entry Interest in the Global Note to which it is transferred. Accordingly, from and after such transfer, it will become subject to all transfer restrictions, if any, and other procedures applicable to Book-Entry Interests in the Global Note to which it was transferred.

If Senior Subordinated Notes in definitive registered form ("Definitive Registered Notes") are issued, they will be issued only in minimum denominations of €100,000 principal amount and integral multiples of €1,000 in excess thereof, upon receipt by the Registrar of instructions relating thereto and any certificates, opinions and other documentation required by the Senior Subordinated Indenture. It is expected that such instructions will be based upon directions received by Euroclear or Clearstream, as applicable, from the participant which owns the relevant Book-Entry Interests. Definitive Registered Notes issued in exchange for a Book-Entry Interest, if any, will, except as set forth in the Senior Subordinated Indenture or as otherwise determined by the Issuer in compliance with applicable law, be subject to, and will have a legend with respect to, the restrictions on transfer summarized below and described more fully under "*Notice to Investors*."

Definitive Registered Notes may be transferred and exchanged for Book-Entry Interests in a Global Note only in accordance with the Senior Subordinated Indenture and, if required, only after the transferor first delivers to the transfer agent a written certification (in the form provided in the Senior Subordinated Indenture) to the effect that such transfer will comply with the transfer restrictions applicable to such Senior Subordinated Notes.

Subject to the restrictions on transfer referred to above, the Senior Subordinated Notes issued as Definitive Registered Notes, if any, may be transferred or exchanged, in whole or in part, in minimum denominations of €100,000 in principal amount and integral multiples of €1,000 in excess thereof. In connection with any such transfer or exchange, the Senior Subordinated Indenture will require the transferring or exchanging Holder to, among other things, furnish appropriate endorsements and transfer documents, to furnish information regarding the account of the transferee at Euroclear or Clearstream, where appropriate, to furnish certain certificates and opinions, and to pay any taxes, duties and governmental charges in connection with such transfer or exchange. Any such transfer or exchange will be made without charge to the Holder, other than any taxes, duties and governmental charges payable in connection with such transfer.

Notwithstanding the foregoing, the Issuer (or, as applicable, any Registrar or transfer agent) is not required to register the transfer of any Definitive Registered Notes:

- for a period of 15 calendar days prior to any date fixed for the redemption of the Senior Subordinated Notes;
- for a period of 15 calendar days immediately prior to the date fixed for selection of Senior Subordinated Notes to be redeemed in part;
- for a period of 15 calendar days prior to the Record Date with respect to any interest payment date; or
- which the Holder has tendered (and not withdrawn) for repurchase in connection with a Change of Control Offer or an Asset Sale Offer.

Note Guarantees

The Senior Subordinated Notes will not be guaranteed on the Issue Date. However, under the covenant described under "*—Certain Covenants—Additional Note Guarantees*," certain Restricted Subsidiaries may be required to or elect to provide a Note Guarantee in the future. The Note Guarantees will be joint and several obligations of each Guarantor.

Each Note Guarantee will be limited to the maximum amount that would not render the Guarantor's obligations subject to avoidance under applicable fraudulent conveyance law or to comply with applicable corporate benefit, financial assistance and other laws. By virtue of this limitation, a Guarantor's obligation under its Note Guarantee could be significantly less than amounts payable with respect to the Senior Secured Notes, or a Guarantor may have effectively no obligation under its Note Guarantee. See "*Risk Factors—Risks Related to the Notes and Our Capital Structure—Corporate benefit, financial assistance laws and other limitations on the Guarantees may adversely affect the validity and enforceability of the Guarantees of the Notes*."

The Note Guarantee of each Guarantor, if any, will:

- be general unsecured senior subordinated obligations of that Guarantor;
- be expressly subordinated in right of payment to any existing and future Senior Indebtedness of such Guarantor, including a guarantee of the 2022 Senior Secured Notes, the 2023 Senior Secured Notes, the 2024 Senior Secured Notes, the New Senior Secured Notes and any Indebtedness Incurred under the Revolving Credit Facility, if any;
- rank *pari passu* in right of payment with all future obligations of such Guarantor (other than Senior Indebtedness) that are not expressly subordinated in right of payment to such Note Guarantee;
- be effectively subordinated to any existing and future obligations of the relevant Guarantor that are secured by property or assets that do not secure its Note Guarantee, to the extent of the value of the collateral securing such obligations; and
- be subject to certain payment blockage, standstill and turnover provisions under the terms of the Intercreditor Agreement in favor of Senior Indebtedness of the Issuer and such Guarantor.

The Intercreditor Agreement

The Senior Subordinated Notes will be subject to the restrictions contained in the Intercreditor Agreement, pursuant to which the Senior Subordinated Notes will be subordinated in right of payment to the 2022 Senior Secured Notes, the 2023 Senior Secured Notes, the 2024 Senior Secured Notes, the New Senior Secured Notes, any Indebtedness Incurred under the Revolving Credit Facility and any other future Senior Indebtedness of the Issuer. The Senior Subordinated Indenture will be subject in all respects to the provisions of the Intercreditor Agreement and any other future Senior Indebtedness of the issuer and will provide that each Holder, by accepting a Senior Subordinated Note, shall be deemed to have agreed to and accepted the terms and conditions of the Intercreditor Agreement. For a description of the provisions of the Intercreditor Agreement, see "*Description of Certain Indebtedness—Intercreditor Agreement*."

Additional Intercreditor Agreements

The Senior Subordinated Indenture will provide that, at the request of the Issuer, without the consent of Holders of the Senior Subordinated Notes, and at the time of, or prior to, the Incurrence by the Issuer or its Restricted Subsidiaries of any (1) Priority Debt permitted or not prohibited by the Senior Subordinated Indenture to be Incurred pursuant to the covenant under the caption "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*" or (2) any Indebtedness the proceeds of which are used, in whole or in part, to refinance the 2025 Senior Subordinated Notes, the Senior Subordinated Notes or Priority Debt, the Issuer, the relevant Restricted Subsidiaries, the Trustee and any security agent or any other relevant creditor representative or collateral agent shall enter into with the holders of such Indebtedness (or their duly authorized representatives) one or more intercreditor agreements or deeds (including a restatement, replacement, amendment or other modification of the existing Intercreditor Agreement (each an "Additional Intercreditor Agreement") on substantially the same terms as the Intercreditor Agreement (or terms not materially less favorable to the Holders of the Senior Subordinated Notes), including containing substantially the same terms with respect to release of Note Guarantees, if any, and priority and release of any security interests created for the benefit of the Senior Subordinated Notes from time to time; *provided*, *however*, that such intercreditor agreement or Additional Intercreditor Agreement will not impose any personal obligations on the Trustee or any security agent or adversely affect the rights, duties, liabilities or immunities of the Trustee or any security agent under the Senior Subordinated Indenture, the Intercreditor Agreement or any Additional Intercreditor Agreement; *provided, further* that only one payment blockage notice can be given to the Holders of Senior Subordinated Notes by the holders of designated Senior Indebtedness entitled to give such notice under the terms of such Additional Intercreditor Agreement in any 360-day period or in respect of the same event or circumstances, regardless of the number of instruments constituting such designated Senior Indebtedness.

The Senior Subordinated Indenture also will provide that, at the direction of the Issuer and without the consent of Holders of the Senior Subordinated Notes, the Trustee and any security agent shall, from time to time, enter into one or more amendments to any Intercreditor Agreement or Additional Intercreditor Agreement to: (1) cure any ambiguity, omission, defect, manifest error or inconsistency of any such agreement of a minor, technical or administrative nature, (2) increase the amount or types of Indebtedness covered by any such

agreement that may be Incurred by the Issuer or any Restricted Subsidiary that is subject to any such agreement (including with respect to any Intercreditor Agreement or Additional Intercreditor Agreement, the addition of provisions relating to new Indebtedness ranking junior in right of payment to the Senior Subordinated Notes; *provided* that such amendment is consistent with the preceding paragraph), (3) add Restricted Subsidiaries to any Intercreditor Agreement or Additional Intercreditor Agreement, (4) secure the Senior Subordinated Notes (including Additional Senior Subordinated Notes), including on a second-priority basis, (5) make provision for equal and ratable pledges of collateral to secure Senior Subordinated Notes, (6) implement any Liens on collateral securing the Senior Subordinated Notes, (7) amend any Intercreditor Agreement or Additional Intercreditor Agreement in accordance with the terms thereof or (8) make any other change to any such agreement that does not adversely affect the rights of Holders of the Senior Subordinated Notes in any material respect. The Issuer shall not otherwise direct the Trustee or any security agent to enter into any amendment to any Intercreditor Agreement without the consent of the Holders of the majority in aggregate principal amount of the Senior Subordinated Notes then outstanding, except as otherwise permitted below under "*—Amendment, Supplement and Waivers*," and the Issuer may only direct the Trustee and the any security agent to enter into any amendment to the extent such amendment does not impose any personal obligations on the Trustee or any security agent or adversely affect their respective rights, duties, liabilities or immunities under the Senior Subordinated Indenture or the Intercreditor Agreement or any Additional Intercreditor Agreement.

The Senior Subordinated Indenture shall also provide that, in relation to any Intercreditor Agreement or Additional Intercreditor Agreement, the Trustee (and any security agent, if applicable) shall consent on behalf of the Holders of Senior Subordinated Notes to the payment, repayment, purchase, repurchase, defeasance, acquisition, retirement or redemption of any obligations subordinated to the Senior Subordinated Notes thereby; *provided*, *however*, that such transaction would comply with the covenant described under "*—Certain Covenants—Restricted Payments.*"

The Senior Subordinated Indenture also will provide that each Holder of the Senior Subordinated Notes, by accepting a Senior Subordinated Note, shall be deemed to have agreed to and accepted the terms and conditions of the Intercreditor Agreement or any Additional Intercreditor Agreement and any amendment referred to in the preceding paragraphs. None of the Issuer, the Trustee or any security agent will be required to seek the consent of any Holders of Senior Subordinated Notes to perform its obligations under and in accordance with this covenant. The Issuer will execute any Additional Intercreditor Agreement or amendment or amendment and restatement of the Intercreditor Agreement that complies with the provisions of this covenant.

Optional Redemption

At any time prior to April 15, 2022, the Issuer may redeem up to 45% of the aggregate principal amount of Senior Subordinated Notes issued under the Senior Subordinated Indenture at a redemption price of 104.500% of the principal amount, plus accrued and unpaid interest and Additional Amounts, if any, to the redemption date, with the net cash proceeds of one or more Equity Offerings; *provided* that:

(1) at least 55% of the aggregate principal amount of Senior Subordinated Notes issued under the Senior Subordinated Indenture (excluding the Senior Subordinated Notes held by the Issuer and its Affiliates, but including any Additional Senior Subordinated Notes) remains outstanding immediately after the occurrence of such redemption; and

(2) the redemption occurs within 120 days of the date of the closing of such sale of such Equity Offering.

At any time prior to April 15, 2022, the Issuer may also redeem all or a part of the Senior Subordinated Notes, upon not less than 10 nor more than 60 days' prior written notice to each Holder (with a copy to the Trustee and Paying Agent), at a redemption price equal to 100% of the principal amount of Senior Subordinated Notes redeemed plus the Applicable Premium as of, and accrued and unpaid interest and Additional Amounts, if any, to, but excluding, the redemption date, subject to the rights of Holders of Senior Subordinated Notes on the relevant Record Date to receive interest due on the relevant interest payment date.

Except pursuant to the two preceding paragraphs and as set out below under "*Redemption for Changes in Withholding Taxes*," the Senior Subordinated Notes will not be redeemable at the Issuer's option prior to April 15, 2022.

On or after April 15, 2022, the Issuer may redeem all or a part of the Senior Subordinated Notes in the amount of €100,000 or in integral multiples of €1,000 in excess thereof, upon not less than 10 nor more than 60 days' written notice to each Holder (with a copy to the Trustee and Paying Agent), at the redemption prices (expressed as percentages of principal amount) set forth below plus accrued and unpaid interest and Additional Amounts, if any, on the Senior Subordinated Notes redeemed, to, but excluding, the applicable redemption date, if redeemed during the twelve-month period beginning on the dates indicated below, subject to the rights of Holders of Senior Subordinated Notes on the relevant Record Date to receive interest on the relevant interest payment date:

Year	Percentage
April 15, 2022	102.250%
April 15, 2023	101.125%
April 15, 2024 and thereafter	100.000%

Unless the Issuer defaults in the payment of the redemption price, interest will cease to accrue on the Senior Subordinated Notes or portions thereof called for redemption on the applicable redemption date.

Open Market Purchases

The Issuer and the Restricted Subsidiaries may at any time acquire the Senior Subordinated Notes through open market purchases, negotiated transactions or otherwise, in accordance with applicable securities laws; *provided*, *however*, that in determining whether the Holders of the required principal amount of Senior Subordinated Notes have concurred in any direction, waiver or consent, Senior Subordinated Notes owned by the Issuer or by any Affiliate of the Issuer will be considered as though not outstanding.

Selection and Notice

If less than all the Senior Subordinated Notes are to be redeemed at any time, the Paying Agent or the Registrar will select the Senior Subordinated Notes for redemption in compliance with the requirements of the principal securities exchange, if any, on which the Senior Secured Notes are listed, as certified to the Paying Agent or Registrar, as applicable, by the Issuer, and in compliance with the requirements of Euroclear and/or Clearstream, or if the Senior Subordinated Notes are not so listed or such exchange prescribes no method of selection and the Senior Subordinated Notes are not held through Euroclear and/or Clearstream or Euroclear and/or Clearstream prescribes no method of selection, on a *pro rata* basis or by use of a pool-factor; provided, however, that no Senior Subordinated Note of €100,000 in aggregate principal amount or less shall be redeemed in part. Neither the Trustee, the Paying Agent nor the Registrar shall be liable for selections made by it under this paragraph.

Notices of redemption will be transmitted at least 10 but not more than 60 days before the redemption date to each Holder of Senior Subordinated Notes to be redeemed, except that redemption notices may be transmitted more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Senior Subordinated Notes or a satisfaction and discharge of the Senior Subordinated Indenture. Any redemption and notice may, in the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent.

If any Senior Subordinated Note is to be redeemed in part only, the notice of redemption that relates to that Senior Subordinated Note will state the portion of the principal amount of that note that is to be redeemed. A new Senior Subordinated Note in principal amount equal to the unredeemed portion of the original Senior Subordinated Note will be issued in the name of the Holder of the original Senior Subordinated Note upon cancellation of the original note. Senior Subordinated Notes called for redemption become due on the date fixed for redemption. Unless the Issuer defaults in the payment of the redemption price, on and after the redemption date, interest ceases to accrue on the Senior Subordinated Notes or portions of Senior Subordinated Notes called for redemption.

The Trustee and/or the Registrar shall not be liable for any selection made under this "*Selection and Notice*."

General

In connection with any tender offer for any series of the Senior Subordinated Notes, if holders of not less than 90% in the aggregate principal amount of the outstanding Senior Subordinated Notes of such series

validly tender and do not withdraw such Senior Subordinated Notes in such tender offer and the Issuer, or any third party making such tender offer in lieu of the Issuer, purchases all of the Senior Subordinated Notes of such series validly tendered and not withdrawn by such holders, all of the holders of Senior Subordinated Notes will be deemed to have consented to such tender offer and, accordingly, the Issuer or such third party, will have the right, upon not less than 10 days' nor more than 60 days' prior written notice to the holders of the relevant series of the Senior Subordinated Notes (with a copy to the Trustee and the Paying Agent), given not more than 30 days following such tender offer expiration date, to redeem the applicable series of Senior Subordinated Notes that remain outstanding in whole, but not in part, following such purchase, at a redemption price in cash equal to the highest price (excluding any early tender premium or similar payment) paid to each other holder in such tender offer, plus, to the extent not included in the tender offer payment, accrued and unpaid interest and Additional Amounts, if any, to, but excluding, the redemption date.

Any redemption or notice of redemption may, in the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent, including (without limitation) that the Issuer has received or any Paying Agent has received from the Issuer or from the Issuer's relevant Subsidiary sufficient funds to pay the full redemption price payable to the holders of the Senior Subordinated Notes on or before the relevant redemption date, or, in the case of a redemption related to an Equity Offering, the consummation of such Equity Offering. If such redemption or notice is subject to satisfaction of one or more conditions precedent, such notice shall state that, in the Issuer's discretion, the redemption date may be delayed until such time as any or all such conditions shall be satisfied, or such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied by the redemption date, or by the redemption date so delayed; *provided* that in no case shall the notice have been delivered less than 10 days or more than 60 days prior to the date on which such redemption (if any) occurs. In addition, the Issuer may provide in such notice that payment of the redemption price and performance of the Issuer's obligations with respect to such redemption may be performed by another Person.

If the optional redemption date is on or after an interest record date and on or before the related interest payment date, the accrued and unpaid interest and Additional Amounts, if any, will be paid to the Person in whose name the Senior Subordinated Note is registered at the close of business on such record date and no additional interest will be payable to holders whose Senior Subordinated Notes will be subject to redemption.

If it chooses to exercise its optional right to redeem the Senior Subordinated Notes pursuant to the provisions summarized above, the Issuer may in its discretion redeem one or more series of Senior Subordinated Notes, either together or separately.

Unless the Issuer defaults in the payment of the redemption price, interest will cease to accrue on the Senior Subordinated Notes or portions thereof called for redemption on the applicable redemption date.

Redemption for Changes in Withholding Taxes

The Issuer may redeem the Senior Subordinated Notes, in whole but not in part, at any time upon giving not less than 10 nor more than 60 days' prior notice to the Holders with a copy to the Trustee and Paying Agent (which notice must be given in accordance with the procedures described in "—*Selection and Notice*"), at a redemption price equal to the principal amount thereof, together with accrued and unpaid interest, if any, to the date fixed by the Issuer for redemption (a "Tax Redemption Date") and all Additional Amounts (if any) then due and which will become due on the Tax Redemption Date as a result of the redemption or otherwise (subject to the right of Holders on the relevant Record Date to receive interest due on the relevant interest payment date and Additional Amounts (if any) in respect thereof), if on the next date on which any amount would be payable in respect of the Senior Subordinated Notes or any Note Guarantee, the Issuer under or with respect to the Senior Subordinated Notes or any of the Guarantors with respect to any Note Guarantee is or would be required to pay Additional Amounts (but, in the case of the relevant Guarantor, only if such amount cannot be paid by the Issuer or another Guarantor who can pay such amount without the obligation to pay Additional Amounts), and the Issuer or relevant Guarantor, as applicable, cannot avoid any such payment obligation by taking reasonable measures available (including making payment through a Paying Agent located in another jurisdiction; *provided*, *however*, that changing the jurisdiction of the Issuer is not a reasonable measure for purposes of avoiding any such payment), as a result of:

(1) any change in, or amendment to, the laws or treaties (or any regulations, or rulings promulgated thereunder) of the relevant Tax Jurisdiction (as defined below) affecting taxation which change or amendment is publicly announced as formally proposed, in substantially the form as enacted, and becomes effective on or after the

date of the Senior Subordinated Indenture (or, if the relevant Tax Jurisdiction has changed since the date of the Senior Subordinated Indenture, the date on which the then current Tax Jurisdiction became an applicable Tax Jurisdiction under the Senior Subordinated Indenture); or

(2) any change in, or amendment to, the existing official position or the introduction of an official position regarding the application, administration or interpretation of such laws, treaties, regulations or rulings (including a holding, judgment or order by a court of competent jurisdiction or a change in published practice), which change, amendment or introduction is publicly announced as formally proposed, in substantially the form as enacted, and becomes effective on or after the date of the Senior Subordinated Indenture (or, if the relevant Tax Jurisdiction has changed since the date of the Senior Subordinated Indenture, the date on which the then current Tax Jurisdiction became an applicable Tax Jurisdiction under the Senior Subordinated Indenture) (each of the foregoing clauses (1) and (2), a "Change in Tax Law").

The Issuer will not give any such notice of redemption earlier than 90 days prior to the earliest date on which the Issuer or the Guarantor, as applicable, would be obligated to make such payment or withholding if a payment in respect of the Senior Subordinated Notes were then due. Notwithstanding the foregoing, the Issuer may not redeem the Senior Subordinated Notes under this provision if the relevant Tax Jurisdiction changes under the Senior Subordinated Indenture and the Issuer is obligated to pay any Additional Amounts solely as a result thereof. Prior to the publication or, where relevant, delivery of any notice of redemption of the Senior Subordinated Notes pursuant to the foregoing, the Issuer will deliver to the Trustee (with a copy to the Paying Agent) (a) an officer's certificate stating that the obligation to pay Additional Amounts cannot be avoided by the Issuer or the relevant Guarantor taking reasonable measures available to it and (b) an opinion of outside legal counsel of recognized standing in the relevant Taxing Jurisdiction attesting to the effect that there has been such Change in Tax Law which would entitle the Issuer to redeem the Senior Subordinated Notes hereunder. The Trustee and the Paying Agent will accept such opinion of counsel and officer's certificate as sufficient evidence of the satisfaction of the conditions precedent described above, without further inquiry, in which event it will be conclusive and binding on the Holders.

The foregoing provisions shall apply *mutatis mutandis* to any successor Person, after such successor Person becomes a party to the Senior Subordinated Indenture, with respect to a Change in Tax Law occurring after the time such successor Person becomes a party to the Senior Subordinated Indenture.

Additional Amounts

All payments made by or on behalf of the Issuer under or with respect to the Senior Subordinated Notes or any of the Guarantors with respect to any Note Guarantee, if any, (whether or not in the form of Definitive Registered Notes) will be made free and clear of and without withholding or deduction for, or on account of, any present or future tax, duty, levy, impost, assessment and any other charge of a similar nature, including penalties, interest and other liabilities related thereto (collectively, "Taxes") unless the withholding or deduction of such Taxes is then required by law. If any deduction or withholding for, or on account of, any Taxes imposed or levied by or on behalf of any jurisdiction in which the Issuer or the applicable Guarantor (including any successor entity), is then incorporated or organized, engaged in business for tax purposes under the tax laws of that jurisdiction or resident for tax purposes or any political subdivision thereof or therein or any jurisdiction from or through which payment is made by or on behalf of the Issuer or any Guarantor (including the jurisdiction of any Paying Agent) or any political subdivision thereof or therein (each, a "Tax Jurisdiction"), will at any time be required to be made from any payments made by or on behalf of the Issuer under or with respect to the Senior Subordinated Notes, or any of the Guarantors with respect to any Note Guarantees, if any, including payments of principal, redemption price, purchase price, interest or premium, the Issuer or the relevant Guarantor, as applicable, will pay (to the extent lawful) such additional amounts (the "Additional Amounts") as may be necessary in order that the net amounts received in respect of such payments by each Holder (including Additional Amounts) after such withholding or deduction (including any such withholding or deduction from such Additional Amounts) will equal the respective amounts which would have been received in respect of such payments in the absence of such withholding or deduction; *provided, however*, that no Additional Amounts will be payable with respect to:

(1) any Taxes which would not have been imposed but for the Holder or the beneficial owner of the Senior Subordinated Notes being a citizen or resident or national of,

incorporated or organized in, carrying on a business in, or having any other connection with, the relevant Tax Jurisdiction in which such Taxes are imposed other than by the mere acquisition or holding of such Senior Subordinated Note or Note Guarantee, if any, enforcement of rights thereunder or the receipt of payments in respect thereof;

(2) any Taxes that are imposed or withheld as a result of the failure of the Holder of the Senior Subordinated Notes or beneficial owner of the Senior Subordinated Notes to comply with any request, made to that Holder or beneficial owner (which request shall be made in accordance with the procedures described in "*—Notices*" below) in writing at least 30 days before any such withholding or deduction would be payable, by the Issuer or any Guarantor to provide timely or accurate information concerning the nationality, residence or identity of such Holder or beneficial owner or to make any valid or timely declaration or similar claim or satisfy any certification information or other reporting requirement (to the extent such Holder or beneficial owner is legally entitled to do so), which is required or imposed by a statute, treaty, regulation or administrative practice of the relevant Tax Jurisdiction as a precondition to exemption from, or reduction in the rate of deduction or withholding from, all or part of such Taxes;

(3) any Taxes imposed or withheld as a result of any Senior Subordinated Note presented for payment (where Senior Subordinated Notes are in the form of Definitive Registered Notes and presentation is required) more than 30 days after the relevant payment is first made available for payment to the Holder (except to the extent that the Holder would have been entitled to Additional Amounts had the note been presented on the last day of such 30 day period);

(4) any estate, inheritance, gift, sale, transfer, personal property or similar tax or assessment;

(5) any Taxes imposed or withheld pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (the "Code") as in effect on the date of issuance of the Senior Subordinated Notes or any successor or amended version of these provisions, any regulations promulgated thereunder, any official interpretations thereof, any similar law or regulation adopted pursuant to an intergovernmental agreement between a non-U.S. jurisdiction and the United States with respect to the foregoing or any agreements entered into pursuant to Section 1471(b)(1) of the Code;

(6) any Taxes payable other than by deduction or withholding from payments under, or with respect to, the Senior Subordinated Notes or any Note Guarantee;

(7) any Taxes imposed on or with respect to any payment by the Issuer or any Guarantor, as the case may be, to the Holder if such Holder is a fiduciary of a beneficial owner or partnership or any person other than the sole beneficial owner of such payment to the extent that Taxes would not have been imposed on such payment had such beneficial owner or partner (in the case of a partnership) been the Holder of such note; or

(8) any combination of items (1) through (7) above.

In addition to the foregoing, the Issuer and the Guarantors, if any, will also pay and indemnify the Holder or beneficial owner of the Senior Subordinated Notes for any present or future stamp, issue, registration, transfer, court or documentary Taxes, or any other excise or property taxes, charges or similar levies or Taxes which are levied by any Tax Jurisdiction on the issuance, execution, delivery, registration or enforcement of any of the Senior Subordinated Notes or any Note Guarantee (other than on or in connection with a transfer of the Senior Subordinated Notes after the Issue Date), the Senior Subordinated Indenture, or any other document or instrument referred to therein, or the receipt of any payments with respect thereto (limited, solely in the case of taxes attributable to the recipient of any payments with respect thereto, to any such taxes imposed in a relevant Tax Jurisdiction that are not excluded under clauses (1) through (5) and (7) above).

If the Issuer or any Guarantor, as the case may be, becomes aware that it will be obligated to pay Additional Amounts with respect to any payment under or with respect to the Senior Subordinated Notes or any Note Guarantee, the Issuer or the relevant Guarantor, if any, will deliver to the Trustee (with a copy to the Paying Agent) on a date which is at least 30 days prior to the date of that payment (unless the obligation to pay Additional Amounts arises after the 45th day prior to that payment date, in which case the Issuer or the relevant Guarantor shall notify the Trustee and the Paying Agent promptly thereafter) an officers' certificate stating the fact that Additional Amounts will be payable and the amount estimated to be so payable. The officers' certificate must also set forth any other information reasonably necessary to enable the Paying Agent to pay Additional Amounts to Holders on the relevant payment date. The Trustee and Paying Agent will be entitled to rely solely on such officers' certificate as conclusive proof that such payments are necessary. If requested by the Holder or the Paying Agent, the Issuer will provide the Trustee with documentation in a form reasonably satisfactory to the Trustee evidencing the payment of Additional Amounts.

The Issuer or the relevant Guarantor, if any, will make all withholdings and deductions required by law and will timely remit the full amount deducted or withheld to the relevant Tax authority in accordance with applicable law. The Issuer will use its reasonable efforts to obtain Tax receipts from each Tax authority evidencing the payment of any Taxes so deducted or withheld. The Issuer or the relevant Guarantor, if any, will furnish to the Trustee (with a copy to the Paying Agent), within a reasonable time after the date the payment of any Taxes so deducted or withheld is made, certified copies of Tax receipts evidencing payment by the Issuer or the relevant Guarantor, as the case may be, or if, notwithstanding such entity's efforts to obtain receipts, receipts are not obtained, other evidence of payments by such entity.

Whenever in the Senior Subordinated Indenture or in this "*Description of the Senior Subordinated Notes*" there is mentioned, in any context, the payment of amounts based upon the principal amount of the Senior Subordinated Notes or of principal, interest or of any other amount payable under, or with respect to, any of the Senior Subordinated Notes or Note Guarantees, such mention shall be deemed to include mention of the payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

The above obligations will survive any termination, defeasance or discharge of the Senior Subordinated Indenture, any transfer by a Holder or beneficial owner of its Senior Subordinated Notes and will apply, mutatis mutandis, to any jurisdiction in which any successor Person to the Issuer or any Guarantor is then incorporated or organized, engaged in business or resident for tax purposes or any jurisdiction from or through which such Person makes any payment under or with respect to the Senior Subordinated Notes (or any Note Guarantee) and any department or political subdivision thereof or therein.

Mandatory Redemption

The Issuer is not required to make mandatory redemption or sinking fund payments with respect to the Senior Subordinated Notes. However, under certain circumstances, the Issuer may be required to offer to purchase the Senior Subordinated Notes as described under the captions "*—Repurchase at the Option of Holders—Change of Control*" and "*—Repurchase at the Option of Holders—Asset Sales*."

Repurchase at the Option of Holders

Change of Control Triggering Event

If a Change of Control Triggering Event occurs, the Issuer shall offer to repurchase any and all of the Holders' Senior Subordinated Notes pursuant to a Change of Control Offer on the terms set forth in the Senior Subordinated Indenture. In the Change of Control Offer, the Issuer will offer a Change of Control Payment in cash equal to 101% of the aggregate principal amount of Senior Subordinated Notes repurchased plus accrued and unpaid interest and Additional Amounts, if any, on the Senior Subordinated Notes repurchased to the date of purchase, subject to the rights of Holders of Senior Subordinated Notes on the relevant Record Date to receive interest due on the relevant interest payment date.

Unless the Issuer has unconditionally exercised its right to redeem all the Senior Subordinated Notes as described under "*—Optional Redemption*" or all conditions to such redemption have been satisfied or waived, within 30 days following any Change of Control Triggering Event, the Issuer will deliver a written notice to each Holder describing the transaction or transactions that constitute the Change of Control Triggering Event and offering to repurchase Senior Subordinated Notes on the date (the "Change of Control Payment Date") specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such

notice is delivered, pursuant to the procedures required by the Senior Subordinated Indenture and described in such notice. If the Change of Control has been publicly announced but has not occurred at the time the notice of the Change of Control Offer is delivered to Holders, the Change of Control Offer may be conditional on the consummation of such Change of Control occurring prior to or concurrent with the repurchase.

The Issuer will comply with the requirements of any applicable securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the purchase of the Senior Subordinated Notes as a result of a Change of Control Triggering Event. To the extent that the provisions of any securities laws or regulations conflict with the provisions of the Senior Subordinated Indenture, the Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the Senior Subordinated Indenture by virtue of such compliance.

On the Change of Control Payment Date, the Issuer will, to the extent lawful:

(1) accept for payment all Senior Subordinated Notes or portions of Senior Subordinated Notes properly tendered pursuant to the Change of Control Offer;

(2) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Senior Subordinated Notes or portions of Senior Subordinated Notes properly tendered; and

(3) deliver or cause to be delivered to the Paying Agent and the Registrar the Senior Subordinated Notes properly accepted together with an officers' certificate (with a copy to the Trustee) stating the aggregate principal amount of Senior Subordinated Notes or portions of notes being purchased by the Issuer.

The Paying Agent will promptly mail (or cause to be delivered) to each Holder of Senior Subordinated Notes properly tendered the Change of Control Payment for such Senior Subordinated Notes, and the Trustee will promptly authenticate (or cause to be authenticated) and mail (or cause to be transferred by book entry) to each Holder new Senior Subordinated Notes equal in principal amount to any unpurchased portion of the Senior Subordinated Notes surrendered, if any; *provided* that such new Senior Subordinated Notes will be in minimum denominations of €100,000 principal amount and integral multiples of €1,000 in excess thereof. Unless the issuer defaults in making the Change of Control Payment, any Senior Subordinated Notes so accepted for payment will cease to accrue interest on and after the Change of Control Payment Date. The Issuer will publicly announce the results of the Change of Control Offer on or as soon as reasonably practicable after the Change of Control Payment Date.

The provisions described above that require the Issuer to make a Change of Control Offer following a Change of Control Triggering Event will be applicable whether or not any other provisions of the Senior Subordinated Indenture are applicable. Except as described above with respect to a Change of Control Triggering Event, the Senior Subordinated Indenture does not contain provisions that permit the Holders of the Senior Subordinated Notes to require that the Issuer repurchase or redeem the Senior Subordinated Notes in the event of a takeover, recapitalization or similar transaction or any Change of Control that does not result in a Change of Control Triggering Event.

The Issuer will not be required to make a Change of Control Offer upon a Change of Control Triggering Event if (1) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Senior Subordinated Indenture applicable to a Change of Control Offer made by the Issuer and purchases all Senior Subordinated Notes properly tendered and not withdrawn under the Change of Control Offer or (2) notice of redemption has been given pursuant to the Senior Subordinated Indenture as described above under the caption "—*Optional Redemption*," unless and until there is a default in payment of the applicable redemption price.

The definition of Change of Control includes a phrase relating to the direct or indirect sale, lease, transfer, conveyance or other disposition of "all or substantially all" of the properties or assets of the Issuer and its Subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase "substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a Holder of Senior Subordinated Notes to require the Issuer to repurchase its Senior Subordinated Notes as a result of a sale, lease, transfer, conveyance or other disposition of less than all of the assets of the Issuer and its Subsidiaries taken as a whole to another Person or group may be uncertain.

If and for so long as the Senior Subordinated Notes are listed on the Luxembourg Stock Exchange and admitted for trading on the Euro MTF, and the rules of the Luxembourg Stock Exchange so require, the Issuer will publish notices as soon as practicable relating to the Change of Control Offer in a leading newspaper of general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or, to the extent and in the manner permitted by such rules, posted on the official website of the Luxembourg Stock Exchange.

The provisions of the Senior Subordinated Indenture relating to the Issuer's obligation to make an offer to repurchase the Senior Subordinated Notes as a result of a Change of Control may be waived or modified with the written consent of the Holders of a majority in aggregate principal amount of the then outstanding Senior Subordinated Notes.

The Revolving Credit Facility Agreement provides that the occurrence of a change of control would require the prepayment of all the outstanding Indebtedness under the Revolving Credit Facility Agreement. If the Issuer experiences a change of control that triggers a mandatory prepayment under the Revolving Credit Facility Agreement, the Issuer may seek the agreement of the relevant lenders thereunder to maintain the availability of the Revolving Credit Facility or seek to refinance the Revolving Credit Facility. In addition, a Change of Control Triggering Event would trigger the requirement that the Issuer make an offer to each holder of the Existing Notes and the New Senior Secured Notes to repurchase the Existing Notes and the New Senior Secured Notes on the terms set forth in the respective indentures of the Existing Notes and the New Senior Secured Notes. The Intercreditor Agreement, any Additional Intercreditor Agreement or future debt of the Issuer or its Subsidiaries may prohibit the Issuer from purchasing the Senior Subordinated Notes in the event of a Change of Control Triggering Event or provide that a Change of Control is a default or require a repurchase of such other debt upon a Change of Control. Moreover, the exercise by the Holders of the Senior Subordinated Notes of their right to require the Issuer to repurchase the Senior Subordinated Notes could cause a default under, or require a repurchase of, other debt, even if a Change of Control Triggering Event does not, due to the financial effect of the repurchase of Senior Subordinated Notes on the Issuer. Finally, the Issuer's ability to repurchase Senior Subordinated Notes pursuant to a Change of Control Offer following the occurrence of a Change of Control Triggering Event may be limited by the Issuer's then-existing financial resources. There can be no assurance that sufficient funds will be available when necessary to make the required purchase of the Senior Subordinated Notes.

Asset Sales

The Issuer will not, and will not permit any of its Restricted Subsidiaries to, consummate an Asset Sale unless:

(1) the Issuer (or the Restricted Subsidiary, as the case may be) receives consideration (including by way of relief from, or by any other Person (other than the Issuer or a Restricted Subsidiary) assuming responsibility for, any liabilities, contingent or otherwise) at least equal to the Fair Market Value such Fair Market Value to be determined on the date of contractually agreeing to such Asset Sale) of the Equity Interests and assets subject to such Asset Sale; and

(2) except in the case of a Permitted Asset Swap, at least 75% of the consideration received in the Asset Sale by the Issuer or such Restricted Subsidiary is in the form of cash, Cash Equivalents or Government Guaranteed Securities. For purposes of this provision, each of the following will be deemed to be cash:

(i) any liabilities, as shown on the Issuer's most recent consolidated balance sheet, of the Issuer or any Restricted Subsidiary (other than contingent liabilities and liabilities that are by their terms subordinated to the Senior Subordinated Notes) that are assumed by the transferee of any such assets or are discharged pursuant to an agreement that releases the Issuer or such Restricted Subsidiary from any further liability in connection therewith or indemnifies them against such further liability;

(ii) any securities, notes or other obligations received by the Issuer or any such Restricted Subsidiary from such transferee that are within 180 days, subject to ordinary settlement periods, converted by the Issuer or such Restricted Subsidiary into cash or Cash Equivalents, to the extent of the cash or Cash Equivalents received in that conversion;

(iii) any share or assets of the kind referred to in clauses (1)(b), (1)(c) or (1)(d) of the next paragraph of this covenant;

(iv) any Designated Non-Cash Consideration;

(v) Indebtedness of any Restricted Subsidiary of the Issuer that is no longer a Restricted Subsidiary as a result of such Asset Sale, to the extent that the Issuer and each other Restricted Subsidiary are released from or indemnified against any guarantee of such Indebtedness in connection with such Asset Sale; and

(vi) Indebtedness of the Issuer or of any Restricted Subsidiary (other than Indebtedness that is by its terms subordinated to the Senior Subordinated Notes) received from Persons who are not the Issuer or any Restricted Subsidiary.

Within 365 days after the receipt of any Net Proceeds from an Asset Sale, the Issuer (or the applicable Restricted Subsidiary, as the case may be) may:

(1) apply such Net Proceeds, at its option:

(i) (x) to repay, repurchase, redeem or prepay Priority Debt and, if the Indebtedness repaid is revolving credit Indebtedness, to correspondingly reduce commitments with respect thereto, (y) towards the making of an offer to repurchase Senior Subordinated Notes at a price of not less than 100% of the principal amount outstanding thereof plus accrued and unpaid interest to the date of purchases in accordance with the provisions described in this covenant and under "—*Selection and Notice*" above, or (z) towards the making of an offer to repurchase 2025 Senior Subordinated Notes and any other Pari Passu Indebtedness at a purchase price of not less than 100% of the principal amount outstanding thereof plus accrued and unpaid interest to the date of purchase, *provided* that (in the case of this sub-clause (z)) the Issuer makes an offer on a *pro rata* basis to holders of Senior Subordinated Notes at an offer price that is no less than 100% of the principal amount outstanding thereof plus accrued and unpaid interest to the date of purchase in accordance with the provisions described in this covenant and under "—*Selection and Notice*" above and no greater than the purchase price offered to purchase the Senior Subordinated Notes;

(ii) to acquire all or substantially all of the assets of, or any Capital Stock of a Person engaged in, another Permitted Business, if, after giving effect to any such acquisition of Capital Stock, such Person is or becomes a Restricted Subsidiary of the Issuer or is merged with or into a Restricted Subsidiary of the Issuer;

(iii) to make a capital expenditure;

(iv) to acquire other assets that are not classified as current assets under IFRS and that are used or useful in a Permitted Business; or

(v) any combination of the foregoing;

(2) enter into a binding commitment to apply the Net Proceeds pursuant to clause (b), (c) or (d) of clause (1) above, *provided* that such binding commitment shall be treated as a permitted application of the Net Proceeds from the date of such commitment until the earlier of (x) the date on which such acquisition or expenditure is consummated and (y) the 180th day following the expiration of the aforementioned 365-day period; or

(3) any combination of the foregoing.

Pending the final application of any Net Proceeds, the Issuer or any applicable Restricted Subsidiary may temporarily reduce revolving credit borrowings or otherwise invest the Net Proceeds in any manner that is not prohibited by the Senior Subordinated Indenture.

Any Net Proceeds from Asset Sales that are not applied or invested as provided in the second paragraph of this covenant will constitute "Excess Proceeds." When the aggregate amount of Excess Proceeds exceeds the greater of €50.0 million and 1.5% of the Consolidated Total Assets of the Issuer (or the equivalent in another currency), within 30 days thereof, the Issuer will make an offer (an "Asset Sale Offer") to all Holders of Senior Subordinated Notes and (at the Issuer's election) to holders of Pari Passu Indebtedness containing provisions similar to those set forth in the Senior Subordinated Indenture with respect to offers to purchase, prepay, redeem or repay with the proceeds of sales of assets to purchase the maximum principal amount of Senior Subordinated Notes and such other Pari Passu Indebtedness that may be purchased out of the Excess Proceeds. The offer price in any Asset Sale Offer in respect of the Senior Subordinated Notes will not be less than 100% of the principal amount of the Senior Subordinated Notes and, in the case of Pari Passu Indebtedness, not greater than the principal amount thereof plus the offer premium offered with respect to the Senior Subordinated Notes in the Asset Sale Offer, plus, in each case, accrued and unpaid interest, and in the case of the Senior Subordinated Notes, Additional Amounts, if any, to the date of purchase in accordance with the Senior Subordinated Indenture or the agreements governing such Pari Passu Indebtedness, as applicable, and in the case of the Senior Subordinated Notes, in minimum denominations of €100,000 and in integral multiples of €1,000 in excess thereof. If any Excess Proceeds remain after consummation of an Asset Sale Offer, the Issuer or any Restricted Subsidiaries may use those Excess Proceeds for any purpose not otherwise prohibited by the Senior Subordinated Indenture. If the aggregate principal amount of Senior Subordinated Notes and other Pari Passu Indebtedness tendered into (or to be redeemed in connection with) such Asset Sale Offer exceeds the amount of Excess Proceeds, the Registrar will select the Senior Subordinated Notes and such other Pari Passu Indebtedness to be repaid on a *pro rata* basis based on the principal amount of Senior Subordinated Notes and such other Pari Passu Indebtedness presented for purchase. Upon completion of each Asset Sale Offer, the amount of Excess Proceeds will be reset at zero.

The Asset Sale Offer, insofar as it relates to the Senior Subordinated Notes, will remain open for a period of not less than 20 Business Days following its commencement (the "Asset Sale Offer Period"). No later than five Business Days after the termination of the Asset Sale Offer period the Issuer will purchase the principal amount of Senior Subordinated Notes and to the extent the Issuer elects, Pari Passu Indebtedness required to be purchased by it pursuant to this covenant, or if less than the Asset Sale Offer Amount has been so validly tendered, all Senior Subordinated Notes and Pari Passu Indebtedness validly tendered in response to the Asset Sale Offer.

On and after the repurchase date, unless the Issuer defaults in payment of the purchase price, interest shall cease to accrue on the Senior Subordinated Notes or portions thereof purchased.

The Issuer will comply with the requirements of any relevant securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with each repurchase of Senior Subordinated Notes pursuant to an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with the Senior Subordinated Indenture, the Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the Asset Sale provisions of the Senior Subordinated Indenture by virtue of such compliance.

Certain Covenants

Changes in Covenants When Senior Subordinated Notes Rated Investment Grade

If on any date following the date of the Senior Subordinated Indenture:

(1) the Senior Subordinated Notes are rated Baa3 or better by Moody's and BBB- or better by S&P (or, if either such entity ceases to rate the Senior Subordinated Notes for reasons outside of the control of the Issuer, the equivalent investment grade credit rating from any other "nationally recognized statistical rating organization" registered under Section 15E of the U.S. Exchange Act selected by the Issuer as a replacement agency); and

(2) no Default or Event of Default shall have occurred and be continuing, then, beginning on that day and subject to the provisions of the following paragraph, the

covenants specifically listed under the following captions in this listing prospectus will be suspended:

(a) "*—Repurchase at the Option of the Holders—Asset Sales*;"

(b) "*—Restricted Payments*;"

(c) "*—Incurrence of Indebtedness and Issuance of Preferred Stock*;"

(d) "*—Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries*;"

(e) "*—Designation of Restricted and Unrestricted Subsidiaries*;"

(f) "*—Transactions with Affiliates*;"

(g) clause (4) of the covenant described below under the caption "*—Merger, Consolidation or Sale of Assets*;" and

(h) "*—Additional Note Guarantees*."

The Issuer will notify the Trustee in writing that the foregoing covenants have been suspended; *provided* that such notification shall not be a condition for the suspension of the covenants set forth above to be effective; *provided, further*, that the Trustee shall be under no obligation to inform the Holders that the foregoing covenants have been suspended. During any period that the foregoing covenants have been suspended (such period the "Suspension Period"), the Issuer's Board of Directors may not designate any of its Subsidiaries as Unrestricted Subsidiaries pursuant to the covenant described below under the caption "*—Designation of Restricted and Unrestricted Subsidiaries*" or the second paragraph of the definition of "Unrestricted Subsidiary."

Notwithstanding the foregoing, if on any subsequent date, the Senior Subordinated Notes cease to maintain ratings of at least Baa3 and BBB- from Moody's and S&P, respectively, the foregoing covenants will be reinstituted as of and from the date of such rating decline; *provided* that (i) with respect to Restricted Payments made after such reinstatement, the amount available to be made as Restricted Payments will be calculated as though the covenant described under "*—Restricted Payments*" had been in effect prior to, but not during, the Suspension Period; (ii) all Indebtedness Incurred, or Disqualified Stock issued, during the Suspension Period will be classified to have been Incurred or issued pursuant to clause (2) of the second paragraph of "*—Incurrence of Indebtedness and Issuance of Preferred Stock*;" (iii) any transactions with Affiliates entered into after such reinstatement pursuant to an agreement entered into during any Suspension Period shall be deemed to be permitted pursuant to clause (12) of the second paragraph of the covenant described under "*—Transactions with Affiliates*;" and (iv) any encumbrance or restriction on the ability of any Restricted Subsidiary that is not a Guarantor to take any action described in clauses (1) through (3) of the first paragraph of the covenant described under "*—Dividend and Other Payment Restrictions Affecting Subsidiaries*" that becomes effective during any Suspension Period shall be deemed to be permitted pursuant to clause (1) of the second paragraph of the covenant described under "*—Dividend and Other Payment Restrictions Affecting Subsidiaries*."

For the avoidance of doubt, the Issuer and any Restricted Subsidiary will be permitted, without causing a Default or Event of Default or breach of any kind under the Senior Subordinated Indenture, to honor, comply with or otherwise perform any contractual commitments or obligations entered into during a Suspension Period and to consummate the transactions contemplated thereby; *provided*, *however*, that (a) the Issuer and its Subsidiaries did not Incur or otherwise enter into such contractual commitments or obligations in contemplation of the Suspension Period ending and (b) the Issuer reasonably believed that such Incurrence or actions would not result in the of the Suspension Period ending. For purposes of clauses (a) and (b) in the preceding sentence, anticipation and reasonable belief shall be as determined in good faith by a responsible accounting or financial officer of the Issuer.

Within 20 Business Days of the end of a Suspension Period, the Issuer will cause any of its Restricted Subsidiaries that is not a Guarantor and that guaranteed any Indebtedness of the Issuer or any Guarantor during such Suspension Period to execute and deliver a Note Guarantee, subject to the second, third and sixth paragraphs of the covenant described under "*—Additional Note Guarantees*."

There can be no assurance that the Senior Subordinated Notes will ever achieve an investment grade rating or that any such rating will be maintained.

Restricted Payments

The Issuer will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly:

(1) declare or pay any dividend or make any other payment or distribution on account of the Issuer's or any of its Restricted Subsidiaries' Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving the Issuer's or any of its Restricted Subsidiaries) or to the direct or indirect holders of the Issuer's or any of its Restricted Subsidiaries' Equity Interests in their capacity as such on account of such Equity Interests (other than dividends or distributions payable in Equity Interests (other than Disqualified Stock) of the Issuer or in the form of Subordinated Shareholder Debt and other than dividends or distributions payable to the Issuer or a Restricted Subsidiary of the Issuer);

(2) purchase, redeem or otherwise acquire or retire for value (including, without limitation, in connection with any merger or consolidation involving the Issuer) any Equity Interests of the Issuer or any direct or indirect parent of the Issuer (other than in exchange for Equity Interests of the Issuer (other than Disqualified Stock) or Subordinated Shareholder Debt);

(3) make any principal payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value, prior to the scheduled maturity, scheduled repayment or scheduled sinking fund payment, any Subordinated Obligations of the Issuer (excluding (i) any intercompany Indebtedness between or among the Issuer and any of its Restricted Subsidiaries and (ii) the purchase, repurchase, redemption, acquisition or retirement of Subordinated Obligations acquired in anticipation of satisfying a sinking fund obligation, principal installment or final maturity, in each case due within one year of the date of the purchase, repurchase, redemption, acquisition or retirement);

(4) make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value any Subordinated Shareholder Debt (other than non-cash interest payable in Equity Interests (other than Disqualified Stock) of the Issuer or any payment in the form of additional Subordinated Shareholder Debt); or

(5) make any Restricted Investment,

(all such payments and other actions set forth in the foregoing clauses (1) through (5) being collectively referred to as "Restricted Payments"), unless, at the time of and after giving *pro forma* effect to such Restricted Payment:

(1) no Default or Event of Default has occurred and is continuing or would occur as a consequence of such Restricted Payment;

(2) the Issuer would, at the time of such Restricted Payment and after giving *pro forma* effect thereto as if such Restricted Payment had been made at the beginning of the applicable four-quarter period, have been permitted to Incur at least €1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in clause (a) of the first paragraph of the covenant described below under the caption "*—Incurrence of Indebtedness and Issuance of Preferred Stock*;" and

(3) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Issuer and its Restricted Subsidiaries since July 1, 2017 and not returned or rescinded (excluding Restricted Payments permitted by clauses (2), (3), (4), (6), (7), (11) and (13) of the next succeeding paragraph), is less than the sum, without duplication, of:

(i) 50% of the Consolidated Net Income of the Issuer for the period (taken as one accounting period) from July 1, 2017 to the end of the Issuer's most

recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment (or, if such Consolidated Net Income for such period is a deficit, less 100% of such deficit); *plus*

(ii) 100% of the aggregate net cash proceeds and the Fair Market Value of marketable securities and other property received by the Issuer since July 1, 2017 as a contribution to its common equity capital or from the issue or sale of Equity Interests of the Issuer (other than Disqualified Stock and Excluded Contributions) or Subordinated Shareholder Debt or from the issue or sale of convertible or exchangeable Disqualified Stock or convertible or exchangeable debt securities of the Issuer that have been converted into or exchanged for such Equity Interests or Subordinated Shareholder Debt (other than Equity Interests (or Disqualified Stock or debt securities) sold to a Subsidiary of the Issuer); *plus*

(iii) to the extent that any Restricted Investment that was (i) made after July 1, 2017 is sold or otherwise disposed of or otherwise cancelled, liquidated or repaid, 100% of the aggregate amount received in cash and of the Fair Market Value of the marketable securities and other property received or (ii) made in an entity that subsequently becomes a Restricted Subsidiary (or is merged or consolidated with or into the Issuer or a Restricted Subsidiary), 100% of the Fair Market Value of the Restricted Investment of the Issuer and its Restricted Subsidiaries as of the date such entity becomes a Restricted Subsidiary (or is so merged or consolidated) or (iii) a guarantee made by the Issuer or one of its Restricted Subsidiaries to any Person, upon the full and unconditional release of such Restricted Investment, an amount equal to the amount of such guarantee; *plus*

(iv) to the extent that any Unrestricted Subsidiary of the Issuer designated as such after July 1, 2017 is redesignated as a Restricted Subsidiary after such date, or has been merged or consolidated with or into, or transfers or conveys its assets to, the Issuer or a Restricted Subsidiary of the Issuer, 100% of the Fair Market Value of the Issuer's Investment in such Subsidiary as of the date of such redesignation, combination or transfer (or of the assets transferred or conveyed, as applicable); *plus*

(v) the amount by which Indebtedness of the Issuer or a Restricted Subsidiary is reduced on the Issuer's consolidated balance sheet upon the conversion or exchange (other than by the Issuer or its Restricted Subsidiary) of such Indebtedness for Equity Interests (other than Disqualified Stock) of the Issuer or Subordinated Shareholder Debt (less the amount of any cash, and the Fair Market Value of any other property, received or distributed by the Issuer or any Restricted Subsidiary on any such conversion or exchange); *plus*

(vi) 100% of the Fair Market Value of any dividends, distributions or payments received by the Issuer or a Restricted Subsidiary of the Issuer after July 1, 2017 from an Unrestricted Subsidiary of the Issuer or from a Person in which the Issuer or a Restricted Subsidiary of the Issuer has a Restricted Investment to the extent that such dividends, distributions or payments were not otherwise included in the Consolidated Net Income of the Issuer for such period.

The preceding provisions will not prohibit:

(1) the payment of any dividend or distribution or the consummation of any redemption within 60 days after the date of declaration of the dividend or distribution or giving of the redemption notice, as the case may be, if at the date of declaration or notice, the dividend or distribution or redemption payment would have complied with the provisions of the Senior Subordinated Indenture;

(2) the making of any Restricted Payment in exchange for (including any such exchange pursuant to the exercise of a conversion right or privilege in connection with which cash is paid in lieu of the issuance of fractional shares or scrip), or out of the net cash proceeds of the substantially concurrent sale or issuance (other than to a Subsidiary of the Issuer) of, Equity Interests of the Issuer (other than Disqualified Stock) or Subordinated Shareholder Debt or from the substantially concurrent contribution of such proceeds to the common equity capital to the Issuer; *provided* that the amount of any such net cash proceeds that are utilized for any such Restricted Payment will be excluded from clause (3)(b) of the preceding paragraph and will not constitute Excluded Contributions;

(3) any purchase, repurchase, redemption, defeasance or other acquisition or retirement of Subordinated Obligations made by exchange for, or out of the proceeds of the substantially concurrent sale of, Indebtedness permitted to be Incurred pursuant to the covenant described under "*— Incurrence of Indebtedness and Issuance of Preferred Stock*" below;

(4) the declaration or payment of any dividend or the making of any payment or distribution by a Restricted Subsidiary of the Issuer to the holders of its Equity Interests other than the Issuer or another Restricted Subsidiary on a no more than *pro rata* basis;

(5) so long as no Default has occurred and is continuing or would be caused thereby, the repurchase, redemption or other acquisition or retirement for value of any Equity Interests of the Issuer or any Restricted Subsidiary of the Issuer, or distribution to enable such repurchase, redemption or other acquisition or retirement for value of any Equity Interests of the Issuer or any Parent or Restricted Subsidiary of the Issuer, held directly or indirectly by any current or former officer, director, consultant or employee of the Issuer or any Parent or Restricted Subsidiary of the Issuer (or permitted transferees of such current or former officers, directors, consultants or employees); *provided* that the aggregate price paid for all such repurchased, redeemed, acquired or retired Equity Interests may not exceed the greater of €17.5 million and 0.5% of the Consolidated Total Assets of the Issuer in any calendar year, beginning in the year starting January 1, 2016, with the unused portion carried over to the next calendar year; *provided, further,* that such amount in any one-year period may be increased by an amount not to exceed the cash proceeds received by the Issuer or a Restricted Subsidiary during such period from the sale of Equity Interests of the Issuer or a Restricted Subsidiary in each case to members of management or directors or consultants of the Issuer or any Restricted Subsidiary or any Parent of the Issuer to the extent the cash proceeds from the sale of Equity Interests have not otherwise been applied to the making of Restricted Payments pursuant to clause (3)(b) of the preceding paragraph or clauses (2), (8) or (15) of this paragraph;

(6) the repurchase of Equity Interests deemed to occur upon the exercise of stock options or warrants to the extent such Equity Interests represent a portion of the exercise price of those stock options or warrants;

(7) the declaration and payment of regularly scheduled or accrued dividends to holders of any class or series of Disqualified Stock of the Issuer or any preferred stock of any Restricted Subsidiary of the Issuer issued on or after the date of the Senior Subordinated Indenture in accordance with the Fixed Charge Coverage Ratio test set forth in the covenant described below under the caption "*—Incurrence of Indebtedness and Issuance of Preferred Stock*;"

(8) so long as no Default has occurred and is continuing or would be caused thereby, following an Initial Public Offering, the declaration and payment by the Issuer of, or loans, advances, dividends or distributions to any Parent to pay, dividends on the Capital Stock of the Issuer or any Parent, in an amount not to exceed in any fiscal year the greater of (a) 6% of the net cash proceeds received by the Issuer from such Initial Public Offering or contributed to the equity (other than through the issuance of Disqualified Stock or an Excluded Contribution) of the Issuer and (b) an amount

equal to the greater of (i) 6% of the Market Capitalization (*provided* that after giving *pro forma* effect to such loans, advances, dividends or distributions, the Consolidated Leverage Ratio would not exceed 2.75 to 1.0) and (ii) 6% of the IPO Market Capitalization (*provided* that after giving *pro forma* effect to such loans, advances, dividends or distributions, the Consolidated Leverage Ratio would not exceed 2.75 to 1.0);

(9) the declaration and payment of cash dividends and any repurchase, redemption, retirement or cancellation of the Issuer's Equity Interests not to exceed the greater of €25.0 million and 0.75% of the Consolidated Total Assets of the Issuer in any calendar year commencing on or after January 1, 2015, with the unused portion carried over to the next calendar year;

(10) so long as no Default has occurred and is continuing or would be caused thereby, (A) other Restricted Payments in an aggregate amount not to exceed the greater of €150.0 million and 4.5% of the Consolidated Total Assets of the Issuer and (B) any Restricted Payments; *provided* that, in the case of clause (B) only, the Consolidated Leverage Ratio of the Issuer does not exceed 3.0 to 1.0 on a *pro forma* basis after giving effect to any such Restricted Payments;

(11) any payments to minority shareholders as required by law or regulation pursuant to or in contemplation of a merger or consolidation involving the Issuer or any of its Restricted Subsidiaries that does not violate the provisions of the covenant described under "*—Merger, Consolidation or Sale of Assets*;"

(12) payments of cash, dividends, distributions, advances or other Restricted Payments by the Issuer or any Restricted Subsidiary to allow the payment of cash in lieu of the issuance of fractional shares upon (x) the exercise of options or warrants or (y) the conversion or exchange of Capital Stock of any such Person;

(13) payments or other transactions pursuant to any tax sharing agreement or arrangement among the Issuer or any of its Restricted Subsidiaries and any other Person with which the Issuer or any of its Restricted Subsidiaries files or filed a consolidated tax return or with which the Issuer or any of its Restricted Subsidiaries is or was part of a consolidated group for tax purposes or any tax advantageous group contribution made pursuant to applicable legislation in amounts not otherwise prohibited by the Senior Subordinated Indenture; *provided, however*, that such payments, and the value of such transactions, shall not exceed the amount of tax that the Issuer or such Restricted Subsidiaries would owe without taking into account such other Person, unless and to the extent that such other Person has made a payment to the Issuer or such Restricted Subsidiary with respect to or resulting from any taxes attributable to the income of such other Person for any taxable period, in which case, such payments may be increased by the amount actually paid for such taxes by such other Person to the Issuer or such Restricted Subsidiary with respect to such taxable period;

(14) distributions or payments of Securitization Fees, sales contributions and other transfers of Securitization Assets and purchases of Securitization Assets pursuant to a Securitization Repurchase Obligation, in each case, in connection with a Qualified Securitization Financing or a Permitted Recourse Receivables Financing;

(15) Restricted Payments that are made with Excluded Contributions; and

(16) any purchase, repurchase, redemption, defeasance or other acquisition or retirement of Subordinated Obligations or Disqualified Stock or preferred stock of a Restricted Subsidiary:

(i) from Net Proceeds to the extent permitted under "*—Repurchase at the Option of Holders—Asset Sales*" above, but only if (and to the extent required) the Issuer shall have first complied with the terms described under "*—Repurchase at the Option of Holders—Asset Sales*" and purchased all

Notes tendered pursuant to any offer to repurchase all the Notes required thereby, prior to purchasing, repurchasing, redeeming, defeasing or otherwise acquiring or retiring such Subordinated Obligations, Disqualified Stock or preferred stock;

(ii) to the extent required by the agreement governing such Subordinated Obligations, Disqualified Stock or preferred stock, following the occurrence of (i) a Change of Control Triggering Event (or other similar event described therein as a "change of control") or (ii) an Asset Sale (or other similar event described therein as an "asset disposition" or "asset sale") but only if (and to the extent required) the Issuer shall have first complied with the terms described under "*—Repurchase at the Option of Holders—Change of Control Triggering Event*" or "*—Repurchase at the Option of Holders—Asset Sales*," as applicable, and purchased all Notes tendered pursuant to the offer to repurchase all the Notes required thereby, prior to purchasing, repurchasing, redeeming, defeasing or otherwise acquiring or retiring such Subordinated Obligations, Disqualified Stock or preferred stock; or

(iii) consisting of Acquired Debt (other than Indebtedness Incurred (A) to provide all or any portion of the funds utilized to consummate the transaction or series of related transactions pursuant to which such Person became a Restricted Subsidiary or was otherwise acquired by the Issuer or a Restricted Subsidiary or (B) otherwise in connection with or contemplation of such acquisition).

For purposes of determining compliance with this covenant, in the event that a Restricted Payment (or portion thereof) meets the criteria of more than one of the categories described in clauses (1) through (16) above, and/or is permitted pursuant to the first paragraph of this covenant and/or constitutes a Permitted Investment, the Issuer will be entitled to classify such Restricted Payment or Investment (or portion thereof) on the date of its payment or later reclassify (based on circumstances existing on the date of such reclassification) such Restricted Payment or Investment (or portion thereof) in any manner that complies with this covenant, including as a Permitted Investment.

The amount of all Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Issuer or such Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. The Fair Market Value of any assets or securities that are required to be valued by this covenant will be determined by the Board of Directors of the Issuer whose resolution with respect thereto will be delivered to the Trustee. For the avoidance of doubt, the Trustee shall have no obligation to determine the Fair Market Value of any assets or securities.

Incurrence of Indebtedness and Issuance of Preferred Stock

The Issuer will not, and will not permit any of its Restricted Subsidiaries to Incur any Indebtedness (including Acquired Debt), and the Issuer will not issue any Disqualified Stock and will not permit any of its Restricted Subsidiaries to issue any shares of preferred stock; *provided*, *however*, that:

(i) the Issuer and any Guarantor may Incur Indebtedness other than Priority Debt (including Acquired Debt) or issue Disqualified Stock if the Fixed Charge Coverage Ratio for the Issuer's most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Indebtedness is Incurred or such Disqualified Stock is issued, as the case may be, would have been at least 2.0 to 1.0, determined on a *pro forma* basis (including the *pro forma* application of the net proceeds therefrom), as if the additional Indebtedness had been Incurred or the Disqualified Stock had been issued, as the case may be, at the beginning of such four-quarter period; and

(ii) the Issuer and its Restricted Subsidiaries may Incur Priority Debt (including Acquired Debt and preferred stock issued by Restricted Subsidiaries that are not Guarantors) if, in addition to compliance with the ratio set forth in clause (a), the Consolidated Net Priority Debt Leverage Ratio for the Issuer's most

recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Priority Debt is Incurred would have been less than 4.0 to 1.0, determined on a *pro forma* basis (including the *pro forma* application of the net proceeds therefrom), as if such additional Priority Debt had been Incurred at the beginning of such four-quarter period.

The first paragraph of this covenant will not prohibit the Incurrence of any of the following items of Indebtedness (collectively, "Permitted Debt"):

(1) the Incurrence by the Issuer and its Restricted Subsidiaries of Indebtedness and letters of credit under Credit Facilities in an aggregate principal amount at any one time outstanding under this clause (1) not to exceed €1,400 million, plus, in the case of any refinancing of any Indebtedness permitted under this clause (1) or any portion thereof, the aggregate amount of fees, underwriting discounts, accrued and unpaid interest, premiums (including tender premiums) and other costs and expenses (including fees and commissions paid as discounts) Incurred in connection with such refinancing;

(2) the Incurrence by the Issuer and its Restricted Subsidiaries of the Existing Indebtedness (other than Indebtedness Incurred under clause (1) or clause (3) of this paragraph);

(3) the Incurrence by the Issuer of Indebtedness represented by the New Senior Subordinated Notes to be issued on the Issue Date;

(4) the Incurrence by the Issuer or any of its Restricted Subsidiaries of Indebtedness represented by Capital Lease Obligations, mortgage financings or purchase money obligations or other Indebtedness or preferred stock, in each case, Incurred for the purpose of financing or refinancing all or any part of the purchase price or cost of acquisition, design, development, construction, lease, installation, transportation or improvement of property (real or personal), plant or equipment that is used or useful in the business of the Issuer or any of its Restricted Subsidiaries (each, a "Productive Asset Financing") (including Equity Interests of any Person owning such assets) (including any reasonable related fees or expenses Incurred in connection therewith), in an aggregate principal amount at any one time outstanding not to exceed the greater of €85.0 million and 2.5% of the Consolidated Total Assets of the Issuer;

(5) the Incurrence by the Issuer or any of its Restricted Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge any Indebtedness (other than intercompany Indebtedness) that was permitted by the Senior Subordinated Indenture to be Incurred under the first paragraph of this covenant or clauses (2), (3), (5) or (14) of this paragraph;

(6) the Incurrence by the Issuer or any of its Restricted Subsidiaries of intercompany Indebtedness between or among the Issuer and any of its Restricted Subsidiaries; *provided, however*, that:

(i) except in respect of current liabilities Incurred in the ordinary course of business in connection with cash management, tax and accounting operations, if the Issuer or a Guarantor is the obligor on such Indebtedness, the aggregate principal amount of such Indebtedness exceeds €10.0 million and the payee is not the Issuer or a Guarantor, such Indebtedness must be expressly subordinated to the prior payment in full in cash of all Obligations then due with respect to the Senior Subordinated Notes, in the case of the Issuer, or the applicable Note Guarantee, in the case of a Guarantor; and

(ii) (i) any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness being held by a Person other than the Issuer or a

Restricted Subsidiary of the Issuer and (ii) any sale or other transfer of any such Indebtedness to a Person that is not either the Issuer or a Restricted Subsidiary of the Issuer, will be deemed, in each case, to constitute an Incurrence of such Indebtedness by the Issuer or such Restricted Subsidiary, as the case may be, that was not permitted by this clause (6);

(7) the issuance by any of the Issuer's Restricted Subsidiaries to the Issuer or to any of its Restricted Subsidiaries of shares of preferred stock; *provided, however*, that:

(i) any subsequent issuance or transfer of Equity Interests that results in any such preferred stock being held by a Person other than the Issuer or a Restricted Subsidiary of the Issuer; and

(ii) any sale or other transfer of any such preferred stock to a Person that is not either the Issuer or a Restricted Subsidiary of the Issuer, will be deemed, in each case, to constitute an issuance of such preferred stock by such Restricted Subsidiary that was not permitted by this clause (7);

(8) the Incurrence by the Issuer or any of its Restricted Subsidiaries of Hedging Obligations in the ordinary course of business and not for speculative purposes;

(9) the guarantee by the Issuer or a Restricted Subsidiary of Indebtedness of the Issuer or any of its Restricted Subsidiaries so long as the Incurrence of such Indebtedness by the Issuer or such Restricted Subsidiary is permitted under the terms of the Senior Subordinated Indenture, *provided* that such guarantee is Incurred in accordance with the covenant described under "*—Additional Note Guarantees*;"

(10) guarantees by the Issuer or a Restricted Subsidiary of the Issuer of Indebtedness arising pursuant to terms requiring such Indebtedness to be guaranteed if the Senior Subordinated Notes are also guaranteed by the same Restricted Subsidiary;

(11) the Incurrence by the Issuer or any of its Restricted Subsidiaries of Indebtedness in respect of workers' compensation claims, payment obligations in connection with health or other types of social security benefits, unemployment or other insurance or self-insurance obligations, statutory obligations, bankers' acceptances, export, import, customs, VAT and other tax guarantees, performance and bid, reclamation, remediation, completion, surety, appeal or similar bonds or performance guarantees in the ordinary course of business or consistent with past practice;

(12) Indebtedness constituting reimbursement obligations with respect to letters of credit, bankers' acceptances or similar instruments or obligations issued in the ordinary course of business, *provided* that upon the drawing or other funding of such letters of credit or other instruments or obligations, such drawings or fundings are reimbursed within ten Business Days;

(13) the Incurrence by the Issuer or any of its Restricted Subsidiaries of Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently drawn against insufficient funds, so long as such Indebtedness is extinguished within ten Business Days;

(14) Indebtedness of any Person (a) outstanding on the date on which such Person becomes a Restricted Subsidiary of the Issuer or is merged, consolidated, amalgamated or otherwise combined with (including pursuant to any acquisition of assets and assumption of related liabilities) the Issuer or any Restricted Subsidiary or (b) Incurred to provide all or a portion of the funds utilized to consummate the transaction or series of related transactions pursuant to which such Person became a Restricted Subsidiary or was otherwise acquired by the Issuer or a Restricted Subsidiary; *provided, however*, with respect to this clause (14), that at the time of the acquisition or other transaction pursuant to which such Indebtedness was deemed to be Incurred (x)(i) the Issuer would have been able to Incur €1.00 of additional Indebtedness pursuant to clause (a) of the first paragraph of this covenant

after giving *pro forma* effect to the Incurrence of such Indebtedness pursuant to this clause (14) or (ii) the Fixed Charge Coverage Ratio would be no less than it was immediately prior to the Incurrence of such Indebtedness pursuant to this clause (14) and (y)(i) the Issuer and its Restricted Subsidiaries would have been able to Incur €1.00 of additional Indebtedness pursuant to clause (b) of the first paragraph of this covenant after giving *pro forma* effect to the Incurrence of such Indebtedness pursuant to this clause (14) or (ii) the Consolidated Net Priority Debt Leverage Ratio would be no greater than it was prior to the Incurrence of such Indebtedness pursuant to this clause (14);

(15) the Incurrence by the Issuer and its Restricted Subsidiaries of Indebtedness arising from agreements of the Issuer or a Restricted Subsidiary providing for indemnification, earnouts, adjustments of purchase price, guarantees or, in each case, similar obligations, in each case, Incurred or assumed in connection with the acquisition or disposition of any business or assets or Person or any Equity Interests of a Subsidiary in accordance with the terms of the Senior Subordinated Indenture, other than guarantees of Indebtedness Incurred or assumed by any Person acquiring all or any portion of such business, assets or Equity Interests of a Subsidiary for the purpose of financing such acquisition;

(16) customer deposits and advance payments received in the ordinary course of business from customers for goods and services purchased in the ordinary course of business;

(17) the Incurrence by the Issuer or any of its Restricted Subsidiaries of additional Indebtedness or the issuance by any Restricted Subsidiary that is not a Guarantor of preferred stock in an aggregate principal amount (or accreted value, as applicable) or having an aggregate liquidation preference at any time outstanding Incurred pursuant to this clause (17), not to exceed the greater of €100.0 million and 3.0% of the Consolidated Total Assets of the Issuer;

(18) any customary cash management, cash pooling or netting or setting off arrangements in the ordinary course of business;

(19) Indebtedness of the Issuer in an aggregate outstanding principal amount (or accreted value, as applicable) at any time outstanding, not to exceed 100% of the Net Proceeds received by the Issuer from the issuance or sale (other than to a Subsidiary) of its Capital Stock (other than Disqualified Stock or an Excluded Contribution) or otherwise contributed to the equity (other than through the issuance of Disqualified Stock or an Excluded Contribution) of the Issuer or from the issuance or sale (other than to a Subsidiary) of Subordinated Shareholder Debt, in each case, subsequent to the Issue Date; *provided, however*, that (i) any such Net Proceeds that are so received or contributed shall be excluded for purposes of making Restricted Payments under the first paragraph and clause (2), the second proviso to clause (5), clause (8) and clause (15) of the second paragraph of the covenant described under the caption "*—Restricted Payments*" to the extent the Issuer Incurs Indebtedness in reliance thereon; and (ii) any Net Cash Proceeds that are so received or contributed shall be excluded for purposes of Incurring Indebtedness pursuant to this clause (19) to the extent the Issuer or any of its Restricted Subsidiaries makes a Restricted Payment under the first paragraph or clause (2), the second proviso to clause (5), clause (8) or clause (15) of the second paragraph of the covenant described under the caption "*—Restricted Payments*" in reliance thereon;

(20) Indebtedness of the Issuer or any Restricted Subsidiary in respect of Management Advances;

(21) Indebtedness of the Issuer or a Restricted Subsidiary in respect of any Qualified Securitization Financing; and

(22) Indebtedness of the Issuer or a Restricted Subsidiary in respect of any Permitted Recourse Receivables Financing not to exceed €75.0 million.

For purposes of determining compliance with this "*Incurrence of Indebtedness and Issuance of Preferred Stock*" covenant, in the event that an item of proposed Indebtedness or preferred stock meets the criteria of more than one of the categories of Permitted Debt described in clauses (1) through (22) above, or is entitled to be Incurred pursuant to the first paragraph of this covenant, the Issuer will be permitted, in its sole discretion, to classify such item of Indebtedness or preferred stock on the date of its Incurrence and will only be required to include the amount and type of such Indebtedness or preferred stock in one of the above clauses, although the Issuer may, in its sole discretion, divide and classify an item of Indebtedness or preferred stock in one or more of the types of Indebtedness or preferred stock and may later reclassify all or a portion of such item of Indebtedness or preferred stock in any manner that complies with this covenant; *except* that Indebtedness outstanding under the Revolving Credit Facility as of the Issue Date, the 2022 Senior Secured Notes, the 2023 Senior Secured Notes, the 2024 Senior Secured Notes and the New Senior Secured Notes issued on the Issue Date and any Permitted Refinancing Indebtedness thereof that constitutes Priority Debt will be deemed to have been Incurred under clause (1) of the definition of Permitted Debt and may not be reclassified.

The accrual of interest or dividends, the accretion or amortization of original issue discount, the payment of interest on any Indebtedness in the form of additional Indebtedness with the same terms, the reclassification of preferred stock as Indebtedness due to a change in accounting principles, and the payment of dividends on Disqualified Stock or preferred stock in the form of additional shares of the same class of Disqualified Stock or preferred stock and the reclassification of commitments or obligations not treated as Indebtedness due to a change in IFRS will not be deemed to be an Incurrence of Indebtedness or an issuance of Disqualified Stock for purposes of this covenant; *provided*, in each such case, that the amount of any such accrual, accretion or payment is included in Fixed Charges of the Issuer as accrued.

Notwithstanding any other provision of this covenant (including pursuant to any Permitted Refinancing Indebtedness permitted pursuant to this covenant), the maximum amount of Indebtedness that the Issuer or any Restricted Subsidiary may Incur pursuant to this covenant shall not be deemed to be exceeded solely as a result of fluctuations in exchange rates or currency values. Furthermore, notwithstanding anything in this covenant to the contrary, in the case of any Indebtedness Incurred to refinance Indebtedness initially Incurred in reliance on a clause of the second paragraph of this covenant measured by reference to a percentage of Consolidated Total Assets at the time of Incurrence, if such refinancing would cause the percentage of Consolidated Total Assets restriction to be exceeded if calculated based on the percentage of Consolidated Total Assets on the date of such refinancing, such percentage of Consolidated Total Assets restriction shall not be deemed to be exceeded so long as the principal amount of such refinancing Indebtedness does not exceed the principal amount of such Indebtedness being refinanced, plus premiums (including tender premiums), defeasance, costs and fees in connection with such refinancing.

For purposes of determining compliance with any euro-denominated restriction on the Incurrence of Indebtedness, the Euro Equivalent of the principal amount of Indebtedness denominated in another currency will be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was Incurred, in the case of term Indebtedness, or first committed, in the case of Indebtedness Incurred under a revolving credit facility; *provided* that (1) if such Indebtedness is Incurred to refinance other Indebtedness denominated in a currency other than euros, and such refinancing would cause the applicable euro-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such euro-denominated restriction will be deemed not to have been exceeded so long as the principal amount of such Permitted Refinancing Indebtedness does not exceed the principal amount of such Indebtedness being refinanced; (2) the Euro Equivalent of the principal amount of any such Indebtedness outstanding on the date of the Senior Subordinated Indenture will be calculated based on the relevant currency exchange rate in effect on the date of the Senior Subordinated Indenture; and (3) if and for so long as any such Indebtedness is subject to an agreement intended to protect against fluctuations in currency exchange rates with respect to the currency in which such Indebtedness is denominated covering principal and interest on such Indebtedness, the amount of such Indebtedness, if denominated other than in euros, will be the amount of the principal payment required to be made under such currency agreement and, otherwise, the Euro Equivalent of such amount plus the Euro Equivalent of any premium which is at such time due and payable but is not covered by such currency agreement.

For purposes of determining compliance with this covenant, with respect to Indebtedness Incurred under a Credit Facility, reborrowings of amounts previously repaid pursuant to "cash sweep" or "clean down" provisions or any similar provisions under a Credit Facility that provide that Indebtedness is deemed to be repaid periodically shall only be deemed for purposes of this covenant to have been Incurred on the date such Indebtedness was first Incurred and not on the date of any subsequent reborrowing thereof.

In the event that the Issuer or a Restricted Subsidiary enters into or increases commitments under a revolving credit facility, enters into any commitment to Incur or issue Indebtedness or commits to Incur any Lien pursuant to clause (21) of the definition of "*Permitted Liens*," the Incurrence or issuance thereof for all purposes under the Senior Subordinated Indenture, including without limitation for purposes of calculating the Fixed Charge Coverage Ratio, the Consolidated Net Priority Debt Leverage Ratio or the Consolidated Leverage Ratio, as applicable, or usage of clauses (1), (2), (4), (5), (9), (12), (14), (17), (19), (21) and (22) of the second paragraph of this covenant (if any) for borrowings and re-borrowings thereunder (and including issuance and creation of letters of credit and bankers' acceptances thereunder) will, at the Issuer's option, either (a) be determined on the date of such revolving credit facility or such entry into or increase in commitments (assuming that the full amount thereof has been borrowed as of such date) or other Indebtedness, Disqualified Stock or Preferred Stock, and, if such Fixed Charge Coverage Ratio, the Consolidated Net Priority Debt Leverage Ratio or the Consolidated Leverage Ratio, as applicable, test or other provision of the Senior Subordinated Indenture is satisfied with respect thereto at such time, any borrowing or re-borrowing thereunder (and the issuance and creation of letters of credit and bankers' acceptances thereunder) will be permitted under this covenant irrespective of the Fixed Charge Coverage Ratio, the Consolidated Net Priority Debt Leverage Ratio or the Consolidated Leverage Ratio, as applicable, or other provision of the Senior Subordinated Indenture at the time of such borrowing or re-borrowing (or issuance or creation of letters of credit or bankers' acceptances thereunder) (the committed amount permitted to be borrowed or reborrowed (and the issuance and creation of letters of credit and bankers' acceptances) on a date pursuant to the operation of this clause (a) shall be the "Reserved Indebtedness Amount" as of such date for purposes of the Fixed Charge Coverage Ratio, the Consolidated Net Priority Debt Leverage Ratio or the Consolidated Leverage Ratio, as applicable, and, to the extent of the usage of clauses (1) through (22) of the preceding paragraph (if any), shall be deemed to be Incurred and outstanding under such clauses) or (b) be determined on the date such amount is borrowed pursuant to any such facility or increased commitment, and in each case, the Issuer may revoke such determination at any time and from time to time.

The amount of any Indebtedness outstanding as of any date will be:

(1) the accreted value of the Indebtedness, in the case of any Indebtedness issued with original issue discount;

(2) the principal amount of the Indebtedness, in the case of any other Indebtedness; and

(3) in the case of Hedging Obligations, the net amount payable if such Hedging Obligations were terminated at that time due to default by such Person (after giving effect to any contractually permitted set-off);

(4) in respect of Indebtedness of another Person secured by a Lien on the assets of the specified Person, the lesser of:

  (i) the Fair Market Value of such assets at the date of determination; and

  (ii) the amount of the Indebtedness of the other Person; and

(5) the principal amount of any Disqualified Stock of the Issuer or Preferred Stock of a Restricted Subsidiary will be equal to the greater of the maximum mandatory redemption or repurchase price (not including, in either case, any redemption or repurchase premium) or the liquidation preference thereof.

Financial Calculations

When calculating the availability under any basket or ratio under the Senior Subordinated Indenture, in each case in connection with any merger, acquisition, disposition, joint venture, Investment or other similar transaction, in each case where there is a time difference between commitment and closing or Incurrence (including in respect of Incurrence of Indebtedness, Restricted Payments and Permitted Investments), the date of determination of such basket or ratio and of any Default or Event of Default shall, at the option of the Issuer, be the date the definitive agreements for such merger, acquisition, disposition, joint venture, Investment or other similar transaction are entered into (or, in case of a transaction in the form of a tender or exchange offer in connection with which no definitive agreement is entered into with the target company, the date of such tender or exchange offer) and such baskets or ratios shall be calculated on a *pro forma* basis after giving effect to such merger, acquisition, disposition, joint venture, Investment or other similar transaction and the other transactions

to be entered into in connection therewith (including any Incurrence of Indebtedness and the use of proceeds thereof) as if they occurred at the beginning of the applicable reference period for purposes of determining the ability to consummate any such transaction (and not for purposes of any subsequent availability of any basket or ratio), and, for the avoidance of doubt, (x) if any of such baskets or ratios are exceeded as a result of fluctuations in such basket or ratio (including due to fluctuations in Consolidated Cash Flow or Consolidated Total Assets or the share price or share value of any Person) subsequent to such date of determination and at or prior to the consummation of the relevant transaction, such baskets or ratios will not be deemed to have been exceeded as a result of such fluctuations solely for purposes of determining whether the transaction is permitted hereunder and (y) such baskets or ratios shall not be tested at the time of consummation of such transaction or related transactions; *provided*, that if the Issuer elects to have such determinations occur at the time of entry into such definitive agreement (or the time of such tender or exchange offer, as the case may be), any such transactions (including any Incurrence of Indebtedness and the use of proceeds thereof) shall be deemed to have occurred on the date the definitive agreements are entered (or the date of such tender or exchange offer, as the case may be) and outstanding thereafter for purposes of calculating any baskets or ratios under the Senior Subordinated Indenture after the date of such agreement (or tender or exchange offer, as the case may be) and before the consummation of such transaction.

No Layering of Debt

Neither the Issuer nor any Guarantor will Incur any Indebtedness (including Permitted Debt) that is contractually subordinated or junior in right of payment to any Indebtedness of the Issuer or such Guarantor and senior in right of payment to the Senior Subordinated Notes or such Guarantor's Note Guarantee. No such Indebtedness will be considered to be subordinate or junior in right of payment to any other Indebtedness by reason of any Liens or guarantees arising or created in respect of such other Indebtedness or by virtue of the fact that holders of any secured Indebtedness have entered into intercreditor agreements giving one or more holders priority over other holders in the collateral held by them.

Additional Note Guarantees

The Issuer will not permit any of its Restricted Subsidiaries, directly or indirectly, to Guarantee any other Indebtedness of the Issuer or a Guarantor (other than a Guarantee of the Senior Subordinated Notes and other than Indebtedness Incurred pursuant to clause (1) or clause (17) of the definition of Permitted Debt) unless such Restricted Subsidiary simultaneously executes and delivers a supplemental indenture providing for the Note Guarantee of the payment of the Senior Subordinated Notes by such Restricted Subsidiary, which Note Guarantee will be senior to or *pari passu* with (or, in the event that such other Indebtedness is Senior Indebtedness, junior to) such Restricted Subsidiary's Guarantee of such other Indebtedness.

The first paragraph of this covenant will not be applicable to any guarantees of any Restricted Subsidiary:

(1) that existed at the time such Person became a Restricted Subsidiary if the guarantee was not Incurred in connection with, or in contemplation of, such Person becoming a Restricted Subsidiary; or

(2) arising solely due to the granting of a Permitted Lien that would not otherwise constitute a guarantee of Indebtedness of the Issuer.

No Note Guarantee shall be required if such Note Guarantee could reasonably be expected to give rise to or result in (A) personal liability for the officers, directors or shareholders of the Issuer or such Restricted Subsidiary, (B) any violation of applicable law that cannot be avoided or otherwise prevented through measures reasonably available to the Issuer or such Restricted Subsidiary, including, for the avoidance of doubt, "whitewash" or similar procedures or (C) any significant cost, expense, liability or obligation (including with respect of any Taxes) other than reasonable out-of-pocket expenses and other than reasonable expenses Incurred in connection with any governmental or regulatory filings required as a result of, or any measures pursuant to clause (B) undertaken in connection with, such Note Guarantee, which cannot be avoided through measures reasonably available to the Issuer or the Restricted Subsidiary.

The Note Guarantee of a Guarantor will automatically and unconditionally be released:

(1) in connection with any sale, disposition or transfer of all or substantially all of the assets of that Guarantor or a Parent of that Guarantor other than the Issuer

(including by way of merger, amalgamation, combination or consolidation) to a Person that is not (either before or after giving effect to such transaction) the Issuer or a Restricted Subsidiary of the Issuer, if the sale or other disposition does not violate the "Asset Sale" provisions of the Senior Subordinated Indenture;

(2) in connection with any sale, disposition or transfer of all of the Capital Stock of that Guarantor (or Capital Stock of a Parent of the relevant Guarantor (other than the Issuer)) to a Person that is not (either before or after giving effect to such transaction) the Issuer or a Restricted Subsidiary of the Issuer or a direct or indirect Parent of the Issuer, if the sale or other disposition does not violate the "Asset Sale" provisions of the Senior Subordinated Indenture;

(3) if the Issuer designates any Restricted Subsidiary that is a Guarantor (or designates a Parent of such Guarantor) to be an Unrestricted Subsidiary in accordance with the applicable provisions of the Senior Subordinated Indenture;

(4) upon repayment in full of the Senior Subordinated Notes;

(5) upon legal defeasance or satisfaction and discharge of the Senior Subordinated Indenture as provided below under the captions "*—Legal Defeasance and Covenant Defeasance*" and "*—Satisfaction and Discharge*;"

(6) as described under "*—Amendment, Supplement and Waiver*;" or

(7) in the case of any Restricted Subsidiary that after the date of the Senior Subordinated Indenture is required to provide a Guarantee pursuant to the first paragraph of the covenant described under "*—Additional Note Guarantees*," upon the release or discharge of the guarantee of Indebtedness by such Restricted Subsidiary which resulted in the obligation to provide such Guarantee so long as no other Indebtedness is at that time guaranteed by the relevant Restricted Subsidiary that would result in the requirement that such Guarantor provide a Guarantee pursuant to the covenant described under the caption "*—Additional Note Guarantees*."

Upon any release of a Note Guarantee contemplated under this "*—Additional Note Guarantees*" section, the Trustee shall execute any documents reasonably required in order to evidence such release, discharge and termination in respect of such Note Guarantee.

Each Note Guarantee provided pursuant to the provisions of this covenant will be limited to the maximum amount that can be guaranteed by such Guarantor without rendering such Guarantee void, voidable or unenforceable under applicable law or as otherwise necessary to recognize certain defenses generally available to guarantors (including those that relate to fraudulent conveyance or transfer, voidable preference, financial assistance, corporate purpose, corporate benefit, capital maintenance or similar laws, regulations or defenses affecting the rights of creditors generally) or other considerations under applicable law, including the liability of directors and officers.

The Issuer will be permitted after the Issue Date to cause additional Restricted Subsidiaries to become Guarantors under the Senior Subordinated Indenture that are not required at such time to become Guarantors pursuant to the first or third paragraph of this covenant (such Guarantors "Optional Guarantors"). The Issuer will be entitled to release any such Optional Guarantor from its Note Guarantee provided (x) no Default or Event of Default would be in existence following such a release; (y) there is no Indebtedness of such Guarantor outstanding which was Incurred after the Issue Date and which could not have been Incurred under the covenant described under the caption "*—Incurrence of Indebtedness and Issuance of Permitted Stock*" as at the date of such release if such Guarantor were not designated as a Guarantor as at that date and (z) such Optional Guarantor is not at the time of the proposed release otherwise required to be a Guarantor pursuant to this covenant. Upon any release of a Note Guarantee contemplated under this "*Additional Note Guarantees*" section, the Trustee shall execute any documents reasonably required in order to evidence such release, discharge and termination in respect of such Note Guarantee.

Limitation on Liens

The Issuer will not and will not permit any of the Restricted Subsidiaries to, directly or indirectly, create, Incur, assume or suffer to exist any Lien (except Permitted Liens) of any kind on any asset now owned or hereafter acquired securing Indebtedness of the Issuer or any Restricted Subsidiary (the "Initial Lien") unless all payments under the Senior Subordinated Indenture, the Senior Subordinated Notes and the Note Guarantees, are secured on an equal and ratable basis with (or prior to) the obligations so secured until such obligations are no longer secured by such Initial Lien.

Any Lien created for the benefit of the Holders of Senior Subordinated Notes shall provide by its terms that such Lien shall be automatically and unconditionally released and discharged upon (or where not automatically released and discharged, the Person having granted such security will be entitled to seek such Liens' unconditional release and discharge) under any one or more of the following circumstances:

(1) the release and discharge of the Initial Lien to which it relates;

(2) upon the sale, disposition or transfer of the assets which are subject to such Liens (including by way of merger, consolidation, amalgamation or combination) to a Person that is not (either before or after giving effect to such transaction), the Issuer or a Restricted Subsidiary of the Issuer, if such sale, disposition or transfer does not violate the provisions set forth under "*—Repurchase at the Option of Holders—Asset Sales*;"

(3) upon the sale, disposition or transfer of Capital Stock of the Restricted Subsidiary that has granted such Liens (or Capital Stock of a Parent of the relevant Restricted Subsidiary (other than the Issuer)) to a Person that is not (either before or after giving effect to such transaction) the Issuer or a Restricted Subsidiary of the Issuer, if (i) after giving effect to such sale, disposition or transfer, such Person is no longer a Restricted Subsidiary of the Issuer and (ii) the sale, disposition or transfer does not violate the provisions set forth under "*—Repurchase at the Option of Holders—Asset Sales*;"

(4) upon the defeasance or discharge of the Senior Subordinated Notes as provided in "*—Legal Defeasance and Covenant Defeasance*" or "*—Satisfaction and Discharge*," in each case, in accordance with the terms of the Senior Subordinated Indenture;

(5) if the relevant Restricted Subsidiary is designated as an Unrestricted Subsidiary (or is a Subsidiary of such designated Subsidiary) and such designation complies with the other applicable provisions of the Senior Subordinated Indenture (in which case, for the avoidance of doubt, such release will be of the property and assets (as well as any Equity Interests and Indebtedness) of such Restricted Subsidiary);

(6) upon full and final repayment of the Senior Subordinated Notes; and

(7) in accordance with the captions below entitled "*—Certain Covenants—Impairment of Security Interest*" and "*—Amendment, Supplement and Waiver*."

Upon any occurrence giving rise to a release and discharge of a Lien created for the benefit of the Holders pursuant to the second paragraph, as specified above, any security agent, subject to receipt of an officer's certificate certifying that the event or circumstance in question has occurred, will execute any documents reasonably required in order to evidence or effect such release and discharge in respect of such Lien.

A Lien shall be deemed to rank equally with another Lien notwithstanding (i) any different preference or hardening period applicable thereto, (ii) any other difference in priority so long as an "assignment of ranking" or other sharing arrangement has been entered into by or for the benefit of beneficiaries of each such Lien or (iii) any difference in validity or enforceability.

Dividend and Other Payment Restrictions Affecting Subsidiaries

The Issuer will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to:

(1) pay dividends or make any other distributions on its Capital Stock to the Issuer or any of its Restricted Subsidiaries, or with respect to any other interest or participation in, or measured by, its profits, or pay any indebtedness owed to the Issuer or any of its Restricted Subsidiaries;

(2) make loans or advances to the Issuer or any of its Restricted Subsidiaries; or

(3) sell, lease or transfer any of its properties or assets to the Issuer or any of its Restricted Subsidiaries,

provided, that (x) the priority of any preferred stock in receiving dividends or liquidating distributions prior to dividends or liquidating distributions being paid on common stock and (y) the subordination of (including the application of any standstill period to) loans or advances made to the Issuer or any Restricted Subsidiary to other Indebtedness Incurred by the Issuer or any Restricted Subsidiary, in each case, shall not be deemed to constitute such an encumbrance or restriction.

However, the preceding restrictions will not apply to encumbrances or restrictions existing under or by reason of:

(1) agreements governing Existing Indebtedness, Capital Lease Obligations and Credit Facilities as in effect on the date of the Senior Subordinated Indenture and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements; *provided* that such amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings are not materially more restrictive, taken as a whole, with respect to such dividend and other payment restrictions than those contained in those agreements on the Issue Date or would not, in the good faith determination of the Issuer, materially impair the ability to (a) make payments of amounts due in respect of the Senior Subordinated Notes or (b) comply with the respective obligations of the Issuer under the Senior Subordinated Notes or the Senior Subordinated Indenture (as, in each case, determined in good faith by a responsible accounting or financial officer of the Issuer);

(2) the Senior Subordinated Notes, the New Senior Subordinated Notes, the Existing Notes, and, in each case, the related indenture;

(3) applicable law, rule, regulation, order, approval, license, authorization, permit or concession or any similar restriction or other control by any government or governmental authority;

(4) any instrument or agreement governing Indebtedness or Capital Stock of a Person acquired by the Issuer or any of its Restricted Subsidiaries as in effect at the time of such acquisition (except to the extent such Indebtedness or Capital Stock was Incurred or issued in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired; *provided* that, in the case of Indebtedness, such Indebtedness was permitted by the terms of the Senior Subordinated Indenture to be Incurred;

(5) customary non-assignment provisions or subletting restrictions in contracts, leases and licenses entered into in the ordinary course of business;

(6) purchase money obligations for property (including Capital Stock) acquired in the ordinary course of business and Capital Lease Obligations that impose restrictions on the property purchased or leased of the nature described above in clause (3) of the preceding paragraph;

(7) any agreement for the sale or other disposition of the Capital Stock or assets of a Restricted Subsidiary that restricts distributions by that Restricted Subsidiary pending closing of the sale or other disposition;

(8) Permitted Refinancing Indebtedness; *provided* that the restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are not materially more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced (as determined in good faith by a responsible accounting or financial officer of the Issuer);

(9) Liens permitted to be Incurred under the provisions of the covenant described above under the caption "*—Limitation on Liens*" that limit the right of the debtor to dispose of the assets subject to such Liens;

(10) customary provisions limiting the disposition or distribution of assets or property or transfer of Capital Stock in joint venture agreements, limited liability company organizational documents, asset sale agreements, sale-leaseback agreements, stock sale agreements, minority shares arrangements and other similar agreements entered into (A) in the ordinary course of business, consistent with past practice or (B) with the approval of the Issuer's Board of Directors, which limitation is applicable only to the assets, property or Capital Stock that are the subject of such agreements;

(11) restrictions on cash, Cash Equivalents, Government Guaranteed Securities or other deposits or net worth imposed by customers, suppliers or lessors or required by insurance, surety or bonding companies under contracts or leases entered into in the ordinary course of business;

(12) any agreement or instrument relating to Indebtedness permitted to be Incurred after the date of the Senior Subordinated Indenture under the covenant entitled "*—Incurrence of Indebtedness and Issuance of Preferred Stock*"; *provided, however*, that such encumbrance or restriction is not materially more disadvantageous to the Holders of the Senior Subordinated Notes than is customary in comparable financings (as determined in good faith by a responsible accounting or financial officer of the Issuer) and either (x) a responsible accounting or financial officer of the Issuer determines that such encumbrance or restriction will not materially affect the Issuer's ability to make principal or interest payments on the Senior Subordinated Notes as and when they come due or (y) such encumbrance or restriction applies only if a default occurs in respect of a payment or financial covenant relating to such Indebtedness;

(13) Hedging Obligations entered into from time to time for *bona fide* hedging purposes of the Issuer and its Restricted Subsidiaries;

(14) encumbrances on property that exist at the time the property was acquired by the Issuer or a Restricted Subsidiary of the Issuer provided such encumbrance was not created in anticipation of such acquisition;

(15) any encumbrances or restrictions imposed by any amendments or refinancings of the contracts, instruments or obligations referred to in clauses (1) through (14) above; *provided* that such amendments or refinancings are not materially more restrictive, taken as a whole, than such encumbrances and restrictions prior to such amendment or refinancing (as determined in good faith by a responsible accounting or financial officer of the Issuer); and

(16) restrictions created in connection with any Qualified Securitization Financing or Permitted Recourse Receivables Financing that, in the good faith determination of the Issuer, are necessary or advisable to effect such Qualified Securitization Financing or Permitted Recourse Receivables Financing.

Merger, Consolidation or Sale of Assets

The Issuer

The Issuer will not, directly or indirectly: (1) consolidate or merge with or into another Person (whether or not the Issuer is the surviving corporation); or (2) sell, assign, transfer, convey or otherwise dispose of all or

substantially all of the properties or assets of the Issuer and its Restricted Subsidiaries taken as a whole, in one or more related transactions, to another Person. The previous sentence will not apply if at the time and immediately after giving effect to any such transaction or series of transactions:

(1) either: (a) the Issuer is the surviving corporation; or (b) the Person formed by or surviving any such consolidation or merger (if other than the Issuer) or to which such sale, assignment, transfer, conveyance or other disposition has been made is a corporation organized or existing under the laws of any European Union Member State, Switzerland, Norway, Canada or the United States, any state of the United States or the District of Columbia;

(2) the Person formed by or surviving any such consolidation or merger (if other than the Issuer) or the Person to which such sale, assignment, transfer, conveyance or other disposition has been made assumes all the obligations of the Issuer under the Senior Subordinated Notes, the Senior Subordinated Indenture, the Intercreditor Agreement and any Additional Intercreditor Agreement;

(3) immediately after giving effect to such transaction or series of transactions, no Default or Event of Default will have occurred and be continuing;

(4) the Issuer or the Person formed by or surviving any such consolidation or merger (if other than the Issuer), or to which such sale, assignment, transfer, conveyance or other disposition has been made would, on the date of such transaction after giving *pro forma* effect thereto and any related financing transactions as if the same had occurred at the beginning of the applicable four-quarter period (i) be permitted to Incur at least €1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in clause (a) of the first paragraph of the covenant described above under the caption "*—Incurrence of Indebtedness and Issuance of Preferred Stock*" or (ii) have a Fixed Charge Coverage Ratio no less than it was immediately prior to giving effect to such transaction; and

(5) the Issuer shall have delivered to the Trustee an officers' certificate and an opinion of counsel, each to the effect that such consolidation, merger or transfer and, in the event of a successor to the Issuer, supplemental indenture and other customary agreements (if any) comply with the Senior Subordinated Indenture and an opinion of counsel to the effect that such supplemental indenture and other customary agreements (if any) have been duly authorized, executed and delivered and are the legal, valid and binding agreements enforceable against the successor to the Issuer (in each case, in form and substance reasonably satisfactory to the Trustee), *provided* that in giving an opinion of counsel, counsel may rely on an officers' certificate as to any matters of fact.

Any Indebtedness that becomes an obligation of the Issuer or any Restricted Subsidiary (or that is deemed to be Incurred by any Person that becomes a Restricted Subsidiary) as a result of any such consolidation or merger or sale, assignment, transfer, lease, conveyance, or other disposition, in each case, undertaken in compliance with this covenant, and any Permitted Refinancing Indebtedness with respect thereto, shall be deemed to have been Incurred in compliance with the covenant described under "*—Incurrence of Indebtedness and Issuance of Preferred Stock*," *provided* that such Indebtedness was originally Incurred in compliance with the Senior Subordinated Notes Indenture.

For purposes of this covenant, the sale, lease, conveyance, assignment, transfer or other disposition of all or substantially all of the properties and assets of one or more Subsidiaries of the Issuer, which properties and assets, if owned by the Issuer instead of such Subsidiaries, would constitute all or substantially all of the properties and assets of the Issuer on a consolidated basis, shall be deemed to be the transfer of all or substantially all of the properties and assets of the Issuer, as applicable.

The successor Issuer will succeed to, and be substituted for, and may exercise every right and power of, the Issuer under the Senior Subordinated Indenture but in the case of a lease of all or substantially all its assets, the predecessor company will not be released from its obligations under the Senior Subordinated Indenture or the Senior Subordinated Notes.

Although there is a limited body of case law interpreting the phrase "all or substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstance there may be a degree of uncertainty as to whether a particular transaction would involve "all or substantially all" of the property or assets of a Person.

This "Merger, Consolidation or Sale of Assets" covenant will not apply to:

(1) a merger of the Issuer with an Affiliate solely for the purpose of reincorporating the Issuer in another jurisdiction or changing the legal form of the Issuer; or

(2) any consolidation or merger, or any sale, assignment, transfer, conveyance, lease or other disposition of assets between or among the Issuer and its Restricted Subsidiaries.

The Guarantors

A Guarantor may not sell or otherwise dispose of all or substantially all of its properties or assets to, or consolidate with or merge with or into (whether or not such Guarantor is the surviving Person), another Person, other than the Issuer or another Guarantor, unless:

(1) immediately after giving effect to that transaction or series of related transactions, no Default or Event of Default exists; and

(2) (i) either (x) such Guarantor is the surviving entity or (y) the Person formed by or surviving any such consolidation or merger or the Person to which such sale, assignment, transfer, conveyance or other disposition has been made is either the Issuer or a Restricted Subsidiary of the Issuer that assumes all the obligations of such Guarantor under the Senior Subordinated Indenture by supplemental indenture executed and delivered to the Trustee and under the Intercreditor Agreement and any Additional Intercreditor Agreement, as applicable, by customary agreements; or (ii) the transaction constitutes a sale or other disposition (including by way of consolidation or merger) of the Guarantor or the sale or disposition of all or substantially all the assets of the Guarantor (in each case other than to the Issuer or a Restricted Subsidiary) otherwise permitted by and conducted in compliance with the provisions of the covenant described above under the caption "*—Repurchase at the Option of Holders—Asset Sales*," *provided* that the Note Guarantee will be permitted to be released pursuant to clause (2) of the fourth paragraph of the covenant described under the caption "*—Additional Note Guarantees*" in connection with such a transaction; and

(3) the Issuer shall have delivered to the Trustee an officer's certificate and an opinion of counsel, each stating that such merger or consolidation and such supplemental indenture and each such amendment comply with this covenant.

The paragraph above will not apply to:

(1) a merger of the Guarantor with an Affiliate solely for the purpose of reincorporating the Guarantor in another jurisdiction; or

(2) the merger, consolidation with, liquidation into or transfer of all or substantially all of the properties and assets of any Guarantor to the Issuer or another Guarantor.

Transactions with Affiliates

The Issuer will not, and will not permit any of its Restricted Subsidiaries to, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend, in any material respect, any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Issuer (each, an "Affiliate Transaction"), involving aggregate consideration in any single Affiliate Transaction or series of related Affiliate Transactions in excess of €20.0 million unless:

(1) the Affiliate Transaction is on terms that are not materially less favorable to the Issuer or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction on an arm's-length basis by the Issuer or such Restricted Subsidiary with an unrelated Person;

(2) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of €40.0 million, the Issuer delivers to the Trustee a resolution of the majority of the Disinterested Members (or, if there is only one Disinterested Member, such Disinterested Member) set forth in an officers' certificate certifying that such Affiliate Transaction complies with this covenant; and

(3) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of €40.0 million in which there is no such Disinterested Member, a written opinion of an accounting, appraisal or investment banking firm of international standing, or other recognized independent expert of international standing with experience appraising the terms and conditions of the type of transaction or series of related transactions for which an opinion is required, stating that the transaction or series of related transactions is (i) fair to the Issuer or the relevant Restricted Subsidiary from a financial point of view taking into account all relevant circumstances or (ii) on terms not materially less favorable, taken as a whole, than might have been obtained in a comparable transaction at such time on an arm's length basis from a Person who is not an Affiliate.

The following items will not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of the prior paragraph:

(1) any employment agreement, collective bargaining agreement, employee benefit plan, officer or director indemnification agreement, including any stock option, stock appreciation rights, stock incentive or similar plans, or any similar arrangement entered into by the Issuer or any of its Restricted Subsidiaries in the ordinary course of business or consistent with past practice and payments or other transactions pursuant thereto;

(2) transactions (including a merger) between or among the Issuer and/or any of its Restricted Subsidiaries;

(3) transactions with a Person (other than an Unrestricted Subsidiary of the Issuer) that is an Affiliate of the Issuer solely because the Issuer owns, directly or through a Restricted Subsidiary, an Equity Interest in, or controls, such Person;

(4) payment of reasonable fees to and reimbursements of expenses and indemnity provided on behalf of officers, directors, employees or consultants;

(5) any transaction between or among the Issuer and/or its Restricted Subsidiaries and any joint venture (a) pursuant to the terms of the respective joint venture agreement, (b) in the ordinary course of business or (c) which are fair to the Issuer or the relevant Restricted Subsidiary in the reasonable determination of the Board of Directors of the Issuer or the senior management of the Issuer or the Restricted Subsidiary, as applicable, or are on terms no less favorable (taking into account the costs and benefits of associated with such transactions) than those that could reasonably have been obtained at such time from an unaffiliated Person;

(6) any issuance or sale of Equity Interests (other than Disqualified Stock) of the Issuer to Affiliates of the Issuer or to any director, officer, employee or consultant of the Issuer or receipt of cash capital contributions from Affiliates of the Issuer in exchange for Equity Interests of the Issuer (other than Disqualified Stock) and the Incurrence of Subordinated Shareholder Debt;

(7) Restricted Payments that do not violate the provisions of the Senior Subordinated Indenture described above under the caption "*—Restricted Payments*" and

Permitted Investments (other than Permitted Investments described in clauses (3), (13), (15) or (16) of the definition thereof);

(8) transactions with customers, clients, lenders, suppliers or purchasers or sellers or other providers of goods or services or providers of employees or other labor, or lessors or lessees of property, in each case in the ordinary course of business and otherwise in compliance with the terms of the Senior Subordinated Indenture that are fair to the Issuer or the Restricted Subsidiaries, or are on terms at least as favorable as might reasonably have been obtained at such time from an unaffiliated Person in each case, as determined by a responsible accounting or financial officer of the Issuer or the senior management thereof;

(9) Management Advances;

(10) (a) pledges of Equity Interests or Indebtedness of Unrestricted Subsidiaries and joint ventures for the benefit of lenders thereto; (b) guarantees of performance by the Issuer and its Restricted Subsidiaries of the Issuer's Unrestricted Subsidiaries in the ordinary course of business (as determined in good faith by a responsible accounting officer of the Issuer), except for guarantees of Indebtedness in respect of borrowed money, and (c) to the extent constituting Affiliate Transactions, transactions with charities and charitable foundations or with or that form part of community or social or environmental projects or initiatives;

(11) if such Affiliate Transaction, following an Initial Public Offering, is with a Person in its capacity as a holder of Capital Stock of the Issuer or any Restricted Subsidiary where such Person is treated no more favorably than the holders of Capital Stock of the Issuer or any Restricted Subsidiary;

(12) transactions effected pursuant to or contemplated by agreements or arrangements in effect or entered into on the date of the Senior Subordinated Indenture and any amendments, modifications or replacements of such agreements or arrangements (so long as such amendments, modifications or replacements are not materially more disadvantageous to the Holders of the Senior Subordinated Notes, taken as a whole, than the original agreements or arrangements as in effect on or entered into on the date of the Senior Subordinated Indenture) (as determined in good faith by a responsible accounting or financial officer of the Issuer);

(13) transactions effected pursuant to or contemplated by agreements or arrangements between any Person and an Affiliate of such Person existing at the time such Person is acquired by, merged into or amalgamated, arranged or consolidated with the Issuer or any of its Restricted Subsidiaries; *provided* that such agreements or arrangements were not entered into in contemplation of such acquisition, merger, amalgamation, arrangement or consolidation, and any amendments, modifications or replacements of such agreements or arrangements (so long as such amendments, modifications or replacements are not materially more disadvantageous to the Holders of the Senior Subordinated Notes, taken as a whole, than the original agreements or arrangements as in effect on the date of such acquisition, merger, amalgamation, arrangement or consolidation) (as determined in good faith by a responsible accounting or financial officer of the Issuer);

(14) Hedging Obligations entered into from time to time for *bona fide* hedging purposes of the Issuer and the Restricted Subsidiaries and the unwinding of any Hedging Obligations;

(15) execution, delivery and performance of any consolidated group arrangements for tax or accounting purposes, *provided* that any payments to be made pursuant to such arrangements are made in compliance with the covenant as set forth in "— *Restricted Payments*;"

(16) transactions in which the Issuer or any Restricted Subsidiary, as the case may be, delivers to the Trustee a written opinion of an accounting, appraisal or investment

banking firm of international standing, or other recognized independent expert of international standing with experience appraising the terms and conditions of the type of transaction or series of related transactions for which an opinion is required, stating that such transaction or series of related transactions (i) is fair to the Issuer or such Restricted Subsidiary, as applicable, from a financial point of view taking into account all relevant circumstances or (ii) meets the requirements of clause (1) of the preceding paragraph; and

(17) any transaction effected as part of a Qualified Securitization Financing or any disposition or repurchase of Securitization Assets or related assets in connection with any Qualified Securitization Financing.

Designation of Restricted and Unrestricted Subsidiaries

The Board of Directors of the Issuer may designate any Restricted Subsidiary to be an Unrestricted Subsidiary if that designation would not cause a Default. If a Restricted Subsidiary is designated as an Unrestricted Subsidiary, the aggregate Fair Market Value of all outstanding Investments owned by the Issuer and its Restricted Subsidiaries in the Subsidiary designated as an Unrestricted Subsidiary will be deemed to be an Investment made as of the time of the designation and will reduce the amount available for Restricted Payments under the covenant described above under the caption "*—Restricted Payments*" or under one or more clauses of the definition of Permitted Investments, as determined by the Issuer. That designation will only be permitted if the Investment would be permitted at that time and if the Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. The Board of Directors of the Issuer may redesignate any Unrestricted Subsidiary to be a Restricted Subsidiary if that redesignation would not cause a Default.

Any designation of a Restricted Subsidiary of the Issuer as an Unrestricted Subsidiary will be evidenced to the Trustee by filing with the Trustee a certified copy of a resolution of the Board of Directors of the Issuer giving effect to such designation and an officer's certificate certifying that such designation complied with the preceding conditions and was permitted by the covenant described above under the caption "*—Restricted Payments*." If, at any time, any Unrestricted Subsidiary would fail to meet the preceding requirements as an Unrestricted Subsidiary, it will thereafter cease to be an Unrestricted Subsidiary for purposes of the Senior Subordinated Indenture and any Indebtedness of such Subsidiary will be deemed to be Incurred by a Restricted Subsidiary of the Issuer as of such date and, if such Indebtedness is not permitted to be Incurred as of such date under the covenant described under the caption "*—Incurrence of Indebtedness and Issuance of Preferred Stock*," the Issuer will be in default of such covenant. The Board of Directors of the Issuer may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary of the Issuer; *provided* that such designation will be deemed to be an Incurrence of Indebtedness by a Restricted Subsidiary of the Issuer of any outstanding Indebtedness of such Unrestricted Subsidiary, and such designation will only be permitted if (1) such Indebtedness is permitted under the covenant described under the caption "*—Incurrence of Indebtedness and Issuance of Preferred Stock*," calculated on a *pro forma* basis taking into account such designation as if such designation had occurred at the beginning of the applicable reference period; and (2) no Default or Event of Default would be in existence following such designation.

Listing of the Senior Subordinated Notes

The Issuer will use its commercially reasonable efforts to list and maintain the listing of the Senior Subordinated Notes on the Luxembourg Stock Exchange and to admit the Senior Subordinated Notes to trading on the Euro MTF market of the Luxembourg Stock Exchange *provided*, *however*, that if the Issuer is unable to list the Senior Subordinated Notes on the Luxembourg Stock Exchange or if maintenance of such listing becomes unduly onerous, it will use its commercially reasonable efforts to maintain a listing of such Senior Subordinated Notes on another "recognized stock exchange" as defined in Section 1005 of the Income Tax Act 2007 of the United Kingdom.

Reports

So long as any Senior Subordinated Notes are outstanding, the Issuer will furnish to the Trustee and make available to the Holders of Senior Subordinated Notes and potential investors:

(1) commencing with the fiscal year ending December 31, 2019, within 120 days after each fiscal year of the Issuer: (a) an operating and financial review of the audited

financial statements, including a discussion of the results of operations, financial condition and liquidity and capital sources and a discussion of material commitments and contingencies and critical accounting policies, (b) a description of the business, management and shareholders of the Issuer, all material affiliate transactions, indebtedness and material financing arrangements, (c) material risk factors and material recent developments; (d) *pro forma* income statement and balance sheet information of the Issuer, together with explanatory footnotes for any acquisition or disposition that individually represents 20% or more of the consolidated revenues, earnings before interest, taxation, depreciation and amortization, or assets of the Issuer on a *pro forma* basis in each case unless such *pro forma* financial information has been provided in a previous report pursuant to clause (2) or (3) below or is available only at unreasonable expense; and (e) audited consolidated statements of income and statements of cash flow of the Issuer (or any predecessor company of the Issuer) as of and for the most recent three fiscal years and balance sheets as of the two most recent fiscal years, including appropriate footnotes to such financial statements, for and as of the end of such fiscal year, and the report of the independent auditors on such financial statements;

(2) commencing with the fiscal quarter ending March 31, 2019, within 60 days following the end of the first and third fiscal quarters in each fiscal year of the Issuer and within 75 days following the end of the second fiscal quarter in each fiscal year of the Issuer, information including: (a) an unaudited condensed consolidated balance sheet as of the end of such quarter and unaudited condensed statements of income and cash flow for the most recent quarter year-to-date period ending on the unaudited condensed balance sheet date, and the comparable prior year periods, together with condensed footnote disclosure; (b) *pro forma* income statement and balance sheet information of the Issuer, together with explanatory footnotes for any acquisition or disposition that individually represents 20% or more of the consolidated revenues, earnings before interest, taxation, depreciation and amortization, or assets of the Issuer on a *pro forma* basis in each case unless such *pro forma* financial information has been provided in a previous report pursuant to clause (1) or (3) of this covenant or is available only at unreasonable expense; (c) an operating and financial review of the unaudited financial statements, including a discussion of material commitments and contingencies; (d) material recent developments and (e) a presentation of EBITDA; and

(3) promptly after the occurrence of a material acquisition, disposition, restructuring, senior management changes, change in auditors, the entering into of an agreement that will result in a Change of Control or any other material event that the Issuer or any Restricted Subsidiary announces publicly, in each case, a report containing a description of such event.

If the Issuer has designated any of its Subsidiaries as Unrestricted Subsidiaries, then the quarterly and annual financial information required by the preceding paragraphs will include a reasonably detailed presentation, either on the face of the financial statements or in the footnotes thereto, and in the discussion of the financial condition and results of operations of the Issuer and its Restricted Subsidiaries separate from the financial condition and results of operations of the Unrestricted Subsidiaries of the Issuer.

The Issuer may comply with any requirement to provide reports or financial statements of the Issuer under this covenant by providing any financial statements or reports of any Parent thereof, in which case references to the Issuer in clauses (1), (2) and (3) of the first paragraph hereof will be deemed to be references to such Parent; *provided* that to the extent comparable prior period consolidated or condensed financial information of such Parent does not exist, the comparable prior period combined financial information of the Issuer or another Parent may be provided in lieu thereof. To the extent that material differences exist between the financial condition or results of operations of the Issuer and its Restricted Subsidiaries and any Parent that is the reporting entity (if applicable), the annual and quarterly reports shall include a reasonably detailed explanation of such material differences.

In the event that, and for so long as, the equity securities of the Issuer or any Parent are listed on the main market of Euronext Paris (or any other nationally recognized regulated stock exchange or listing authority

in a member state of the European Union as of the Issue Date) and the Issuer or such Parent is subject to the Admission and Disclosure Standards applicable to issuers of equity securities admitted to trading on the main market of Euronext Paris (or the equivalent standards applicable to issuers of equity securities admitted to trading on one or more of the equivalent nationally recognized regulated stock exchanges or listing authorities in member states of the European Union as of the Issue Date), for so long as it elects, the Issuer will be entitled to deliver to the Trustee such annual and semi-annual reports, information, documents and other reports that the Issuer or such Parent is, or would be, required to file with Euronext Paris pursuant to such Admission and Disclosure Standards (or the applicable standards of one or more of the equivalent nationally recognized regulated stock exchanges or listing authorities in member states of the European Union as of the Issue Date). Upon complying with the foregoing requirements, and provided that such requirements require the Issuer or any Parent to prepare and file annual and semi-annual reports, information, documents and other reports with the regulated market of Euronext Paris, or one or more of the equivalent nationally recognized regulated stock exchanges or listing authorities in member states of the European Union as of the Issue Date, as applicable, and provided that the Issuer or such Parent additionally provides the reports set forth in clause (2) above with respect to its first and third fiscal quarters, the Issuer will be deemed to have complied with the provisions contained in the preceding paragraphs.

The Issuer will also make available copies of all reports required by clauses (1) through (3) above on the Issuer's website and (ii) at the offices of the listing agent in Luxembourg.

In addition, so long as any Senior Subordinated Notes are "restricted securities" (as defined in Rule 144 under the U.S. Securities Act) during any period during which the Issuer is not subject to Section 13 or 15(d) of the U.S. Exchange Act nor exempt therefrom pursuant to Rule 12g3-2(b), the Issuer has agreed that it will, upon their request, furnish to the Holders and to securities analysts and prospective purchasers of the Senior Subordinated Notes, the information required to be delivered pursuant to Rule 144A(d)(4) under the U.S. Securities Act.

Furthermore, within 20 Business Days subsequent to the date of the publication of the reports described in (1) and (2) above, the Issuer shall hold a conference call for current and prospective Holders of the Senior Subordinated Notes in which at least one member of the senior management of the Issuer shall participate. Notice of such conference calls shall be deemed a report required by clause (3) above and will state the date, time and dial-in number and shall be published at least one Business Day in advance of such conference call.

All reports made pursuant to this covenant shall be made in, or translated to, the English language.

Events of Default and Remedies

Each of the following is an "Event of Default":

(1) default for 30 days in the payment when due of interest on, or Additional Amounts, if any, with respect to, the Senior Subordinated Notes;

(2) default in the payment when due (at maturity, upon redemption or otherwise) of the principal of, or premium, if any, on, the Senior Subordinated Notes;

(3) failure by the Issuer or any of its Restricted Subsidiaries to comply with the provisions described under the caption "*—Certain Covenants—Merger, Consolidation or Sale of Assets*;"

(4) failure by the Issuer or any of its Restricted Subsidiaries for 60 days after notice to the Issuer by the Trustee or Holders of at least 30 % in aggregate principal amount of the Senior Subordinated Notes then outstanding voting as a single class to comply with any of the other agreements in the Senior Subordinated Indenture (other than a default in performance, or breach, or a covenant or agreement which is specifically dealt with in clauses (1), (2) or (3));

(5) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Issuer or any of its Restricted Subsidiaries (or the payment of which is guaranteed by the Issuer or any of its Restricted Subsidiaries), whether such Indebtedness or Guarantee now exists, or is created after the date of such

default (but excluding Indebtedness owed to the Issuer or a Restricted Subsidiary), if that default:

(i) is caused by a failure to pay principal of, or interest or premium, if any, on, such Indebtedness prior to the expiration of the grace period provided in such Indebtedness on the date of such Indebtedness (a "*Payment Default*"); or

(ii) results in the acceleration of such Indebtedness prior to its Stated Maturity,

and, in each case, the principal amount of any such Indebtedness that is due and has not been paid or which has been accelerated, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates €35.0 million or more;

(6) failure by the Issuer or any of its Restricted Subsidiaries to pay final and non-appealable judgments entered by a court or courts of competent jurisdiction aggregating in excess of €35.0 million (net of any amounts which are covered by insurance or bonded), which judgments are not paid, waived, satisfied, discharged or stayed for a period of 60 days;

(7) certain events of bankruptcy or insolvency described in the Senior Subordinated Indenture with respect to the Issuer or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary; or

(8) any Note Guarantee, if any, is held in any judicial proceeding to be unenforceable or invalid or ceases for any reason to be, or shall for any reason be asserted in writing by any Guarantor or the Issuer not to be, in full force and effect and enforceable in accordance with its terms, except to the extent contemplated by the Senior Subordinated Indenture and any such Note Guarantee.

In the case of an Event of Default arising from certain events of bankruptcy or insolvency, with respect to the Issuer, any Restricted Subsidiary of the Issuer that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Issuer that, taken together, would constitute a Significant Subsidiary, all outstanding Senior Subordinated Notes will become due and payable immediately without further action or notice. If any other Event of Default occurs and is continuing, the Trustee or the Holders of at least 30% in aggregate principal amount of the then outstanding Senior Subordinated Notes may declare all the Senior Subordinated Notes to be due and payable immediately. In the event of a declaration of acceleration of the Senior Subordinated Notes because an Event of Default described in clause (5) of this paragraph has occurred and is continuing, the declaration of acceleration of the Senior Subordinated Notes shall be automatically annulled if the event of default or payment default triggering such Event of Default pursuant to clause (5) shall be remedied or cured, or waived by the holders of the Indebtedness, or the Indebtedness that gave rise to such Event of Default shall have been discharged in full, within 30 days after the declaration of acceleration with respect thereto and if (1) the annulment of the acceleration of the Senior Subordinated Notes would not conflict with any judgment or decree of a court of competent jurisdiction and (2) all existing Events of Default, except nonpayment of principal, premium or interest on the Senior Subordinated Notes that became due solely because of the acceleration of the Senior Subordinated Notes, have been cured or waived.

Subject to certain limitations, Holders of a majority in aggregate principal amount of the then outstanding Senior Subordinated Notes may direct the Trustee in its exercise of any trust or power. The Trustee may refuse to follow any direction that conflicts with law or the Senior Subordinated Indenture, or that may involve the Trustee in personal liability. Furthermore, the Trustee may withhold from Holders of the Senior Subordinated Notes notice of any continuing Default or Event of Default if it determines that withholding notice is in their interest, except a Default or Event of Default relating to the payment of principal, interest or premium or Additional Amounts, if any.

Subject to the provisions of the Senior Subordinated Indenture relating to the duties of the Trustee, in case an Event of Default occurs and is continuing, the Trustee will be under no obligation to exercise any of the rights or powers under the Senior Subordinated Indenture at the request or direction of any Holders of Senior Subordinated Notes unless such Holders have offered to the Trustee indemnity and/or security, including by

way of pre-funding, satisfactory to it, against any loss, liability or expense (including the costs of the Trustee's legal counsel). Except to enforce the right to receive payment of principal, premium, if any, or interest or Additional Amounts, if any, when due, no Holder of a Senior Subordinated Note may pursue any remedy with respect to the Senior Subordinated Indenture or the Senior Subordinated Notes unless:

(1) such Holder has previously given the Trustee notice that an Event of Default is continuing;

(2) Holders of at least 30% in aggregate principal amount of the then outstanding Senior Subordinated Notes have requested the Trustee to pursue the remedy;

(3) such Holders have offered the Trustee security, and/or indemnity, including by way of pre-funding, satisfactory to it, against any loss, liability or expense (including the costs of the Trustee's legal counsel);

(4) the Trustee has not complied with such request within 60 days after the receipt of the request and the offer of such security or indemnity; and

(5) Holders of a majority in aggregate principal amount of the then outstanding Senior Subordinated Notes have not given the Trustee a direction inconsistent with such request within such 60-day period.

The Holders of a majority in aggregate principal amount of the then outstanding Senior Subordinated Notes by written notice to the Trustee may, on behalf of the Holders of all of the Senior Subordinated Notes, rescind an acceleration or waive any past or existing Default or Event of Default and its consequences under the Senior Subordinated Indenture, except a continuing Default or Event of Default in the payment of interest or premium or Additional Amounts, if any, on, or the principal of, the Senior Subordinated Notes (including in connection with an offer to purchase) and rescind any such acceleration with respect to such Senior Subordinated Notes and its consequences if rescission would not conflict with any judgment or decree of a court of competent jurisdiction. Upon any such rescission or waiver, such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured for every purpose of the Senior Subordinated Indenture; but no such waiver shall extend to any subsequent or other Default or impair any right consequent thereon.

The Issuer is required to deliver to the Trustee annually a statement regarding compliance with the Senior Subordinated Indenture. Within 20 business days after becoming aware of any Default or Event of Default, the Issuer is required to deliver to the Trustee a statement specifying such Default or Event of Default.

No Personal Liability of Directors, Officers, Employees and Shareholders

No director, officer, employee, incorporator or shareholder of the Issuer or any Guarantor, or any of their respective Subsidiaries or Affiliates, as such, will have any liability for any obligations of the Issuer under the Senior Subordinated Notes, the Senior Subordinated Indenture, any Note Guarantee, the Intercreditor Agreement, any Additional Intercreditor Agreement or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of Senior Subordinated Notes by accepting a note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Senior Subordinated Notes. The waiver may not be effective to waive liabilities under the federal securities laws of the United States.

Legal Defeasance and Covenant Defeasance

The Issuer may at any time, at the option of its Board of Directors evidenced by a resolution set forth in an officers' certificate, elect to have all of its and each Guarantor's obligations discharged with respect to the outstanding Senior Subordinated Notes and the Senior Subordinated Indenture ("Legal Defeasance") and cure all then existing Defaults and Events of Default except for:

(1) the rights of Holders of outstanding Senior Subordinated Notes to receive payments in respect of the principal of, or interest or premium and Additional Amounts, if any, on, such Senior Subordinated Notes when such payments are due from the trust referred to below;

(2) the Issuer's obligations with respect to the Senior Subordinated Notes concerning issuing temporary Senior Subordinated Notes, registration of Senior Subordinated Notes, mutilated, destroyed, lost or stolen Senior Subordinated Notes and the maintenance of an office or agency for payment and money for security payments held in trust;

(3) the rights, powers, trusts, duties, indemnifications, fees and immunities of the Trustee, and the Issuer's obligations in connection therewith; and

(4) the Legal Defeasance and Covenant Defeasance provisions of the Senior Subordinated Indenture.

In addition, the Issuer may, at its option and at any time, elect to have the obligations of the Issuer and each Guarantor released with respect to certain covenants (including its obligation to make Change of Control Offers and Asset Sale Offers and the cross-acceleration provision and judgment default provisions described under "*—Events of Default and Remedies*")) that are described in the Senior Subordinated Indenture ("Covenant Defeasance") and thereafter any omission to comply with those covenants will not constitute a Default or Event of Default with respect to the Senior Subordinated Notes. In the event Covenant Defeasance occurs, certain events (not including non-payment, bankruptcy, receivership, rehabilitation and insolvency events) described under "*—Events of Default and Remedies*" will no longer constitute an Event of Default with respect to the Senior Subordinated Notes.

In order to exercise either Legal Defeasance or Covenant Defeasance:

(1) the Issuer must irrevocably deposit with the Trustee (or such other entity, directed, designated or appointed by the Issuer and reasonably acceptable to the Trustee, acting for the Trustee for this purpose), for the benefit of the Holders of the Senior Subordinated Notes, cash in euro and euro-denominated, non-callable government securities, or a combination of cash in euro and non-callable government securities, in amounts as will be sufficient, in the opinion of a nationally recognized investment bank, appraisal firm or firm of independent public accountants, to pay the principal of, or interest and premium and Additional Amounts, if any, on, the outstanding Senior Subordinated Notes on the stated date for payment thereof or on the applicable redemption date, as the case may be, and the Issuer must specify whether the Senior Subordinated Notes are being defeased to such stated date for payment or to a particular redemption date;

(2) in the case of Legal Defeasance, the Issuer must deliver to the Trustee an opinion of U.S. counsel reasonably acceptable to the Trustee (subject to customary exceptions and exclusions) confirming that (a) the Issuer has received from, or there has been published by, the U.S. Internal Revenue Service a ruling or (b) since the date of the Senior Subordinated Indenture, there has been a change in the applicable U.S. federal income tax law, in either case to the effect that, and based thereon such opinion of counsel will confirm that, the Holders of the outstanding Senior Subordinated Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Legal Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of Covenant Defeasance, the Issuer must deliver to the Trustee an opinion of U.S. counsel reasonably acceptable to the Trustee (subject to customary exceptions and exclusions) confirming that the Holders of the outstanding Senior Subordinated Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Covenant Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no Default or Event of Default has occurred and is continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit) and the deposit will not result in a breach or

violation of, or constitute a default under, any other instrument to which the Issuer is a party or by which the Issuer is bound;

(5) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under, any material agreement or instrument (other than the Senior Subordinated Indenture and the agreements governing any other Indebtedness being defeased, discharged or replaced) to which the Issuer or any of its Subsidiaries is a party or by which the Issuer or any of its Subsidiaries is bound;

(6) the Issuer must deliver to the Trustee an officers' certificate stating that the deposit was not made by the Issuer with the intent of preferring the Holders of Senior Subordinated Notes over the other creditors of the Issuer with the intent of defeating, hindering, delaying or defrauding any creditors of the Issuer or others; and

(7) the Issuer must deliver to the Trustee an officers' certificate and an opinion of counsel, each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

Amendment, Supplement and Waiver

Except as provided in the next two succeeding paragraphs and without limiting the Issuer's ability to effect modifications or amendments that are expressly permitted under "*—Certain Covenants—Impairment of Security Interest*" or "*—Security—Additional Intercreditor Agreements*," the Senior Subordinated Indenture or the Senior Subordinated Notes may be amended or supplemented with the consent of the Holders of at least a majority in aggregate principal amount of the Senior Subordinated Notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Senior Subordinated Notes), and, subject to certain exemptions, any existing Default or Event of Default or compliance with any provision of the Senior Subordinated Indenture or the Senior Subordinated Notes may be waived with the consent of the Holders of a majority in aggregate principal amount of the then outstanding Senior Subordinated Notes (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Senior Subordinated Notes).

Without the consent of Holders holding at least 90% of the then outstanding principal amount of Senior Subordinated Notes affected thereby, an amendment, supplement or waiver may not (with respect to any Senior Subordinated Notes held by a non-consenting Holder):

(1) reduce the principal amount of Senior Subordinated Notes whose Holders must consent to an amendment, supplement or waiver;

(2) reduce the principal of or extend the fixed maturity of any Senior Subordinated Note or reduce the premium payable upon the redemption of any Senior Subordinated Note or change the time at which any such Senior Subordinated Note may be redeemed (in each case as described above under the caption "*—Repurchase at the Option of Holders*");

(3) reduce the rate of or extend the time for payment of interest, including default interest, on any Senior Subordinated Note;

(4) waive a Default or Event of Default in the payment of principal of, or interest or premium, or Additional Amounts, if any, on, the Senior Subordinated Notes (except a rescission of acceleration of the Senior Subordinated Notes by the Holders of at least a majority in aggregate principal amount of the then outstanding Senior Subordinated Notes and a waiver of the payment default that resulted from such acceleration);

(5) make any Senior Subordinated Note payable in money other than that stated in the Senior Subordinated Notes;

(6) make any change in the provisions of the Senior Subordinated Indenture relating to waivers of past Defaults or Events of Default;

(7) waive a redemption payment with respect to any note (other than a payment required by the provisions described above under the caption "*—Repurchase at the Option of Holders*" and "*—Repurchase at the Option of Holders—Asset Sales*");

(8) make any change in the subordination provisions of the Senior Subordinated Indenture affecting Holders of the Senior Subordinated Notes in a manner that is adverse to the Holders;

(9) release any Guarantor from its Note Guarantee created pursuant to the Senior Subordinated Indenture or any supplemental indenture thereto except as otherwise permitted by the terms of the Senior Subordinated Indenture, the Intercreditor Agreement or any Additional Intercreditor Agreement; or

(10) make any change in the preceding amendment and waiver provisions.

Notwithstanding the preceding, without the consent of any Holder of Senior Subordinated Notes, the Issuer and the Trustee may amend or supplement the Senior Subordinated Indenture or the Senior Subordinated Notes:

(1) to cure any ambiguity, mistake, omission, defect, manifest error or inconsistency;

(2) to provide for uncertificated Senior Subordinated Notes in addition to or in place of certificated Senior Subordinated Notes;

(3) to provide for the assumption of by successor Person of the obligations of the Issuer or any Guarantor under the Senior Subordinated Indenture, the Senior Subordinated Notes, the Note Guarantees, the Intercreditor Agreement and any Additional Intercreditor Agreement;

(4) to make any change that would provide any additional rights or benefits to the Holders of Senior Subordinated Notes or that does not adversely affect the legal rights under the Senior Subordinated Indenture of any such Holder in any material respect;

(5) to conform the text of the Senior Subordinated Indenture, the Senior Subordinated Notes, the Note Guarantees, the Intercreditor Agreement or any Additional Intercreditor Agreement to any provision of this "*Description of the Senior Subordinated Notes*" or under the heading "*Description of Other Indebtedness—Intercreditor Agreement*" of the Offering Memorandum to the extent that such provision in this "*Description of the Senior Subordinated Notes*" or under the heading "*Description of Other Indebtedness—Intercreditor Agreement*" of the Offering Memorandum was intended to be a verbatim recitation of a provision of the Senior Subordinated Indenture, the Senior Subordinated Notes, the Note Guarantees, the Intercreditor Agreement or any Additional Intercreditor Agreement;

(6) to provide for any Restricted Subsidiary to provide a Note Guarantee in accordance with the covenant described under "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*" and "*—Certain Covenants—Limitation on Issuances of Guarantees of Indebtedness*" to add Note Guarantees, to add security to or for the benefit of the Senior Subordinated Notes, or to confirm and evidence the release, termination, discharge or retaking of any Note Guarantee or Lien with respect to or securing the Senior Subordinated Notes when such release, termination, discharge or retaking is provided for under the Senior Subordinated Indenture, the Intercreditor Agreement or any Additional Intercreditor Agreement;

(7) to provide for the issuance of additional notes in accordance with the limitations set forth in the Senior Subordinated Indenture as of the date of the Senior Subordinated Indenture;

(8) to allow any Guarantor to execute a supplemental Senior Subordinated Indenture and/or a Guarantee with respect to the Senior Subordinated Notes;

(9) to evidence and provide for the acceptance of the appointment under the Senior Subordinated Indenture, the Intercreditor Agreement or any Additional Intercreditor Agreement of a successor Trustee or to provide for the accession by the Trustee to any such document;

(10) to make any amendment to the provisions of the Senior Subordinated Indenture relating to the transfer and legending of Senior Subordinated Notes as permitted by the Senior Subordinated Indenture, including, without limitation, to facilitate the issuance and administration of the Senior Subordinated Notes; *provided*, *however*, that (i) compliance with the Senior Subordinated Indenture as so amended would not result in Senior Subordinated Notes being transferred in violation of the U.S. Securities Act or any applicable securities law and (ii) such amendment does not materially and adversely affect the legal rights under the Senior Subordinated Indenture of Holders to transfer Senior Subordinated Notes;

(11) to mortgage, pledge, hypothecate or grant a security interest in favor of a security agent for the benefit of the Holders of the Senior Subordinated Notes as security for the payment and performance of the Issuer's or any Guarantor's obligations under the Senior Subordinated Indenture, in any property, or assets, including any of which are required to be mortgaged, pledged or hypothecated, or in which a security interest is required to be granted to a security agent pursuant to the Senior Subordinated Indenture or otherwise; or

(12) to comply with the rules of any applicable securities depositary.

The consent of the Holders of Senior Subordinated Notes is not necessary under the Senior Subordinated Indenture to approve the particular form of any proposed amendment, waiver or consent; it is sufficient if such consent approves the substance of the proposed amendment, waiver or consent.

The Trustee shall be entitled to rely on such evidence as it deems appropriate, including officers' certificates and opinions of counsel.

The Intercreditor Agreement may be amended pursuant to its terms, as described in this Description of Senior Subordinated Notes under the caption "*—Certain Covenants—Additional Intercreditor Agreements*" or in "*Description of Certain Indebtedness—Intercreditor Agreement*."

Acts by Holders

In determining whether the Holders of the required principal amount of the Senior Subordinated Notes have concurred in any direction, waiver or consent, the Senior Subordinated Notes owned by the Issuer, or by any Person directly or indirectly controlling or controlled by or under direct or indirect common control with the Issuer will be disregarded and deemed not to be outstanding.

Satisfaction and Discharge

The Senior Subordinated Indenture, the Senior Subordinated Notes, the Note Guarantees and the Collateral and any related defaults will be discharged and cease to be of further effect (except as to surviving rights of conversion or transfer or exchange of the Senior Subordinated Notes, as expressly provided for in the Senior Subordinated Indenture) as to all outstanding Senior Subordinated Notes issued thereunder when:

(1) either:

(i) all Senior Subordinated Notes that have been authenticated and delivered, except lost, stolen or destroyed Senior Subordinated Notes that have been replaced or paid and Senior Subordinated Notes for whose payment money has been deposited and thereafter repaid to the Issuer, have been delivered to the Paying Agent for cancellation; or

(ii) all Senior Subordinated Notes that have not been delivered to the Paying Agent for cancellation have become due and payable by reason of the delivery of a notice of redemption or otherwise or will become due and payable within one year and the Issuer has irrevocably deposited or caused to

be deposited with the Trustee (or such other entity directed, designated or appointed by the Issuer and reasonably acceptable to the Trustee, acting for the Trustee for this purpose) for the benefit of the Holders, cash in euro, non-callable government securities, or a combination of cash in euro and non-callable government securities, in amounts as will be sufficient, without consideration of any reinvestment of interest, to pay and discharge the entire Indebtedness on the Senior Subordinated Notes not delivered to the Paying Agent for cancellation for principal, premium and Additional Amounts, if any, and accrued interest to, but excluding, the date of maturity or redemption, as the case may be;

(2) the Issuer has paid or caused to be paid all sums payable by it under the Senior Subordinated Indenture; and

(3) the Issuer has delivered irrevocable instructions to the Trustee and Paying Agent (or such other entity directed, designated or appointed by the Issuer and reasonably acceptable to the Trustee, acting for the Trustee for this purpose) under the Senior Subordinated Indenture to apply the deposited money toward the payment of the Senior Subordinated Notes at maturity or on the redemption date, as the case may be.

In addition, the Issuer must deliver an officers' certificate and an opinion of counsel in form and substance reasonably satisfactory to the Trustee stating that all conditions precedent to satisfaction and discharge have been satisfied; *provided* that any such counsel may rely on any officers' certificate as to matters of fact (including as to compliance with the foregoing clauses (1), (2) and (3)).

Judgment Currency

The sole currency of account and payment for all sums payable by the Issuer or any Guarantor under the Senior Subordinated Indenture is the euro. Any payment on account of an amount that is payable in euros (the "*Required Currency*") which is made to or for the account of any Holder or the Trustee in lawful currency of any other jurisdiction (the "*Judgment Currency*"), whether as a result of any judgment or order or the enforcement thereof or the liquidation of the Issuer, shall constitute a discharge of the Issuer's obligation under the Senior Subordinated Indenture or the Senior Subordinated Notes, as the case may be, only to the extent of the amount of the Required Currency which such Holder or the Trustee, as the case may be, could purchase in the London foreign exchange markets with the amount of the Judgment Currency in accordance with normal banking procedures at the rate of exchange prevailing on the first Business Day following receipt of the payment in the Judgment Currency. If the amount of the Required Currency that could be so purchased is less than the amount of the Required Currency originally due to such Holder or the Trustee, as the case may be, and the Issuer shall indemnify and hold harmless the Holder or the Trustee, as the case may be, from and against all loss or damage arising out of, or as a result of, such deficiency. This indemnity shall constitute an obligation separate and independent from the other obligations contained in the Senior Subordinated Indenture, the Senior Subordinated Notes, and shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Holder or the Trustee from time to time and shall continue in full force and effect notwithstanding any judgment or order for a liquidated sum in respect of an amount due hereunder or under any judgment or order.

Prescription

There is no express term in the Senior Subordinated Indenture as to any time limit on the validity of claims of the Holders to interest and repayment of principal, but any such claims will be subject to any statutory limitation period prescribed under the laws of the State of New York.

Notices

All notices to the Holders (while any Senior Subordinated Notes are represented by one or more Global Notes) shall be delivered to Euroclear and Clearstream, as applicable, for communication to entitled account Holders or, alternatively, will be valid if disseminated through the newswire service of Bloomberg (or if Bloomberg does not operate, any similar agency) or published in a leading English language daily newspaper published in the City of London or, if such publication is not reasonably practicable, in such other English language daily newspaper with general circulation in Europe. It is expected that any such publication will

normally be made in the *Financial Times*. So long as the Senior Subordinated Notes are listed on the Luxembourg Stock Exchange and its rules so require, all notices to Holders will also be published in a newspaper having a general circulation in Luxembourg, which is expected to be the *Luxemburger Wort*, or on the official website of the Luxembourg Stock Exchange. If publication as provided above is not practicable, notice will be given in such other manner, and shall be deemed to have been given on such date, as the Trustee may approve. In the case of Definitive Registered Notes, notices will be mailed to Holders by first-class mail at their respective addresses as they appear on the records of the Registrar.

Notices given by publication, including without limitation through the newswire service of Bloomberg (or if Bloomberg does not operate, any similar agency), will be deemed given on the first date on which publication is made. Notices delivered to Euroclear and Clearstream will be deemed given on the date when delivered. Notices given by first class mail, postage paid, will be deemed given five calendar days after mailing whether or not the addressee receives it.

So long as any Senior Subordinated Notes are admitted to the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF market of the Luxembourg Stock Exchange, and to the extent required by the Luxembourg Stock Exchange, the Issuer will provide a copy of all notices to the Luxembourg Stock Exchange.

Concerning the Trustee

Wilmington Trust, National Association is to be appointed as Trustee under the Senior Subordinated Indenture.

The Holders of a majority in aggregate principal amount of the then outstanding Senior Subordinated Notes will have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee, subject to certain exceptions. The Senior Subordinated Indenture will provide that in case an Event of Default occurs, of which a responsible officer of the Trustee has received written notice, and is continuing, the Trustee will be required, in the exercise of its power, to use the degree of care of a prudent person in the conduct of his own affairs. The permissive rights of the Trustee to take or refrain from taking any action enumerated in the Senior Subordinated Indenture will not be construed as an obligation or duty. The Trustee will be under no obligation to exercise any of its rights or powers under the Senior Subordinated Indenture at the request of any Holder of Senior Subordinated Notes, unless such Holder has offered to the Trustee security and/or indemnity, including by way of pre-funding, satisfactory to it against any loss, liability or expense (which includes the cost of the Trustee's legal counsel).

The Senior Subordinated Indenture will set out the terms under which the Trustee may retire or be removed, and replaced. Such terms will include, among others, (1) that the Trustee may be removed at any time by the Holders of a majority in principal amount of the then outstanding Senior Subordinated Notes, or may resign at any time by giving 30 days' written notice to the Issuer and (2) that if the Trustee at any time (a) has or acquires a conflict of interest that is not eliminated or (b) becomes incapable of acting as Trustee or becomes insolvent or bankrupt, then the Issuer may remove the Trustee, or any Holder of Senior Subordinated Notes who has been a *bona fide* Holder of Senior Subordinated Notes for not less than six months may petition any court for removal of the Trustee and appointment of a successor Trustee.

Any removal or resignation of the Trustee shall not become effective until the acceptance of appointment by the successor Trustee.

The Senior Subordinated Indenture will contain provisions for the indemnification of the Trustee for any loss, liability, taxes and expenses incurred without gross negligence, willful misconduct or fraud on its part, arising out of or in connection with the acceptance or administration of the Senior Subordinated Indenture.

Consent to Jurisdiction and Service of Process

The Issuer will irrevocably submit to the jurisdiction of any New York state or U.S. federal court located in The Borough of Manhattan, City of New York, State of New York in relation to any legal action or proceeding (i) arising out of, related to or in connection with the Senior Subordinated Indenture, the Senior Subordinated Notes and any related documents and (ii) arising under any U.S. federal or U.S. state securities laws. The Issuer will appoint CT Corporation as its agent for service of process in any such action or proceeding.

Additional Information

Anyone who receives this listing prospectus may obtain a copy of the Senior Subordinated Indenture without charge by writing to the Issuer, 89, avenue de la Grande Armée, 75219 Paris Cedex 16, France, Attention: Director of Finance and Administration.

So long as any Senior Subordinated Notes are admitted to the official list of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF market of the Luxembourg Stock Exchange, and to the extent required by the Luxembourg Stock Exchange, copies of the Issuer's annual audited consolidated and unconsolidated financial statements, the Issuer's unaudited consolidated interim quarterly financial statements, the Senior Subordinated Indenture (including the form of Senior Subordinated Notes), the Intercreditor Agreement, any Additional Intercreditor Agreement, the articles of incorporation of the Issuer, the listing prospectus and any documents furnished to the Trustee under the covenant described under the heading "—*Certain Covenants—Reports*" may be obtained, free of charge, during normal business hours at the offices of the listing agent in Luxembourg.

Governing Law

The Senior Subordinated Indenture and the Senior Subordinated Notes will be governed by and construed in accordance with the laws of the State of New York.

Certain Definitions

Set forth below are certain defined terms used in the Senior Subordinated Indenture. Reference is made to the Senior Subordinated Indenture for a full disclosure of all defined terms used therein, as well as any other capitalized terms used herein for which no definition is provided.

"2021 Senior Secured Notes" means the 4.875% Senior Secured Notes due 2021 issued on July 23, 2014.

"2022 Senior Secured Notes" means the 3.500% Senior Secured Notes due 2022 issued on April 4, 2017.

"2023 Senior Secured Notes" means the 3.500% Senior Secured Notes due 2023 issued on May 3, 2016.

"2024 Senior Secured Notes" means the 4.250% Senior Secured Notes due 2024 issued on April 4, 2017.

"2025 Senior Subordinated Notes" means the 6.000% Senior Subordinated Notes due 2025 issued on April 4, 2017.

"Acquired Debt" means, with respect to any specified Person:

(1) Indebtedness of any other Person existing at the time such other Person is merged with or into or became a Subsidiary of such specified Person, whether or not such Indebtedness is Incurred in connection with, or in contemplation of, such other Person merging with or into, or becoming a Subsidiary of, such specified Person; and

(2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

"Affiliate" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control," as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise. For purposes of this definition, the terms "controlling," "controlled by" and "under common control with" have correlative meanings.

"Applicable Premium" means, with respect to any note on any redemption date, the greater of:

(1) 1.0% of the principal amount of the note; or

(2) the excess of:

(i) the present value at such redemption date of (i) the redemption price of the note at April 15, 2022 (such redemption price being set forth in the table appearing above under the caption "*—Optional Redemption*") plus (ii) all required interest payments due on the note through April 15, 2022 (excluding accrued but unpaid interest to the redemption date), computed using a discount rate equal to the Bund Rate as of such redemption date plus 50 basis points; over

(ii) the outstanding principal amount of the note, if greater,

as calculated by the Issuer or on behalf of the Issuer by such Person as the Issuer shall designate. For the avoidance of doubt, calculation of the Applicable Premium shall not be a duty or obligation of the Trustee or Paying Agent.

"Asset Sale" means:

(1) the sale, lease (other than operating leases entered into in the ordinary course of business), conveyance or other disposition of any assets or rights; *provided* that the sale, lease, conveyance or other disposition of all or substantially all of the assets of the Issuer and its Restricted Subsidiaries taken as a whole will be governed by the provisions of the Senior Subordinated Indenture described above under the caption "*—Repurchase at the Option of Holders—Change of Control Triggering Event*" and/or the provisions described above under the caption "*—Certain Covenants—Merger, Consolidation or Sale of Assets*" and not by the provisions of the Asset Sale covenant; and

(2) the issuance or sale of Equity Interests in any of the Issuer's Restricted Subsidiaries.

Notwithstanding the preceding, none of the following items will be deemed to be an Asset Sale:

(1) any single transaction or series of related transactions that involves assets or rights having a Fair Market Value of less than the greater of: (a) €35.0 million; and (b) 1.0% of Consolidated Total Assets of the Issuer;

(2) a transfer of assets, rights or Equity Interests, between or among the Issuer and its Restricted Subsidiaries;

(3) an issuance of Equity Interests by a Restricted Subsidiary of the Issuer to the Issuer or to a Restricted Subsidiary of the Issuer;

(4) the sale or lease of equipment, products or accounts receivable (including discounting thereof) in the ordinary course of business and any sale or other disposition of obsolete or permanently retired equipment and facilities and equipment and facilities that are no longer useful in the conduct of the business of the Issuer and its Restricted Subsidiaries;

(5) the sale or other disposition of cash, Cash Equivalents or Government Guaranteed Securities;

(6) a Restricted Payment that does not violate the covenant described above under the caption "*—Certain Covenants—Restricted Payments*," a Permitted Investment or any transaction specifically excluded from the definition of Restricted Payment;

(7) licensing or sublicensing of intellectual property or other general intangibles and licenses, leases or subleases of other property in the ordinary course of business;

(8) the unwinding of Hedging Obligations;

(9) the disposition of receivables in connection with the compromise, settlement or collection thereof in the ordinary course of business or in bankruptcy or similar proceedings and exclusive of factoring or similar arrangements;

(10) any exchange of assets (including a combination of assets and Cash Equivalents) for assets related to a Permitted Business (including Capital Stock of an entity that either is and remains or becomes a Restricted Subsidiary immediately after giving effect to such exchange) of comparable or greater market value or usefulness to the business of the Issuer and its Restricted Subsidiaries as a whole, as determined in good faith by the Issuer;

(11) the sale, lease, assignment, exchange or other transfer of inventory, products, services, raw materials, receivables or other assets in the ordinary course of business;

(12) any sale or other disposition of damaged, worn-out, obsolete or excess assets or properties or other assets that are no longer used or useful in or necessary for the proper conduct of the business of the Issuer and its Restricted Subsidiaries;

(13) any sale of assets received by the Issuer or any of its Restricted Subsidiaries upon the foreclosure on a Lien;

(14) the foreclosure, condemnation or any similar action with respect to any property or other assets, or the surrender, or waiver of contract rights or settlement, release or surrender of contract, tort or other claims;

(15) licenses and sublicenses by the Issuer or any of its Restricted Subsidiaries in the ordinary course of business;

(16) dispositions to the extent required by, or made pursuant to, customary buy/sell arrangements between joint venture parties set forth in joint venture arrangements and similar binding agreements;

(17) the granting of Liens not otherwise prohibited by the Senior Subordinated Indenture; and

(18) any disposition of Securitization Assets or participations therein, in connection with any Qualified Securitization Financing or Permitted Recourse Receivables Financing.

"Beneficial Owner" has the meaning assigned to such term in Rule 13d-3 and Rule 13d-5 under the U.S. Exchange Act as in effect on the Issue Date, except that in calculating the beneficial ownership of any particular "person" (as that term is used in Section 13(d)(3) of the U.S. Exchange Act as in effect on the Issue Date), such "person" will be deemed to have beneficial ownership of all securities that such "person" has the right to acquire by conversion or exercise of other securities, whether such right is currently exercisable or is exercisable only after the passage of time. The terms "Beneficially Owns" and "Beneficially Owned" have a corresponding meaning. Notwithstanding the preceding or any provision of Rule 13d-3 and Rule 13d-5 under the U.S. Exchange Act, (i) a Person or group shall not be deemed to Beneficially Own securities subject to an equity or asset purchase agreement, merger agreement or similar agreement until the consummation of the transactions contemplated by such agreement and (ii) if any group includes one or more Principals or their Related Parties, the issued and outstanding Voting Stock of the Issuer Beneficially Owned, directly or indirectly, by any Principals or their Related Parties that are part of such group shall not be treated as being Beneficially Owned by any other member of such group for purposes of determining whether a Change of Control has occurred.

"Board of Directors" means:

(1) with respect to a corporation, the board of directors of the corporation or any committee thereof duly authorized to act on behalf of such board;

(2) with respect to a partnership, the Board of Directors of the general partner of the partnership;

(3) with respect to a limited liability company, the managing member or members or any controlling committee of managing members thereof;

(4) with respect to the Issuer, for so long as it has no board of directors, the Issuer's president in relation to actions to be taken under "*—Certain Covenants—Designation of Restricted and Unrestricted Subsidiaries*," "*—Legal Defeasance and Covenant Defeasance*" and all other determinations and valuations to be made under the Senior Subordinated Indenture, among others; *provided, however*, that for the purposes of clause (3) and (4) of the first paragraph of "*—Certain Covenants—Transactions with Affiliates*" the definitions of "Disinterested Members" and "Board of Directors" shall mean the Issuer's Strategic Committee; and

(5) with respect to any other Person, the board or committee of such Person serving a similar function.

"Bund Rate" means, with respect to any relevant date, the rate per annum equal to the equivalent yield to maturity as of such date of the Comparable German Bund Issue, assuming a price for the Comparable German Bund Issue (expressed as a percentage of its principal amount) equal to the Comparable German Bund Price for such relevant date, where:

(i) "Comparable German Bund Issue" means the German Bundesanleihe security selected by any Reference German Bund Dealer as having a fixed maturity most nearly equal to the period from such redemption date to April 15, 2022 and that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of euro denominated corporate debt securities in a principal amount approximately equal to the then outstanding principal amount of the Senior Subordinated Notes and of a maturity most nearly equal to April 15, 2022, *provided, however*, that, if the period from such redemption date to April 15, 2022 is less than one year, a fixed maturity of one year shall be used;

(ii) "Comparable German Bund Price" means, with respect to any relevant date, the average of all Reference German Bund Dealer Quotations for such date (which, in any event, must include at least two such quotations), after excluding the highest and lowest such Reference German Bund Dealer Quotations, or if the Issuer obtains fewer than four such Reference German Bund Dealer Quotations, the average of all such quotations;

(iii) "Reference German Bund Dealer" means any dealer of German Bundesanleihe securities appointed by the Issuer in good faith; and

(iv) "Reference German Bund Dealer Quotations" means, with respect to each Reference German Bund Dealer and any relevant date, the average as determined by the Issuer of the bid and offered prices for the Comparable German Bund Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Issuer by such Reference German Bund Dealer at 3:30 p.m. Frankfurt, German time on the third Business Day preceding the relevant date.

"Business Day" means any day on which commercial banking institutions are open for business and carrying out transactions in euro in France and in the country in which the Paying Agent has its specified office or in which Senior Subordinated Notes may be presented for payment in accordance with the terms of the agency agreement and is a day on which the Trans-European Automated Real Time Gross Settlement Express Transfer System ("TARGET") is operating.

"Capital Lease Obligation" means, at the time any determination is to be made, the amount of the liability in respect of a capital lease that would at that time be required to be capitalized on a balance sheet prepared in accordance with IFRS in effect as of the Issue Date, and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty.

"Capital Stock" means:

(1) in the case of a corporation, corporate stock;

(2) in the case of an association or business entity that is not a corporation, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership interests (whether general or limited) or membership interests; and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person, but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

"Cash Equivalents" means:

(1) direct obligations (or certificates representing an interest in such obligations) issued by, or unconditionally guaranteed by, the government of a European Union Member State, Switzerland or the United States of America (including, in each case, any agency or instrumentality thereof), as the case may be, the payment of which is backed by the full faith and credit of the relevant European Union Member State, Switzerland or the United States of America, as the case may be, and which are not callable or redeemable at the Issuer's option; *provided* that such country (or agency or instrumentality) has a long-term government debt rating of "A1" or higher by Moody's or "A+" or higher by S&P or the equivalent rating category of another internationally recognized rating agency, as of the date of the investment;

(2) overnight bank deposits, time deposit accounts, certificates of deposit, banker's acceptances and money market deposits with maturities (and similar instruments) of 12 months or less from the date of acquisition issued by a bank or trust company *provided* that (A)(i) such bank or trust company is organized under, or authorized to operate as a bank or trust company under, the laws of a European Union Member State, Switzerland or the United States of America or any state thereof and has capital, surplus and undivided profits aggregating in excess of €250.0 million (or the foreign currency equivalent thereof as of the date of such investment) and whose rating is "P-2" or higher by Moody's or "A-2" or higher by S&P or the equivalent rating category of another internationally recognized rating agency, as of the date of the investment and (ii) such country under which such bank or trust company is organized or authorized to operate has a long-term government debt rating of "A1" or higher by Moody's or "A+" or higher by S&P or the equivalent rating category of another internationally recognized rating agency, as of the date of the investment; or (B) such bank or trust company has capital, surplus and undivided profits aggregating in excess of €250.0 million (on the foreign currency equivalent thereof as of the date of such investment) and whose rating is "P-1" or higher by Moody's or "A-1" or higher by S&P or the equivalent rating category of another internationally recognized rating agency, as of the date of the investment;

(3) repurchase obligations for underlying securities of the types described in clauses (1) and (2) above entered into with any financial institution meeting the qualifications specified in clause (2) above;

(4) commercial paper having one of the two highest ratings obtainable from Moody's or S&P and, in each case, maturing within one year after the date of acquisition;

(5) money market funds at least 95% of the assets of which constitute Cash Equivalents of the kinds described in clauses (1) through (4) of this definition; and

(6) Investments made for non-speculative cash management purposes in the ordinary course of business not exceeding €35.0 million at any one time outstanding.

"Change of Control" means the occurrence of any of the following:

(1) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Issuer and its Subsidiaries taken as a whole to any "person" (as that term is used in Section 13(d) of the Exchange Act as in effect on the Issue Date) other than a Principal or a Related Party of a Principal;

(2) the adoption of a plan relating to the liquidation or dissolution of the Issuer; or

(3) the consummation of any transaction (including, without limitation, any merger or consolidation), the result of which is that any "person" (as defined above), other than the Principals and their Related Parties becomes the Beneficial Owner, directly or indirectly, of more than 50% of the Voting Stock of the Issuer, measured by voting power rather than number of shares; *provided* that so long as the Issuer is a Subsidiary of a parent Person, no "person" shall be deemed to be or become a Beneficial Owner of more than 50% of the total voting power of the Voting Stock of the Issuer unless such "person" shall be or become a Beneficial Owner of more than 50% of the total voting power of the Voting Stock of such parent Person.

"Change of Control Offer" has the meaning assigned to that term in the Senior Subordinated Indenture governing the Senior Subordinated Notes.

"Change of Control Rating Decline" means the occurrence at any time during the period commencing on the date of the first public notice of the occurrence of an event specified in clauses (1), (2) or (3) of the definition of Change of Control and ending on the date that is 90 days following the occurrence of such event (which period shall be extended so long as during such period the rating of the Senior Subordinated Notes is under publicly announced consideration by S&P) of any of the following events:

(1) S&P shall issue, confirm or maintain a corporate rating of the Issuer which rating is below B+; or

(2) S&P shall withdraw or will have previously withdrawn its corporate rating of the Issuer.

If S&P does not announce an action with regard to its rating of the Senior Subordinated Notes as soon as reasonably practicable after the occurrence of an event specified in clauses (1), (2) or (3) of the definition of Change of Control, the Issuer shall request S&P to confirm its rating of the Senior Subordinated Notes before the end of such 90-day period.

"Change of Control Triggering Event" means the occurrence of both (a) a Change of Control and (b) a Change of Control Rating Decline.

"Consolidated Cash Flow" means, with respect to any specified Person for any period, the Consolidated Net Income of such Person for such period plus, without duplication:

(1) provision for taxes based on income or profits of such Person and its Restricted Subsidiaries, including pursuant to the *cotisation sur la valeur ajoutée des entreprises*, for such period, to the extent that such provision for taxes was deducted in computing such Consolidated Net Income; *plus*

(2) the Fixed Charges of such Person and its Restricted Subsidiaries for such period, to the extent that such Fixed Charges were deducted in computing such Consolidated Net Income; *plus*

(3) depreciation, amortization (including, without limitation, amortization of intangibles and deferred financing fees but excluding amortization of prepaid cash expenses that were paid in a prior period) and other non-cash charges and expenses (including, without limitation, write-downs and impairment of property, plant, equipment and intangibles and other long-lived assets) of such Person and its Restricted Subsidiaries (excluding any such non-cash charge or expense to the extent that it

represents an accrual of or reserve for cash charges or expenses in any future period or amortization of a prepaid cash charge or expense that was paid in a prior period) for such period to the extent that such depreciation, amortization and other non-cash expenses were deducted in computing such Consolidated Net Income; *plus*

(4) the amount of loss or discount on sale of Securitization Assets and related assets in connection with a Qualified Securitization Financing or Permitted Recourse Receivables Financing; *plus*

(5) any income or charge attributable to a post-employment benefit scheme other than the current service costs and any past service costs and curtailments and settlements attributable to the scheme; *plus*

(6) any unrealized foreign currency translation or transaction losses of the Person and its Restricted Subsidiaries (including losses related to currency remeasurements of Indebtedness); *plus*

(7) acquisition costs and any fees, expenses, charges or other costs related to equity or debt financings, investments, restructurings, dispositions or acquisitions, establishing a joint venture, disposition, recapitalization or listing or the Incurrence of Indebtedness permitted to be Incurred under the covenant described above under the caption "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*" (or the refinancing thereof) whether or not successful, including (i) such fees, expenses or charges related to an Incurrence of Indebtedness and (ii) any amendment or other modification of any Incurrence; *plus*

(8) all expenses Incurred directly in connection with any early extinguishment of Indebtedness; *minus*

(9) non-cash items increasing such Consolidated Net Income for such period, other than the accrual of revenue in the ordinary course of business and other than the reversal of a reserve for cash charges in a future period in the ordinary course of business,

in each case, on a consolidated basis and determined in accordance with IFRS.

"Consolidated Leverage" means, with respect to any Person, the sum of the aggregate outstanding Indebtedness of that Person and its Restricted Subsidiaries (excluding Subordinated Shareholder Debt), the aggregate outstanding amount of Disqualified Stock issued by the Issuer and the aggregate liquidation preference of any preferred equity issued by a Restricted Subsidiary, *less* cash and Cash Equivalents, in each case, as of the relevant date of calculation.

"Consolidated Leverage Ratio" means, as of any date of determination, the ratio of (1) the sum of (a) the Consolidated Leverage of such Person on such date and (b) the Reserved Indebtedness Amount on such date to (2) the Consolidated Cash Flow of such Person for the most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Indebtedness is Incurred, *provided* that in calculating the Consolidated Leverage Ratio or any element thereof for any period, cost reduction, cost savings and cost synergies plans or programs in connection with any transaction, Investment, acquisition, disposition, restructuring, corporate reorganization or otherwise (as determined in good faith by the Issuer's Chief Financial Officer or chief accounting officer) and that are reasonably expected to be realized within 18 months following the Calculation Date (as defined below) may be given *pro forma* effect (regardless of whether these cost savings and cost reduction synergies could then be reflected in *pro forma* financial statements to the extent prepared). In the event that the specified Person or any of its Restricted Subsidiaries Incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than ordinary working capital borrowings) or issues, repurchases or redeems Disqualified Stock or preferred stock subsequent to the commencement of the period for which the Consolidated Leverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Consolidated Leverage Ratio is made (the "Calculation Date") (but not giving effect to (i) any additional Indebtedness to be Incurred on the Calculation Date as part of the same transaction or series of transactions pursuant to the second paragraph under the caption "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*" other than Indebtedness Incurred pursuant to clause (14) thereof or (ii) the discharge on such Calculation Date of any Indebtedness to the extent such discharge is made with the proceeds

of such additional Indebtedness), then the Consolidated Leverage Ratio will be calculated giving *pro forma* effect (as determined in good faith by a responsible accounting or financial officer of the Issuer and may include anticipated expense and cost reduction synergies) to such Incurrence, assumption, guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, or such issuance, repurchase or redemption of Disqualified Stock or preferred stock, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the applicable four-quarter reference period.

In addition, for purposes of calculating the Consolidated Cash Flow for such period:

(1) acquisitions that have been made by the specified Person or any of its Subsidiaries which are Restricted Subsidiaries, including through mergers or consolidations, or by any Person or any of its Subsidiaries which are Restricted Subsidiaries acquired by the specified Person or any of its Subsidiaries which are Restricted Subsidiaries, and including all related financing transactions and including increases in ownership of Subsidiaries which are Restricted Subsidiaries (including any Unrestricted Subsidiary that has been redesignated as a Restricted Subsidiary), during the four-quarter reference period or subsequent to such reference period and on or prior to the Calculation Date, or that are to be made on the Calculation Date, will be given *pro forma* effect (as determined in good faith by a responsible accounting or financial officer of the Issuer and may include anticipated expense and cost reduction synergies) as if they had occurred on the first day of the four-quarter reference period;

(2) the Consolidated Cash Flow attributable to discontinued operations, as determined in accordance with IFRS, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded;

(3) any Person that is a Restricted Subsidiary (including any Unrestricted Subsidiary that has been redesignated as a Restricted Subsidiary) on the Calculation Date will be deemed to have been a Restricted Subsidiary at all times during such four-quarter period; and

(4) any Person that is not a Restricted Subsidiary on the Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such four-quarter period.

For purposes of this definition, whenever *pro forma* effect is to be given to an Asset Sale, Investment or acquisition, the amount of income or earnings relating thereto or the amount of Consolidated Cash Flow associated therewith, the *pro forma* calculation shall be determined in good faith by a responsible financial or accounting Officer of the Issuer and may include anticipated expense and cost reduction synergies. Interest on any Indebtedness that bears interest at a floating rate and that is being given *pro forma* effect shall be calculated as if the rate in effect on the date of calculation had been applicable for the entire period.

When Consolidated Cash Flow is being calculated for the purpose of any grower basket set forth hereunder, it shall be calculated on a *pro forma* basis consistent with the calculation of Consolidated Cash Flow for purposes of the Fixed Charge Coverage Ratio.

"Consolidated Net Income" means, with respect to any specified Person for any period, the aggregate of the net income (loss) of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, determined in accordance with IFRS; *provided* that:

(1) any gain (loss), together with any related provision for taxes on such gain (loss) realized in connection with: (a) any Asset Sale by any such Person or its Restricted Subsidiaries or (b) the disposition of any securities by such Person or any of its Restricted Subsidiaries or (c) the extinguishment of any Indebtedness of such Person or any of its Restricted Subsidiaries will be excluded;

(2) any extraordinary, exceptional, unusual or non-recurring gain, loss, charge or expense, together with any related provision for taxes on such extraordinary,

exceptional, unusual or non-recurring gain, loss, charge or expense, will be excluded;

(3) the net income (loss) of any Person that is not a Restricted Subsidiary (including an Unrestricted Subsidiary or a joint venture that is not a Restricted Subsidiary) or that is accounted for by the equity method of accounting will be included only to the extent of the amount of dividends or similar distributions paid in cash to the specified Person or a Restricted Subsidiary of the Person;

(4) solely for purposes of determining the amount available for Restricted Payments under clause 3(a) following the definition of Restricted Payments, the net income (loss) of any Restricted Subsidiary that is not a Guarantor will be excluded to the extent that the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of that net income is not at the date of determination permitted without any prior governmental approval (that has not been obtained) or, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary or its stockholders (other than (a) restrictions with respect to the payment of dividends or similar distributions that have been legally waived or released or (b) restrictions listed under clauses (1) through (4), (12), (15) and (16) of the second paragraph of "*—Certain Covenants—Dividend and Other Payment Restrictions Affecting Subsidiaries*");

(5) the cumulative effect of a change in accounting principles will be excluded; and

(6) any increase in amortization or depreciation resulting from purchase accounting in relation to any acquisition of another Person or business will be excluded.

"Consolidated Net Priority Debt Leverage Ratio" means, as of any date of determination, the ratio of (1) the sum of (a) the Priority Debt of such Person on such date, *plus* (b) the Reserved Indebtedness Amount comprising Priority Debt on such date, *less* (c) the aggregate amount of cash and Cash Equivalents of the Issuer and the Restricted Subsidiaries on a consolidated basis to (2) the Consolidated Cash Flow of such Person for the most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Indebtedness is Incurred; *provided, however*, that, for the purposes of clause (b) of the first paragraph of the covenant "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*" and clause (14)(y)(i) and (14)(y)(ii) of the second paragraph of the covenant "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*" the calculation of the Consolidated Net Priority Debt Leverage Ratio shall be made assuming that the maximum amount of Indebtedness permitted to be Incurred under clause (1) of the second paragraph of the covenant "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*" has been Incurred and is outstanding in the form of Priority Debt and *provided, further* that in calculating the Consolidated Net Priority Debt Leverage Ratio or any element thereof for any period, cost reduction, cost savings and cost synergies plans or programs in connection with any transaction, Investment, acquisition, disposition, restructuring, corporate reorganization or otherwise (as determined in good faith by the Issuer's Chief Financial Officer or chief accounting officer) and that are reasonably expected to be realized within 18 months following the Calculation Date (as defined below) may be given *pro forma* effect (regardless of whether these cost savings and cost reduction synergies could then be reflected in *pro forma* financial statements to the extent prepared). In the event that the specified Person or any of its Restricted Subsidiaries Incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than ordinary working capital borrowings) or issues, repurchases or redeems Disqualified Stock or preferred stock subsequent to the commencement of the period for which the Consolidated Net Priority Debt Leverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Consolidated Net Priority Debt Leverage Ratio is made (the "Calculation Date"), then the Consolidated Net Priority Debt Leverage Ratio will be calculated giving *pro forma* effect (as determined in good faith by a responsible accounting or financial officer of the Issuer and may include anticipated expense and cost reduction synergies) to such Incurrence, assumption, guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, or such issuance, repurchase or redemption of Disqualified Stock or preferred stock, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the applicable four-quarter reference period; *provided, however*, that the *pro forma* calculation of the Consolidated Net Priority Debt Leverage Ratio shall not give effect to (i) any Indebtedness Incurred on the date of determination pursuant to the provisions described in the definition of Permitted Debt (other than any such additional Indebtedness that is Incurred on the date of

determination under clause (1) and clause (14) of the definition of Permitted Debt, the Incurrence of which itself requires the calculation of the Consolidated Net Priority Debt Leverage Ratio); or (ii) the discharge on the date of determination of any Indebtedness to the extent that such discharge results from the application of the proceeds of Indebtedness Incurred at the date of determination pursuant to the provisions described in the definition of Permitted Debt.

In addition, for purposes of calculating the Consolidated Cash Flow for such period:

(1) acquisitions that have been made by the specified Person or any of its Subsidiaries which are Restricted Subsidiaries, including through mergers or consolidations, or by any Person or any of its Subsidiaries which are Restricted Subsidiaries acquired by the specified Person or any of its Subsidiaries which are Restricted Subsidiaries, and including all related financing transactions and including increases in ownership of Subsidiaries which are Restricted Subsidiaries (including any Unrestricted Subsidiary that has been redesignated as a Restricted Subsidiary), during the four-quarter reference period or subsequent to such reference period and on or prior to the Calculation Date, or that are to be made on the Calculation Date, will be given *pro forma* effect (as determined in good faith by a responsible accounting or financial officer of the Issuer and may include anticipated expense and cost reduction synergies) as if they had occurred on the first day of the four-quarter reference period;

(2) the Consolidated Cash Flow attributable to discontinued operations, as determined in accordance with IFRS, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded;

(3) any Person that is a Restricted Subsidiary (including any Unrestricted Subsidiary that has been redesignated as a Restricted Subsidiary) on the Calculation Date will be deemed to have been a Restricted Subsidiary at all times during such four-quarter period; and

(4) any Person that is not a Restricted Subsidiary on the Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such four-quarter period.

For purposes of this definition, whenever *pro forma* effect is to be given to an Asset Sale, Investment or acquisition, the amount of income or earnings relating thereto or the amount of Consolidated Cash Flow associated therewith, the *pro forma* calculation shall be determined in good faith by a responsible financial or accounting Officer of the Issuer and may include anticipated expense and cost reduction synergies. Interest on any Indebtedness that bears interest at a floating rate and that is being given *pro forma* effect shall be calculated as if the rate in effect on the date of calculation had been applicable for the entire period.

When Consolidated Cash Flow is being calculated for the purpose of any grower basket set forth hereunder, it shall be calculated on a *pro forma* basis consistent with the calculation of Consolidated Cash Flow for purposes of the Fixed Charge Coverage Ratio.

"Consolidated Total Assets" means, with respect to any specified Person at any time, the total assets of such Person and its Subsidiaries which are Restricted Subsidiaries, in each case as shown on the most recent balance sheet of such Person, determined on a consolidated basis in accordance with IFRS (giving *pro forma* effect to any acquisitions or dispositions of assets or properties that have been made by the Issuer or any of its Restricted Subsidiaries subsequent to the date of such balance sheet, including through mergers or consolidations).

"Contingent Obligations" means, with respect to any Person, any obligation of such Person guaranteeing any leases, dividends or other obligations that do not constitute Indebtedness ("primary obligations") of any other Person in any manner, whether directly or indirectly, including, without limitation, any obligation of such Person, whether or not contingent:

(1) to purchase any such primary obligation or any property constituting direct or indirect security thereof;

(2) to advance or supply funds (A) for the purchase or payment of any such primary obligation or (B) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor; or

(3) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such obligation against loss in respect thereof.

"Credit Facilities" means any credit agreement, indentures or other agreements between the Issuer or one or more Restricted Subsidiaries and a financial institution or institutions providing for the making of loans, on a term or revolving basis, the issuance of letters of credit, commercial paper facilities, notes, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables) or equipment financing facilities (including, without limitation, finance leases, asset-based lending, sale-and-leaseback transactions and similar arrangements), in each case, as amended, restated, modified, renewed, refunded, replaced or refinanced (including by means of a sale of debt securities) in whole or in part from time to time in one or more agreements or indentures (in each case with the same or new lenders or institutional investors), including any agreement or indenture extending the maturity thereof or otherwise restructuring all or any portion of the Indebtedness thereunder or increasing the amount loaned or issued thereunder or altering the maturity thereof.

"Default" means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

"Designated Non-Cash Consideration" means the Fair Market Value of non-cash consideration received by the Issuer or any Restricted Subsidiary in connection with an Asset Sale that is designated as such on the closing date of such Asset Sale pursuant to an officers' certificate, setting forth the basis of such valuation. The aggregate Fair Market Value of the Designated Non-Cash Consideration at the time of receipt, taken together with the Fair Market Value (measured on the date of receipt) of all other Designated Non-Cash Consideration received by the Issuer or any Restricted Subsidiary since the date of the Senior Subordinated Indenture that is outstanding, may not exceed the greater of €50.0 million and 1.5% of Consolidated Total Assets in the aggregate.

"Disinterested Members" means, with respect to any transaction or series of related transactions, one or more members of the Board of Directors of the Issuer who does not have any material direct or indirect financial interest in or with respect to such transaction or series of related transactions. A member of the Board of Directors of the Issuer shall not be deemed to have such a financial interest by reason of such member's holding Capital Stock of the Issuer or any Affiliate thereof, any Capital Stock or other debt or equity debt or equity securities of any entity formed for the purpose of investing in Capital Stock of the Issuer or any options, warrants or other rights in respect of any of the foregoing or being an officer, director, consultant or employee of any such entities.

"Disqualified Stock" means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case, at the option of the holder of the Capital Stock), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder of the Capital Stock, in whole or in part, on or prior to the date that is 91 days after the date on which the Senior Subordinated Notes mature. Notwithstanding the preceding sentence, any Capital Stock that would constitute Disqualified Stock solely because the holders of the Capital Stock have the right to require the Issuer to repurchase such Capital Stock upon the occurrence of a change of control or an asset sale will not constitute Disqualified Stock if the terms of such Capital Stock provide that the Issuer may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with the covenant described above under the caption "*—Certain Covenants—Restricted Payments*." The amount of Disqualified Stock deemed to be outstanding at any time for purposes of the Senior Subordinated Indenture will be the maximum amount that the Issuer and its Restricted Subsidiaries may become obligated to pay upon the maturity of, or pursuant to any mandatory redemption provisions of, such Disqualified Stock, exclusive of accrued dividends.

"Equity Interests" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"Equity Offering" means any public or private offering of the Capital Stock (other than Disqualified Stock) of the Issuer or a Parent of the Issuer, *provided* that (x) any such offering shall exclude Capital Stock

issued to an Affiliate of the Issuer or pursuant to a stock option or employment compensation program and (y) in the case of any such offering by a Parent of the Issuer, the Net Proceeds thereof are contributed to the equity of the Issuer (other than through the issuance of Disqualified Stock or as an Excluded Contribution) or loaned to the Issuer as Subordinated Shareholder Debt.

"Euro Equivalent" means, with respect to any monetary amount in a currency other than euro, at any time for the determination thereof, the amount of euro obtained by converting such foreign currency involved in such computation into euro at the spot rate for the purchase of euro with the applicable foreign currency as published in the "*Currencies*" section of the *Financial Times* (or, if the *Financial Times* is no longer published, or if such information is no longer available in the *Financial Times*, such source as may be selected in good faith by the Issuer) on the date that is two Business Days prior to such determination.

"European Union Member State" shall mean any country that was a member of the European Union as of January 1, 2004.

"Excluded Contribution" means the net cash proceeds received by the Issuer after the Issue Date from:

(1) contributions to its common equity capital; and

(2) the sale (other than to a Subsidiary of the Issuer) of Capital Stock (other than Disqualified Stock) or Subordinated Shareholder Debt of the Issuer,

in each case designated as "Excluded Contribution" pursuant to an Officer's Certificate of the Issuer (which shall be designated no later than the date on which such Excluded Contribution has been received by the Issuer), the net cash proceeds of which are excluded from the calculation set forth in clause (3)(b) of the second paragraph of the covenant described under "*—Certain Covenants—Restricted Payments*" hereof.

"Existing Indebtedness" means Indebtedness of the Issuer and its Restricted Subsidiaries (other than the 2022 Senior Secured Notes, the 2023 Senior Secured Notes, the 2024 Senior Secured Notes and any Indebtedness outstanding under the Revolving Credit Facility as of the Issue Date) in existence on the date of the Senior Subordinated Indenture, after giving effect to the net proceeds of the issuance of the New Senior Secured Notes and the Senior Subordinated Notes, until such amounts are repaid (including, without limitation the 2025 Senior Subordinated Notes).

"Existing Notes" means, collectively, the 2022 Senior Secured Notes, the 2023 Senior Secured Notes, the 2024 Senior Secured Notes and the 2025 Senior Subordinated Notes.

"Fair Market Value" means the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving distress or necessity of either party, determined in good faith by the chief executive officer, chief financial officer or responsible accounting or financial officer of the Issuer (unless otherwise provided in the Senior Subordinated Indenture). For the avoidance of doubt the Trustee shall have no obligation to determine the Fair Market Value.

"Fixed Charge Coverage Ratio" means, with respect to any specified Person for any period, the ratio of the Consolidated Cash Flow of such Person for such period to the Fixed Charges of such Person for such period. In the event that the specified Person or any of its Restricted Subsidiaries Incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than ordinary working capital or capital expenditure borrowings) or has caused any Reserved Indebtedness Amount to be deemed to be Incurred during such period or issues, repurchases or redeems preferred stock subsequent to the commencement of the period for which the Fixed Charge Coverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Fixed Charge Coverage Ratio is made (the "Calculation Date"), then the Fixed Charge Coverage Ratio will be calculated giving *pro forma* effect to such Incurrence, deemed Incurrence, assumption, Guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, or such issuance, repurchase or redemption of preferred stock, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the applicable four-quarter reference period; *provided*, *however*, that the *pro forma* calculation of the Fixed Charge Coverage Ratio shall not give effect to (i) any Indebtedness Incurred on the date of determination pursuant to the provisions described in the definition of Permitted Debt (other than any such additional Indebtedness that is Incurred on the date of determination under clause (14) of the definition of Permitted Debt, the Incurrence of which itself requires the calculation of the Fixed Charge Coverage Ratio) or (ii) the discharge on the date of determination of any Indebtedness to the extent that such discharge results from

the proceeds Incurred on the date of determination pursuant to the provisions described in the definition of Permitted Debt.

In addition, for purposes of calculating the Fixed Charge Coverage Ratio:

(1) acquisitions that have been made by the specified Person or any of its Restricted Subsidiaries, including through mergers or consolidations, or any Person or any of its Restricted Subsidiaries acquired by the specified Person or any of its Restricted Subsidiaries, and including any related financing transactions and including increases in ownership of Restricted Subsidiaries (including any Unrestricted Subsidiary that has been redesignated as a Restricted Subsidiary), during the four-quarter reference period or subsequent to such reference period and on or prior to the Calculation Date, or that are to be made on the Calculation Date, will be given *pro forma* effect as if they had occurred on the first day of the four-quarter reference period; *provided* that in calculating the Fixed Charge Coverage Ratio or any element thereof for any period, cost reduction, cost savings and cost synergies plans or programs in connection with any transaction, Investment, acquisition, disposition, restructuring, corporate reorganization or otherwise (as determined in good faith by the Issuer's Chief Financial Officer or chief accounting officer) and that are reasonably expected to be realized within 18 months may be given *pro forma* effect (regardless of whether these cost savings and cost reduction synergies could then be reflected in *pro forma* financial statements to the extent prepared);

(2) the Consolidated Cash Flow attributable to discontinued operations, as determined in accordance with IFRS, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded;

(3) the Fixed Charges attributable to discontinued operations, as determined in accordance with IFRS, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded, but only to the extent that the obligations giving rise to such Fixed Charges will not be obligations of the specified Person or any of its Restricted Subsidiaries following the Calculation Date;

(4) any Person that is a Restricted Subsidiary (including any Unrestricted Subsidiary that has been redesignated as a Restricted Subsidiary) on the Calculation Date will be deemed to have been a Restricted Subsidiary at all times during such four-quarter period;

(5) any Person that is not a Restricted Subsidiary on the Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such four-quarter period;

(6) if any Indebtedness bears a floating rate of interest, the interest expense on such Indebtedness will be calculated as if the rate in effect on the Calculation Date had been the applicable rate for the entire period (taking into account any Hedging Obligation applicable to such Indebtedness if such Hedging Obligation has a remaining term as at the Calculation Date in excess of 12 months, or, if shorter, at least equal to the remaining term of such Indebtedness); and

(7) interest on a Capital Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by a responsible financial or accounting officer of the Issuer to be the rate of interest implicit in such Capital Lease Obligation in accordance with IFRS.

For purposes of this definition, whenever *pro forma* effect is to be given to an acquisition or other Investment and the amount of income or earnings relating thereto, the *pro forma* calculations will be as determined in good faith by a responsible financial or accounting officer of the Issuer (including in respect of anticipated expense and cost reductions, operating improvements and synergies). In addition, for purposes of this definition, in determining the amount of Indebtedness outstanding on any date of determination, *pro forma* effect shall be given to any Incurrence, repayment, repurchase, defeasance or other acquisition, retirement or discharge of Indebtedness on such date.

"Fixed Charges" means, with respect to any specified Person for any period, the sum, without duplication, of:

(1) the consolidated interest expense of such Person and its Restricted Subsidiaries on their Indebtedness for such period, net of consolidated interest income, whether paid or accrued, including, without limitation, amortization of original issue discount, non-cash interest payments, the interest component of any deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations, commissions, discounts and other fees and charges Incurred in respect of letter of credit or bankers' acceptance financings, and net of the effect of all payments made or received pursuant to Hedging Obligations in respect of interest rates (excluding non-cash interest expense on Subordinated Shareholder Debt); *plus*

(2) the consolidated interest expense of such Person and its Restricted Subsidiaries on their Indebtedness that was capitalized during such period; *plus*

(3) any interest on Indebtedness of another Person that is guaranteed by such Person or one of its Restricted Subsidiaries or secured by a Lien on assets of such Person or one of its Restricted Subsidiaries, whether or not such Guarantee or Lien is called upon; *plus*

(4) all dividends, whether paid or accrued and whether or not in cash, on any series of preferred stock of such Person or any of its Restricted Subsidiaries, other than dividends on Equity Interests payable solely in Equity Interests or Subordinated Shareholder Debt of the Issuer (other than Disqualified Stock) or to the Issuer or a Restricted Subsidiary of the Issuer; *plus*

(5) the Fixed Charges attributable to discontinued operations, as determined in accordance with IFRS, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded, but only to the extent that the obligations giving rise to such Fixed Charges will not be obligations of the specified Person or any Restricted Subsidiary following the Calculation Date.

"Government Guaranteed Securities" means:

(1) securities issued or directly and fully guaranteed or insured by the U.S. government or any agency or instrumentality thereof (other than Cash Equivalents) and in each case with maturities not exceeding two years from the date of acquisition;

(2) corresponding instruments by any European Union Member State (*provided* that such member state has one of the two highest ratings obtainable from Moody's or S&P) or Switzerland or Norway or Japan, or any agency or instrumentality of any European Union Member State (*provided* that such member state has one of the two highest ratings obtainable from Moody's or S&P) or Switzerland or Norway or Japan and in each case with maturities not exceeding two years from the date of acquisition; and

(3) investments in any fund that invests exclusively in investments of the type described in clauses (1) and (2) above which fund may also hold immaterial amounts of cash pending investment and/or distribution.

"Guarantee" means a guarantee other than by endorsement of negotiable instruments for collection in the ordinary course of business, direct or indirect, in any manner including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take or pay or to maintain financial statement conditions or otherwise).

"Guarantor" means any Subsidiary of the Issuer that executes a Note Guarantee in accordance with the provisions of the Senior Subordinated Indenture, and its respective successors and assigns, in each case, until the Note Guarantee of such Person has been released in accordance with the provisions of the Senior Subordinated Indenture.

"Hedging Obligations" means, with respect to any specified Person, the obligations of such Person under:

(1) interest rate swap agreements (whether from fixed to floating or from floating to fixed), interest rate cap agreements and interest rate collar agreements;

(2) other agreements or arrangements designed to manage interest rates or interest rate risk; and

(3) other agreements or arrangements designed to protect such Person against fluctuations in currency exchange rates.

"Holder" means each Person in whose name the Senior Subordinated Notes are registered on the Registrar's books, which shall initially be the respective nominee of Euroclear or Clearstream, as applicable.

"IFRS" means the International Financial Reporting Standards (formerly, International Accounting Standards) as endorsed from time to time by the European Union; *provided* that at any date after the Issue Date the Issuer may make an irrevocable election to establish that "IFRS" shall mean IFRS as in effect on a date that is on or prior to the date of such election. The Issuer shall give notice of any such election to the Trustee. Notwithstanding the foregoing, the impact of IFRS 16 Leases and any successor standard thereto shall be disregarded with respect to all ratios, calculations and determinations based upon IFRS to be calculated or made, as the case may be, pursuant to the Senior Subordinated Indenture and (without limitation) any lease, concession or license of property that would be considered an operating lease under IFRS as of the Issue Date and any guarantee given by the Issuer or any Restricted Subsidiary in the ordinary course of business solely in connection with, and in respect of, the obligations of the Issuer or any Restricted Subsidiary under any such operating lease shall be accounted for in accordance with IFRS as in the effect on the Issue Date.

"Incur" means issue, create, assume, enter into any Notes Guarantee of, incur, extend or otherwise become liable for; *provided, however*, that any Indebtedness or Capital Stock of a Person existing at the time such Person becomes a Restricted Subsidiary (whether by merger, amalgamation, consolidation, acquisition or otherwise) will be deemed to be Incurred by such Restricted Subsidiary at the time it becomes a Restricted Subsidiary and the terms "Incurred" and "Incurrence" have meanings correlative to the foregoing and any Indebtedness pursuant to any revolving credit or similar facility shall only be "Incurred" at the time any funds are borrowed thereunder, subject to the definition of "Reserved Indebtedness Amount" and related provisions.

"Indebtedness" means, with respect to any specified Person, any indebtedness of such Person (excluding accrued expenses and trade payables), whether or not contingent:

(1) in respect of borrowed money;

(2) evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof);

(3) in respect of banker's acceptances;

(4) representing Capital Lease Obligations;

(5) representing the balance deferred and unpaid of the purchase price of any property or services due more than six months after such property is acquired or such services are completed; or

(6) representing any Hedging Obligations,

if and to the extent any of the preceding items (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet of the specified Person prepared in accordance with IFRS. In addition, the term "Indebtedness" includes all Indebtedness of others secured by a Lien on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person) and, to the extent not otherwise included, the Guarantee by the specified Person of any Indebtedness of any other Person.

Notwithstanding the foregoing, "Indebtedness" shall not include any:

(A) Contingent Obligations Incurred in the ordinary course of business;

(B) in connection with the purchase by the Issuer or any Restricted Subsidiary of any business, any post-closing payment adjustments to which the seller may become entitled to the extent such payment is determined by a final closing balance sheet or such payment depends on the performance of such business after the closing; *provided, however*, that, at the time of closing, the amount of any such payment is not determinable and, to the extent such payment thereafter becomes fixed and determined, the amount is paid within 90 days thereafter;

(C) any contingent obligations in respect of workers' compensation claims, early retirement or termination obligations, pension fund obligations or contributions or similar claims, obligations or contributions or social security or wage Taxes;

(D) Subordinated Shareholder Debt;

(E) anything accounted for as an operating lease under IFRS in effect as of the Issue Date;

(F) any deposits or prepayments received by the Issuer or a Restricted Subsidiary for services or products to be provided or delivered; or

(G) obligations under, or in respect of, a Qualified Securitization Financing.

No Indebtedness will be considered to be subordinate or junior in right of payment to any other Indebtedness by reason of any Liens or guarantees arising or created in respect of such other Indebtedness or by virtue of the fact that holders of any secured Indebtedness have entered into intercreditor agreements giving one or more holders priority over other holders in the collateral held by them.

"Initial Public Offering" means an Equity Offering of common stock or other common equity interests of the Issuer or any Parent or any successor of the Issuer or any such Parent (the "IPO Entity") following which there is a Public Market and, as a result of which, the shares of common stock or other common equity interests of the IPO Entity in such offering are listed on an internationally recognized exchange or traded on an internationally recognized market.

"Intercreditor Agreement" means that certain intercreditor agreement dated July 23, 2014 between the Issuer, Wilmington Trust, National Association, as trustee for the 2021 Senior Secured Notes, Wilmington Trust (London) Limited as security agent for the 2021 Senior Secured Notes, Natixis S.A. as senior agent and security agent for the lenders and the financial institutions listed therein as the lenders under the Revolving Credit Facility and as acceded to by the Trustee on or about the Issue Date, as amended, restated or otherwise modified or varied from time to time.

"Investments" means, with respect to any Person, all direct or indirect investments by such Person in other Persons (including Affiliates) in the forms of loans (including Guarantees or other obligations), advances or capital contributions (excluding commission, travel and similar advances to directors, officers and employees made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with IFRS. If the Issuer or any Subsidiary of the Issuer sells or otherwise disposes of any Equity Interests of any direct or indirect Subsidiary of the Issuer such that, after giving effect to any such sale or disposition, such Person is no longer a Subsidiary of the Issuer, the Issuer will be deemed to have made an Investment on the date of any such sale or disposition equal to the Fair Market Value of the Issuer's Investments in such Subsidiary that were not sold or disposed of. Except as otherwise provided in the Senior Subordinated Indenture, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value. The amount of any Investment outstanding at any time shall be the original cost of such Investment, reduced (at the Issuer's option) by any dividend, distribution, interest payment, return of capital, repayment or other amount or value received in respect of such Investment; *provided,* that to the extent that the amount of Restricted Payments outstanding at any time pursuant to paragraph (a) of the covenant described under "*—Certain Covenants—Restricted Payments*" is so reduced by any portion of any such amount or value that would otherwise be included in the calculation of Consolidated Net Income, such portion of such amount or value shall not be so included for purposes of calculating the amount of Restricted Payments that may be made pursuant to paragraph (a) of the covenant described under "*—Certain Covenants—Restricted Payments*."

"IPO Market Capitalization" means an amount equal to (a) the total number of issued and outstanding shares of common stock or common equity interests of the IPO Entity at the time of closing of the Initial Public Offering multiplied by (b) the price per share at which such shares of common stock or common equity interests are sold in such Initial Public Offering.

"Issue Date" means April 11, 2019.

"Lien" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction.

"Management Advances" means, loans or advances made to, or guarantees with respect to loans or advances made to, directors, officers, employees or consultants of the Issuer or any Restricted Subsidiary:

(1) in respect of travel, entertainment or moving related expenses Incurred in the ordinary course of business;

(2) in respect of moving related expenses Incurred in connection with any closing or consolidation of any facility or office; or

(3) (in the case of this clause (3)) in the ordinary course of business or consistent with past practice not to exceed €5.0 million in the aggregate at any one time outstanding.

"Market Capitalization" means an amount equal to (i) the total number of issued and outstanding shares of common stock or common equity interests of the IPO Entity on the date of the declaration of the relevant dividend or distribution or the making of the relevant loan or advance multiplied by (ii) the arithmetic mean of the closing prices per share of such common stock or common equity interests for the thirty (30) consecutive trading days immediately preceding the date of declaration of such dividend or distribution or the making of the relevant loan or advance.

"Moody's" means Moody's Investors Service, Inc. and any of its successors or assigns.

"Net Proceeds" means the aggregate cash proceeds received by the Issuer or any of its Restricted Subsidiaries in respect of any Asset Sale (including, without limitation, any cash received upon the sale or other disposition of any non-cash consideration received in any Asset Sale), net of the direct costs relating to such Asset Sale, including, without limitation, legal, accounting and investment banking fees, and sales commissions, and any relocation expenses Incurred as a result of the Asset Sale, taxes paid or payable as a result of the Asset Sale, in each case, after taking into account any available tax credits or deductions and any tax sharing arrangements and any reserve for adjustment in respect of the sale price of such asset or assets established in accordance with IFRS.

"New Senior Secured Notes" means the €300 million Senior Secured Notes due 2026 expected to be issued on or about the Issue Date.

"Non-Recourse Debt" means Indebtedness as to which neither the Issuer nor any of its Restricted Subsidiaries (a) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness), (b) is directly or indirectly liable as a guarantor or otherwise, or (c) constitutes the lender.

"Note Guarantee" means the Guarantee by each Guarantor of the Issuer's obligations under the Senior Subordinated Indenture and the Senior Subordinated Notes, executed pursuant to the provisions of the Senior Subordinated Indenture.

"Obligations" means any principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Indebtedness.

"Parent" means any Person of which the Issuer at any time is or becomes a Subsidiary after the Issue Date and any holding companies established by the Principals or any Related Party for purposes of holding its investment in any Parent.

"Pari Passu Indebtedness" means any Indebtedness of the Issuer or any Guarantor (other than Indebtedness that is a Guarantee of the Indebtedness of another Person and other than Indebtedness owed to the Issuer or a Restricted Subsidiary or an Affiliate of the Issuer) that ranks equally in right of payment with the Senior Subordinated Notes and that is not subordinated in right of payment to the Senior Subordinated Notes or any Note Guarantee. For the avoidance of doubt, Pari Passu Indebtedness includes the 2025 Senior Subordinated Notes.

"Permitted Asset Swap" means the substantially concurrent purchase and sale or exchange of Related Business Assets or a combination of Related Business Assets and cash or Cash Equivalents between the Issuer or any of its Restricted Subsidiaries and another Person; *provided* that any cash or Cash Equivalents received in excess of the value of any Cash Equivalents sold or exchanged must be applied in accordance with the covenant described under "*—Certain Covenants—Asset Sales*."

"Permitted Business" means any business in which the Issuer and its Subsidiaries were engaged on the date of the Senior Subordinated Indenture, and any business incidental, reasonably related, complementary or ancillary thereto, or which is a reasonable extension thereof.

"Permitted Investments" means:

(1) any Investment in the Issuer or in a Restricted Subsidiary of the Issuer;

(2) any Investment in cash, Cash Equivalents or Government Guaranteed Securities;

(3) any Investment by the Issuer or any Restricted Subsidiary of the Issuer in a Person, if as a result of such Investment:

  (i) such Person becomes a Restricted Subsidiary of the Issuer; or

  (ii) such Person, in one transaction or a series of related transactions, is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, the Issuer or a Restricted Subsidiary of the Issuer;

(4) any Investment made as a result of the receipt of non-cash consideration from an Asset Sale that was made pursuant to and in compliance with the covenant described above under the caption "*—Repurchase at the Option of Holders—Asset Sales*;"

(5) any acquisition of assets or Capital Stock solely in exchange for the issuance of Equity Interests (other than Disqualified Stock) of the Issuer;

(6) any Investments received: (i) in compromise or resolution of (A) obligations of trade creditors or customers that were Incurred in the ordinary course of business of the Issuer or any of its Restricted Subsidiaries, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer, (B) litigation, arbitration or other disputes with Persons who are not Affiliates or (C) foreclosure, perfection or enforcement of any Lien; or (ii) as a result of foreclosure by the Issuer or any of its Restricted Subsidiaries with respect to any secured Investment or other transfer or title with respect to any secured Investment in default;

(7) lease, utility and workers' compensation, performance and other similar deposits made in the ordinary course of business;

(8) Investments represented by Hedging Obligations;

(9) Management Advances;

(10) repurchases of the Senior Subordinated Notes, including any Additional Senior Subordinated Notes issued pursuant to the Senior Subordinated Indenture, the Existing Notes or the New Senior Secured Notes;

(11) Investments in receivables owing to the Issuer or any Restricted Subsidiary created or acquired in the ordinary course of business;

(12) (i) Investments acquired after the date of the Senior Subordinated Indenture as a result of the acquisition by the Issuer or any Restricted Subsidiary of another Person, including by way of a merger, amalgamation or consolidation with or into the Issuer or any of its Restricted Subsidiaries in a transaction that is not prohibited by the covenant described above under the caption "*—Merger, Consolidation or Sale of Assets*" to the extent that such Investments were not made in contemplation of such acquisition, merger, amalgamation or consolidation and were in existence on the date of such acquisition, merger, amalgamation or consolidation and (ii) Investments of a Restricted Subsidiary existing on the date such Person becomes a Restricted Subsidiary to the extent that such Investments were not made in contemplation of such Person becoming a Restricted Subsidiary;

(13) other Investments in any Person having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (13) that are at the time outstanding not to exceed the greater of (i) 4.0% of Consolidated Total Assets of the Issuer or (ii) €135.0 million; *provided* that if an Investment is made pursuant to this clause in a Person that is not a Restricted Subsidiary and such Person subsequently becomes a Restricted Subsidiary or is merged into or with the Issuer or a Restricted Subsidiary or is subsequently designated a Restricted Subsidiary pursuant to the covenant described above under the caption "*—Certain Covenants—Restricted Payments*," such Investment shall thereafter be deemed to have been made pursuant to clause (1) or (3) of the definition of "Permitted Investments" and not this clause;

(14) any Investment existing on, or made pursuant to written agreements existing on, the date of the Senior Subordinated Indenture and any Investment that replaces, refinances or refunds an existing Investment (or an Investment made pursuant to binding written commitments in existence on the date of the Senior Subordinated Indenture); *provided* that the amount of any such Investment may be increased (a) as required by the terms of such Investment as in existence on the date of the Senior Subordinated Indenture or (b) as otherwise permitted under the Senior Subordinated Indenture;

(15) Investments by the Issuer or a Restricted Subsidiary in an amount at any time outstanding not to exceed the greater of €200.0 million and 6.0% of Consolidated Total Assets of the Issuer in one or more joint ventures engaged in a Permitted Business; *provided* that if an Investment is made pursuant to this clause in a Person that is not a Restricted Subsidiary and such Person subsequently becomes a Restricted Subsidiary or is merged with or into a Restricted Subsidiary of the Issuer or is subsequently designated a Restricted Subsidiary pursuant to the covenant described above under the caption "*—Certain Covenants—Restricted Payments*," such Investment shall thereafter be deemed to have been made pursuant to clause (1) or (3) of the definition of "Permitted Investments" and not this clause and *provided* that, to the extent any such Investment is in Equity Interests of such joint venture, the amount of the Investment deemed outstanding for the purposes of this clause (15) shall be equal to the proportionate share held by the Issuer or such Restricted Subsidiary, as the case may be, in the Fair Market Value of the net assets of such joint venture at the time of the Investment;

(16) guarantees of Indebtedness permitted to be Incurred by the Issuer or its Restricted Subsidiaries by the covenant described under "—Certain Covenants— Incurrence of Indebtedness and Issuance of Preferred Stock" and keepwells and similar arrangements not prohibited by the covenant described under "—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock;" and

(17) Investments (a) arising in connection with a Qualified Securitization Financing or a Permitted Recourse Receivables Financing; and (b) constituting distributions or

payments of Securitization Fees and purchases of Securitization Assets in connection with a Qualified Securitization Financing or Permitted Recourse Receivables Financing;

provided, *however,* that with respect to any Investment, the Issuer may in its sole discretion, allocate all or any portion of any Investment to one or more of the above clauses (1) through (17) so that the entire Investment would be a Permitted Investment.

"Permitted Liens" means:

(1) Liens on assets of the Issuer or any of its Restricted Subsidiaries securing Priority Debt that is permitted to be Incurred under the Senior Subordinated Indenture;

(2) Liens in favor of the Issuer or any Restricted Subsidiary of the Issuer;

(3) Liens on property (including Capital Stock) of a Person existing at the time such Person becomes a Restricted Subsidiary of the Issuer or is merged with or into or consolidated with the Issuer or any Restricted Subsidiary of the Issuer; *provided* that such Liens were in existence prior to the contemplation of such Person becoming a Restricted Subsidiary of the Issuer or such merger or consolidation and do not extend to any assets other than those of the Person that becomes a Restricted Subsidiary or is merged into or consolidated with the Issuer or the Subsidiary (plus improvements, accessions, proceeds or dividends or distributions in respect thereof);

(4) Liens on property or assets (including Capital Stock) existing at the time of acquisition of the property or assets by the Issuer or any Subsidiary of the Issuer (plus improvements, accessions, proceeds or dividends or distributions in respect thereof); *provided* that such Liens were in existence prior to, such acquisition, and not Incurred in contemplation of, such acquisition;

(5) Liens or deposits to secure the performance of tenders, bids, statutory or regulatory obligations, surety, appeal, indemnity or performance bonds, letters of credit, banker's acceptances, warranty, contractual, netting or set-off requirements or other obligations of a like nature Incurred in the ordinary course of business (including Liens to secure letters of credit issued to assure payment of such obligations);

(6) Liens to secure Productive Asset Financings permitted by clause (4) of the second paragraph of the covenant entitled "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*" and Liens to secure Productive Asset Financings, to the extent limited to tangible fixed assets, otherwise permitted to be Incurred pursuant to the covenant entitled "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*", in each case, covering only the assets acquired with or financed or refinanced by, directly or indirectly, such Productive Asset Financings;

(7) Liens existing on the date of the Senior Subordinated Indenture or provided for under written arrangements existing on the date of the Senior Subordinated Indenture;

(8) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings or the non-payment of which in the aggregate would not reasonably be expected to have a material adverse effect on the Issuer and its Restricted Subsidiaries; *provided* that any reserve or other appropriate provision as is required in conformity with IFRS has been made therefor;

(9) Liens imposed by law, such as carriers', warehousemen's, landlord's, lessors', suppliers', banks', repairmen's and mechanics' Liens and Liens of landlords securing obligations to pay lease payments that are not yet due and payable or in default, in each case, Incurred in the ordinary course of business;

(10) Encumbrances, ground leases, survey exceptions, easements or reservations (including severances, leases or reservations of oil, gas, coal, minerals or water rights) of, or rights of others for, licenses, rights-of-way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning, building codes or other restrictions as to the use of real property or title defects that were not Incurred in connection with Indebtedness and that do not in the aggregate materially adversely affect the value of said properties (as such properties are used by the Issuer and its Subsidiaries) or materially impair their use in the operation of the business of the Issuer and its Subsidiaries;

(11) Liens created for the benefit of (or to secure) the Senior Subordinated Notes and any Note Guarantee;

(12) Liens securing Indebtedness under Hedging Obligations, which obligations are permitted by clause (8) of the second paragraph of the covenant described above under the caption "—*Certain Covenants— Incurrence of Indebtedness and Issuance of Preferred Stock*;"

(13) Liens to secure any Permitted Refinancing Indebtedness permitted to be Incurred under the Senior Subordinated Indenture; *provided, however*, that:

(i) the new Lien shall be limited to all or part of the same property and assets that secured or, under the written agreements pursuant to which the original Lien arose, could secure the original Lien (plus improvements and accessions to, such property or proceeds or distributions thereof); and

(ii) the Indebtedness secured by the new Lien is not increased to any amount greater than the sum of (x) the outstanding principal amount, or, if greater, committed amount, of the Permitted Refinancing Indebtedness and (y) an amount necessary to pay any fees and expenses, including premiums, related to such renewal, refunding, refinancing, replacement, defeasance or discharge;

(14) Liens on cash, Cash Equivalents or other property arising in connection with the defeasance, discharge or redemption of Indebtedness;

(15) Liens on specific items of inventory or other goods (and the proceeds thereof) of any Person securing such Person's obligations in respect of bankers' acceptances issued or created in the ordinary course of business for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods;

(16) leases, licenses, subleases and sublicenses of assets or property (including intellectual property) in the ordinary course of business;

(17) Liens arising out of conditional sale, title retention, extended title retention, consignment or similar arrangements for the sale of assets entered into in the ordinary course of business;

(18) (a) mortgages, liens, security interests, restrictions, encumbrances or any other matters of record that have been placed by any developer, landlord or other third party on property over which the Issuer or any Restricted Subsidiary has easement rights or on any real property leased by the Issuer or any Restricted Subsidiary and subordination or similar agreements relating thereto and (b) any condemnation or eminent domain proceedings or compulsory purchase order affecting real property;

(19) Liens on property or assets under construction (and related rights) in favor of a contractor or developer or arising from progress or partial payments by a third party relating to such property or assets;

(20) Liens securing or arising by reason of any netting or set-off arrangement entered into in the ordinary course of banking or other trading activities;

(21) Liens Incurred in the ordinary course of business (other than for borrowing purposes) of the Issuer or any Restricted Subsidiary of the Issuer with respect to obligations that do not exceed the greater of €85.0 million and 2.5% of Consolidated Total Assets of the Issuer at any one time outstanding;

(22) Liens on (i) escrowed proceeds and related escrow accounts for the benefit of related holders of debt securities (including holders of a specific series of Senior Subordinated Notes and not any other series) or other Indebtedness (or the underwriters, arrangers or trustees (including the Trustee) thereof), (ii) on cash set aside at the time of the Incurrence of any Indebtedness or government securities purchased with such cash, in either case to the extent such cash or government securities prefund the payment of interest on such Indebtedness and are held in an escrow account or similar arrangement to be applied for such purpose, or (iii) on any guarantee or backstop commitment relating to any escrow shortfall;

(23) Liens securing Indebtedness or other obligations of the Issuer or any Restricted Subsidiary that were permitted to be Incurred pursuant to clauses (1), (14)(y) or (17) of the second paragraph of the covenant described under "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*;"

(24) Liens arising in connection with a Qualified Securitization Financing or a Permitted Recourse Receivables Financing; and

(25) any amendment, modification, extension, renewal, refinancing or replacement, in whole or in part, of any Lien described in the foregoing clauses (1) through (25).

In the event that a Permitted Lien meets the criteria of more than one of the types of Permitted Liens (at the time of Incurrence or at a later date), the Issuer in its sole discretion may divide, classify or from time to time reclassify all or any portion of such Permitted Lien in any manner that complies with the Senior Subordinated Indenture and such Permitted Lien shall be treated as having been made pursuant only to the clause or clauses of the definition of "Permitted Liens" to which such Permitted Lien has been classified or reclassified.

"Permitted Recourse Receivables Financing" means any financing other than a Qualified Securitization Financing pursuant to which the Issuer or any of its Restricted Subsidiaries may sell, convey or otherwise transfer to any other Person, or grant a security interest in, any Securitization Assets (and related assets) of the Issuer or any of its Restricted Subsidiaries in an aggregate principal amount equal to the Fair Market Value of such Securitization Assets (and related assets); *provided* that (a) the covenants, events of default and other provisions applicable to such financing shall be on market terms (as determined in good faith by the Issuer's Board of Directors or senior management) at the time such financing is entered into and (b) the interest rate applicable to such financing shall be a market interest rate (as determined in good faith by the Issuer's Board of Directors or senior management) at the time such financing is entered into.

"Permitted Refinancing Indebtedness" means any Indebtedness of the Issuer or any of its Restricted Subsidiaries issued in exchange for, or the net proceeds of which are used to extend, renew, refund, refinance, replace, defease or discharge other Indebtedness of the Issuer or any of its Restricted Subsidiaries (other than intercompany Indebtedness) (including any other Permitted Refinancing Indebtedness); *provided* that:

(1) the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness extended, renewed, refunded, refinanced, replaced, defeased or discharged (which, for the avoidance of doubt, may include Indebtedness under one or more separate agreements or instruments that will be refinanced with a single agreement or instrument, as well as Indebtedness under a single agreement or instrument that will be refinanced with multiple separate agreements or instruments), *plus* an amount equal to any unutilized commitment that has been designated a Reserved Indebtedness Amount relating to the Indebtedness being refinanced or otherwise then outstanding under a Credit Facility or other financing arrangement being refinanced immediately prior to such refinancing, *plus* any accrued interest and any premium required to be paid on the

Indebtedness and the amount of all fees and expenses, including premiums, Incurred in connection therewith;

(2) such Permitted Refinancing Indebtedness (a) has a final maturity date (i) later than the final maturity date of the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged or (ii) after the final maturity date of the Senior Subordinated Notes and (b) has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of, the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged or, alternatively, a final maturity date that is later than the final Stated Maturity of the Senior Subordinated Notes;

(3) if the Indebtedness being extended, renewed, refunded, refinanced, replaced, defeased or discharged is subordinated in right of payment to the Senior Subordinated Notes, such Permitted Refinancing Indebtedness is subordinated in right of payment to the Senior Subordinated Notes on terms at least as favorable to the Holders of Senior Subordinated Notes as those contained in the documentation governing the Indebtedness being extended, renewed, refunded, refinanced, replaced, defeased or discharged; and

(4) such Indebtedness is Incurred by the Issuer or a Guarantor if the Issuer or a Guarantor is the obligor on the Indebtedness being extended, renewed, refunded, refinanced, replaced, defeased or discharged.

Permitted Refinancing Indebtedness in respect of any Credit Facility may be Incurred from time to time at or after the termination, discharge or repayment of any such Credit Facility or other Indebtedness.

"Person" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company or government or other entity.

"Principals" means Mr. Gérard Déprez and his estate, spouse, siblings, ancestors, heirs and lineal descendants, and spouses of any such Persons, the legal representatives of any of the foregoing, and the trustee of any bona fide trust of which one or more of the foregoing are the principal beneficiaries or the grantors or any other Person that is controlled by any of the foregoing.

"Priority Debt" means all secured Indebtedness or Senior Indebtedness of the Issuer or a Guarantor (including, without limitation, the Revolving Credit Facility, the 2022 Senior Secured Notes, the 2023 Senior Secured Notes, the 2024 Senior Secured Notes and the New Senior Secured Notes) and any Indebtedness of any Restricted Subsidiary that is not a Guarantor permitted to be Incurred under the terms of the Senior Secured Indenture (excluding Permitted Debt Incurred under clauses (6), (7), (8), (9), (11), (12) and (13) thereof).

Notwithstanding anything to the contrary in the preceding, Priority Debt will not include:

(1) any liability for federal, state, local or other taxes owed or owing by the Issuer or any of its Restricted Subsidiaries;

(2) any trade payables;

(3) Indebtedness which is classified as non-recourse in accordance with IFRS or any unsecured claim arising in respect thereof by reason of the application of any relevant bankruptcy or insolvency law, rule or regulation; or

(4) any Pari Passu Indebtedness.

"Public Market" means any time after:

(1) an Equity Offering has been consummated; and

(2) at least 20% of the total issued and outstanding shares of common equity interests of the IPO Entity has been distributed to investors (other than the Principals and their Related Parties).

"Qualified Securitization Financing" means any financing pursuant to which the Issuer or any of its Restricted Subsidiaries may sell, convey or otherwise transfer to any other Person, or grant a security interest in, any Securitization Assets (and related assets) of the Issuer or any of its Restricted Subsidiaries in an aggregate principal amount equal to the Fair Market Value of such Securitization Assets (and related assets); *provided* that (a) the covenants, events of default and other provisions applicable to such financing shall be on market terms (as determined in good faith by the Issuer's Board of Directors or senior management) at the time such financing is entered into, (b) the interest rate applicable to such financing shall be a market interest rate (as determined in good faith by the Issuer's Board of Directors or senior management) at the time such financing is entered into and (c) such financing shall be non-recourse to the Issuer or any of its Restricted Subsidiaries except to a limited extent customary for such transactions.

"Related Business Assets" means assets (other than cash or Cash Equivalents) used or useful in a Permitted Business; *provided* that any assets received by the Issuer or a Restricted Subsidiary in exchange for assets transferred by the Issuer or a Restricted Subsidiary will not be deemed to be Related Business Assets if they consist of securities of a Person, unless upon receipt of the securities of such Person, such Person would become a Restricted Subsidiary.

"Related Party" means:

(1) any controlling stockholder, Subsidiary, or immediate family member (in the case of an individual) of any Principal; or

(2) any trust, corporation, partnership, limited liability company or other entity, the beneficiaries, stockholders, partners, members, owners or Persons beneficially holding a controlling interest of which consist of any one or more Principals and/or such other Persons referred to in the immediately preceding clause (1).

"Reserved Indebtedness Amount" has the meaning set forth in the covenant described under "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*."

"Restricted Investment" means an Investment other than a Permitted Investment.

"Restricted Subsidiary" of a Person means any Subsidiary of the referent Person that is not an Unrestricted Subsidiary.

"Revolving Credit Facility" means the senior secured revolving credit facility made available under the Revolving Credit Facility Agreement.

"Revolving Credit Facility Agreement" means the senior secured revolving credit facility agreement entered into on February 28, 2017, as amended, restated or otherwise modified or varied from time to time, entered into by among others, the Issuer, Deutsche Bank AG, London Branch, Crédit Agricole Corporate and Investment Bank, Natixis and Société Générale.

"S&P" means Standard & Poor's Ratings Group and any of its successors or assigns.

"Securitization Asset" means (1) any accounts receivable, mortgage receivables, loan receivables, royalty, franchise fee, license fee, patent, rent or other revenue streams and other rights to payment or related assets and the proceeds thereof and (2) all collateral securing such receivable or asset, all contracts and contract rights, guarantees or other obligations in respect of such receivable or asset, lockbox accounts and records with respect to such account or asset and any other assets customarily transferred (or in respect of which security interests are customarily granted) together with accounts or assets in connection with a securitization, factoring or receivable sale transaction.

"Securitization Fees" means distributions or payments made directly or by means of discounts with respect to any Securitization Asset or participation interest therein issued or sold in connection with, and other fees and expenses (including reasonable fees and expenses of legal counsel) paid in connection with, any Qualified Securitization Financing or Permitted Recourse Receivables Financing.

"Securitization Repurchase Obligation" means any obligation of a seller of or grantor of security interests in Securitization Assets to repurchase or otherwise make payments with respect to Securitization Assets arising as a result of a breach of a representation, warranty or covenant or otherwise, including as a result

of a receivable or portion thereof becoming subject to any asserted defense, dispute, offset or counterclaim of any kind as a result of any action taken by, any failure to take action by or any other event relating to the seller.

"Senior Indebtedness" means, whether outstanding on the Issue Date or thereafter Incurred, all amounts payable by, under or in respect of all Indebtedness of the Issuer or any Guarantor to which the Senior Subordinated Notes or any Note Guarantee are expressly subordinated in right of payment by virtue of the subordination provisions included in the Senior Subordinated Indenture and by virtue of such Indebtedness being designated as Senior Indebtedness pursuant to its own governing instrument, other than (a) any Indebtedness Incurred in violation of the Senior Subordinated Indenture; (b) any obligation of the Issuer or any Guarantor to the Issuer or any of its Restricted Subsidiaries or Affiliates; (c) any liability for taxes owed or owing by the Issuer or any of its Restricted Subsidiaries; (d) any accounts payable or other liability to trade creditors arising in the ordinary course of business (including Guarantees thereof or instruments evidencing such liabilities); (e) any Subordinated Obligations; or (f) any Capital Stock.

"Significant Subsidiary" means any Subsidiary that together with its Subsidiaries which are Restricted Subsidiaries (i) for the most recent fiscal year, accounted for more than 10% of the consolidated revenues of the Issuer or (ii) as of the end of the most recent fiscal year, was the owner of more than 10% of the consolidated assets of the Issuer.

"Stated Maturity" means, with respect to any installment of interest or principal on any series of Indebtedness, the date on which the payment of interest or principal was scheduled to be paid in the documentation governing such Indebtedness as of the date of the Senior Subordinated Indenture, and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

"Subordinated Obligations" means any Indebtedness (whether outstanding on the date of the Senior Subordinated Indenture or thereafter Incurred) that is subordinated or junior in right of payment to the Senior Subordinated Notes).

"Subordinated Shareholder Debt" means, collectively, any funds provided to the Issuer by an Affiliate of the Parent or the Parent in exchange for or pursuant to any security, instrument or agreement other than Capital Stock, together with any such security, instrument or agreement and any other security or instrument other than Capital Stock issued in payment of any obligation under any Subordinated Shareholder Debt; *provided, however,* that such Subordinated Shareholder Debt:

(1) does not (including upon the happening of any event) mature or require any amortization, redemption or other repayment of principal or any sinking fund payment prior to the first anniversary of the Stated Maturity of the Senior Subordinated Notes (other than through conversion or exchange of such funding into Capital Stock (other than Disqualified Stock) of the Issuer or any funding meeting the requirements of this definition);

(2) does not (including upon the happening of any event) require, prior to the first anniversary of the Stated Maturity of the Senior Subordinated Notes, payment of cash interest, cash withholding amounts or other cash gross-ups, or any similar cash amounts;

(3) contains no change of control or similar provisions and does not (including upon the happening of any event) accelerate and has no right (including upon the happening of any event) to declare a default or event of default or take any enforcement action or otherwise require any cash payment, in each case, prior to the first anniversary of the Stated Maturity of the Senior Subordinated Notes;

(4) does not provide for or require any security interest or encumbrance over any asset of the Issuer or any of its Restricted Subsidiaries and is not guaranteed by any Restricted Subsidiary of the Issuer;

(5) pursuant to its terms, is subordinated in right of payment to the prior payment in full in cash of the Senior Subordinated Notes and the Note Guarantees in the event of any default, bankruptcy, reorganization, liquidation, winding up or other disposition of assets of the Issuer;

(6) does not (including upon the happening of any event) restrict the payment of amounts due in respect of the Senior Subordinated Notes or the Note Guarantees or compliance by the Issuer with its obligations under the Senior Subordinated Indenture;

(7) does not (including upon the happening of an event) constitute Voting Stock; and

(8) is not (including upon the happening of any event) mandatorily convertible or exchangeable, or convertible or exchangeable at the option of the holder thereof; in whole or in part, prior to the date on which the Senior Subordinated Notes mature, other than into or for Capital Stock (other than Disqualified Stock) of the Issuer.

"Subsidiary" means, with respect to any specified Person:

(1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency and after giving effect to any voting agreement or stockholders' agreement that effectively transfers voting power) to vote in the election of directors, managers or trustees of the corporation, association or other business entity is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(2) any partnership (a) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (b) the only general partners of which are that Person or one or more Subsidiaries of that Person (or any combination thereof).

"Unrestricted Subsidiary" means any Subsidiary of the Issuer that is designated by the Board of Directors of the Issuer as an Unrestricted Subsidiary pursuant to a resolution of the Board of Directors, but only to the extent that such Subsidiary:

(1) has no Indebtedness other than Non-Recourse Debt;

(2) except as permitted by the covenant described above under the caption "*—Certain Covenants—Transactions with Affiliates*," is not party to any agreement, contract, arrangement or understanding with the Issuer or any Restricted Subsidiary of the Issuer unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to the Issuer or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Issuer;

(3) is a Person with respect to which neither the Issuer nor any of its Restricted Subsidiaries has any direct or indirect obligation (a) to subscribe for additional Equity Interests or (b) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results; and

(4) has not guaranteed or otherwise directly or indirectly provided credit support for any Indebtedness of the Issuer or any of its Restricted Subsidiaries.

except (i) that the Issuer or any Restricted Subsidiaries may pledge Equity Interests or Indebtedness of an Unrestricted Subsidiary on a non-recourse basis as long as the pledge has no claim whatsoever against the Issuer, Guarantor or any Restricted Subsidiary other than to obtain such pledged property and (ii) to the extent that Indebtedness of the Issuer or any Restricted Subsidiary was permitted to be Incurred under "*—Certain Covenants—Incurrence of Indebtedness and Issuance of Preferred Stock*."

"U.S. Exchange Act" means the U.S. Securities Exchange Act of 1934, as amended.

"U.S. Securities Act" means the U.S. Securities Act of 1933, as amended.

"Voting Stock" of any specified Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

"Weighted Average Life to Maturity" means, when applied to any Indebtedness at any date, the number of years obtained by dividing:

(1) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect of the Indebtedness, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by

(2) the then outstanding principal amount of such Indebtedness.

BOOK-ENTRY, DELIVERY AND FORM

General

Notes sold within the United States to qualified institutional buyers in reliance on Rule 144A under the Securities Act will be represented by a global note in registered form without interest coupons attached (the "Rule 144A Global Notes"). Notes sold outside the United States in reliance on Regulation S under the Securities Act will be represented by a global note in registered form without interest coupons attached (the "Regulation S Global Notes" and, together with the Rule 144A Global Notes, the "Global Notes"). On the date the notes are delivered in book-entry form, as set forth on the cover page of this listing prospectus, the Global Notes will be deposited with a common depositary and registered in the name of the common depositary or its nominee for the accounts of Euroclear and Clearstream.

Ownership of interests in the Rule 144A Global Notes (the "Rule 144A Book-Entry Interests") and ownership of interests in the Regulation S Global Notes (the "Regulation S Book-Entry Interests" and, together with the Rule 144A Book-Entry Interests, the "Book-Entry Interests") will be limited to persons that have accounts with Euroclear and/or Clearstream or persons that may hold interests through such participants. Book-Entry Interests will be shown on, and transfers thereof will be effected only through, records maintained in book-entry form by Euroclear and Clearstream and their participants.

Except as set forth below under "*—Issuance of Definitive Registered Notes*," the Book-Entry Interests will not be held in definitive form. Instead, Euroclear and/or Clearstream will credit on their respective book-entry registration and transfer systems a participant's account with the interest beneficially owned by such participant. The laws of some jurisdictions, including certain states of the United States, may require that certain purchasers of securities take physical delivery of such securities in definitive form. The foregoing limitations may impair the ability to own, transfer or pledge Book-Entry Interests.

So long as the Notes are held in global form, the common depositary for Euroclear and /or Clearstream (or its nominee) will be considered the sole holder of Global Notes for all purposes under the indentures and "holders" of Book-Entry Interests will not be considered the owners or "holders" of Notes for any purpose. As such, participants must rely on the procedures of Euroclear and Clearstream and indirect participants must rely on the procedures of the participants through which they own Book-Entry Interests in order to transfer their interests in the Notes or to exercise any rights of holders under the indentures.

None of the Issuer, the Trustee, Paying Agent, Transfer Agent or Registrar or any of their respective agents will have any responsibility or be liable for any aspect of the records relating to the Book-Entry Interests.

Issuance of Definitive Registered Notes

Under the terms of the Indentures, to the extent permitted by Euroclear and/or Clearstream, owners of Book-Entry Interests will receive definitive notes in registered form without coupons ("Definitive Registered Notes"):

- if the common depositary for Euroclear and/or Clearstream notifies the Issuer that it is unwilling or unable to continue as the common depositary for the Global Notes and a successor depositary is not appointed by the Issuer in 120 days;
- if an Event of Default has occurred and is continuing with respect to the Notes and enforcement action in respect thereof is being taken under the Indentures; or
- if the issuance of such Definitive Registered Notes is necessary in order for a holder or beneficial owner to present its Note or Notes to a paying agent in order to avoid any tax that is imposed on or with respect to a payment made to such holder or beneficial owner.

In such an event, the Issuer will issue Definitive Registered Notes, registered in the name or names and issued in any approved denominations, requested by or on behalf of Euroclear and/or Clearstream, as applicable (in accordance with their respective customary procedures and based upon directions received from participants reflecting the beneficial ownership of Book-Entry Interests), and such Definitive Registered Notes will bear the restrictive legend referred to in "Transfer Restrictions," unless that legend is not required by the Indentures or applicable law.

In the case of the issuance of Definitive Registered Notes, payment of principal of, and premium, if any, and interest on the Notes shall be payable at the place of payment designated by the Issuer pursuant to the Indentures; provided that, at the Issuer's option, payment of interest on a Note may be made by check mailed to the person entitled thereto at such address as shall appear on the note register.

If Definitive Registered Notes are issued and a holder thereof claims that such Definitive Registered Note has been lost, destroyed or wrongfully taken, or if such Definitive Registered Note is mutilated and is surrendered to the Registrar or at the office of a transfer agent, the Issuer will issue and the Trustee or an authenticating agent will authenticate a replacement Definitive Registered Note if the Trustee's and the Issuer's requirements are met. The Issuer or the Trustee may require a holder requesting replacement of a Definitive Registered Note to furnish an indemnity bond sufficient in the judgment of both to protect ourselves, the Trustee, the Registrar the Paying Agent or the Transfer Agent appointed pursuant to the Indentures from any loss which any of them may suffer if a Definitive Registered Note is replaced. The Issuer may charge for any expenses incurred by it in replacing a Definitive Registered Note.

In case any such mutilated, destroyed, lost or stolen Definitive Registered Note has become or is about to become due and payable, or is about to be redeemed or purchased by the Issuer pursuant to the provisions of the Indentures, the Issuer, in its discretion, may, instead of issuing a new Definitive Registered Note, pay, redeem or purchase such Definitive Registered Note, as the case may be.

So long as the Notes are listed on the Luxembourg Stock Exchange and the rules of such exchange so require, we will publish a notice of any issuance of Definitive Registered Notes in a daily leading newspaper having general circulation in Luxembourg (which we expect to be the *Luxemburger Wort*) or on the website of the Luxembourg Stock Exchange.

To the extent permitted by law, the Issuer, the Trustee, the Paying Agent, the Transfer Agent and the Registrar shall be entitled to treat the registered holder as the absolute owner thereof.

Redemption of Global Notes

In the event any Global Note, or any portion thereof, is redeemed, the common depositary will distribute the amount received by it in respect of the Global Note so redeemed to Euroclear and/or Clearstream, as applicable, who will distribute such amount to the holders of the Book-Entry Interests in such Global Note. The redemption price payable in connection with the redemption of such Book-Entry Interests will be equal to the amount received by the common depositary, Euroclear or Clearstream, as applicable, in connection with the redemption of such Global Note (or any portion thereof). We understand that under existing practices of Euroclear and Clearstream, if fewer than all of the Notes are to be redeemed at any time, Euroclear and Clearstream will credit their respective participants' accounts on a proportionate basis (with adjustments to prevent fractions) or on such other basis as they deem fair and appropriate.

Payments on Global Notes

Payments of any amounts owing in respect of the Global Notes (including principal, premium, interest and additional amounts) will be made by the Issuer in euro to the Paying Agent. The Paying Agent will, in turn, make such payments to the common depositary for Euroclear and Clearstream, which will distribute such payments to participants in accordance with their procedures. We will make payments of all such amounts without deduction or withholding for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature, except as may be required by law and as described under "*Description of the Senior Secured Notes—Additional Amounts*" and "*Description of the Senior Subordinated Notes—Additional Amounts*."

Under the terms of the Indentures, the Issuer and the Trustee will treat the registered holder of the Global Notes (i.e., the common depositary or its nominee) as the owner thereof for the purpose of receiving payments and for all other purposes. Consequently, none of the Issuer, the Trustee, the Paying Agent, the Transfer Agent, the Registrar or any of their respective agents has or will have any responsibility or liability for:

- any aspect of the records of Euroclear, Clearstream or any participant or indirect participant relating to payments made on account of a Book-Entry Interest, for any such payments made by Euroclear, Clearstream or any participant or indirect participants, or for maintaining, supervising or reviewing any of the records of Euroclear, Clearstream or any participant or indirect participant relating to payments made on account of a Book-Entry Interest;

- Euroclear, Clearstream or any participant or indirect participant; or
- the records of the common depositary.
- Payments by participants to owners of Book-Entry Interests held through participants are the responsibility of such participants, as is now the case with securities held for the accounts of customers registered in "street name."

Action by Owners of Book-Entry Interests

Euroclear and Clearstream have advised the Issuer that they will take any action permitted to be taken by a holder of Notes only at the direction of one or more participants to whose account the Book-Entry Interests in the Global Notes are credited and only in respect of such portion of the aggregate principal amount of Notes as to which such participant or participants has or have given such direction. Euroclear and Clearstream will not exercise any discretion in the granting of consents, waivers or the taking of any other action in respect of the Global Notes. If there is an Event of Default under the Notes, however, each of Euroclear and Clearstream reserves the right to exchange the Global Notes for Definitive Registered Notes in certificated form, and to distribute such Definitive Registered Notes to their participants.

Transfers

Transfers between participants in Euroclear and Clearstream will be effected in accordance with Euroclear and Clearstream's rules and will be settled in immediately available funds.

The Global Notes will bear a legend to the effect set forth under "*Transfer Restrictions*." Book-Entry Interests in the Global Notes will be subject to the restrictions on transfer discussed under "*Transfer Restrictions*."

Book-Entry Interests in the Rule 144A Global Note may be transferred to a person who takes delivery in the form of Book-Entry Interests in the Regulation S Global Note only upon delivery by the transferor of a written certification (in the forms provided in the Indentures) to the effect that such transfer is being made in accordance with Regulation S under the Securities Act. See "*Notice to Investors*."

Subject to the foregoing, Book-Entry Interests in the Regulation S Global Note may be transferred to a person who takes delivery in the form of Book-Entry Interests in the Rule 144A Global Note only upon delivery by the transferor of a written certification (in the forms provided in the Indentures) to the effect that such transfer is being made to a person who the transferor reasonably believes is a "qualified institutional buyer" within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A or otherwise in accordance with the transfer restrictions described under "*Notice to Investors*," and in accordance with any applicable securities laws of any state of the United States or any other relevant jurisdiction.

Subject to the foregoing, and as set forth in "*Transfer Restrictions*," Book-Entry Interests may be transferred and exchanged as described under "*Description of the Senior Secured Notes—Transfer and Exchange*" and "*Description of the Senior Subordinated Notes—Transfer and Exchange*." Any Book-Entry Interest in a Global Note that is transferred to a person who takes delivery in the form of a Book-Entry Interest in another Global Note will, upon transfer, cease to be a Book-Entry Interest in the first mentioned Global Note and become a Book-Entry Interest in the other Global Note and, accordingly, will thereafter be subject to all transfer restrictions, if any, and other procedures applicable to Book-Entry Interests in such other Global Note for as long as it retains such a Book-Entry Interest.

In the case of the issuance of Definitive Registered Notes, the holder of a Definitive Registered Note may transfer such Note by surrendering it to the Registrar. In the event of a partial transfer or a partial redemption of a holding of Definitive Registered Notes represented by one Definitive Registered Note, a Definitive Registered Note will be issued to the transferee in respect of the part transferred and a new Definitive Registered Note in respect of the balance of the holding not transferred or redeemed will be issued to the transferor or the holder, as applicable; provided that no Definitive Registered Note in a denomination less than €100,000 will be issued. The Issuer will bear the cost of preparing, printing, packaging and delivering the Definitive Registered Notes.

Global Clearance and Settlement under the Book-Entry System

The Notes represented by the Global Notes are expected to be listed on the Official List of the Luxembourg Stock Exchange and admitted for trading on the Euro MTF market of the Luxembourg Stock Exchange. Transfers of interests in the Global Notes between participants in Euroclear or Clearstream will be effected in the ordinary way in accordance with their respective system's rules and operating procedures.

Although Euroclear and Clearstream currently follow the foregoing procedures in order to facilitate transfers of interests in the Global Notes among participants in Euroclear or Clearstream, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or modified at any time. None of the Issuer, the initial purchasers, the Trustee, the Registrar, the Transfer Agent or the Paying Agent will have any responsibility for the performance by Euroclear, Clearstream or their participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Initial settlement

Initial settlement for the Notes will be made in euros. Book-Entry Interests owned through Euroclear or Clearstream accounts will follow the settlement procedures applicable to conventional eurobonds in registered form. Book-Entry Interests will be credited to the securities custody accounts of Euroclear and Clearstream holders on the business day following the settlement date against payment for value on the settlement date.

Secondary market trading

The Book-Entry Interests will trade through participants of Euroclear or Clearstream, and will settle in same-day funds. Since the purchaser determines the place of delivery, it is important to establish at the time of trading of any Book-Entry Interests where both the purchaser's and seller's accounts are located to ensure that settlement can be made on the desired value date.

Information Concerning Euroclear and Clearstream

All Book-Entry Interests will be subject to the operations and procedures of Euroclear and Clearstream, as applicable. We have provided the following summaries of those operations and procedures solely for the convenience of investors. The operations and procedures of the settlement system are controlled by the settlement system and may be changed at any time.

We understand as follows with respect to Euroclear and Clearstream: Euroclear and Clearstream hold securities for participating organizations. They facilitate the clearance and settlement of securities transactions between their participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream provide various services to their participants, including the safekeeping, administration, clearance, settlement, lending and borrowing of internationally traded securities. Euroclear and Clearstream interface with domestic securities markets. Euroclear and Clearstream participants are financial institutions such as underwriters, securities brokers and dealers, banks, trust companies and certain other organizations. Indirect access to Euroclear and Clearstream is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Euroclear and Clearstream participant, either directly or indirectly.

Although the foregoing sets out the procedures of Euroclear and Clearstream in order to facilitate the original issue and subsequent transfers of interests in the Notes among participants of Euroclear and Clearstream, neither Euroclear nor Clearstream is under any obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time.

None of the Issuer, the Trustee, the Paying Agent, the Transfer Agent, the Registrar, the initial purchasers or any of their respective agents will have responsibility for the performance of Euroclear or Clearstream or their respective participants of their respective obligations under the rules and procedures governing their operations, including, without limitation, rules and procedures relating to Book-Entry Interests.

Because Euroclear and Clearstream can only act on behalf of participants, who in turn act on behalf of indirect participants and certain banks, the ability of an owner of a beneficial interest to pledge such interest to persons or entities that do not participate in the Euroclear and/or Clearstream system, or otherwise take actions in respect of such interest, may be limited by the lack of a definitive certificate for that interest. The laws of some jurisdictions require that certain persons take physical delivery of securities in definitive form.

Consequently, the ability to transfer beneficial interests to such persons may be limited. In addition, owners of beneficial interests through the Euroclear or Clearstream systems will receive distributions attributable to the Rule 144A Global Notes only through Euroclear or Clearstream participants.

TAXATION

France

The following is a summary of certain French tax considerations relating to the purchase, ownership and disposal of the Notes by an investor who (i) is not a French resident for tax purposes, (ii) does not hold the Notes in connection with a business or profession conducted in France, or a permanent establishment or fixed base situated in France, and (iii) does not concurrently hold shares of the Issuer and is not a related party of the Issuer within the meaning of Article 39, 12 of the French Tax Code.

This summary is based on the tax laws and regulations of France, as currently in effect and applied by the French tax authorities, and all of which are subject to change, possibly with retroactive effect, or to different interpretation.

This summary is for general information only and does not purport to be a comprehensive description of all of the French tax considerations that may be relevant to specific holders in light of their particular circumstances. Furthermore, this summary does not address any French estate or gift tax considerations.

PROSPECTIVE INVESTORS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS AS TO FRENCH TAX CONSIDERATIONS RELATING TO THE PURCHASE, OWNERSHIP AND DISPOSAL OF THE NOTES IN LIGHT OF THEIR PARTICULAR CIRCUMSTANCES.

In addition, Article 1649 AC of the French Tax Code imposes on financial institutions within the meaning of Article 1 of Decree n°2016-1683 to review and collect information on their clients and investors, in order to identify their tax residence, as well as to provide certain account information to relevant foreign tax authorities (via the French tax authorities) on an annual basis.

Payments of interest and other revenues with respect to the Notes

Payments of interest and assimilated revenues made by the Issuer with respect to the Notes will not be subject to the withholding tax set forth under Article 125 A-III of the French Tax Code unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French Tax Code (a "Non-Cooperative State"). If such payments are made in a Non-Cooperative State, a 75% mandatory withholding tax will be due by virtue of Article 125 A-III of the French Tax Code (subject to certain exceptions certain of which are set forth below and to the more favorable provisions of any applicable double tax treaty). The 75% withholding tax is applicable irrespective of the tax residence of the Noteholders. The list of Non-Cooperative States is, in principle, updated each year. A new French law that aims at fighting tax fraud was published on October 24, 2018 (Law 2018-898 of October 23, 2018). This law expands, under certain conditions, the French tax regime regarding the Non-Cooperative States as defined under Article 238-0-A of the French Tax Code to states and jurisdictions included into the Black List, published and updated at the level of the EU by the Council of the European Union and thus expands the withholding tax regime to certain states and jurisdictions included in the Black List.

Furthermore, according to Article 238 A of the French Tax Code, interest and other assimilated revenues on the Notes may not be deductible from the Issuer's taxable income if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid on an account opened in a financial institution located in such a Non-Cooperative State (it being noted that the enlarged list of Non-Cooperative State that comprises states and jurisdictions included in the Black List published by the Council of the European Union is also relevant for this piece of legislation). Under certain conditions, any such non-deductible interest and other assimilated revenues may be recharacterized as deemed dividends pursuant to Article 109 *et seq*. of the French Tax Code, in which case such non-deductible interest and other assimilated revenues may be subject to the withholding tax set out under Article 119 *bis* 2 of the French Tax Code at a rate of (i) 75% if they are paid on an account opened in a financial institution located in a Non-Cooperative State (subject to the more favorable provisions of any applicable double tax treaty), (ii) 30% if they are paid to a legal person (it being noted that such withholding tax rate may be progressively reduced in line with the reduction of the rate of French corporate income tax) or (iii) 12.8% in cases where the holder is an individual, in each case, subject to the more favorable provisions of any applicable tax treaty.

Notwithstanding the foregoing, neither the 75% withholding tax set out under Article 125 A-III of the French Tax Code, nor, to the extent the relevant interest and other assimilated revenues relate to genuine transactions and is not in an abnormal or exaggerated amount, the non-deductibility set out under Article 238 A

of the French Tax Code nor the related withholding tax set out under Article 119 *bis* 2 of the French Tax Code that may be levied as a result of such non-deductibility, will apply in respect of a particular issue of notes if the issuer can prove that the main purpose and effect of such issue of notes is not to enable payments of interest or other assimilated revenues to be made in a Non-Cooperative State (the "Exception").

In addition, pursuant to the *Bulletin Officiel des Finances Publiques-Impôts* (French administrative guidelines) referenced as BOI-INT-DG-20-50-20140211 no. 550 and 990, BOI-RPPM-RCM-30-10-20-40-20140211 no. 70 and no. 80 and BOI-IR-DOMIC-10-20-20-60-20150320 no.10, an issue of notes benefits from the Exception without the issuer having to provide any proof of the main purpose and effect of such issue of notes, and accordingly will be able to automatically benefit from the Exception (the "Safe Harbour") if such notes are:

(i) offered by means of a public offer within the meaning of Article L.411-1 of the French Monetary and Financial Code or pursuant to an equivalent offer in a State which is not a Non-Cooperative State. For this purpose, an "equivalent offer" means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; or

(ii) admitted to trading on a French or foreign regulated market or a multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider, or by such other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or

(iii) admitted, at the time of their issue, to the clearing operations of a central depositary or of a securities clearing and delivery and payments systems operator within the meaning of Article L.561-2 of the French Monetary and Financial Code, or of one or more similar foreign depositaries or operators, provided that such depositary or operator is not located in a Non-Cooperative State.

The Notes will qualify as debt securities under French commercial law. Considering that (i) as of the date of their admission to trading, the Notes will be admitted to trading on the Luxembourg Stock Exchange in Luxembourg, which does not qualify as a Non-Cooperative State, and such market is operated by a market operator which is not located in a Non-Cooperative State and/or (ii) at the time of their issue, the Notes will be admitted to the operations of Euroclear and Clearstream, the Notes will fall under the Safe Harbour. Accordingly, payments of interest and other assimilated revenues with respect to the Notes will be exempt from the withholding tax set out under Article 125 A-III of the French Tax Code. Moreover, under the same conditions and to the extent that the relevant interest and other assimilated revenues relate to genuine transactions and are not in an abnormal or exaggerated amount, they will be subject neither to the non-deductibility set out under Article 238 A of the French Tax Code nor to the withholding tax set out under Article 119 *bis* 2 of the French Tax Code solely on account of their being paid to a bank account opened in a financial institution located in a Non-Cooperative State or accrued or paid to persons established or domiciled in such Non-Cooperative State.

Withholding Tax applicable to French Tax Resident Individuals

Pursuant to Article 125 A of the French Tax Code *(i.e.* where the paying agent *(établissement payeur)* is located in France), subject to certain exceptions, interest received by French tax resident individuals is subject to a 12.8% levy withheld at source, which is deductible from their personal income tax liability in respect of the year in which the payment has been made. Social contributions (CSG, CRDS and other related contributions) are also levied at source at an aggregate rate of 17.2% on interest paid to French tax resident individuals. Holders of Notes who are French tax resident individuals are urged to consult with their usual tax advisor on the way the 12.8% levy and the 17.2% social contributions are collected, where the paying agent is not located in France.

Taxation on Disposal

Pursuant to Article 244 *bis* C of the French Tax Code, a Noteholder who is not a resident of France for French tax purposes and who does not hold the Notes in connection with a permanent establishment or a fixed place of business in France should not be subject to any income or withholding taxes in France in respect of the gains realized on the sale, exchange or disposal of Notes.

Stamp Duties

No transfer taxes or similar duties are payable in France in connection with the transfer of the Notes, provided that such transfers are not recorded in a deed registered with the French tax authorities and that the FTT does not become applicable and except in the case of filing with the French tax authorities on a voluntary basis.

Certain general tax considerations—payments by a Guarantor

If a Guarantor makes any payment in respect of the Notes, it is possible that such payments may be subject to withholding tax at applicable rates, subject to such relief as may be available under the provisions of any applicable double taxation treaty, or to any other exemption which may apply.

Certain U.S. Federal Income Tax Considerations

The following is a discussion of certain U.S. federal income tax considerations of the purchase, ownership and disposition of the Notes, but does not purport to be a complete analysis of all potential tax effects. This discussion is based upon the United States Internal Revenue Code of 1986, as amended (the "Code"), Treasury regulations issued thereunder (the "Treasury Regulations"), and judicial and administrative interpretations thereof, each as in effect on the date hereof, and all of which are subject to change, possibly with retroactive effect. This discussion is limited to consequences relevant to a U.S. holder (as defined below), except for the discussion on Additional Notes (as defined below) and on FATCA (as defined under "*—Foreign Account Tax Compliance Act*"). This discussion does not address the impact of the U.S. federal Medicare tax on net investment income or the effects of any U.S. federal tax laws other than U.S. federal income tax laws (such as estate and gift tax laws) or any state, local or non-U.S. tax laws. No rulings from the U.S. Internal Revenue Service (the "IRS") have been or are expected to be sought with respect to the matters discussed below. There can be no assurance that the IRS will not take a different position concerning the tax consequences of the purchase, ownership or disposition of the Notes or that any such position would not be sustained.

This discussion does not address all of the U.S. federal income tax consequences that may be relevant to a holder in light of such holder's particular circumstances or to holders subject to special rules, such as financial institutions, U.S. expatriates, insurance companies, dealers in securities or currencies, traders in securities, U.S. holders whose functional currency is not the U.S. dollar, tax-exempt organizations, regulated investment companies, real estate investment trusts, partnerships or other pass-through entities or arrangements (or investors in such entities or arrangements), persons that are tendering their 2021 Senior Secured Notes or 2022 Senior Subordinated Notes in the substantially concurrent redemption transactions, persons liable for the alternative minimum tax, persons subject to special tax accounting rules as a result of any item of gross income with respect to the Notes being taken into account in an "applicable financial statement" (as defined in Section 451 of the Code), and persons holding the Notes as part of a "straddle," "hedge," "conversion transaction" or other integrated transaction. In addition, this discussion is limited to persons who purchase the Notes for cash at original issue and at their "issue price" (the first price at which a substantial amount of the Notes is sold for money, not including sales to bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers) and who hold the Notes as capital assets within the meaning of section 1221 of the Code.

For purposes of this discussion, a "U.S. holder" is a beneficial owner of a Note that is, for U.S. federal income tax purposes, (i) an individual who is a citizen or resident of the United States; (ii) a corporation or any entity taxable as a corporation created or organized in or under the laws of the United States, any state thereof or the District of Columbia; (iii) an estate the income of which is subject to U.S. federal income taxation regardless of its source; or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or if a valid election is in place to treat the trust as a U.S. person.

If any entity or arrangement treated as a partnership for U.S. federal income tax purposes holds the Notes, the tax treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. A holder that is a partnership, and partners in such partnerships, should consult their tax advisors regarding the tax consequences of the purchase, ownership and disposition of the Notes.

Prospective purchasers of the Notes should consult their tax advisors concerning the tax consequences of holding Notes in light of their particular circumstances, including the application of the

U.S. federal income tax considerations discussed below, as well as the application of U.S. federal estate and gift tax laws, the U.S. federal Medicare tax on net investment income, and state, local, non-U.S. or other tax laws.

Payments of Stated Interest

Payments of stated interest on a Note (including additional amounts paid in respect of withholding taxes and without reduction for any amounts withheld) generally will be includible in the gross income of a U.S. holder as ordinary interest income at the time the interest is received or accrued, in accordance with the U.S. holder's method of accounting for U.S. federal income tax purposes. Interest generally will be income from sources outside the United States and, for purposes of the U.S. foreign tax credit, generally will be considered passive category income.

A U.S. holder that uses the cash method of accounting for U.S. federal income tax purposes will recognize interest income equal to the U.S. dollar value of the interest payment, based on the spot rate of exchange on the date of receipt, regardless of whether the payment is in fact converted into U.S. dollars. A cash basis U.S. holder will not realize foreign currency exchange gain or loss on the receipt of stated interest income but may recognize exchange gain or loss attributable to the actual disposal of the foreign currency received.

A U.S. holder that uses the accrual method of accounting for U.S. federal income tax purposes, or who otherwise is required to accrue interest prior to receipt, may determine the amount recognized with respect to such interest in accordance with either of two methods. Under the first method, such holder will recognize income for each taxable year equal to the U.S. dollar value of the foreign currency accrued for such year determined by translating such amount into U.S. dollars at the average spot rate of exchange in effect during the interest accrual period (or, with respect to an accrual period that spans two taxable years, at the average rate for the partial period within the U.S. holder's taxable year). Alternatively, an accrual basis U.S. holder may make an election (which must be applied consistently to all debt instruments held by the electing U.S. holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. holder, and cannot be changed without the consent of the IRS) to translate accrued interest income at the spot rate of exchange on the last day of the accrual period (or the last day of the taxable year in the case of a partial accrual period), or at the spot rate of exchange on the date of receipt, if that date is within five business days of the last day of the accrual period. A U.S. holder of Notes that uses the accrual method of accounting for U.S. federal income tax purposes will recognize foreign currency gain or loss, on the date such interest is received, equal to the difference, if any, between the U.S. dollar value of such payment, determined at the spot rate of exchange on the date the payment is received, and the U.S. dollar value of the interest income previously included in respect of such payment. This exchange gain or loss will be treated as ordinary income or loss, generally will be treated as U.S.-source and generally will not be treated as an adjustment to interest income or expense.

Any non-U.S. withholding tax paid by a U.S. holder at the rate applicable to such holder may be eligible for foreign tax credits (or a deduction in lieu of such credits) for U.S. federal income tax purposes, subject to applicable limitations. The calculation of foreign tax credits involves the application of complex rules that depend on a U.S. holder's particular circumstances. U.S. holders should consult their tax advisors regarding the availability of foreign tax credits.

Sale, Exchange, Retirement or other Taxable Disposition of Notes

A U.S. holder's adjusted tax basis in a Note generally will equal the cost of the Note to the U.S. holder. The cost of a Note purchased with foreign currency will be the U.S. dollar value of the foreign currency purchase price on the date of purchase, calculated at the spot rate of exchange in effect on that date. If the Note is traded on an established securities market, a cash basis taxpayer (and if it elects, an accrual basis taxpayer) will determine the U.S. dollar value of the cost of the Note at the spot rate of exchange on the settlement date of the purchase.

Upon the sale, exchange, retirement or other taxable disposition of a Note, a U.S. holder generally will recognize gain or loss in an amount equal to the difference between the amount realized (other than amounts attributable to accrued and unpaid stated interest, which will be taxable as ordinary interest income in accordance with the U.S. holder's method of tax accounting as described above) and the U.S. holder's adjusted tax basis in the Note. The amount realized on the sale, exchange, retirement or other taxable disposition of a Note for an amount of foreign currency generally will be the U.S. dollar value of that amount based on the spot rate of exchange on the date of taxable disposition. If the Note is traded on an established securities market, a cash basis taxpayer (and, if it elects, an accrual basis taxpayer) will determine the U.S. dollar value of the

amount realized on the settlement date of the disposition. If an accrual method taxpayer makes the election described above, such election must be applied consistently to all debt instruments from year to year and cannot be changed without the consent of the IRS. An accrual basis U.S. holder that does not make the special election will recognize exchange gain or loss to the extent that there are exchange rate fluctuations between the sale date and the settlement date, and such gain or loss generally will constitute ordinary income or loss.

Gain or loss recognized by a U.S. holder upon the sale, exchange, retirement or other taxable disposition of a Note that is attributable to changes in currency exchange rates will be ordinary income or loss and, with respect to the principal thereof, generally will be equal to the difference between the U.S. dollar value of the U.S. holder's purchase price of the Note in foreign currency determined on the date of the sale, exchange, retirement or other taxable disposition, and the U.S. dollar value of the U.S. holder's purchase price of the Note in foreign currency determined on the date the U.S. holder acquired the Note. The exchange gain or loss with respect to principal and with respect to accrued and unpaid stated interest (which will be treated as discussed above under "*—Payments of Stated Interest*") will be recognized only to the extent of the total gain or loss realized by the U.S. holder on the sale, exchange, retirement or other taxable disposition of the Note, and will be treated as ordinary income generally from sources within the United States for U.S. foreign tax credit limitation purposes.

Any gain or loss recognized by a U.S. holder in excess of foreign currency gain or loss recognized on the sale, exchange, retirement or other taxable disposition of a Note generally will be U.S. source capital gain or loss and will be long-term capital gain or loss if the U.S. holder has held the Note for more than one year at the time of the sale, exchange, retirement or other taxable disposition. In the case of an individual U.S. holder, any such gain may be eligible for preferential U.S. federal income tax rates if the U.S. holder satisfies certain prescribed minimum holding periods. The deductibility of capital losses is subject to limitations.

U.S. holders should consult their tax advisors regarding how to account for payments made in a foreign currency with respect to the acquisition, sale, exchange, retirement or other taxable disposition of a Note and the foreign currency received upon a sale, exchange, retirement or other taxable disposition of a Note.

Additional Notes

The Company may issue additional notes under the Indenture ("Additional Notes"). Even if these Additional Notes are treated as part of the same series as the Notes for non-tax purposes, in some cases they may be treated as a separate series for U.S. federal income tax purposes. In such a case, the Additional Notes may be considered to have original issue discount for U.S. federal income tax purposes, which may adversely affect the market value of the Notes if the Additional Notes are not otherwise distinguishable from the Notes.

Tax Return Disclosure Requirement

Treasury Regulations issued under the Code meant to require the reporting of certain tax shelter transactions cover transactions generally not regarded as tax shelters, including certain foreign currency transactions. Under the Treasury Regulations, certain transactions are required to be reported to the IRS, including, in certain circumstances, a sale, exchange, retirement or other taxable disposition of a Note or foreign currency received in respect of a Note (including in respect of interest) to the extent that any such sale, exchange, retirement or other taxable disposition or receipt of foreign currency results in a tax loss in excess of an applicable threshold amount. U.S. holders should consult their tax advisors to determine the tax return obligations, if any, with respect to an investment in the Notes, including any requirement to file IRS Form 8886 (Reportable Transaction Disclosure Statement).

Information Reporting and Backup Withholding

In general, payments of interest and the proceeds from sales or other dispositions (including retirements or redemptions) of Notes held by a U.S. holder may be required to be reported to the IRS unless the U.S. holder is an exempt recipient and, when required, demonstrates this fact. In addition, a U.S. holder that is not an exempt recipient may be subject to backup withholding unless it provides a taxpayer identification number and otherwise complies with applicable certification requirements.

Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against a U.S. holder's U.S. federal income tax liability and may entitle the holder to a refund, provided that the appropriate information is timely furnished to the IRS.

Information with Respect to Foreign Financial Assets

Certain U.S. holders who are individuals and who hold an interest in "specified foreign financial assets" (as defined in section 6038D of the Code) are required to report information relating to an interest in the Notes, subject to certain exceptions (including an exception for Notes held in accounts maintained by certain financial institutions). Under certain circumstances, an entity may be treated as an individual for purposes of the foregoing rules. U.S. holders should consult their tax advisors regarding the effect, if any, of this requirement on their ownership and disposition of the Notes.

Foreign Account Tax Compliance Act

Pursuant to sections 1471 through 1474 of the Code (provisions commonly known as "FATCA"), a "foreign financial institution" may be required to withhold U.S. tax on certain "passthru payments" made after the date that is two years after the date of publication in the Federal Register of applicable final regulations defining foreign passthru payments to the extent such payments are treated as attributable to certain U.S. source payments. Obligations issued on or prior to the date that is six months after the date on which applicable final regulations defining foreign passthru payments are published in the Federal Register generally would be "grandfathered" unless materially modified after such date. Accordingly, if the Issuer is treated as a foreign financial institution, FATCA could apply to payments on the Notes only if there is a significant modification of the Notes for U.S. federal income tax purposes after the expiration of this grandfathering period. However, if Additional Notes are issued after the expiration of the grandfathering period, have the same CUSIP or ISIN as the original Notes issued hereby, and are subject to withholding under FATCA, then withholding agents may treat all the notes, including the Notes issued hereby, as subject to withholding under FATCA. Non-U.S. governments have entered into agreements with the United States (and additional non-U.S. governments are expected to enter into such agreements) to implement FATCA in a manner that alters the rules described herein. Holders should consult their own tax advisors on how these rules may apply to their investment in the Notes. In the event any withholding under FATCA is imposed with respect to any payments on the Notes, there will be no additional amounts payable to compensate for the withheld amount.

CERTAIN INSOLVENCY LAW CONSIDERATIONS AND LIMITATIONS ON VALIDITY AND ENFORCEABILITY OF THE GUARANTEES AND SECURITY INTERESTS

European Union

The Issuer and the Guarantors are organized under the laws of Member States of the European Union.

Pursuant to Council Regulation (EU) 2015/848 of May 20, 2015 on insolvency proceedings (recast) (the "EU Insolvency Regulation"), which became fully effective on June 26, 2017 and applies within the European Union (other than Denmark), the courts of the Member State in which a debtor's "center of main interests" (as that term is used in Article 3(1) of the EU Insolvency Regulation) is situated have jurisdiction to commence main insolvency proceedings relating to such debtor. The determination of where a debtor has its center of main interests is a question of fact on which the courts of the different Member States may have differing and even conflicting views.

Article 3(1) of the EU Insolvency Regulation provides that the center of main interests, or COMI of a "debtor shall be the place where the debtor conducts the administration of its interests on a regular basis and which is ascertainable by third parties." It sets forth, as explained by Recital (30), a rebuttable presumption that a debtor has its COMI in the Member State in which it has its registered office in the absence of proof to the contrary. This presumption shall only apply if the registered office of the legal person has not been moved to another Member State within the 3-month period prior to the request for the opening of insolvency proceedings. Recital (30) provides that it should be possible to rebut this presumption if a debtor's central administration is located in a Member State other than that of its registered office and a comprehensive assessment of all the relevant factors establishes, in a manner that is ascertainable by third parties, that the debtor's actual center of management and supervision and the management of its interests is located in that other Member State Under the previous EU insolvency regulation (Council Regulation (EC) 1346/2000 of May 29, 2000, which defined the COMI in similar terms, the courts have taken into consideration a number of factors in determining a debtor's COMI, including in particular where board meetings are held, the location where the debtor conducts the majority of its business or has its head office and the location where the majority of the debtor's creditors are established. A debtor's COMI is not a static concept and may change from time to time but is determined for the purposes of deciding which courts have competent jurisdiction to commence insolvency proceedings at the time of the filing of the insolvency petition.

If a debtor's COMI is and will remain located in the Member State (other than Denmark) in which it has its registered office, the main insolvency proceedings in respect of the debtor under the EU Insolvency Regulation would be commenced in such jurisdiction and accordingly a court in such jurisdiction would be entitled to commence the types of insolvency proceedings referred to in Annex A to the EU Insolvency Regulation. Insolvency proceedings commenced in one Member State under the EU Insolvency Regulation are to be recognized in the other EU Member States (other than Denmark), although secondary proceedings may be commenced in another Member State.

If a debtor's COMI is in a Member State (other than Denmark), under Article 3(2) of the EU Insolvency Regulation, the courts of another Member State (other than Denmark) have jurisdiction to commence secondary (territorial) insolvency proceedings against that debtor only if such debtor has an "establishment" (within the meaning and as defined in Article 2(10) of the EU Insolvency Regulation) in the territory of such other Member State or had an establishment in such EU Member State in the 3-month period prior to the request for commencement of main insolvency proceedings. An "establishment" is defined to mean "any place of operations where the debtor carries out or has carried out in the 3-month period prior to the request to commence main insolvency proceedings a non-transitory economic activity with human means and assets."

Where main proceedings have been commenced in the Member State in which the debtor has its COMI, any proceedings commenced subsequently in another Member State in which the debtor has an establishment shall be secondary insolvency proceedings. The effects of such proceedings are restricted to the assets of the debtor situated in the territory of such other Member State. Where main proceedings in the Member State in which the debtor has its COMI have not yet been commenced, secondary insolvency proceedings may only be commenced in another Member State where the debtor has an establishment where either (a) insolvency proceedings cannot be commenced in the Member State in which the debtor's COMI is situated under that Member State's law; or (b) the secondary insolvency proceedings are commenced at the request of (i) a creditor which is domiciled, habitually resident or has its registered office in the other Member State or whose claim arises from the operation of the establishment or (ii) a public authority that has the right to make such a request under the law of the Member State in which the establishment is located. Irrespective of whether the insolvency

proceedings are main or secondary insolvency proceedings, such proceedings will, subject to certain exceptions, be governed by the *lex fori concursus*, i.e., the local insolvency law of the court that has assumed jurisdiction over the insolvency proceedings of the debtor.

The courts of all Member States (other than Denmark) must recognize the judgment of the court commencing main proceedings, which will be given the same effect in the other Member States so long as no secondary proceedings have been commenced there. The insolvency practitioner appointed by a court in a Member State which has jurisdiction to commence main proceedings (because the debtor's COMI is located there) may exercise the powers conferred on it by the laws of that Member State in another Member State (such as to remove assets of the debtor from that other Member State) subject to certain limitations, as long as no insolvency proceedings have been commenced in that other Member State or no preservation measures have been taken to the contrary further to a request to commence insolvency proceedings in that other Member State where the debtor has assets.

The EU Insolvency Regulation provides for cooperation between (i) insolvency practitioners of the main insolvency proceedings and of the secondary insolvency proceedings, (ii) jurisdictions and (iii) jurisdictions and insolvency practitioners. It also provides for specific cooperation, communication and coordination measures in order to ensure the efficient administration of insolvency proceedings relating to different companies forming part of the same group. As from June 26, 2018, the Member States shall establish and maintain a register of insolvency proceedings and, as from June 26, 2019, the European Commission shall establish a decentralized system for the interconnection of such insolvency registers.

France

Insolvency

We conduct part of our business activity in France and the registered office of the Issuer and of certain of our Guarantors is located in France; consequently, they could be subject to French court-assisted proceedings affecting creditors, i.e. *mandat ad hoc* or *conciliation* proceedings (which do not fall within the scope of the EU Insolvency Regulation). In addition, to the extent that the COMI of the Issuer or any Guarantor, or, in cases where the EU Insolvency Regulation does not apply, their main center of interests within the meaning of article R. 600-1 of the French Commercial Code, is deemed to be in France, or they have an establishment in France, they could be subject to French court-administered proceedings affecting creditors, i.e. either safeguard proceedings, accelerated safeguard proceedings or accelerated financial safeguard proceedings (*sauvegarde*, *sauvegarde accélérée* or *sauvegarde financière accélérée*), judicial reorganization proceedings (*redressement judiciaire*) or judicial liquidation proceedings (*liquidation judiciaire*).

Pursuant to Article L.721-8 of the French Commercial Code, specialized courts exist for (i) conciliation or insolvency proceedings with respect to debtors that meet or exceed (on a stand-alone basis or together with the companies under their control) (x) €20 million in turnover and 250 employees or (y) €40 million in turnover, (ii) commencement of proceedings with respect to which the court's international jurisdiction results from the application of the EU Insolvency Regulation or, (iii) in cases where the EU Insolvency Regulation does not apply, from the debtor having its main center of interests within the jurisdiction of such specialized courts.

In addition, the French court that commences insolvency proceedings with respect to the member of a corporate group has jurisdiction over all the other members of the group (subject to French courts having international jurisdiction with respect to such entities, in accordance with the rules outlined above, and to specific control thresholds); accordingly, a court can supervise the insolvency proceedings of the whole group and may, for this purpose, appoint the same administrator and creditors' representative (*mandataire judiciaire*) for all proceedings in respect of members of the group.

In general, French insolvency legislation favors the continuation of a business and protection of employment over the payment of creditors and could limit your ability to enforce your rights under the Notes and/or the Guarantees and corresponding security interests in the Collateral.

Annex A of the EU Insolvency Regulation lists safeguard, accelerated safeguard, accelerated financial safeguard, judicial reorganization and judicial liquidation proceedings as insolvency proceedings within the meaning of the EU Insolvency Regulation. Any company of our group having its COMI in France would be subject to French main insolvency proceedings and any company of our group having an establishment in France and its COMI in another EU Member State (other than Denmark) could be subject to French secondary insolvency proceedings. The following is a general discussion of insolvency proceedings governed by French

law for informational purposes only and does not address all the French legal considerations that may be relevant to holders of the Notes.

Grace periods

In addition to insolvency laws discussed below, you could, like any other creditors, be subject to Article 1343-5 of the French Civil Code (*Code civil*).

Pursuant to the provisions of this article, French courts may, in any civil or commercial proceedings involving the debtor, whether initiated by the debtor or the creditor, taking into account the debtor's financial position and the creditor's needs, defer or otherwise reschedule over a maximum period of two years the payment dates of payment obligations and decide that any amounts, the payment date of which is thus deferred or rescheduled, will bear interest at a rate that is lower than the contractual rate (but not lower than the legal rate, as published semi-annually by the French government) or that payments made shall first be allocated to repayment of principal. A court order made under Article 1343-5 of the French Civil Code will suspend any pending enforcement measures, and any contractual default interest or penalty for late payment will not accrue or be due during the grace periods ordered by the relevant judge.

If the debtor is engaged in conciliation proceedings or has reached a conciliation agreement that is in the course of being executed, special rules apply to the grant of grace periods (see *"—Court-assisted Proceedings*" below).

Insolvency test

Under French law, a debtor is considered to be insolvent (*en état de cessation des paiements*) when it is unable to pay its due debts (*passif exigible*) with its immediately available assets (*actif disponible*) taking into account available credit lines, existing debt rescheduling agreements and moratoria.

The date of insolvency (*état de cessation des paiements*) is generally deemed to be the date of the court ruling commencing the judicial reorganization or judicial liquidation proceedings, unless the court sets an earlier date, which may be carried back up to 18 months before the date of such court ruling. Except for fraud, the date of insolvency may not be fixed at an earlier date than the date of the final court decision that approved an agreement (*homologation*) in the context of conciliation proceedings. The date of insolvency marks the beginning of the hardening period (see below).

Court-assisted Proceedings

A French debtor facing difficulties may in certain conditions request the commencement of court-assisted proceedings (*mandat ad hoc* or *conciliation*), the aim of which is to reach an agreement with the debtor's main creditors and stakeholders e.g. an agreement to reduce or reschedule its indebtedness.

Mandat ad hoc proceedings may only be initiated by the debtor itself, in its sole discretion. In practice, *mandat ad hoc* proceedings are used by debtors that are facing any type of difficulties but are not insolvent (see "*—Insolvency test*" above). The proceedings are informal and confidential by law (save for the disclosure of the court decision appointing the *mandataire ad hoc* to the statutory auditors if any). They are carried out under the aegis of a court-appointed officer (*mandataire ad hoc*), whose name may be suggested by the debtor itself, under the supervision of the president of the court. The proceedings are not limited in time. The duties of the *mandataire ad hoc* are determined by the competent court (usually the commercial court) that appoints him or her, usually to facilitate negotiations with creditors. Any agreement between the debtor and its creditors will be negotiated on a purely consensual and voluntary basis: those creditors not willing to take part cannot be bound by the agreement nor forced to accept it. *Mandat ad hoc* proceedings do not automatically stay any pending proceedings and creditors are not barred from taking legal action against the debtor to recover their claims but those that have accepted to take part in the proceedings usually accept not to do so for their duration. In any event, the debtor retains the right to petition the relevant judge for a grace period under Article 1343-5 of the French Civil Code (see "*—Grace periods*" above). The agreement reached is reported to the president of the court but is not formally approved by it.

Conciliation proceedings may only be initiated by the debtor itself if it faces actual or foreseeable difficulties of a legal, economic or financial nature and is not insolvent (see "*—Insolvency test*" above) or has not been insolvent for more than 45 calendar days. The proceedings are confidential by law (save for the disclosure of the court decision commencing the proceedings to the statutory auditors, if any). They are carried out under the aegis of a court-appointed conciliator (*conciliateur*), whose name may be suggested by the debtor

itself, under the supervision of the president of the court. The proceedings may last up to five months (with the *conciliateur* being able to request an extension in the event that the court first decided on less than five months). The duties of the *conciliateur* are to assist the debtor in negotiating an agreement with all or part of its creditors and/or trade partners that puts an end to its difficulties, *e.g*. providing for the restructuring of its indebtedness. Any agreement between the debtor and its creditors will be negotiated on a purely consensual and voluntary basis: those creditors not willing to take part cannot be bound by the agreement nor forced to accept it. *Conciliation* proceedings do not automatically stay any pending proceedings and creditors are not barred from taking legal action against the debtor to recover their claims but those that have accepted to take part in the proceedings usually accept not to do so for their duration and creditors may not request the opening of insolvency proceedings (*redressement judiciaire* or *liquidation judiciaire*) against the debtor. Pursuant to article L. 611-7 of the French Commercial Code, during the proceedings, the debtor retains the right to petition the judge that commenced them for a grace period in accordance with Article 1343-5 of the French Civil Code (see "—*Grace periods*" above) provided that a creditor has formally put the debtor on notice to pay or is suing for payment; the judge will take its decision after having heard the conciliator and may condition the duration of the measures it orders to reaching an agreement in the conciliation proceedings.

Additionally, pursuant to Article L. 611-10-1 of the French Commercial Code, the judge having commenced conciliation proceedings may, for the term of a conciliation agreement (whether it is acknowledged or approved as described below), impose grace periods on creditors who were asked to participate in the conciliation proceedings (other than the tax and social security administrations) and have formally put the debtor on notice to pay or are suing for payment of claims that were not dealt with in the conciliation agreement, such decision being taken after hearing the *conciliateur* if he/she has been appointed to monitor the implementation of the agreement.

The conciliation agreement reached between the parties may be acknowledged (*constaté*) by the president of the Commercial Court at the request of the parties, which makes the agreement binding upon them (in particular, performance of the conciliation agreement prevents any action by the creditors party thereto against the debtor to obtain payment of claims governed by the conciliation agreement) and enforceable without further recourse to a judge (*force exécutoire)*, but the conciliation proceedings remain confidential.

Alternatively, the conciliation agreement may be approved (*homologué*) by the Commercial Court at the request of the debtor following a hearing held for that purpose (which will be attended by the works council or employee representatives, as the case may be) if (i) the debtor is not insolvent or the conciliation agreement has the effect of putting an end to the debtor's insolvency, (ii) the conciliation agreement effectively ensures that the company will survive as a going concern and (iii) the conciliation agreement does not impair the rights of the non-signatory creditors. Such approval will have the same effect as its acknowledgement (*constatation*) as described above and in addition:

- the decision of approval by the relevant Court, which should only disclose the amount of any New Money Lien and the guarantees and security interests granted to secure the same, will be public but the agreement itself should otherwise remain confidential except vis-à-vis the works council or employee representatives, as the case may be that are informed of the contents of the conciliation agreement and may have access to the full conciliation agreement at the clerk's office (*greffe*) of the Court;

- creditors that, in the context of the conciliation proceedings, provide new money, goods or services designed to ensure the continuation of the business of the debtor (other than shareholders providing new equity in the context of a capital increase) will enjoy a priority of payment over all pre-commencement and post-commencement claims (except with respect to certain pre-commencement employment claims and procedural costs) (the "New Money Lien"), in the event of subsequent safeguard proceedings, judicial reorganization proceedings or judicial liquidation proceedings;

- in the event of subsequent safeguard proceedings, judicial reorganization or judicial liquidation proceedings, the claims benefiting from the New Money Lien may not, without their holders' consent, be written off and their payment date may not be rescheduled to a date later than the date on which the safeguard or reorganization plan is adopted, not even by the creditors' committees (the powers of the bondholders general meeting in this respect are the subject of debate);

- when the debtor is submitted to statutory auditing, the conciliation agreement is communicated to its statutory auditors; and

- in the event of subsequent judicial reorganization proceedings or judicial liquidation proceedings, the date of insolvency (see "*—Insolvency test*" above), and therefore the starting date of the hardening period (as defined below – see "*—The hardening period (période suspecte) in judicial reorganization and judicial liquidation proceedings*"), cannot be set by the court as of a date earlier than the date of the approval (*homologation*) of the agreement by the court (except in case of fraud).

Whether the conciliation agreement is acknowledged or approved, the court may, at the request of the debtor, appoint the *conciliateur* to monitor the implementation of the agreement (*mandataire à l'exécution de l'accord*) during its execution and, while the agreement is in force:

- interest accruing on the claims that are the subject to the conciliation agreement may not be compounded;

- the debtor retains the right to petition the judge that commenced the conciliation proceedings for a grace period in accordance with Article L. 611-10-1 of the French Commercial Code as explained above; and

- a third party which had previously granted credit support (a guarantee or security interest) with respect to the debtor's obligations may benefit from the provisions of the conciliation agreement as well as from grace periods granted in the context of conciliation proceedings.

If the debtor breaches the terms of the conciliation agreement, any party to it may petition the president of the court or the court (depending on whether the agreement was acknowledged or approved) for its termination. If such termination is granted, grace periods granted in relation to the conciliation proceedings may be revoked. Conversely, provided the conciliation agreement is duly performed, any individual proceedings by creditors with respect to obtaining payment of the claims dealt with by the conciliation agreement are suspended and/or prohibited. The commencement of subsequent insolvency proceedings will automatically put an end to the conciliation agreement, in which case the creditors will recover their claims (decreased by the payments already received) and pre-existing security interests or guarantees.

Conciliation proceedings in which a draft plan is supported by a large majority of creditors which is likely to meet the threshold requirements for creditors' consent in safeguard, is a mandatory preliminary step of accelerated safeguard proceedings or accelerated financial safeguard proceedings, as described below.

At the request of the debtor and after the creditors taking part in the proceedings have been consulted on the matter, *mandat ad hoc* and conciliation proceedings may also be used to organize the partial or total sale of the debtor, in particular through a "plan for the disposal of the business" (*plan de cession*) which could be implemented in the context of subsequent safeguard, judicial reorganization or liquidation proceedings. Provided that they comply with certain requirements, any offers received in this context by the *mandataire ad hoc* or the *conciliateur* may be directly considered by the court in the context of safeguard, reorganization or liquidation proceedings after consultation of the Public Prosecutor.

As a matter of law, any contractual provision that (i) modifies the conditions for the continuation of an ongoing contract by reducing the debtors' rights or increasing its obligations simply by reason of the designation of a *mandataire ad hoc* or of the commencement of conciliation proceedings or of a request submitted to this end or (ii) requires the debtor to bear, by reason only of the appointment of a *mandataire ad hoc* or of the commencement of conciliation proceedings, more than three-quarters of the fees of the professional advisers retained by creditors in connection with these proceedings, is deemed null and void.

Where the maximum time period allotted to court-assisted proceedings expires without an agreement being reached, the proceedings will end. The termination of such proceedings does not, in and of itself entail any specific legal consequences for the debtor, in particular it does not result in the automatic commencement of insolvency proceedings. New conciliation proceedings cannot be commenced before 3 months have elapsed as from the end of the previous ones.

Court-administered Proceedings—Safeguard

A debtor which experiences difficulties that it is not able to overcome may, in its sole discretion, initiate safeguard proceedings (*procédure de sauvegarde*) with respect to itself, *provided* that it is not insolvent (see "*—Insolvency test*" above). Creditors of the debtor are not notified of, nor invited to attend the hearing

before the court at which the commencement of safeguard proceedings is requested. Following the commencement of safeguard proceedings, a court-appointed administrator (*administrateur judiciaire*) is appointed (except for small companies where the court considers that such appointment is not necessary) to investigate the business of the debtor during an "observation period" (being the period starting on the date of the court decision commencing the proceedings and ending on the date on which the court takes a decision on the outcome of the proceedings), which may last up to 18 months. The role of the court-appointed administrator is also to assist the debtor in preparing a draft safeguard plan (*projet de plan de sauvegarde*) that it will circularize to its creditors. Creditors do not have effective control over the proceedings, which remain in the hands of the debtor assisted by the court-appointed administrator. The court-appointed administrator will, in accordance with the terms of the judgment appointing him or her, exercise *ex post facto* control over decisions made by the debtor (*mission de surveillance*) or assist the debtor to make all or some of the management decisions (*mission d'assistance*), all under the supervision of the court.

If, after commencement of the proceedings, it appears that the debtor was insolvent (*en état de cessation des paiements*) before their commencement, at the request of the debtor, the administrator, the creditors' representative or the Public Prosecutor but, in any event, after having heard the debtor, the court may convert the safeguard proceedings into judicial reorganization proceedings.

In addition, the court may convert safeguard proceedings into (i) judicial reorganization proceedings (a) at any time during the observation period if the debtor is insolvent or (b) in case no plan has been adopted by the relevant creditors' committee and, if any, the bondholders' assembly (as described below), if the approval of a safeguard plan is manifestly impossible and if the company would shortly become insolvent should safeguard proceedings end or (ii) judicial liquidation proceedings at any time during the observation period if the debtor is insolvent and its recovery is manifestly impossible. In all such cases:

- the court may decide at the request of the debtor, the court-appointed administrator, the creditors' representative or the Public Prosecutor and in all such cases with the exception of (i) (b), the court may act upon its own initiative; and

- the court's decision is only taken after having heard the debtor, the court-appointed administrator, the creditors' representative, the Public Prosecutor and the workers' representatives (if any).

As soon as safeguard proceedings are commenced, any unpaid amount of share capital of the debtor becomes immediately due and payable.

During the safeguard proceedings, payment by the debtor of any debts incurred (i) prior to the commencement of the proceedings or (ii) after the commencement of the proceedings if not incurred for the purposes of the proceedings or the observation period or in consideration of services rendered/goods delivered to the debtor, is prohibited, subject to very limited exceptions. For example, the court can authorize payments for prior debts in order to discharge a lien on property needed for the continued operation of the debtor's business or to recover goods or rights transferred as collateral in a fiduciary estate (*patrimoine fiduciaire*).

Creditors must be consulted on the manner in which the debtor's liabilities will be settled under the safeguard plan (debt forgiveness, payment terms or debt-for-equity swaps) prior to the plan being approved by the court. The rules governing consultation will vary depending on the size of the business.

Standard consultation: this applies in respect of debtors whose accounts are not certified by a statutory auditor or prepared by a chartered accountant or, if they are, who have 150 employees or less or a turnover of €20 million or less.

In such case, the administrator notifies the proposals for the settlement of debts to the court-appointed creditors' representative, who seeks the agreement of each creditor who filed a claim, regarding the debt remissions and payment schedules proposed. Creditors are consulted individually or collectively.

French law does not state whether the debt settlement proposals can vary according to the creditor and whether the principle of equal treatment of creditors is applicable at this consultation stage. According to legal commentaries and established practice, differing treatment as between creditors is possible, *provided* that it is justified by the difference in situation of the creditors and approved by the court-appointed creditors' representative. In practice, it is also possible at the consultation stage to make a proposal for a partial payment of claims over a shorter time period instead of a full payment of such claims over the length of the plan (ten years maximum except for agricultural businesses where the maximum is fifteen years).

Creditors whose payment terms are not affected by the plan or who are paid in cash in full as soon as the plan is approved are not required to be consulted.

Creditors that do not respond within 30 days of their receipt of the debt settlement proposal (other than debt-for-equity swap) made to them are deemed to have accepted it. The creditors' representative keeps a list of the responses from creditors, which is notified to the debtor, the court-appointed administrator and the controllers.

Within the framework of a standard consultation, the court that approves the safeguard plan (*plan de sauvegarde*) can impose a uniform rescheduling of the claims of creditors having refused the proposals that were submitted to them (subject to specific regimes such as the one applicable to claims benefiting from the New Money Lien) over a maximum period of ten years (except for maximum except for agricultural businesses where the maximum is fifteen years and claims with maturity dates of more than the deferral period set by the court, in which case the maturity date shall remain the same), but no waiver of any claim or debt-for-equity swap may be imposed without the relevant creditor's individual acceptance.

Following a court imposed rescheduling, the first payment must be made within a year of the judgment adopting the plan (in the third and subsequent years, the amount of each annual instalment must be of at least 5% of the amount of each debt claim (except for agricultural businesses)) or on the first payment date following the initial maturity of the claim if it is later than the first payment date provided for by the plan, in which case the amount of such first payment is equal to what the creditor would have received had he been paid in accordance with the uniform payment rescheduling applying to the other creditors.

Committee-based consultation: This applies to large companies, whose accounts are certified by a statutory auditor (*commissaire aux comptes)* or established by a chartered-accountant (*expert-comptable)* and with more than 150 employees or a turnover greater than €20 million), or upon the debtor's or the administrator's request and with the consent of the court in the case of debtors that do not meet the aforementioned thresholds.

The consultation involves the submission of a proposed safeguard plan for consideration by two creditors' committees which are established by the court-appointed administrator on the basis of the claims that arose prior to the judgment commencing the proceedings:

- one for credit institutions or assimilated institutions and entities having granted credit or advances in favor of the debtor (the "credit institutions committee"); and

- the other one for suppliers having a claim that represents more than 3% of the total amount of the claims of all the debtor's suppliers and other suppliers invited to participate in such committee by the court-appointed administrator (the "major suppliers committee").

If there are any outstanding debt securities in the form of *obligations* (such as bonds or notes and including capital market debt instruments such as the Notes), a single general meeting of all holders of such debt securities will be established (the "bondholders general meeting"), in which all such holders are to take part irrespective of whether or not there are different issuances or of the governing law(s) of those *obligations*.

As a general matter, only the legal owner of the debt claim will be invited onto the committee or general meeting. Accordingly, a person holding only an economic interest therein will not itself be a member of the committee or general meeting.

The proposed plan:

- must "take into account" subordination agreements entered into by the creditors before the commencement of the proceedings;

- may treat creditors differently if it is justified by their differences in situation; and

- may, *inter alia*, include a rescheduling or cancellation of debts (subject to the specific regime of claims benefiting from the New Money Lien), and/or debt-for-equity swaps (debt-for-equity swaps requiring the relevant shareholder consent).

If the plan provides for a share capital increase, the shareholders may subscribe to such share capital increase by way of a set-off against their claims against the debtor (as reduced according to the provisions of the plan, where applicable).

Creditors that are members of the credit institutions committee or of the major suppliers committee may also prepare alternative safeguard plans in accordance with the above principles that will also be put to the vote of the committees and of the general bondholders meeting, it being specified that approval of any such alternative plan is subject to the same two-thirds majority vote in each committee and in the bondholders general meeting and gives rise to a report by the court-appointed administrator (*administrateur judiciaire*). Bondholders are not permitted to present their own alternative plan.

The committees must approve or reject the safeguard plan within 20 to 30 days of its submission. The period may be extended or shortened but may never be shorter than 15 days. The plan must be approved by a majority vote of each committee (two-thirds of the outstanding claims of the creditors casting a vote).

Each member of a creditors committee or of the bondholders general meeting must, if applicable, inform the court-appointed administrator of the existence of any agreement relating to (i) the exercise of its vote or (ii) the full or total payment of its claim by a third party as well as of any subordination agreement. The court-appointed administrator shall then submit to such person a proposal for the computation of its voting rights in the creditors committee/bondholders general meeting. In the event of disagreement, the matter may be ruled upon by the president of the Commercial Court in summary proceedings at the request of the creditor or of the court-appointed administrator.

The amounts of claims secured by a trust (*fiducie*) granted by the debtor do not give rise to voting rights. In addition, creditors whose repayment schedule is not modified by the plan, or for which the plan provides for a payment of their claims in cash in full as soon as the plan is adopted or as soon as their claims are admitted, do not need to be consulted on the plan nor take part in the vote.

Following the approval of the plan by the two creditors' committees, the plan will be submitted for approval to the bondholders general meeting at the same two-thirds majority vote. Following approval by the creditors' committees and the bondholders general meeting, and determination of the rescheduling of the claims of creditors that are not members of the committees or bondholders in accordance with the standard consultation process referred to above, the plan has to be approved (*arrêté*) by the court. The court must verify that the interests of all creditors are "sufficiently protected" and that required shareholder consent (if applicable) has been obtained. Once so approved by the relevant court, the safeguard plan will be binding on all the members of the committees and all bondholders (including those who did not vote or voted against the adoption of the plan).

If the debtor's proposed plan is not approved by both committees and the bondholders general meeting within the first six months of the observation period (either because they do not vote on the plan or because they reject it), this six month period may be extended by the court at the request of the court-appointed administrator for a period not exceeding the duration of the observation period, in order for the plan to be approved through the committee-based consultation process. Absent such extension, the court can still adopt a safeguard plan within the time remaining until the end of the observation period. In such a case, the rules are the same as the ones applicable for the standard consultation process described above.

If the draft plan provides for a modification of the share capital or the by-laws, the court may decide that the shareholders general meeting and, as the case may be, the general meetings of the holders of securities giving access to the share capital of the company shall vote, the first time the relevant meeting is convened, at a simple majority of the votes of the shareholders attending, or represented at, the meeting, provided that they hold at least half of the shares with voting rights. The second time the meeting is convened, the usual provisions relating to quorum and majority shall apply.

If no proposed safeguard plan whatsoever is adopted by the committees and, if applicable, the general bondholders meeting, at the request of the debtor, the court-appointed administrator, the *mandataire judiciaire* or the Public Prosecutor, the court may convert the safeguard proceedings into judicial reorganization proceedings if it appears that the adoption of a safeguard plan is impossible and if the end of the safeguard proceedings would certainly lead to the debtor shortly becoming insolvent.

Specific case- Creditors that are public institutions: public creditors (financial administrations, social security and unemployment insurance organizations) may agree to grant debt remissions under conditions that are similar to those that would be granted under normal market conditions by a private economic operator

placed in a similar position. Public creditors may also decide to enter into subordination agreements for liens or mortgages, or relinquish these security interests. Public creditors examine possible remissions within the framework of a local administrative committee (*Commission des Chefs de Services Financiers*). The tax administrations may grant relief from all direct taxes. As regards indirect taxes, relief may only be granted from default interest, adjustments, penalties or fines.

Court-administered Proceedings—Accelerated Safeguard and Accelerated Financial Safeguard

A debtor that is engaged in conciliation proceedings may request the commencement of accelerated safeguard proceedings (*procédure de sauvegarde accélérée*) or accelerated financial safeguard proceedings (*procédure de sauvegarde financière accélérée*).

The accelerated safeguard proceedings and accelerated financial safeguard proceedings have been designed to "fast-track" difficulties faced by large companies, *i.e.* those:

- that publish consolidated accounts in accordance with Article L. 233-16 of the French Commercial Code; or

- that publish accounts certified by a statutory auditor or established by a certified public accountant and have (i) more than 20 employees or (ii) a turnover greater than €3 million (excluding VAT) or (iii) whose total balance sheet exceeds €1.5 million.

If the debtor does not exceed the thresholds provided for to constitute creditors' committee (see above), the court shall authorize such constitution in the opening decision.

To be eligible to accelerated safeguard proceedings or accelerated financial safeguard proceedings, the debtor must fulfil the following conditions:

- the debtor must not have been insolvent for more than 45 days when it initially applies for commencement of conciliation proceedings;

- at any time, the Public Prosecutor may request the termination of such proceedings if the debtor has been insolvent for more than 45 days prior to the request for the commencement of conciliation proceedings;

- the debtor must be subject to ongoing conciliation proceedings when it applies for the commencement of the proceedings;

- as is the case for regular safeguard proceedings, the debtor must face difficulties which it is not in a position to overcome; and

- the debtor must have prepared a draft safeguard plan ensuring the continuation of its business as a going concern which is supported by enough of its creditors involved in the proceedings to render likely its adoption by the relevant committees (credit institutions' committee only for financial accelerated safeguard proceedings) and bondholders general meeting, if any, within a maximum of three months following the commencement of accelerated safeguard proceedings, or within a maximum of two months following the commencement of accelerated financial safeguard proceedings.

While accelerated safeguard proceedings apply to all creditors (except employees), accelerated financial safeguard proceedings apply only to "financial creditors" (*i.e.*, creditors that belong to the credit institutions committee and bondholders general meeting), the payment of whose debt is suspended until adoption of a plan through accelerated financial safeguard proceedings. The debtor will be prohibited from paying, to any creditor to whom the accelerated safeguard or accelerated financial safeguard proceedings (as the case may be) apply, any amounts (including interest) in respect of debts incurred (i) prior to the commencement of the proceedings or (ii) after the commencement of the proceedings if not incurred for the purposes of the proceedings or the observation period or in consideration of services rendered/goods delivered to the debtor (post-commencement non-privileged debts). Such amounts may be paid only after the judgment of the court approving the safeguard plan and in accordance with its terms. Creditors other than financial creditors (such as public creditors, the tax or social security administration and suppliers) are not directly impacted by accelerated

financial safeguard proceedings. Their debts will continue to be due and payable in the ordinary course of business according to their contractual or legal terms.

The regime applicable to standard safeguard proceedings is broadly applicable to accelerated safeguard or accelerated financial safeguard proceedings (for example, creditors will be consulted by way of a committee-based consultation on, as the case may be, a draft accelerated safeguard plan (*projet de plan de sauvegarde accélérée*) or a draft accelerated financial safeguard plan (*projet de plan de sauvegarde financière accélérée*) and creditors that are members of the credit institutions committee or the major suppliers committee, but not bondholders, may also prepare alternative draft plans as described above (see "*—Court-administered Proceedings—Safeguard—Committee-based consultation*")), to the extent compatible with the accelerated timing, since the maximum duration of accelerated safeguard proceedings is three months and the maximum duration of accelerated financial safeguard proceedings is two months (provided the court has decided to extend the initial one month period. However, certain provisions relating to ongoing contracts and to the recovery of assets by their owners do not apply in accelerated safeguard or accelerated financial safeguard proceedings.

In particular, the creditors' committees and the bondholders general meeting are required to vote on the proposed safeguard plan within a minimum period of 15 days of its being notified to them in the case of accelerated safeguard proceedings, or within eight days in the case of accelerated financial safeguard proceedings.

The plan in the context of accelerated safeguard proceedings or accelerated financial safeguard proceedings is adopted following the same majority rules as in standard safeguard proceedings and may notably provide for rescheduling, debt cancellation and conversion of debt into equity capital of the debtor (debt-for-equity swaps requiring relevant shareholder consent). No debt rescheduling or cancellation may be imposed, without their consent, on creditors that do not belong to one of the committees or are not bondholders.

If a plan is not adopted by the creditors and approved by the court within the applicable deadline, the court shall terminate the proceedings. The court cannot reschedule amounts owed to the creditors outside of the committee process.

The list of claims of creditors party to the conciliation proceedings certified by the statutory auditor shall be deemed to constitute the filing of such claims for the purpose of accelerated safeguard proceedings or, as applicable, accelerated financial safeguard proceedings (see below) unless the creditors otherwise elect to make such a filing (see below).

Court-administered Proceedings—Judicial Reorganization or Liquidation Proceedings

Judicial reorganization (*redressement judiciaire*) or liquidation (*liquidation judiciaire*) proceedings may be initiated against or by a debtor only if it is insolvent and, in the case of liquidation proceedings only, if the debtor's recovery is manifestly impossible. Within 45 days of becoming insolvent, the debtor, if it does not file for conciliation proceedings (as discussed above), is required to petition for judicial reorganization or liquidation proceedings; *de jure* managers (including directors) and, as the case may be, *de facto* managers that would have deliberately failed to file such a petition within the deadline are exposed to civil liability in the event that judicial liquidation proceedings should be subsequently commenced against the debtor.

Where the debtor requested the commencement of judicial reorganization proceedings and the court, after having heard the debtor, considers that judicial liquidation proceedings would be more appropriate, it may order the commencement of the proceedings which it determines to be most appropriate. The same would apply if the debtor requested the commencement of judicial liquidation proceedings and the court considered that judicial reorganization proceedings would be more appropriate. In addition, at any time during the observation period, upon request of the debtor, the court-appointed administrator, the creditors' representative (*mandataire judiciaire*), a controller, the Public Prosecutor or upon its own initiative, the court may convert the judicial reorganization proceedings into judicial liquidation proceedings if it appears that the debtor's recovery is manifestly impossible. The court's decision is only taken after having heard the debtor, the court-appointed administrator, the creditors' representative, the controllers, the Public Prosecutor and the workers' representatives (if any).

The objectives of judicial reorganization proceedings are the sustainability of the business, the preservation of employment and the payment of creditors, in that order.

As soon as judicial reorganization or judicial liquidation proceedings are commenced, any unpaid amount of share capital of the debtor becomes immediately due and payable.

In the event of judicial reorganization proceedings, an administrator (*administrateur judiciaire*) is usually appointed by the court to investigate the business of the debtor during an observation period, which may last up to 18 months, and make proposals either for the reorganization of the debtor (by helping the debtor to elaborate a draft judicial reorganization plan, which is similar to a draft safeguard plan), or the sale of the business or the liquidation of the debtor. The court-appointed administrator will assist the debtor in making management decisions (*mission d'assistance*) or may be empowered by the court to take over the management and control of the debtor (*mission d'administration*). Judicial reorganization proceedings broadly take place in a manner that is similar to safeguard proceedings (see above), subject to certain specificities.

In particular, the rules relating to creditor consultation, especially the powers of the court adopting the judicial reorganization plan (*plan de redressement*) in the event of rejection by the creditors of proposals made to them, are the same (see above). At any time during the observation period, the court can, at the request of the debtor, the court-appointed administrator, the creditors' representative (*mandataire judiciaire*), the Public Prosecutor or at its own initiative, order the partial stop of the activity (*cessation partielle de l'activité*) or order the liquidation of the debtor if its recovery is manifestly impossible. At the end of the observation period, the outcome of the proceedings is decided by the court.

In judicial reorganization proceedings, in case a shareholders' meeting needs to vote to bring the shareholders' equity to a level equal to at least one half of the share capital as required by Article L. 626-3 of the French Commercial Code, the administrator may appoint a trustee (*mandataire de justice*) to convene a shareholders' meeting and to vote on behalf of the shareholders that refuse to vote in favor of such a resolution if the draft restructuring plan provides for a modification of the equity to the benefit of a third party(ies) undertaking to comply with the reorganization plan.

If the proposed reorganization plans are manifestly not likely to ensure that the debtor will recover or if no reorganization plan is proposed, the court, upon the request of the court-appointed administrator, can order the total or partial transfer of the business as described below. Any third party (as construed under French insolvency law) can present a bid on all or part of the debtor's business.

In judicial reorganization proceedings if (i) the company has at least 150 employees, or if it controls (within the meaning of the French Labor Code) one or more companies having together at least 150 employees, (ii) the disappearance of the company is likely to cause serious harm to the national or regional economy and to local employment, (iii) the modification of the company's share capital appears to be the only credible way to avoid harm to the national or regional economy and to allow the continued operation of the business as a going concern, then, at the request of the court-appointed administrator or of the Public Prosecutor (x) after the review of the options for a total or partial sale of the business and (y) if at least 3 months have elapsed as from the court decision commencing the proceedings, provided that the shareholders meetings required to approve the modification of the company's share capital required for adoption of the reorganization plan have refused such modification, the insolvency court may either:

- appoint a court officer (*mandataire*) in order to convene the shareholders meeting and vote the share capital increase in lieu of the shareholders having refused to do so, up to the amount provided for in the reorganization plan; or

- order, in favor of the persons who have undertaken to perform the reorganization plan, the sale of all or part of the share capital held by the shareholders having refused the share capital modification and holding, directly or indirectly a portion of the share capital providing them with a majority of the voting rights (including as a result of an agreement with other shareholders) or a blocking minority in the company's shareholder meetings, any consent clause being deemed unwritten; the other shareholders have the right to withdraw from the company and request that their shares be purchased simultaneously by the transferees.

In the event of a sale ordered by the court, the price of the shares shall, failing agreement between the parties, be set by an expert designated by the court in summary proceedings.

In either of the above cases, the reorganization plan shall be subject to the undertaking of the new shareholders to hold their shares for a certain time period set by the court which may not exceed the duration of the reorganization plan.

If the court decides to order the judicial liquidation of the debtor, the court will appoint a liquidator, which is generally the former creditors' representative (*mandataire judiciaire*). There is no observation period in judicial liquidation proceedings nor does the law limit their duration. The liquidator is vested with the power to represent the debtor and perform the liquidation operations (mainly liquidate the assets and settle the liabilities to the extent the proceeds from the liquidated assets are sufficient, in accordance with the creditors' priority order of payment). The liquidator will take over the management and control of the debtor and the managers of the debtor are no longer in charge of its management.

Concerning the liquidation of the assets of the debtor, there are two possible outcomes:

- a sale of the business (*cession d'entreprise*) (in which case a court-appointed administrator (*administrateur judiciaire*) will usually be appointed to manage the debtor during a temporary period of continuation of the business operations ordered by the court (three months, renewable once) and organize such sale of the business as a going-concern via an asset sale, a.k.a. a "sale plan" (*plan de cession*)), any third party (as construed under French insolvency law) being entitled to present a bid on all or part of the debtor's business; or

- a sale of the individual assets of the debtor, in which case the liquidator may decide to:

    - launch auction sales (*vente aux enchères* (or *adjudication amiable* for real estate assets only));

    - sell on an amicable basis (*vente de gré à gré*) each asset for which spontaneous purchase offers have been received, (the formal authorization of the bankruptcy judge being necessary to conclude the sale agreement with the bidder); or

    - request, under the supervision of the bankruptcy judge, all potential interested purchasers to bid on each asset, as the case may be, by way of a private competitive process whereby the bidders submit their offers only at the hearing without the proposed prices being disclosed before such hearing (*procédure des plis cachetés*). However the possibility to implement such process is questioned by certain legal authors and case-law in this respect has varied.

If the court adopts a sale plan, it can set a time-period during which the assets that it deems to be essential to the continuation of the business of the debtor may not be sold without its consent.

The court will end the proceedings when either no due liabilities remain, the liquidator has sufficient funds to pay off the creditors (*extinction du passif*), or continuation of the liquidation process becomes impossible due to insufficiency of assets (*insuffisance d'actif*).

The court may also terminate the proceedings:

- when the interest of the continuation of the liquidation process is disproportionate compared to the difficulty of selling the assets;

- in the event where there are insufficient funds to pay off the creditors, by appointing a *mandataire* in charge of continuing ongoing lawsuits and allocating the amounts received from these lawsuits between the remaining creditors.

The "hardening period" (période suspecte) in judicial reorganization and judicial liquidation proceedings

The date of insolvency (*cessation des paiements*) of a debtor is deemed to be the date of the court order commencing the proceedings, unless the court sets an earlier date, which may be no earlier than 18 months before the date of such court order. Also, except in the case of fraud, the insolvency date may not be set at a date earlier than the date of the final court decision that approved an agreement (*homologation*) in the context of conciliation proceedings (see above). The insolvency date is important because it marks the beginning of the hardening period (*période suspecte*), being the period from the insolvency date of the debtor to the court decision commencing the judicial reorganization or liquidation proceedings affecting it.

Certain transactions entered into during the hardening period are automatically void or voidable by the court.

- Automatically void transactions include transactions or payments entered into during the hardening period that may constitute voluntary preferences for the benefit of some creditors to the detriment of other creditors. These include transfers of assets for no consideration or for a nominal consideration, contracts under which the obligations of the debtor significantly exceed the reciprocal obligations of the other party, payments of debts not due at the time of payment, payments of debts that are due made in a manner which is not commonly used in the ordinary course of business and security granted for debts previously incurred, provisional attachment or seizure measures (*mesures conservatoires*) (unless the attachment or seizure predates the date of insolvency), operations relating to stock options, the transfer of any assets or rights to a trust arrangement (*fiducie*) (unless such transfer is made as security for a debt simultaneously incurred), any amendment to a trust arrangement (*fiducie*) that affects assets or rights already transferred in the trust as security for debt incurred prior to such amendment, and notarized declarations of exemption of assets from seizure (*déclaration d'insaisissabilité*).

- Transactions which are voidable by the court include payments made on debts that are due, transactions for consideration and notices of attachments made to third parties (*avis à tiers détenteur*), seizures (*saisie attribution*) and oppositions made during the hardening period, in each case if the court determines that the party dealing with the debtor knew that the debtor was insolvent at the relevant time. Transactions relating to the transfer of assets for no consideration are also voidable when entered into during the six-month period prior to the beginning of the hardening period.

There is no hardening period prior to the opening of safeguard, accelerated safeguard or accelerated financial safeguard proceedings.

Status of Creditors during Safeguard, Accelerated Safeguard, Accelerated Financial Safeguard, Judicial Reorganization or Judicial Liquidation Proceedings

Contractual provisions pursuant to which the commencement of the proceedings triggers the acceleration of the debt (except with respect to judicial liquidation proceedings in which the court does not order the continued operation of the business) or the termination or cancellation of an ongoing contract are not enforceable against the debtor. Nor are "*contractual provisions modifying the conditions of continuation of an ongoing contract, diminishing the rights or increasing the obligations of the debtor solely upon the opening of judicial reorganization proceedings*" (in accordance with a decision of the French Supreme Court dated January 14, 2014, n° 12-22.909, which case law is likely to be extended to safeguard, accelerated safeguard or accelerated financial safeguard proceedings). However, the court-appointed administrator can unilaterally decide to terminate ongoing contracts (*contrats en cours*) which it believes the debtor will not be able to continue to perform. Conversely, the court-appointed administrator can require that other parties to a contract continue to perform their obligations even though the debtor may have been in default, but on the condition that the debtor fully performs its post-commencement contractual obligations (and provided that, in the case of judicial reorganization or judicial liquidation proceedings, absent consent to other terms of payment, the debtor pays cash on delivery). The commencement of liquidation proceedings, however, automatically accelerates the maturity of all of a debtor's obligations unless the court orders the continued operation of the business with a view to the adoption of a "sale plan" (*plan de cession*) as described above; in such case, the acceleration of the obligations will only occur on the date of the court decision adopting the "sale plan" (*plan de cession*), as described above, or on the date on which the continued operation of the business ends.

As from the court decision commencing the proceedings:

- accrual of interest is suspended, except in respect of loans for a term of at least one year, or of contracts providing for a payment which is deferred by at least one year (however, accrued interest can no longer be compounded);

- the debtor is prohibited from paying debts incurred prior to the commencement of the proceedings, subject to specified exceptions (which essentially cover the set-off of related (*connexes*) debts and payments authorized by the insolvency judge (*juge commissaire*) to recover assets required for the continued operation of the business);

- the debtor is prohibited from paying debts having arisen after the commencement of the proceedings unless they were incurred for the purposes of the proceedings or of the observation period or in consideration of services rendered/goods provided to the debtor;

- debts duly arising after the commencement of the proceedings and which were incurred for the purposes of the proceedings or of the observation period, or in consideration of services rendered/goods provided to the debtor during this period, must be paid as and when they fall due and, if not, will be given priority over debts incurred prior to the commencement of the proceedings (with certain limited exceptions, such as claims secured by a New Money Lien), provided that they are duly filed within one year of the end of the observation period;

- creditors may not initiate or pursue any individual legal action against the debtor (or a guarantor of the debtor where such guarantor is a natural person and the proceedings are safeguard, accelerated safeguard or accelerated financial safeguard proceedings) with respect to any claim arising prior to the court decision commencing the proceedings, if the objective of such legal action is:

- to obtain an order for payment of a sum of money by the debtor to the creditor (however, the creditor may require that a court determine the amount due in order to file a proof of claim, as described below);

- to terminate a contract for non-payment of amounts owed by the creditor; or

- to enforce the creditor's rights against any assets of the debtor except (i) in judicial liquidation proceedings, by way of the applicable specific process for judicial foreclosure (*attribution judiciaire*) of the pledged assets or (ii) where such asset – whether tangible or intangible, movable or immovable – is located in another Member State within the European Union, in which case the rights in rem of creditors thereon would not be affected by the insolvency proceedings commenced in France, in accordance with the terms of Article 8 of the EU Insolvency Regulation;

- in the context of reorganization or liquidation proceedings only, absent consent to other terms of payment, immediate cash payment for services rendered pursuant to an ongoing contract (*contrat en cours*), will be required.

In accelerated financial safeguard proceedings, the above rules only apply to the creditors that fall within the scope of the proceedings (see above). Debts owed to other creditors, such as suppliers, continue to be payable in the ordinary course of business.

As a general rule, creditors domiciled in metropolitan France whose debts arose prior to the commencement of proceedings must file a claim with the court-appointed creditors' representative within two months of the publication of the court decision in an official gazette (*Bulletin Officiel des annonces civiles et commerciales*); this period is extended to four months for creditors domiciled outside metropolitan France. Creditors must also file a claim for the post-commencement non-privileged debts, with respect to which the two or four month period referred to above starts to run as from their maturity date. Creditors whose claims have not been submitted during the relevant period are, except for limited exceptions, barred from receiving distributions made in connection with the proceedings. Employees are not subject to such limitations and are preferred creditors under French law.

At the beginning of the proceedings, the debtor must provide the court-appointed administrator and the creditors' representative with the list of all its creditors and all of their claims. Where the debtor has informed the creditors' representative of the existence of a claim, the claim as reported by the debtor is deemed to be a filing of the claim with the creditors' representative on behalf of the creditor. Creditors are allowed to ratify or amend a proof of claim so made on their behalf until the insolvency judge rules on the admissibility of the claim. They may also file their own proof of claim within the deadlines described above.

In accelerated safeguard and accelerated financial safeguard proceedings however, the debtor draws a list of the claims of its creditors having taken part in the conciliation proceedings, which is certified by its statutory auditors or accountant. Although such creditors may file proofs of claim as part of the regular process, they may also avail themselves of this simplified alternative and merely adjust if necessary the amounts of their claims as set forth in the list prepared by the debtor (within the above two or four months' time limit). Creditors that did not take part in the conciliation proceedings must file their proofs of claim within the aforementioned deadlines.

If the court adopts a safeguard plan, accelerated safeguard plan, accelerated financial safeguard plan or reorganization plan, claims of creditors included in the plan will be paid according to the terms of the plan.

If the court adopts a sale plan (*plan de cession*) of the debtor in judicial reorganization or judicial liquidation proceedings (see above), the proceeds of the sale will be allocated towards the repayment of its creditors according to the ranking of the claims. If the court decides to order the judicial liquidation of the debtor, the liquidator appointed by the court will be in charge of settling the debtor's debts in accordance with their ranking.

French insolvency law assigns priority to the payment of certain preferred creditors, including employees, post-commencement legal costs (essentially, court officials fees), creditors who benefit from a New Money Lien (see above), post-commencement privileged creditors and the French State (taxes and social charges). In the event of judicial liquidation proceedings only, certain pre-commencement secured creditors whose claim is secured by real estate are paid prior to post-commencement privileged creditors. This order of priority does not apply to all creditors, for example it does not apply to creditors benefiting from a retention right over assets with respect to their claim related to such asset.

Creditors' Liability

Pursuant to Article L. 650-1 of the French Commercial Code (as interpreted by case law), where safeguard, judicial reorganization or judicial liquidation proceedings have been commenced, creditors may only be held liable for the losses suffered as a result of facilities granted to the debtor, if the granting of such facilities was wrongful and if the relevant creditor (i) committed a fraud, (ii) interfered with the management of the debtor or (iii) obtained security or guarantees which are disproportionate to such facilities. In addition, any security or guarantees taken to support facilities in respect of which a creditor is found liable on any of these grounds can be cancelled or reduced by the court.

Fraudulent conveyance

French law contains specific, "*action paulienne*" provisions dealing with fraudulent conveyance both in and outside insolvency proceedings. The *action paulienne* offers creditors protection against a decrease in their means of recovery. A legal act performed by a debtor (including, without limitation, an agreement pursuant to which such debtor guarantees the performance of the obligations of a third party or agrees to provide or provides security for any of such debtor's or a third party's obligations, enters into additional agreements benefiting from existing security or any other legal act having similar effect) can be challenged in or outside insolvency proceedings of the relevant debtor by the creditors' representative (*mandataire judiciaire*), the commissioner of the safeguard or reorganization plan (*commissaire à l'exécution du plan*) insolvency proceedings of the relevant debtor, or by any of the creditors of the relevant debtor outside the insolvency proceedings or any creditor who was prejudiced in its means of recovery as a consequence of the act in or outside insolvency proceedings. Any such legal act may be declared unenforceable against third parties if: (i) the debtor performed such act without an obligation to do so; (ii) the relevant creditor or (in the case of the debtor's insolvency proceedings) any creditor was prejudiced in its means of recovery as a consequence of the act; and (iii) at the time the legal act was performed, both the debtor and the counterparty to the transaction knew or should have known that one or more of such debtor's creditors (existing or future) would be prejudiced in their means of recovery (where the legal act was entered into for no consideration (*à titre gratuit*), no such knowledge of the counterparty is necessary). If a court found that the issuance of the Notes or the grant of the security interests in the Senior Secured Collateral, involved a fraudulent conveyance that did not qualify for any defense under applicable law, then the issuance of the Notes or the granting of the security interests in the Senior Secured Collateral could be declared unenforceable against third parties or declared unenforceable against the creditor who lodged the claim in relation to the relevant act. As a result of such successful challenges, holders of the Notes may not enjoy the benefit of the Notes or the security interests in the Senior Secured Collateral and the value of any consideration that holders of the Notes received with respect to the Notes or the security interests in the Senior Secured Collateral could also be subject to recovery from the holders of the Notes and, possibly, from subsequent transferees. In addition, under such circumstances, holders of the Notes might be held liable for any damages incurred by prejudiced creditors of the Issuer as a result of the fraudulent conveyance.

Recognition of validity of second or lower ranking financial securities account pledge by French courts

The Intercreditor Agreement provides for a mechanism allowing the implementation of second or lower ranking pledges over financial securities accounts, and the security interest in the Senior Secured Collateral will include a pledge over the financial securities accounts owned by the Issuer and opened in the books of Loxam Power and Loxam Module ranking after any then-existing security interests over these financial securities accounts.

A pledge over the shares of a stock company (*société par actions*) governed by French law is a pledge over the relevant securities account (*nantissement de compte de titres financiers*) in which the shares of such company are registered. In France, no lien searches are available for security interests which are not registered, such as pledges over securities accounts (*nantissements de comptes de titres financiers*). In addition, to our knowledge French courts have never expressly recognized the concept of second (or lower) ranking pledge in respect of a financial securities account and, if article 2340 of the French Code civil does recognize the possibility to create multiple pledges in respect of the same tangible asset, this article is not expressly stated to apply to pledges over financial securities accounts. As a result, no assurance can be given on the priority of a pledge over a securities account in which the shares of such a company are registered.

England and Wales

Guarantees granted by any subsidiaries of the Company including Nationwide Platforms which are incorporated in England and Wales (each a "UK Subsidiary" and together the "UK Subsidiaries") are prohibited to the extent that they constitute unlawful financial assistance within the meaning of the Companies Act 2006.

Insolvency

As a general rule, insolvency proceedings with respect to an English company should be based on English insolvency laws. However, pursuant to the EU Insolvency Regulation, where a company incorporated under English law has its "centre of main interests" in a member state of the European Union other than England and Wales, then the main insolvency proceedings for that company may be opened in the Member State in which its centre of main interest is located and be subject to the laws of that Member State although it remains to be seen what impact the vote by the United Kingdom to leave the EU will have on the regulatory environment in the EU and the United Kingdom, and on the applicability of EU law (including the EU Insolvency Regulation) in the United Kingdom. For further information, see "*—European Union.*" Similarly, the Cross-Border Insolvency Regulations 2006, which implement the UNCITRAL Model Law on Cross-Border Insolvency in Great Britain, provide that a foreign (i.e., non-English) court may have jurisdiction where any English company has a centre of its main interests in such foreign jurisdiction, or where it has an "establishment" (being a place of operations in such foreign jurisdiction, where it carries out non-transitory economic activities with human means and assets or services) In the case of any conflict, the EU Insolvency Regulation will prevail over the Cross-Border Insolvency Regulations.

English insolvency law is different from the laws of the United States and other jurisdictions with which investors may be familiar. In the event that the Issuer or a Guarantor experiences financial difficulty, it is not possible to predict with certainty the outcome of insolvency or similar proceedings.

The obligations under the Senior Secured Notes are secured by a share charge over the shares in the Company's wholly-owned subsidiary Lavendon Group Limited (the "Share Charge") and guaranteed under a Guarantee from Nationwide Platforms.

The following is a brief description of certain aspects of English insolvency law relating to certain limitations on the Guarantee and the enforceability of the Share Charge. The application of these laws could adversely affect investors, their ability to enforce their rights under the Guarantee and the Share Charge and therefore may limit the amounts that investors may receive in an insolvency of a UK Subsidiary.

The Insolvency Test

The Insolvency Act 1986 (the "**Insolvency Act**") has no test for or definition of insolvency *per se* but instead relies on the concept of a company's 'inability to pay its debts' as the keystone for many of its provisions. Pursuant to section 123 of the IA86, the circumstances in which a company is deemed unable to pay its debts include, among others, the following: (i) if it fails to satisfy a creditor's statutory demand for a debt exceeding £750 or if it fails to satisfy in full a judgment debt (or similar court order); (ii) if it is proved to the satisfaction of the court that the company is unable to pay its debts as they fall due; or (iii) if it is proved to the satisfaction of the court that the value of the company's assets is less than the amount of its liabilities, taking into account its contingent and prospective liabilities.

Administration

Under English insolvency law, English courts are empowered to order the appointment of an administrator in respect of an English company in certain circumstances. There are two distinct methods for

placing a company into administration. Firstly a court order for administration can be made following an application to court if the court is satisfied that the relevant company is or is likely to become "unable to pay its debts" and that the administration order is reasonably likely to achieve the purpose of administration. Alternatively, an administrator can also be appointed out of court by a company, its directors or the holder of a qualifying floating charge and different procedures apply according to the identity of the appointer.

The purpose of an administration is comprised of three objectives that must be looked at successively: rescuing a company as a going concern or, if that is not reasonably practicable, achieving a better result for a company's creditors as a whole than if a company went into immediate liquidation or, if neither of those objectives is reasonably practicable, and the interests of the creditors as a whole are not unnecessarily harmed thereby realizing property to make a distribution to one or more secured or preferential creditors.

During the administration, in general no proceedings or other legal process may be commenced or continued against such company, or security enforced over such company's property, except with permission of the court or the consent of the administrator. This moratorium does not, however, apply to a "security financial collateral arrangement" (such as a charge over cash or financial instruments such as shares, bonds or tradable capital market debt instruments) under the Financial Collateral Arrangements (No. 2) Regulations 2003 (the "Financial Collateral Arrangements Regulations"). During the administration of a company, a creditor would not be able to enforce any security interest (other than valid financial collateral arrangements), including in respect of a guarantee granted by it (although a demand for payment could be made under such guarantee) without the consent of the administrator or the permission of the court.

In addition, other than in limited circumstances, a secured creditor will not be entitled to appoint an administrative receiver and any already appointed must resign if requested to do so by the administrator. If the company is already in administration no other receiver may be appointed.

Administrative Receiver

In order to empower a secured creditor of any UK Subsidiary to appoint an administrative receiver or an administrator to the UK Subsidiary out of court, any floating charge must constitute a "qualifying floating charge" for the purposes of English insolvency law and, in the case of the ability to appoint an administrative receiver, the qualifying floating charge must, unless the security document pre-dates September 15, 2003, fall within one of the exceptions in the Insolvency Act as amended by the Enterprise Act 2002 to the prohibition on the appointment of administrative receivers. In order to constitute a qualifying floating charge, the floating charge must be created by an instrument which: (a) states that the relevant statutory provision applies to it; (b) purports to empower the holder to appoint an administrator of the company or (c) purports to empower the holder to appoint an administrative receiver within the meaning given by Section 29(2) of the Insolvency Act. A secured creditor of a UK Subsidiary will be the holder of a qualifying floating charge if such floating charge security, together (if necessary) with other forms of security, relates to the whole or substantially the whole of the property of the relevant English company and at least one such security interest is a qualifying floating charge. The most relevant exception to the prohibition on the appointment of an administrative receiver is the exception relating to "capital market arrangements" (as defined in the Insolvency Act), which may apply if the issue of the Notes creates a debt of at least £50 million for the relevant company under the arrangement and the arrangement involves the issue of a "capital markets investment" (which is defined in the Insolvency Act, and is generally a rated, listed or traded debt instrument).

If an administrative receiver has been appointed, an administrator can only be appointed by the court (and not by the company, its directors or the holder of a qualifying charge using the out of court procedure) and then only if the person who appointed the administrative receiver consents or the court considers that the security pursuant to which the administrative receiver was appointed is invalid. If an administrator is appointed, any administrative receiver will vacate office, and any receiver of part of the company's property must resign if required to do so by the administrator.

Company voluntary arrangements

Pursuant to Part I of the Insolvency Act, a company (by its directors or its administrator or liquidator as applicable) may propose a company voluntary arrangement to the company's shareholders and creditors which entails a compromise, or other arrangement, between the company and its creditors, typically a rescheduling or reducing of the company's debts. Provided that the proposal is approved by the requisite majority of creditors by way of a decision procedure, it will bind all unsecured creditors who were entitled to vote on the proposal. A

company voluntary arrangement cannot affect the right of a secured creditor to enforce its security, except with its consent.

In order for the company voluntary arrangement proposal to be passed, it must be approved by at least 75% (by value) of the company's creditors who respond in the decision procedure, and no more than 50% (by value) of unconnected creditors may vote against it. Secured debt cannot be voted in a company voluntary arrangement. However, a secured creditor may vote to the extent that it is undersecured. A secured creditor who proves in the company voluntary arrangement for the whole of its debt may be deemed to have given up its security.

A moratorium is also available pursuant to Schedule A1 to the Insolvency Act for "small companies" that are proposing a company voluntary arrangement with creditors, which can be for a period of up to 28 days, with the option for creditors to extend this protection for up to a further two months (although the Secretary of State for Trade and Industry may, by order, extend or reduce the duration of either period). Small companies are those which meet eligibility criteria as regards the number of employees, turnover and balance sheet total as set out in section 382 of the Companies Act 2006. The position as to whether or not a company is a "small company" may change from financial period to financial period, depending on its financial position and average number of employees during that particular period. The Secretary of State for Trade and Industry may, by regulations, also modify the qualifications for eligibility of a company for a moratorium and may also modify the present definition of a "small company." Accordingly, a UK Subsidiary may, at any given time, come within the ambit of the "small companies" provisions, such that a UK Subsidiary may (subject to the exemptions referred to below) be eligible to seek a moratorium, in advance of a company voluntary arrangement. This moratorium is not available to companies which have entered into certain capital market arrangements (whereby the company has incurred or is expected to incur a debt of at least £10 million and the arrangement involves the issue of a capital market investment) as detailed in Schedule A1 to the Insolvency Act 1986. The definitions of "capital market arrangement" and "capital market investment" are broad and are such that, in general terms, any company which is a party to an arrangement which involves at least £10 million of debt, the granting of security to a trustee, and the issue of a rated, listed or traded debt instrument, is excluded from being eligible for a moratorium. The Secretary of State for Trade and Industry may modify the criteria by reference to which a company otherwise eligible for a moratorium is excluded from being so eligible. Further, a company voluntary arrangement itself cannot bind secured creditors without their permission. However, if the small companies' moratorium were to apply to a UK Subsidiary, its effects would include prohibitions on enforcement of security that are similar to those that arise upon an administration moratorium. Therefore, to the extent the small companies' moratorium applies, there would be a moratorium on legal proceedings and execution or other legal process being commenced or continued and the levy of distress, against the company or its property (except with the permission of the court). No other steps may be taken to enforce any security over the company's property or guarantee except with the permission of the court. The company may dispose of charged property if the holder of the security consents or the court gives permission. Further, the company may not make any payment or disposal of its own property unless there are reasonable grounds for believing that the disposal will benefit the company and the payment or disposal is approved by the committee (if established) or, where there is no such committee, by the nominee of the company voluntary arrangement.

Scheme of Arrangement

Although it is not an insolvency proceeding, pursuant to Part 26 of the Companies Act 2006, the English courts have jurisdiction to sanction a scheme of arrangement that effects a compromise of a company's liabilities between a company and its creditors (or any class of its creditors). A UK Subsidiary may be able to pursue a scheme in respect of its financial liabilities. In addition, a foreign Guarantor which is liable to be wound up under the Insolvency Act and has a "sufficient connection" to England and Wales could also pursue a scheme. In practice, a foreign company is likely to satisfy the first limb of this test and the second limb has been found to be satisfied where, amongst other things, the company's centre of main interest is in England, the company's finance documents are English law-governed, or the company's finance documents have been amended in accordance with their terms to be governed by English law. Ultimately, each case will be considered on its particular facts and circumstances so previous cases will not necessarily determine whether or not any of the grounds of the second limb are satisfied in the present case.

Before the court considers the sanction of a scheme of arrangement at a hearing where the fairness and reasonableness of the scheme will be considered, affected creditors will vote on the proposed compromise or arrangement in respect of their claims in a single class or in a number of classes, depending on the rights of such creditors that will be affected by the proposed scheme and any new rights that such creditors are given under the scheme. Such compromise can be proposed by the company or its creditors. If 50% or more by number and 75%

or more by value of those creditors present and voting at the meeting(s) of each class of creditors vote in favor of the proposed scheme, irrespective of the terms and approved thresholds contained in the finance documents, then that scheme will (subject to the sanction of the court) be binding on all affected creditors, including those affected creditors who did not participate in the vote and those who voted against the scheme. The scheme then needs to be sanctioned by the court at a sanction hearing where the court will review the fairness of the scheme and consider whether it is reasonable. The court has the discretion as to whether to sanction the scheme as approved, make an order conditional upon modifications being made or reject the scheme.

Corporate Authorizations and Maintenance of Capital

The legality, validity and enforceability of the obligations of each of the UK Subsidiaries under the Notes, the Guarantee of the Notes and the Share Charge are subject to matters affecting companies generally, including that: (a) its entry into and performance of such obligations: (i) is not prohibited by its constitutional documents (or contracts to which it is party); and (ii) has been duly authorized and does not breach or result in inconsistency with applicable laws or regulations; and (b) the documents evidencing such obligations have been duly executed and delivered in accordance with all applicable procedures and laws. In addition, the granting of upstream (or cross-stream) guarantees by a UK Subsidiary could be subject to challenge if it results in a reduction in that UK Subsidiary's net assets as properly recorded in its books or, to the extent that it does, the company does not have sufficient distributable reserves to cover that reduction.

Enforcement

Enforcement of guarantees may be affected by general legal and equitable principles regarding the legality, validity and enforceability of contractual provisions and contractual obligations and liabilities (including guarantees).

Priority of Claims

One of the primary functions of liquidation (and, where the company cannot be rescued as a going concern, one of the possible functions of administration) under English law is to realize the assets of the insolvent company and to distribute realizations made from those assets to its creditors. Under the Insolvency Act and the Insolvency (England and Wales) Rules 2016, creditors are placed into different classes, with the proceeds from the realization of the insolvent company's property applied in descending order of priority, as set out below. With the exception of the Prescribed Part (defined below), distributions cannot be made to a class of creditors until the claims of the creditors in a prior ranking class have been paid in full. Unless creditors have agreed otherwise, distributions are made on a *pari passu* basis, that is, the assets are distributed in proportion to the debts due to each creditor within a class.

The general priority of claims on insolvency is as follows (in descending order of priority):

First ranking claims: holders of fixed charge security and creditors with a proprietary interest in assets of the debtor but only to the extent of the realizations from those secured assets or with respect to the assets in which they have a proprietary interest;

Second ranking claims: expenses of the insolvent estate (there are statutory provisions setting out the order of priority in which expenses are paid);

Third ranking claims: preferential creditors. Preferential debts include (but are not limited to) debts owed by the insolvent company in relation to: (a) contributions to occupational and state pension schemes; (b) wages and salaries of employees for work done in the four months before the insolvency date, up to a maximum of £800 per person; and (c) holiday pay due to any employee whose contract has been terminated, whether the termination takes place before or after the insolvency date. As between one another, preferential debts rank equally;

Fourth ranking claims: holders of floating charge security, according to the priority of their security. This would include any floating charge that was stated to be a fixed charge in the document that created it but which, on a proper interpretation, was rendered a floating charge. However, before distributing asset realizations to the holders of floating charges, the Prescribed Part must be set aside for distribution to unsecured creditors;

Fifth ranking claims: unsecured creditors:

- firstly, provable debts of unsecured creditors and any secured creditor to the extent of any unsecured shortfall, in each case including accrued and unpaid interest on those debts up to the date of commencement of the relevant insolvency proceedings. To pay the secured creditors any unsecured shortfall, the insolvency officeholder can only use realisations from unsecured assets, as secured creditors are not entitled to any distribution from the Prescribed Part unless the Prescribed Part is sufficient to pay out all unsecured creditors;

- secondly, interest on the company's debts (at the higher of the applicable contractual rate and the official rate) in respect of any period after the commencement of liquidation, or after the commencement of any administration where consent has been given to make distributions. However, in the case of interest accruing on amounts due under the Notes or the guarantees, such interest due to the holders of the Notes may, if there are sufficient realisations from the secured assets, be discharged out of such security recoveries; and

- thirdly, non-provable liabilities, being liabilities that do not fall within any of the categories above and therefore are only recovered in the (unusual) event that all categories above are fully paid.

Sixth ranking claims: Subordinated creditors. Creditors whose claims are subordinated to the payment of all of the insolvent company's other creditors; and

Seventh ranking claims: shareholders. If after the repayment of all unsecured creditors in full, any remaining funds exist, these will be distributed to the shareholders of the insolvent company.

An administrator, receiver (including an administrative receiver) or liquidator of the company will be required to ring fence a certain percentage of the proceeds of enforcement of floating charge security for the benefit of unsecured creditors. Under current law, this ring-fencing applies to 50% of the first £10,000 of floating charge realizations and 20% of the remainder over £10,000, with a maximum aggregate cap of £600,000. The obligation on such insolvency officeholder to set aside the prescribed part (the "Prescribed Part") for unsecured parties does not apply if the net floating charge realizations are less than £10,000 and the officeholder is of the view that the costs of making a distribution to unsecured parties would be disproportionate to the benefits. The Prescribed Part will apply to all floating charges created on or after September 15, 2003 regardless of whether they fall within one of the exceptions or not.

Liquidation/Winding-up

Liquidation is a company dissolution procedure under which the assets of the company are realized and distributed by the liquidator to creditors in the statutory order of priority prescribed by the Insolvency Act. At the end of the liquidation process the company will be dissolved. There are two forms of winding-up. In the case of a compulsory liquidation commenced by way of a court order, no proceedings or other actions may be commenced or continued against the company except by leave of the court and subject to such terms as the court may impose (although security enforcement is not affected). In proceedings where the company or its directors has resolved to place the company into liquidation, there is no such automatic stay, although the liquidator (or creditor or shareholder) can apply to the court for an order that no proceedings or other actions may be commenced or continued against the company.

Under English insolvency law, a liquidator has the power to disclaim any onerous property, which is any unprofitable contract and any other property of the company that cannot be sold, readily sold or may give rise to a liability to pay money or perform any other onerous act. A contract may be unprofitable if it gives rise to prospective liabilities and imposes continuing financial obligations on the company that may be detrimental to creditors. However, this power does not apply to a contract all the obligations under which have been performed nor can it be used to disturb accrued rights and liabilities.

Challenges to Guarantees/Security

There are circumstances under English insolvency law in which the granting by an English company of security and/or guarantees can be challenged. In most cases this will only arise if an administrator or liquidator is appointed to the company within a specified period (as set out in more detail below) of the granting of the security and/or guarantee. Therefore, if during the specified period an administrator or liquidator is appointed to an English company, the administrator or liquidator may challenge the validity of the security and/or guarantee given by such company. The Issuer cannot be certain that, in the event of the onset of either of the UK

Subsidiaries' insolvency that is within any of the requisite time periods set forth below, the grant of any security and/or guarantee will not be challenged or that a court would uphold the transaction as valid.

Onset of Insolvency

The date of the onset of insolvency, for the purposes of transactions at an undervalue and preferences, depends on the insolvency procedure in question. In administration the onset of insolvency is the date on which (a) the court application for an administration order is issued, (b) the notice of intention to appoint an administrator is filed at court, or (c) otherwise, the date on which the appointment of an administrator takes effect. In a compulsory liquidation the onset of insolvency is the date the winding-up petition is presented to court, whereas in a voluntary liquidation it is the date the company passes a winding-up resolution. Where liquidation follows administration, the onset of insolvency will be the same as the initial administration.

Transaction at an Undervalue

Under English insolvency law (pursuant to section 238 of the Insolvency Act), a liquidator or administrator of a company could apply to the court for an order to set aside the grant of a security interest or a guarantee granted by a UK Subsidiary (or give other relief) on the grounds that the creation of such a security interest or grant of a guarantee constituted a transaction at an undervalue. The grant of a security interest or of a guarantee will only be a transaction at an undervalue if at the time of the transaction or as a consequence of the transaction, the UK Subsidiary is unable to pay its debts or becomes unable to pay its debts (as defined in Section 123 of the Insolvency Act). A transaction may be set aside as a transaction at an undervalue if the transaction constitutes a gift or is made on terms that provide that the UK Subsidiary receives no consideration or if the UK Subsidiary receives consideration of significantly less value, in money or in money's worth, than the consideration given by such UK Subsidiary. For a challenge to be made, the guarantee or security must be granted within a period of two years ending with the onset of insolvency (as defined in section 240 of the Insolvency Act). A court will not make an order in respect of a transaction at an undervalue if it is satisfied that the UK Subsidiary entered into the transaction in good faith and for the purpose of carrying on its business and that, at the time it did so, there were reasonable grounds for believing the transaction would benefit the UK Subsidiary. Subject to this, if the court determines that the transaction was a transaction at an undervalue the court can make such order as it thinks fit to restore the position to what it would have been if the transaction had not been entered into (which could include reducing payments under or setting aside the guarantees although there is protection for a third party that benefits from the transaction and has acted in good faith and for value). In any challenge proceedings, it is for the administrator or liquidator to demonstrate that the UK Subsidiary was unable to pay its debts unless a beneficiary of the transaction was a "connected person" (as defined in the Insolvency Act), in which case there is a presumption that the UK Subsidiary was unable to pay its debts and the connected person must demonstrate that the UK Subsidiary was not unable to pay its debts at the time of the transaction.

Preference

Under English insolvency law (pursuant to section 239 of the Insolvency Act), a liquidator or administrator of a UK Subsidiary could apply to the court for an order to set aside a security interest or a guarantee granted by such UK Subsidiary (or give other relief) on the grounds that such security interest or guarantee constituted a preference. The grant of a security interest or a guarantee is a preference if it has the effect of placing a creditor of the UK Subsidiary (or a surety or guarantor of the UK Subsidiary's debts or liabilities) in a better position in the event of the UK Subsidiary's insolvent liquidation than if the security interest or guarantee had not been granted. For a challenge to be made, the granting of the security interest or guarantee must be made within the period of six months ending with the onset of insolvency (as defined in section 240 of the Insolvency Act) if the beneficiary of the security interest or guarantee is not a connected person or two years if the beneficiary is a connected person. In addition, the UK Subsidiary must have been "unable to pay its debts" at the time it gave the preference or become "unable to pay its debts" as a result. A UK Subsidiary's "inability to pay its debts" in this scenario has the same meaning as in the case of a transaction at an undervalue save that, in the case of a preference, there is no presumption of insolvency if the parties are connected. A court will not make an order in respect of a preference of a person unless it is satisfied that the UK Subsidiary in deciding to give the preference was influenced by a desire to put that person in a better position. If the court determines that the transaction was a preference, the court can make such order as it thinks fit to restore the position to what it would have been if that preference had not been given (which could include reducing payments under or setting aside the guarantees). There is protection for a third party that benefits from the transaction and acted in good faith and for value. In any proceedings, it is for the administrator or liquidator to demonstrate that the UK Subsidiary was unable to pay its debts and that the company was influenced by a

desire to produce the preferential effect, unless the beneficiary of the transaction was a connected person, in which case there is a presumption that the UK Subsidiary was influenced by a desire to produce the preferential effect and the connected person must demonstrate in such proceedings that there was no such desire.

Transaction Defrauding Creditors

Under English insolvency law, a liquidator or an administrator of a UK Subsidiary, or a person who is a "victim" of the relevant transaction (with the permission of the Court if the UK Subsidiary is in liquidation or administration) can apply to the court pursuant to section 423 of the Insolvency Act, for an order to set aside a security interest or guarantee granted by that UK Subsidiary on the grounds the security interest or guarantee was a transaction defrauding creditors. There is no time limit in the English insolvency legislation within which the UK Subsidiary must enter insolvency proceedings and the relevant UK Subsidiary does not need to have been unable to pay its debts at the time of the transaction.

A transaction will constitute a transaction defrauding creditors if it is a transaction at an undervalue (as described above) and the court is satisfied the substantial purpose of a party to the transaction was to put assets beyond the reach of actual or potential claimants against it or to prejudice the interest of such persons.

If the court determines that the transaction was a transaction defrauding creditors, then it may make such order as it may deem fit to restore the position to what it was prior to the transaction or protect the victims of the transaction (including reducing payments under or setting aside the guarantee) but there is protection for a third party acting in good faith and for value without notice of the relevant circumstances.

Extortionate Credit Transaction

An administrator or a liquidator can apply to court to set aside an extortionate credit transaction. The court can review extortionate credit transactions entered into by a UK Subsidiary up to three years before the day on which that UK Subsidiary entered into administration or went into liquidation. A transaction is "extortionate" if, having regard to the risk accepted by the person providing the credit, the terms of it are (or were) such as to require grossly exorbitant payments to be made (whether unconditionally or in certain contingencies) in respect of the provision of the credit or it otherwise grossly contravened ordinary principles of fair dealing.

Connected Persons

A connected person for the purposes of transactions at an undervalue, preferences and invalid floating charges, is a party who is a director, shadow director, an associate of such director, or an associate, of the relevant English company. A party is associated with an individual if they are a relative of the individual or the individual's husband, wife or civil partner, or the husband, wife or civil partner of a relative of the individual or the individual's husband, wife or civil partner. A party is associated with an English company if employed by that English company. A UK Subsidiary is associated with another company if the same person has control of both companies, or a person has control of one and persons who are his associates, or he and persons who are his associates, have control of the other, or if a group of two or more persons has control of each company, and the groups either consist of the same persons or could be regarded as consisting of the same persons by treating (in one or more cases) a member of either group as replaced by a person of whom he is an associate.

Post-petition Interest

Any interest accruing under or in respect of amounts due under the Guarantee to which a UK Subsidiary is a party in respect of any period after the commencement of administration or liquidation proceedings would only be recoverable by the holders of the Notes from any surplus remaining after payment of all other debts proved in the proceedings and accrued and unpaid interest up to the date of the commencement of the proceedings.

Dispositions in Winding-up

Under Section 127 of the Insolvency Act, any dispositions of a UK Subsidiary's property made after a winding-up has commenced is, unless the court orders otherwise, void. The compulsory winding-up of a UK Subsidiary is deemed to start when a winding-up petition is presented by a creditor against the UK Subsidiary, rather than the date that the court makes the winding-up order (if any). However, this will not apply to any property or security interest subject to a disposition or otherwise arising under a financial collateral arrangement

under the Financial Collateral Arrangements Regulations and will not prevent a close-out netting provision from taking effect in accordance with its terms.

Foreign Currency

Under English insolvency law, where creditors are asked to submit formal proofs of claim for their debts, any debt of a company payable in a currency other than British pounds sterling must be converted into British pounds sterling by the insolvency office-holder by reference to the exchange rates prevailing at the date when the relevant English company went into liquidation or administration. This provision overrides any agreement between the parties.

PLAN OF DISTRIBUTION

We and BNP Paribas, Crédit Agricole Corporate and Investment Bank and Deutsche Bank AG, London Branch, as initial purchasers, will enter into a purchase agreement dated April 3, 2019 with respect to the Notes. Subject to the terms and conditions set forth in the purchase agreement, we have agreed to sell the Notes to the initial purchasers.

The obligations of the initial purchasers under the purchase agreement, including their agreement to purchase the Notes from us, are several and not joint. The purchase agreement provides that the initial purchasers are obligated to purchase all of the Notes if any of them are purchased. The purchase agreement also provides that, if an initial purchaser defaults, the purchase commitments of non-defaulting initial purchasers may be increased or, in some cases, the offering may be terminated. We have agreed to pay the initial purchasers certain customary fees for their services in connection with this offering and to reimburse them for certain out-of-pocket expenses. We have agreed to indemnify the initial purchasers against certain liabilities, including liabilities under the Securities Act, or to contribute to payments the initial purchasers may be required to make in respect of those liabilities.

The initial purchasers propose to offer the Notes initially at the offering price set forth on the cover page of this listing prospectus and may also offer the Notes to selling group members at the offering price less a selling concession. After the initial offering, the offering price may be changed. The initial purchasers may make offers and sales in the United States through their respective U.S. broker-dealer affiliates.

Persons who purchase Notes from the initial purchasers may be required to pay stamp duty, taxes and other charges in accordance with the laws and practice of the country of purchase in addition to the offering price set forth on the cover page of this listing prospectus.

The Notes will be a new issue of securities for which there is currently no market. We will apply to admit the Notes to listing on the Official List of the Luxembourg Stock Exchange and to trading on the Euro MTF, but there can be no assurance that such listing will be maintained.

The initial purchasers have advised us that they intend to make a market in the Notes as permitted by applicable law. The initial purchasers are not obliged, however, to make a market in the Notes, and any market-making activity may be discontinued at any time at its sole discretion without notice. In addition, any such market-making activity will be subject to the limits imposed by the Securities Act and the Exchange Act. Accordingly we cannot assure you that any market for the Notes will develop or that it will be liquid if it does develop, or that you will be able to sell any Notes at a particular time or at a price that will be favorable to you.

BNP Paribas (or persons acting on its behalf) may engage in over-allotment, stabilizing transactions, covering transactions and penalty bids in accordance with Regulation M under the Exchange Act. Over-allotment involves sales in excess of the offering size, which creates a short position for the initial purchasers. Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum. Covering transactions involve purchases of the Notes in the open market after the distribution has been completed in order to cover short positions. Penalty bids permit the initial purchasers to reclaim a selling concession from a broker/dealer when the Notes originally sold by such broker/dealer are purchased in a stabilizing or covering transaction to cover short positions. These stabilizing transactions, covering transactions and penalty bids may cause the price of the Notes to be higher than it would otherwise be in the absence of these transactions. These transactions, if commenced, may be discontinued at any time.

From time to time, the initial purchasers and their affiliates have provided, and may in the future provide, investment banking and commercial banking and lending services to us and our affiliates for which they have received or may receive customary fees and commissions. Crédit Agricole Corporate and Investment Bank and Deutsche Bank AG, London Branch are original lenders under the Revolving Credit Facility Agreement. Deutsche Bank AG, London Branch will act as Paying Agent for the Notes offered hereby.

Selling Restrictions

United States

The Notes have not been and will not be registered under the Securities Act, or with any securities regulatory authority of any state or other jurisdiction in the United States, and may not be offered, sold, pledged

or otherwise transferred except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable state securities laws. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Accordingly, the Notes are being offered (a) in the United States only to QIBs, as defined in Rule 144A, in reliance on an exemption from the registration requirements of the Securities Act provided for private placements and (b) outside the United States only in "offshore transactions" as defined in, and in accordance with, Regulation S. For a description of the relevant restrictions on transfer of the Notes by U.S. investors, see "*Transfer Restrictions*." Any person who subscribes or acquires Notes outside the United States will be deemed to have represented, warranted and agreed, by accepting delivery of this listing prospectus or delivery of Notes, that it has not received this document or any information related to the Notes in the United States, is not located in the United States and is subscribing for or acquiring Notes in compliance with Rule 903 of Regulation S in an "offshore transaction" as defined in Regulation S.

In addition, until 40 days after the commencement of the offering, an offer or sale of Notes within the United States by a dealer (whether or not it is participating in the offering) may violate the registration requirements of the Securities Act unless it is made pursuant to Rule 144A.

European Economic Area

Each Initial Purchaser has represented and agreed that it has not offered or sold and will not offer or sell any Notes to any retail investor in the European Economic Area. For the purposes of this provision:

(a) the expression "retail investor" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or

(ii) a customer within the meaning of Directive 2016/97/EU (as amended, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

In relation to each Member State of the European Economic Area (each, a "Member State"), each initial purchaser has represented and agreed that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this listing prospectus to the public in that Member State other than offers:

(a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the initial purchasers for any such offer; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes shall result in a requirement for the publication by the Issuer or any initial purchaser of a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to the public" in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the Directive 2010/73/EU), and includes any relevant implementing measure in the relevant individual Member States.

France

Each of the initial purchasers has represented and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed any Notes to the public in France, within the

meaning of Article L.411-1 of the French *Code monétaire et financier* and Title I of Book II of the *Règlement Général* of the *Autorité des Marchés Financiers* (the French financial markets authority) (the "AMF"). Consequently, the Notes have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France (*offre au public de titres financiers*), and neither this listing prospectus nor any offering or marketing materials relating to the Notes must be made available or distributed in any way that would constitute, directly or indirectly, an offer to the public in France.

This listing prospectus or any other offering material relating to the Notes and such offers, sales and distributions have been and will be made in France only to (a) investment services providers authorized to engage in portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) and (b) qualified investors (*investisseurs qualifiés*), other than individuals, as defined in, and in accordance with, Articles L.411-2 and D.411-1 of the French *Code monétaire et financier*.

Prospective investors are informed that:

(i) neither this listing prospectus nor any other offering material relating to the Notes has been or will be submitted for clearance to the AMF;

(ii) in compliance with Articles L.411-2 and D.411-1 of the French *Code monétaire et financier*, any qualified investors subscribing for the Notes should be acting for their own account; and

(iii) the direct and indirect distribution or sale to the public of the Notes acquired by those investors to whom offers and sales of the Notes may be made as described above may only be made in compliance with Articles L.411-1 to L.411-4, L.412-1 and L.621-8 to L.621-8-3 of the French *Code monétaire et financier* and applicable regulations thereunder.

United Kingdom

Each initial purchaser has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 ("FSMA")) received by it in connection with the issue or sale of the notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the notes in, from or otherwise involving the United Kingdom.

Other Jurisdictions

The distribution of this listing prospectus and the offer and sale or resale of the Notes may be restricted by law in certain jurisdictions. Persons into whose possession this listing prospectus (or any part hereof) comes are required by us and the initial purchasers to inform themselves about, and to observe, any such restrictions.

TRANSFER RESTRICTIONS

You are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of any of the Notes offered hereby.

We have not registered and will not register the Notes under the Securities Act and, therefore, the Notes may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, we are offering and selling the Notes to the initial purchasers for re-offer and resale only:

- in the United States to ''qualified institutional buyers,'' commonly referred to as ''QIBs,'' as defined in Rule 144A in compliance with Rule 144A; and
- outside the United States in offshore transactions in accordance with Regulation S.

We use the terms ''offshore transaction'' and ''United States'' with the meanings given to them in Regulation S.

Each purchaser of Notes will be deemed to have represented and agreed as follows (terms used in this paragraph that are defined in Rule 144A or Regulation S are used herein as defined therein):

(1) The purchaser (A) (i) is a qualified institutional buyer, (ii) is aware that the sale to it is being made in reliance on Rule 144A and (iii) is acquiring such Notes for its own account or for the account of a qualified institutional buyer or (B) is purchasing such Notes outside of the United States in an offshore transaction pursuant to Regulation S.

(2) The purchaser understands that the Notes are being offered in a transaction not involving any public offering in the United States within the meaning of the Securities Act, that such Notes have not been and will not be registered under the Securities Act or any state securities law, and that (A) if in the future it decides to offer, resell, pledge or otherwise transfer any of the Notes, such Notes may be offered, resold, pledged or otherwise transferred only (i) to the Issuer, (ii) in the United States to a person whom the seller reasonably believes is a qualified institutional buyer in a transaction meeting the requirements of Rule 144A, (iii) outside the United States in a transaction complying with the provisions of Rule 903 or Rule 904 under the Securities Act, (iv) pursuant to an exemption from registration under the Securities Act provided by Rule 144 (if available), (v) pursuant to another available exemption from registration under the Securities Act, or (vi) pursuant to an effective registration statement under the Securities Act, in each of cases (i) through (vi) in accordance with any applicable securities laws of any State of the United States; and (B) the purchaser will, and each subsequent holder is required to, notify any subsequent purchaser of the Notes from it of the resale restrictions referred to in (A) above. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time.

(3) The foregoing transfer restrictions will remain applicable to the earlier of payment in full of the Notes outstanding, registration of the Notes under the Securities Act and the date or dates on which the Notes are fully transferable without registration of the Notes under the Securities Act.

(4) The purchaser has been afforded an opportunity to ask questions to us, and to request from us and to review, and has received and reviewed, all additional information considered by it to be necessary to verify the accuracy of the information in this listing prospectus and has not relied on the initial purchasers or any person affiliated with the initial purchasers in connection with its investigation of the accuracy of the information contained in this listing prospectus or any additional information or in connection with its investment decision. The purchaser acknowledges that neither the initial purchasers nor any person representing the initial purchasers has made any representation to it with respect to either us or the

offering of the Notes. The initial purchasers reserve the right to reject any offer to purchase Notes, in whole or in part, for any reason.

(5) It is purchasing the Notes for its own account, or for one or more investor accounts for which it is acting as a fiduciary or agent, in each case for investment, and not with a view to, or for offer or sale in connection with, any distribution thereof in violation of the Securities Act or any state securities laws, subject to any requirement of law that the disposition of its property or the property of such investor account or accounts be at all times within its or their control and subject to its or their ability to resell such Notes pursuant to Rule 144A, Regulation S or any other exemption from registration available under the Securities Act.

(6) If the purchaser is a purchaser of Notes offered in reliance on the exemption from registration provided by Rule 144A (the "Rule 144A Notes" or "Restricted Notes"), such purchaser acknowledges and agrees that, until the expiration of the applicable holding period with respect to such Notes set forth in Rule 144(d) of the Securities Act, such Notes may be offered, sold or otherwise transferred only:

(A) to the Issuer or a subsidiary thereof;

(B) pursuant to an effective registration statement under the Securities Act (the Issuer having no obligation to effect any such registration);

(C) to a QIB in compliance with Rule 144A;

(D) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S; or

(E) pursuant to any other available exemption from registration requirements of the Securities Act;

provided that as a condition to registration of transfer of such Notes, we, the Trustee, the Registrar or the Transfer Agent may require delivery of any documents or other evidence that the Issuer or the fiscal agent each, in their discretion, deem necessary or appropriate to evidence compliance with one of the exemptions referred to above, and, in each case, in accordance with the applicable securities laws of the states of the United States and other jurisdictions.

Such purchaser also acknowledges that each Rule 144A Note will contain a legend substantially to the following effect:

THIS LEGEND SHALL BE REMOVED SOLELY AT THE OPTION OF THE ISSUER.

THIS NOTE (OR ITS PREDECESSOR) WAS ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND THIS NOTE MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM. EACH PURCHASER OF THIS NOTE IS HEREBY NOTIFIED THAT THE SELLER OF THIS NOTE MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE ACQUIRER:

(1) REPRESENTS THAT IT, AND ANY ACCOUNT FOR WHICH IT IS ACTING, IS A "QUALIFIED INSTITUTIONAL BUYER" (WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT) AND THAT IT EXERCISES SOLE INVESTMENT DISCRETION WITH RESPECT TO EACH SUCH ACCOUNT;

(2) AGREES FOR THE BENEFIT OF THE ISSUER THAT THIS NOTE MAY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY

(I) TO THE ISSUER OR A SUBSIDIARY OF THE ISSUER, (II) IN THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (III) OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 UNDER THE SECURITIES ACT, (IV) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), (V) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT, OR (VI) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH OF CASES (I) THROUGH (VI) IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.

PRIOR TO THE REGISTRATION OF ANY TRANSFER IN ACCORDANCE WITH THE FOREGOING, THE ISSUER, THE TRUSTEE, THE REGISTRAR AND THE TRANSFER AGENT RESERVE THE RIGHT TO REQUIRE THE DELIVERY OF SUCH LEGAL OPINIONS, CERTIFICATIONS, OR OTHER EVIDENCE AS MAY REASONABLY BE REQUIRED IN ORDER TO DETERMINE THAT THE PROPOSED TRANSFER IS BEING MADE IN COMPLIANCE WITH THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. NO REPRESENTATION IS MADE AS TO THE AVAILABILITY OF ANY EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT."

(7) If the purchaser is a purchaser of Notes offered in reliance on the exemption from registration provided by Regulation S (the "Regulation S Notes"), such purchaser acknowledges and agrees that the Regulation S Notes will, unless otherwise agreed by the Issuer and the holder thereof, bear a legend substantially to the following effect (the "Regulation S Legend"):

THIS NOTE (OR ITS PREDECESSOR) WAS ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE TRANSFERRED IN THE UNITED STATES EXCEPT PURSUANT TO AN AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ALL APPLICABLE STATE SECURITIES LAWS. TERMS USED ABOVE HAVE THE MEANINGS GIVEN TO THEM IN REGULATION S UNDER THE SECURITIES ACT.

(8) The purchaser acknowledges that the Issuer, the initial purchasers and others will rely upon the truth and accuracy of the above acknowledgments, representations and agreements. The purchaser agrees that if any of the acknowledgments, representations or agreements it is deemed to have made by its purchase of Notes is no longer accurate, it will promptly notify the Issuer and the initial purchasers. If such purchaser is purchasing any Notes as a fiduciary or agent for one or more investor accounts, such purchaser represents that it has sole investment discretion with respect to each of those accounts and that it has full power to make the above acknowledgments, representations and agreements on behalf of each account.

Rule 144A Notes may be exchanged for notes not bearing the Restricted Notes Legend but bearing the Regulation S Legend upon certification by the transferor in the form set forth in the indentures that the transfer of any such Restricted Note has been made in accordance with Rule 903 or Rule 904 under the Securities Act, provided that as a condition to registration of transfer of such Notes, we, the Trustee, the Registrar or the Transfer Agent may require delivery of any documents or other evidence that the Issuer or the Trustee each, in their discretion, deem necessary or appropriate to evidence compliance with one of the exemptions referred to above.

LEGAL MATTERS

Certain legal matters in connection with the validity of the Notes will be passed on for us by Latham & Watkins (London) LLP, who are acting as our special United States counsel and our English legal advisors, and by Latham & Watkins AARPI, who are acting as our French legal advisors. The initial purchasers have been represented by Shearman & Sterling (London) LLP as to matters of United States, French and English law.

STATUTORY AUDITORS

The consolidated financial statements for Loxam as of and for the years ended December 31, 2016, 2017 and 2018, an English translation of which is included in this listing prospectus, have been audited by KPMG Audit (a division of KPMG SA) and Constantin Associés (a member of Deloitte Touche Tohmatsu Limited), statutory auditors, as stated in their reports appearing therein.

SERVICE OF PROCESS AND ENFORCEMENT OF LIABILITIES

France

The Issuer and Loxam Module are organized under the laws of France and have their registered office and principal place of business in France. None of Loxam's officers named herein are residents of the United States, and all or a substantial portion of their assets are located outside the United States. Substantially all of the assets of Loxam and Loxam Module are located outside the United States. The Issuer and Loxam Module have agreed, in accordance with the terms of the Indentures, to accept service of process in any suit, action or proceeding with respect to the Indentures or the Notes brought in any federal or state court located in New York City by an agent designated for such purpose, and to submit to the jurisdiction of such courts in connection with such suits, actions or proceedings. However, it may not be possible to effect service of process within the United States upon the officers of Loxam or Loxam Module or to enforce against these persons, or Loxam and Loxam Module, judgments of United States courts predicated upon civil liability provisions of the federal securities laws of the United States. It may nonetheless be possible for investors to effect service of process within France upon those persons or entities, provided that The Hague Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters of November 15, 1965 is complied with.

If an original action is brought in France, predicated solely upon the United States federal securities laws, French courts may not have the requisite jurisdiction to grant the remedies sought.

A party in whose favor such judgment was rendered could initiate enforcement proceedings (*exequatur*) in France before the relevant civil court (*Tribunal de Grande Instance*) that has exclusive jurisdiction over such matter.

Actions for enforcement in France of a U.S. judgment rendered against any of the French persons referred to in the preceding paragraph, which is enforceable in the United States, would require the following conditions being met (which conditions, under prevailing French case law, as of the date of this listing prospectus, do not include a review by the French civil court of the merits of the foreign judgment):

(i) that such U.S. judgment was rendered by a court having jurisdiction over the matter because the dispute is substantially connected with the United States, the choice of U.S. court was not fraudulent and that French courts do not have exclusive jurisdiction over the matter;

(ii) that the judgment is not contrary to the principles of French international public policy, both pertaining to the merits and to the procedure of the case, including fair trial rights; and

(iii) that the U.S. judgment is not tainted with fraud under French law.

In addition to these conditions, it is well established that only final and binding foreign judicial decisions (i.e. those having a *res judicata* effect) can benefit from an exequatur under French law, that such U.S. judgment should not conflict with a French judgment or a foreign judgment that has become effective in France, and there is no proceedings pending before French courts at the time enforcement of the U.S. judgment is sought and having the same or similar subject matter as such U.S. judgment.

If the French civil court is satisfied that such conditions are met, the U.S. judgment will benefit from the *res judicata* effect as of the date of the decision of the French civil court and will thus be declared enforceable in France. However, the decision granting the exequatur is subject to appeal.

In addition, the discovery process under actions in the United States could be adversely affected under certain circumstances by French law No. 68 678 of July 26, 1968, as modified by French law No. 80 538 of July 16, 1980 and French Ordinance No. 2000 916 of September 19, 2000 (relating to the communication of documents and information of an economic, commercial, industrial, financial or technical nature to foreign authorities or persons), which could prohibit or restrict obtaining evidence in France or from French persons in connection with a judicial or administrative U.S. action. Pursuant to the regulations above, the U.S. authorities would have to comply with international (the 1970 Hague Convention on the Taking of Evidence Abroad) or French procedural rules to obtain evidence in France or from French persons.

Similarly, French data protection rules (law No. 78 17 of January 6, 1978 on data processing, data files and individual liberties, as most recently modified by French Ordinance No. 2011 1012 of August 24, 2011) can limit under certain circumstances the possibility of obtaining information in France or from French persons in connection with a judicial or administrative U.S. action in a discovery context.

Furthermore, if an original action is brought in France, French courts may refuse to apply foreign law designated by the applicable French rules of conflict (including the law chosen by the parties to govern their contract) if the application of such law (in the case at hand) is deemed to contravene French international public policy (as determined on a case by case basis by French courts). Furthermore, in an action brought in France on the basis of U.S. federal or state securities laws, French courts may not have the requisite power to grant all the remedies sought.

Subject to the application of Regulation (EC) no 44/2001, Articles 14 and 15 of the French Civil Code may also apply. Pursuant to Article 14 of the French Civil Code, a French national (either a company or an individual) may sue a foreign defendant before French courts in connection with the performance of obligations contracted by the foreign defendant in France with a French person or in a foreign country with French individuals. Pursuant to Article 15 of the French Civil Code, a French national may be sued by a foreign claimant before French courts in connection with the performance of obligations contracted by the French national in a foreign country with the foreign claimant. For a long time, case law has interpreted these provisions as meaning that a French national, either claimant or defendant, could not be forced against its will to appear before a jurisdiction other than French courts. However, according to case law, the French courts' jurisdiction over French nationals is not mandatory to the extent an action has been commenced before a court in a jurisdiction that has sufficient contacts with the dispute and the choice of jurisdiction is not fraudulent. In addition, a French national may waive its rights to benefit from the provisions of Articles 14 and 15 of the French Civil Code, including by way of conduct by voluntarily appearing before the foreign court.

The French Supreme Court (*Cour de cassation*) has recently held that a contractual provision submitting one party to the exclusive jurisdiction of a court and giving another party the discretionary option to choose any competent jurisdiction was invalid on the ground that it was discretionary (*potestative*). Accordingly, any provisions to the same effect in any relevant documents would not be binding on the party submitted to the exclusive jurisdiction of the court or prevent a French party from bringing an action before the French courts.

England and Wales

There is no treaty between the United States and the United Kingdom providing for the reciprocal recognition and enforcement of court judgments in civil and commercial matters (although the United States and the United Kingdom are both parties to the 1958 New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards). As a result, a final judgment rendered by any federal or state court in the United States based on civil liability, whether or not predicated solely upon U.S. federal securities law, would not automatically be recognised or enforced in England and Wales. In order to "enforce" any such judgment in England and Wales, new proceedings must be initiated by way of civil law action on the judgment debt before a court of competent jurisdiction in England and Wales. In this type of action, an English court generally will not (subject to the matters identified below) re-try or re-examine the merits of the original matter decided by a U.S. court, and it would usually be possible to obtain summary judgment, provided that:

- the relevant U.S. court had jurisdiction (under English rules of private international law) to give the judgment; and
- the judgment is final and conclusive on the merits and is for a definite sum of money (not being a sum payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalty or otherwise based on a U.S. law that an English court considers to be a penal, revenue or other public law).

An English court may refuse to enforce such a judgment, however, if it is established that:

- the recognition and enforcement of the judgment would contravene public policy or statute in England and Wales;
- the recognition and enforcement of the judgment is prohibited by statute (including, without limitation, if the amount of the judgment has been arrived at by doubling, trebling or otherwise multiplying a sum assessed as compensation for the loss or damage sustained);
- the enforcement proceedings were not commenced within the relevant limitation period;
- before the date on which the U.S. court gave judgment, the issues in question had been the subject of a final judgment of an English court or of a court of another jurisdiction whose

judgment is entitled to recognition in England and which final judgment conflicts with the judgment of the U.S. court;

- the judgment has been obtained by fraud or in proceedings in which the principles of natural or substantial justice were breached;

- the bringing of proceedings in the relevant U.S. court was contrary to an agreement under which the dispute in question was to be settled otherwise than by proceedings in that court (to whose jurisdiction the judgment debtor did not submit);

- recognition and enforcement of the judgment is restricted by the provisions of the Protection of Trading Interests Act 1980; or

- an order has been made and remains effective under section 9 of the UK Foreign Judgments (Reciprocal Enforcement) Act 1933 applying that section to U.S. courts including the relevant U.S. court.

If an English court gives judgment for the sum payable under a U.S. judgment, the English judgment will be enforceable by methods generally available for this purpose. The English court generally has discretion to prescribe the manner of enforcement. In addition, it may not be possible to obtain an English judgment or to enforce that judgment if the judgment debtor is subject to any insolvency or similar proceedings, or if the judgment debtor has any set-off or counterclaim against the judgment creditor. Subject to the foregoing, investors may be able to enforce in England and Wales judgments in civil and commercial matters obtained from U.S. federal or state courts in the manner described above using the methods available for enforcement of a judgment of an English court.

It is, however, uncertain whether an English court would impose liability on Nationwide Platforms or such persons in an action predicated upon the U.S. federal securities law brought in England and Wales.

GENERAL INFORMATION

Listing

Application has been made to the Luxembourg Stock Exchange to admit the Notes to listing on the Official List of the Luxembourg Stock Exchange and to trading on the Euro MTF market. There can be no assurance, however, that such listing will be maintained.

We will maintain a listing agent in Luxembourg for as long as any of the Notes are listed on the Official List of the Luxembourg Stock Exchange. We reserve the right to vary such appointment and we will provide notice of such change of appointment to holders of the Notes and the Luxembourg Stock Exchange.

For so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF and the rules of the Luxembourg Stock Exchange require, copies of the following documents, including any future amendments, may be inspected and obtained free of charge at the specified office of the listing agent in Luxembourg during normal business hours on any weekday:

- our most recent audited annual consolidated financial statements;
- our most recent unaudited quarterly consolidated financial statements;
- copies of our articles of association (statuts) and the articles of association of the Guarantors;
- this listing prospectus;
- the Indentures relating to the Notes, which include the Guarantees and the forms of the Notes;
- the Security Documents; and
- the Intercreditor Agreement.

Legal Information

The Issuer

We are a French limited liability company (*société par actions simplifiée*). We were formed on November 22, 2005 for a term of 99 years under the name "Loxam Holding," and, on July 29, 2011, we merged with Loxam S.A. and changed our legal name to "Loxam." We are registered under number 450 776 968 RCS Lorient. Our registered office is at 265, rue Nicolas Coatanlem 56850 Caudan, France and our principal executive office is located at 89, avenue de la Grande Armée, 75116 Paris, France. Our telephone number is +33 1 58 44 04 00.

As of the date of this listing prospectus, our authorized share capital was €229,818,150 divided into 19,138,122 class A shares, 2,735,693 class B shares and 1,108,000 ordinary registered voting shares with a nominal value of €10 each, all of which were issued and outstanding.

Pursuant to Article 3 of our articles of association, our corporate purpose is the following:

- the study, creation, implementation, exploitation, direction and management of all commercial, industrial, real estate or financial activities or enterprises,
- the acquisition, lease, rental, with or without a promise to sell, construction and exploitation of all factories, workshops, offices and premises,
- the acquisition, sale, rental of all equipment for civil engineering, agriculture, materials handling or transportation, whether fixed, movable or rolling, machines and tools, as well as all land, sea or air vehicles, and the exploitation of such equipment for the realization of works by the public or by individuals,
- the direct or indirect participation in all operations or enterprises by creating companies, establishments or groups with a real estate, commercial-industrial or financial purpose, through participation in their incorporation or by increasing the capital of existing companies,

- the management of a portfolio of holdings and securities and related activities,

- the ownership and management of all buildings, and

- more generally, all industrial, commercial-financial activities or activities relating to property or real estate that could directly or indirectly relate to one of the objects specified above or to any other similar or related purpose.

We have obtained all necessary consents, approvals and authorizations in our jurisdiction of incorporation in connection with the issuance and performance of the Notes. The issue of the Notes was authorized pursuant to decisions of the Chairman and CEO of Loxam, adopted on March 29, 2019.

The Guarantors

Nationwide Platforms Limited

Nationwide Platforms Limited is a private limited company established under the laws of England and Wales and was incorporated on June 17, 1988 for an indefinite term. Nationwide Platforms is registered with the Companies House under company number 02268921. The fiscal year of Nationwide Platforms ends on December 31. The registered office of Nationwide Platforms is located at 15 Midland Court Central Park, Lutterworth, Leicestershire, LE17 4PN and its telephone number at that address is +44 (0) 1455 558874.

As of the date of this listing prospectus, Nationwide Platforms has an issued and outstanding share capital of 250,000 ordinary shares with a nominal value of £1.00 each. All shares have been issued and fully paid up.

Pursuant to its Memorandum of Association, the corporate purpose of Nationwide Platforms is to carry on rental construction equipment businesses and any other related trades or businesses and several other enumerated activities related thereto.

Loxam Module SAS

Loxam Module SAS is a French limited liability company (*société par actions simplifiée*) formed on December 12, 2000 for a term of 99 years. It is registered under number 433 911 948 RCS Lorient. Its registered office is at 265, rue Nicolas Coatanlem, 56850 Caudan, France and its principal executive office is located at 89, avenue de la Grande Armée, 75116 Paris, France. Its telephone number is +33 1 58 44 04 00.

As of the date of this listing prospectus, the authorized share capital of Loxam Module SAS was €487,500.00 divided into 32,500 ordinary registered voting shares with a nominal value of €15 each, all of which were issued and outstanding.

Pursuant to Article 4 of its articles of association, the corporate purpose of Loxam Module is the following:

- the study, creation, implementation, exploitation, direction and management of all commercial, industrial, real estate or financial activities or enterprises,

- the acquisition, lease, rental, with or without a promise to sell, construction and exploitation of all factories, workshops, offices and premises,

- the acquisition, sale, rental of all equipment for civil engineering, agriculture, materials handling or transportation, whether fixed, movable or rolling, machines and tools, as well as all land, sea or air vehicles, and the exploitation of such equipment for the realization of works by the public or by individuals,

- the direct or indirect participation in all operations or enterprises by creating companies, establishments or groups with a real estate, commercial-industrial or financial purpose, through participation in their incorporation or by increasing the capital of existing companies,

- the management of a portfolio of holdings and securities and related activities,

- the ownership and management of all buildings, and
- more generally, all industrial, commercial-financial activities or activities relating to property or real estate that could directly or indirectly relate to one of the objects specified above or to any other similar or related purpose.

Significant Change

Except as disclosed herein, there has been no material adverse change in our financial trading position and prospects that is material in the context of the issue and offering of the Notes since December 31, 2018, the date of our last audited consolidated financial statements.

Except as disclosed herein, we are not involved in, and do not have knowledge of a threat of, any litigation, administrative proceedings or arbitration that is or may be material in the context of the issue and offering of the Notes.

Clearing of the Notes

The Notes have been accepted for clearance and settlement through the facilities of Clearstream, Luxembourg and Euroclear under the following securities codes.

The Senior Secured Notes sold pursuant to Regulation S and Rule 144A will have a Common Code of 197569956 and 197569964, respectively. The ISIN for the Senior Secured Notes sold pursuant to Regulation S is XS1975699569 and the ISIN for the Senior Secured Notes sold pursuant to Rule 144A is XS1975699643.

The Senior Subordinated Notes sold pursuant to Regulation S and Rule 144A will have a Common Code of 197571659 and 197571772, respectively. The ISIN for the Senior Subordinated Notes sold pursuant to Regulation S is XS1975716595 and the ISIN for the Senior Subordinated Notes sold pursuant to Rule 144A is XS1975717726.

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Loxam S.A.S.

Statutory auditors' report on the consolidated financial statements

For the year ended 31 December, 2018
Loxam S.A.S.
256 rue Coatanlem - 56850 Caudan
This report contains 50 pages
Reference : VB-191-58

KPMG S.A.,
a French limited liability entity and a member firm
of the KPMG Network of independent member firms
affiliated with KPMG International Cooperative, a Swiss entity.

Société anonyme d'expertise
comptable et de commissariat
aux comptes à directoire et
conseil de surveillance.
Inscrite au Tableau de l'Ordre
à Paris sous le n° 14-30080101
et à la Compagnie Régionale
des Commissaires aux Comptes
de Versaille

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This is a translation into English of the statutory auditors' report on the financial statements of Loxam S.A.S. issued in French and it is provided solely for the convenience of English speaking users.
This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Loxam S.A.S.

Registered office: 256 rue Coatanlem - 56850 Caudan
Share capital: €.229 818 150

Statutory auditors' report on the consolidated financial statements

For the year ended 31 December, 2018

To the annual general meeting of Loxam S.A.S.,

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying consolidated financial statements of Loxam S.A.S. for the year ended 31 December 2018.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31 December 2018 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from 1 January 2018 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in the French Code of ethics (code de déontologie) for statutory auditors.

Emphasis of Matter

We draw attention to the following matter described in Note 3.2 to the consolidated financial statements relating to "Application and interpretation of standards and regulations" relating to the impact of the new standards on the 2018 financial statements and, in particular, the application of the IFRS 9 standard. Our opinion is not modified in respect of this matter.

Justification of Assessments

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the following assessments that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Goodwill and other intangible assets

The Note 3.7 « Business combinations » and Note 3.14 « Impairment of intangible assets and property, plant and equipment » illustrate the method used to allocate identifiable assets and liabilities of consolidated entities, and the method used to determine the recoverable amounts of intangible assets.

The intangible assets reported in the consolidated financial statements as at 31 December 2018 include EUR 1 252 277 thousand in goodwill, which were subjected to impairment tests in accordance with the methods described in Note 3.14 « Impairment of intangible assets and property, plant and equipment » and Note 5 « Intangible assets and goodwill » of the consolidated financial statements.

As part of our audit, we assessed, among other things, the method used to perform impairment tests, the consistency of all the data and assumptions that underpin the measurement, as well as the calculation. We evaluated the appropriateness of the notes presented in the consolidated financial statements.

Specific verifications

As required by law, we have also verified in accordance with professional standards applicable in France the information pertaining to the Group presented in the management report of the Chairman.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European

Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The consolidated financial statements were approved by the Chairman.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements.

- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.

- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Rennes, on the 25 March 2019

The statutory auditors

French original signed by

Vincent Broyé
Partner
KPMG Audit
Département de KPMG S.A.

Vincent Broyé
Partner

Paris La Défense, on the 25 March 2019

Jean Paul Séguret
Partner

Constantin Associés
Member of Deloitte Touche Tohmatsu Limited

Jean Paul Séguret
Partner

Free translation into English

LOXAM GROUP

IFRS FINANCIAL STATEMENTS

at 31 December 2018

CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2018

Statement of financial position

	Notes	31.12.17	31.12.18
		(*€'000*)	
ASSETS			
Intangible assets and goodwill	5	1,333,889	1,327,286
Property, plant and equipment	6	1,232,597	1,354,701
Investments in associates	7	0	0
Financial assets	8	15,626	14,381
Financial derivatives	14	1,181	0
Deferred tax assets	22	21,632	18,394
Non-current assets		**2,604,925**	**2,714,762**
Inventories	9	29,315	30,782
Trade and other receivables	10	370,842	388,497
Other current assets	11	64,701	56,215
Corporate income tax receivables	11	19,380	12,256
Cash and cash equivalents	12	117,544	143,789
Current assets		**601,782**	**631,539**
Total assets		**3,206,707**	**3,346,301**

	Notes	31.12.17	31.12.18
		(*€'000*)	
LIABILITIES			
Share capital		229,818	229,818
Additional paid-in capital		1,882	1,882
Consolidated reserves		211,953	292,489
Net profit for the year		84,644	95,658
Shareholders' equity (Group share)		**528,297**	**619,847**
Non-controlling interests		15,391	10,621
Total equity	**13**	**543,688**	**630,468**
Employee benefits	16	16,608	11,111
Deferred tax liabilities	22	62,064	70,400
Borrowings and financial debt	15	2,037,490	2,063,029
Financial derivatives	14	2,855	2,313
Non-current liabilities		**2,119,017**	**2,146,853**
Provisions	17	11,245	11,098
Borrowings and financial debt	15	201,218	216,504
Trade and other payables	18	188,181	202,210
Other liabilities	18	135,400	135,462
Corporate income tax liabilities	18	7,958	3,706
Current liabilities		**544,003**	**568,980**
Total shareholders' equity and liabilities		**3,206,707**	**3,346,301**

Consolidated income statement and statement of comprehensive income

	Notes	31.12.17	31.12.18
		(*€'000*)	
Revenue		**1,367,698**	**1,482,583**
Other income		62,611	56,712
Operating income		**1,430,309**	**1,539,295**
Purchases consumed		(144,444)	(162,769)
Personnel expenses	19	(360,111)	(381,298)
Other current expenses		(443,267)	(475,283)
Taxes and duties		(18,488)	(19,261)
Depreciation and amortization – Tangible		(227,880)	(275,710)
Depreciation and amortization – Intangible		(10,503)	(12,051)
Profit from ordinary operations		**225,616**	**212,923**
Other operating incomes	20	14,045	**5,530**
Other operating expenses	20	(18,506)	(5,302)
Operating profit		**221,155**	**213,152**
Interest and financing-related expenses		(93,292)	(97,177)
Other financial expenses		(26,920)	(7,712)
Financial income		3,499	2,755
Financial income (expense)	21	**(116,714)**	**(102,135)**
Profit before tax		**104,441**	**111,017**
Share of profit of associates		(1,306)	0
Income tax expense	22	(18,860)	(20,571)
Net profit		**84,275**	**90,446**
Non-controlling interests		(369)	(5,212)
Net profit, Group share		**84,644**	**95,658**

	31.12.17	31.12.18
Net profit	**84,275**	**90,446**
Exchange gains or losses[(1)]	(24,615)	1,149
Value adjustments linked to hedging derivatives	(842)	601
Tax		
Items recycled to profit or loss	***(25,457)***	***1,750***
Remeasurement of liabilities for defined benefit retirement plans	3,568	2,178
Tax	(894)	(581)
Items not recycled to profit or loss	***2,674***	***1,597***
Other comprehensive income	**(22,783)**	**3,348**
Comprehensive income	**61,492**	**93,793**

(1) Of which foreign currency variation linked to the Lavendon Group: €(20,956)k in 2017

Consolidated cash-flow statement

	Notes		31.12.17	31.12.18
			(*€'000*)	
Net profit			**84,275**	**90,446**
Share of profit of associates	7		1,306	—
Income tax expense (including deferred tax)	22		18,860	20,571
Net finance costs	21		116,714	102,135
Other operating income and expense			(14,045)	(2,416)
Depreciation and provisions, net of reversals			247,049	289,585
Capital gains on asset disposals			(52,046)	(44,079)
Cash flow from operations (before cost of financing and tax)			**402,112**	**456,241**
Income tax paid			(9,323)	(8,927)
Financial interest paid			(92,696)	(95,476)
Financial interest received			1,440	1,299
Change in working capital requirements			(40,727)	8,734
Cash flow from operating activities		**A**	**260,805**	**361,872**
Impact of changes in scope			(817,570)	(17,128)
Acquisitions of fixed assets			(432,838)	(412,497)
Disposals of fixed assets			66,643	62,752
Cash flow from investing activities		**B**	**(1,183,764)**	**(366,873)**
Dividends paid			(4,941)	(6,895)
Capital decrease			(9,554)	—
Proceeds from loans and borrowings	15		1,918,950	492,270
Repayment of loans and borrowings	15		(1,021,040)	(456,843)
Cash flow from financing activities		**C**	**883,416**	**28,532**
Change in cash and cash equivalents		**A+B+C**	**(39,544)**	**23,531**
Cash and cash equivalents at beginning of period			155,677	116,583
Cash and cash equivalents at end of period			116,583	141,418
Impact of exchange rate fluctuations			(450)	(1,303)
Change in cash and cash equivalents			**(39,544)**	**23,531**
Other marketable securities			89	352
Cash at bank and on hand			117,455	143,437
Current bank borrowings			(961)	(2,371)
Cash and cash equivalents			**116,583**	**141,418**

Consolidated statement of changes in equity

	Share capital	Additional paid-in capital	Consolidated reserves	Reserves to be recycled (OCI)	Shareholders' equity (Group share)	Non-controlling interests	Total equity
				(*€'000*)			
At 1st January 2016	**258,223**	**1,882**	**288,730**	**(1,834)**	**547,000**	**204**	**547,204**
Net profit for the period			34,298		34,298	87	34,386
Employee benefits				(2,434)	(2,434)		(2,434)
Exchange gains or losses			5	1,450	1,455	14	1,469
Comprehensive income			**34,303**	**(984)**	**33,320**	**102**	**33,421**
Capital movements	(25,822)		(69,720)		(95,542)	633	(94,910)
Dividends			(4,884)		(4,884)	—	(4,884)
At 31 December 2016	**232,400**	**1,882**	**248,430**	**(2,818)**	**479,894**	**938**	**480,832**
Net profit for the period			84,644		84,644	(369)	84,275
Employee benefits				2,674	2,674		2,674
Hedge of net investment				(842)	(842)		(842)
Exchange gains or losses				(23,458)	(23,458)	(1,157)	(24,615)
Comprehensive income			**84,644**	**(21,626)**	**63,019**	**(1,526)**	**61,492**
Capital movements	(2,582)		(6,972)		(9,554)		(9,554)
Dividends			(4,941)		(4,941)		(4,941)
Changes in scope			(120)		(120)	15,979	15,859
At 31 December 2017	**229,818**	**1,882**	**321,041**	**(24,444)**	**528,297**	**15,391**	**543,688**
Net profit for the period			95,658		95,658	(5,212)	90,446
Employee benefits (a)				1,607	1,607	(9)	1,597
Hedge of net investment				601	601		601
Exchange gains or losses				1,438	1,438	(289)	1,149
Comprehensive income			**95,658**	**3,646**	**99,304**	**(5,510)**	**93,793**
IFRS 9 (a)			(1,026)		(1,026)		(1,026)
Capital movements							
Dividends			(6,895)		(6,895)		(6,895)
Changes in scope			0		0	542	542
Other movements			167		167	199	366
At 31 December 2018	**229,818**	**1,882**	**408,945**	**(20,798)**	**619,847**	**10,621**	**630,468**

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Note 1 – Overview

1.1 Presentation of the Group

Loxam is a French simplified joint stock company ("Société par actions simplifiée") with a capital of €229,818,150 as of December 31, 2018, governed by all of the legislation and regulations for commercial companies in France, and particularly the French commercial code ("Code de commerce").

Its registered office is located at 256 rue Nicolas Coatanlem, 56850 Caudan, France.

The Group is the European equipment rental market leader, with its business focused primarily on construction and civil engineering professionals. The Group operates mainly in Europe, , as well as North Africa, and has a 50.1% stake in a rental company in Brazil. Following the acquisitions of Lavendon and Hune, the Group is present in the United Arab Emirates, Bahrain, Saudi Arabia, Oman, Qatar, Kuwait and Colombia.

1.2 Context for the preparation of the IFRS consolidated financial statements

The consolidated financial statements for the period from January 1 to December 31, 2018 include Loxam and its subsidiaries (the whole referring to "the Group"), and the Group's share in equity affiliates and joint ventures.

1.3 Functional and reporting currency

The consolidated financial statements are prepared and presented in euros, which is the parent company's functional currency. All the financial data are presented in thousands of euros, rounded to the nearest thousand euros. The total amounts indicated in the tables may differ from the sum of the various items due to rounding.

Note 2 – Highlights

Overview of keys developments in 2018:

On February 8, 2018, Loxam SAS acquired 100% interest of Lavendon Access Services SAS ("Lavendon France") from Lavendon Access Services LTD. Lavendon France subsequently merged into Loxam SAS on April 1, 2018.

On February 7, 2018, Hune Rental SLU (Spain) acquired 100% of Loxam Alquiler (Spain) shares, from Loxam SAS. Loxam Alquiler merged into Hune Rental SLU on April 1, 2018 (with a retroactive effect as at January 1, 2018).

On June 1, our Dutch subsidiaries, Loxam BV, Workx Materieelverhuur BV and Workx Holding merged in order to improve the efficiency of our business.

On June 8, Loxam SAS acquired 100% of Negoce de Vehicules Automoteurs ("NVA"), a French based company with primary business in logistic for events activities. NVA merged into Loxam SAS on September 1, 2018.

On June 21, Loxam Access SRL acquired 100% of the Italian powered access rental company No.Ve. S.r.l. ("Nove") from Haulotte Group S.A., which operates 6 branches in Italy. Nove merged into Loxam Access SRL on December 21, 2018.

On July 23, Loxam redeemed €60 million out of the €299.3 million outstanding principal amount of the 2021 Senior Secured Notes, and €25 million out of the €250.0 million outstanding principal amount of the 2022 Senior Subordinated Notes. This partial redemption was funded out of available cash.

On December 10, 2018, our Dutch subsidiary Workx Sloop-en Graafdiensten BV was liquidated.

On December 29, 2018, Norleu Eurl merged into Loxam SAS.

Two companies were created within the Lavendon group during the fourth quarter of 2018:

- Rapid Access Middle East LLC (RAME), a company established in the Abu Dhabi free zone in the United Arab Emirates and wholly owned by Lavendon Access Services International

- Rapid Access Trading Bahrain W.L.L., located in Bahrain and 100% owned by Rapid Access Middle East LLC (RAME).

Overview of keys developments in 2017:

In January 2017, Loxam completed its share buy-back program and bought 258,222 shares, which were cancelled by a capital reduction.

On February 6, 2017, Loxam bought a 100% interest in the Spanish rental company Hune Rental S.L., that operates in Spain, Portugal, and France, and has two joint-ventures (Saudi Arabia and Colombia).

On February 13, 2017, Loxam took control of the British company Lavendon plc, which has its headquarters in the UK. This Group is composed of 70 branches located in the UK, Germany, France, Belgium and the Middle East.

Salmat Nord, which was acquired in 2016, merged into Loxam SAS as at January 1, 2017.

On April 4, 2017, Loxam issued €850 million of new bonds, split into three tranches:

- A senior secured bond of € 300 million due in 2022,

- A senior secured bond of € 300 million due in 2024,

- A senior subordinated bond of € 250 million due in 2025,

A bridge credit facility set-up in February 2017 for the Lavendon acquisition and the refinancing of its debt has been fully repaid at the beginning of April.

On April 28, 2017, Loxam SAS acquired 100% of Hune France from Hune Rental SLU (Spain). Hune France was merged into Loxam SAS on July 1, 2017.

On June 29, 2017, the German subsidiary of the Lavendon Group, Gardemann, was sold to the TVH Group. The capital gain amounted to € 14 million. At December 31, 2017, the goodwill and the intangible assets (trademarks and customers relashionship) allocated to Gardemann were fully depreciated for € 8.9 million.

A purchase price allocation following the acquisition of the Lavendon and Hune Groups was completed as at December 31, 2017 and is detailed in Note 5.

On August 7, 2017, Loxam redeemed €110.7 million out of the €410 million outstanding principal amount of its Senior Secured Notes due 2021. This partial redemption was funded out of the Group's available cash.

On August 31, 2017, Loxam completed the acquisition of the Danish equipment rental operation of Cramo Plc. This operation was structured as an asset deal. The seven branches acquired have since been integrated into Loxam's Danish operations.

On October 31, 2017, Loxam acquired the activities of the Italian company Nacanco SpA. This transaction was structured as an asset deal in Loxam Access SRL, a newly created company 80% owned

by Loxam SAS. Loxam Access SRL operates a network of 14 branches specialized on access equipment rental.

On November 30, 2017, Loxam acquired 100% of the shares of an Irish rental company Swan Plant Hire, which operates out of two branches in Dublin.

In October and December 2017, the Loxam Group increased its stake in the Degraus company by 24.4%, bringing the total stake to 50.1% as at December 31, 2017.

On December 31, 2017, the assets and liabilities of Loxam Access Ltd were sold to Nationwide Platforms Ltd (Lavendon UK).

On December 31, 2017, Workx Sloop- en Graafdiensten BV ceased trading.

Post closing events

On July 19, 2018, Nationwide Platforms Limited entered into an unconditional agreement for the acquisition of UK Platforms Limited (UKP) from HSS Hire Group plc (HSS). UKP is specialized in the access equipment rental in the UK through a network of 12 branches.

The acquisition was finalized on January 14, 2019 after obtaining regulatory approvals.

Note 3 – Accounting principles

3.1 Declaration of compliance

The Loxam Group has prepared its consolidated financial statements at December 31, 2018, in accordance with IFRS (International Financial Reporting Standards) as adopted by the European Union at December 31, 2018, with mandatory compliance at this date, with comparative information presented for 2017, established with the same reporting standards. Our financial statements were preliminarily approved by the Chairman on March 22, 2019.

These standards include International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS), as well as the interpretations of the Standing Interpretations Committee (SIC) and the International Financial Reporting Standards Interpretations Committee (IFRS IC).

These standards are available on the European Commission site: http://ec.europa.eu.internal_market/accounting/ias/index_fr.htm

The consolidated financial statements include the financial statements of Loxam SAS and its subsidiaries for the financial year from January 1, 2018 to December 31, 2018.

The list of consolidated companies is presented in Note 4.

3.2 Application and interpretation of standards and regulations

New mandatory IFRS standards, IFRIC interpretations or amendments to be applied from January 1, 2018:

Standards, amendments or interpretations	Dates adopted by the European Union	Loxam application dates: financial year starting on or after
IFRS 15 – Revenue from ordinary activities from contracts with customers	22.09.2016	01.01.2018
Amendment to IFRS 15 – Clarification	31.10.2017	01.01.2018

Standards, amendments or interpretations	Dates adopted by the European Union	Loxam application dates: financial year starting on or after
IFRS 9 Financial Instruments – Classification and measurement – amendments to IFRS 9, IFRS 7 and IAS 39 – general hedge accounting	22.11.2016	01.01.2018
Amendments to IFRS 2 – Classification and Measurement of Share-based Payment Transactions	20.06.2016	01.01.2018
Amendments to IFRS 4 – For insurance contracts: "Apply IFRS 9 financial instruments with IFRS 4"	03.11.2017	01.01.2018
Amendments to IAS 40 – Investment property	15.03.2018	01.01.2018
IFRIC Interpretation 22 – Foreign Currency Transactions and Advance Consideration	28.03.2018	01.01.2018
AIP (Annual improvements for 2014-2016): • IFRS 1 First-time Adoption of International Financial Reporting Standards – Deletion of short term exemptions for first-time adopters • IAS 28 Investments in Associates and Joint Ventures – Clarification that measuring investees at fair value through profit or loss is an investment – by – investment choice	08.12.2016	01.01.2018

Impact on consolidated financial statements for year 2018:

IFRS 15, Recognition of revenue:

On September 22, 2016, the European Union published IFRS 15 standard "Revenue from Contracts with Customers" in the Official Journal. This standard replaces the IAS 11 and IAS 18 standards and the associated IFRIC and SIC interpretations. This standard offers a new recognition approach for revenue, described in five stages.

Rental revenue represent the majority of the group's revenue and are not in the scope of the IFRS 15 standard as they are already covered by the accounting standard related to leases (IAS 17 at 31/12/18 and IFRS 16 from 01/01/19). In addition, with regards to the other revenue of the group and given the type of contracts within the group (mainly short-term), this standard has no impact on the group's results and financial situation.

The Group has applied IFRS 15 standard from January 1, 2018 using the simplified retrospective method: the 2018 financial statements have been prepared by applying IFRS 15 principles while the comparatives from 2017 have been retained according to the former standards.

IFRS 9, Financial Instruments:

On November 22, 2016, the European Union published IFRS 9 standard "Financial Instruments" in the Official Journal. The changes made by this standard include:

- a new approach to the classification and valuation of financial assets which reflects the management model as well as their contractual cash flows: loans and debt securities that are not considered "basic" in accordance with the standard (Solely Payments of Principal and Interest) will be measured at fair value through income, while the "basic" loans and debt securities are measured at amortised cost or at fair value by shareholders'

equity; shareholders' equity instruments are measured at fair value through income or, by irrevocable option, at fair value by Other Comprehensive Income;

- a significantly reformed approach of hedge accounting allowing risk management to be better reflected, particularly in expanding the field of eligible hedging instruments. While awaiting a future standard on macro hedging, IFRS 9 makes it possible to maintain the current regulations (IAS 39) on hedge accounting to any hedging relations or macro-hedging relations only;

- a new model of depreciation which requires a faster recognition of expected credit losses. Specifically, the new standard requires entities to account for expected credit losses as soon as the financial instruments are accounted for and that expected losses are recognized for the entire life of the contract on a more regular basis.

The new IFRS 9 requires us to recognize an allowance for future expected credit losses at initial recognition and throughout the life of the trade receivable. Loxam has adopted an expected credit loss impairment model from January 1, 2018. The impact of the adoption of IFRS 9 was recognized as a transition adjustment to the opening equity at January 1, 2018 for an amount of €(1.2) million. No variation to this opening balance was booked at December 31, 2018.

The application of these standards and amendments did not have a material impact on the consolidated financial statements at December 31, 2018.

Amendments published by the IASB and applicable by anticipation:

The following standards, amendments or interpretations are not yet applicable or not applied in advance by the group:

Standards, amendments or interpretations	Adoption in Europe	Loxam application dates: financial year starting on or after
IFRS 16 – Leases contracts	31.10.2017	01.01.2019
IFRIC Interpretation 23 Uncertainty over Income Tax Treatments	24.10.2018	01.01.2019
Prepayment Features with Negative Compensation – Amendments to IFRS 9	22.03.2018	01.01.2019
IAS 28 - Investments in Associates and Joint Ventures	Adopted by E.U. end of 2018	01.01.2019

IFRS 16, Leases:

On October 31, 2017, the European Union published IFRS 16 standard "Leases" in the Official Journal, which replaces the IAS 17 standard and the associated IFRIC and SIC interpretations and removes the distinction previously made between simple leases and finance leases for the lessee. According to IFRS 16, a lessee employs a right-of-use asset and a financial debt representing the rental obligation. Right-of-use assets are amortised and the rental obligation is initially valued at the present value of lease payments during the lease, at the interest rate implicit in the lease if the rate can be readily determined, or the incremental borrowing rates. However, this standard is very close to the existing standard for the treatment of leases by the lessor.

The Group will adopt IFRS 16 using the simplified retroactive method and applying the exemptions allowed for short term contracts (less than 12 months on the date of first application) and low value assets.

The Group is in the process of listing all its lease contracts and of finalizing a first assessment of the likely impact of the new IFRS 16 standard for leases, which will be applied from January 1, 2019. Property leases will be the main contracts to be impacted by the standard.

Other standards and interpretations have not been applied by anticipation.

New standards, reviews of IFRS regulatory and statutory framework, as well as interpretations published by the IASB, but not yet applicable, or not applied in advance by the Group:

Standards, amendments or interpretations	Adoption in Europe	Application dates: financial year starting on or after
Plan Amendment, Curtailment or Settlement - Amendments to IAS 19	not yet adopted	01.01.2019
AIP IFRS 3 Business Combinations - Previously held Interests in a joint operation	not yet adopted	01.01.2019
AIP IFRS 11 Joint Arrangements - Previously held Interests in a joint operation	not yet adopted	01.01.2019
AIP IAS 12 Income Taxes - Income tax consequences of payments on financial instruments classified as equity	not yet adopted	01.01.2019
AIP IAS 23 Borrowing Costs - Borrowing costs eligible for capitalisation	not yet adopted	01.01.2019
IFRS 3 - Amendments	not yet adopted	01.01.2020
IAS 1 / IAS 8 - Amendments	not yet adopted	01.01.2020
Conceptual framework for the presentation of financial information	not yet adopted	01.01.2021
IFRS 17 – Insurance Contracts	not yet adopted	01.01.2021
Amendments to IFRS 19 & IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Postponed	Postponed

3.3 Presentation of the financial statements

The Group's consolidated financial statements are prepared on a historical cost basis, with the exception of certain categories of assets and liabilities, measured at fair value, in accordance with IFRS. The categories concerned are mentioned in the following notes.

The financial year-end for all the Group's subsidiaries and entities is December 31.

3.4 Consolidation principle

A subsidiary is an entity controlled by Loxam SAS. An entity's control is based on three criteria:

- Power over the entity, i.e. the ability to direct the activities with the greatest impacts on its profitability;
- Exposure to the entity's variable returns, which may be positive, based on dividends or any other economic benefits, or negative;
- Link between power and these returns, i.e. the ability to exercise power over the entity to influence the returns achieved.

The financial statements of subsidiaries are consolidated from the date on which the Group acquires effective control until such time as control is transferred outside the Group.

The consolidated financial statements include all of the subsidiary's assets, liabilities, income and expenses. Equity and income are shared between the owners of the Group and non-controlling interests.

Transactions between consolidated companies and intragroup profits are eliminated when preparing the consolidated financial statements.

An associate is an entity over which the Group has significant influence, without having control or joint control over financial and operational policies. The share in the associate's assets and liabilities, including goodwill, is presented on a separate line on the balance sheet.

3.5 Comparability of the financial statements

Considering the acquisitions of companies and businesses completed in 2018, Loxam's consolidated financial statements for 2018 include:

- 4 months of activity of NVA, acquired in June 2018 and merged into Loxam SAS on September 1, 2018,
- 6 months of activity of Nove, acquired at the end of June 2018,

Loxam's consolidated financial statements for 2017 took into account:

- 11 months of consolidation of Hune and Lavendon,
- 4 months of Cramo's Danish activities,
- 2 months of consolidation for Loxam Access SRL,
- 1 month of consolidation for Swan Hire.

Furthermore, Degraus was consolidated using the equity method until December 31, 2017 and then consolidated based on the full consolidation method since December 31, 2017.

3.6 Accounting judgments and estimates

To prepare the consolidated financial statements in accordance with IFRS, the Group makes a certain number of estimates and assumptions that are based on historical information and other factors, including expectations for future events that are considered reasonable in view of the circumstances.

The Group's estimates and judgments with the most significant impacts on the financial statements concern the following elements:

- Impairment tests for intangible assets with an indefinite useful life (primarily goodwill) (Note 5),
- Measurement of obligations relating to defined benefit plans (Note 16),
- Measurement of financial instruments at fair value (Note 14),
- Qualification of leases (Note 3.13),
- Purchase price allocation.

These estimates are based on the information available when they were prepared. They are continuously assessed based on past experience and various other factors that are considered to be reasonable, which form the basis for assessments of the book value of assets and liabilities. Estimates may be revised if the circumstances on which they were based change or new information becomes available. Actual results may differ significantly from these estimates depending on different conditions or assumptions.

3.7 Business combinations

(a) Business combinations

In accordance with IFRS 3, business combinations are accounted for on the acquisition date, which is the date when control is transferred to the Group.

Goodwill represents the fair value of the consideration transferred (including the fair value of any interest previously held in the company acquired), plus the amount recognised for any non-controlling interest in the company acquired, less the net amount recognised (generally at fair value) for the identifiable assets and liabilities assumed.

When the difference is negative, this is badwill, representing a profit resulting from acquisitions under preferential conditions. Badwill is recognised immediately in profit or loss.

The costs relating to the acquisition are expensed as incurred.

Corrections or adjustments may be made to the fair value of the assets and liabilities assumed and the consideration transferred within 12 months of the acquisition. As a result, the goodwill may be revised.

Contingent consideration relating to business combinations is measured at fair value on the acquisition date and subsequently measured at fair value at each future reporting date. After a one-year period from the acquisition date, any change in the fair value of the contingent consideration classified as a financial liability will be recognised in profit or loss. During this one-year period, any changes to this fair value explicitly related to events occurring after the acquisition date will also be recognised in profit or loss. Other changes will be recognised as adjustments to goodwill.

Goodwill is not amortized. In accordance with IAS 36 Impairment of Assets, it is subject to impairment tests at least once a year and more frequently if there are any indications of impairment.

The conditions for these tests are presented in Note 3.14.

(b) Commitment to buy out non-controlling interests (minority interests), entered into at the time of business combinations, if minorities do not retain current access to profits.

The anticipated acquisition method is applied: the deferred payment for the buyout commitment is recognised as a liability for the present value of the option’s exercise price. Goodwill is calculated taking into account the total percentage including the commitment to buy out the non-controlling interests.

(c) Commitment to buy out non-controlling interests (minority interests), entered into at the time of business combinations, if minorities retain current access to profits.

The deferred payment for the buyout commitment is recognised as a liability for the present value of the option’s exercise price. Subsequent changes in the value of the commitment are recognised in equity attributable to owners of the parent.

(d) Acquisition of non-controlling interests (minority interests), agreed on after business combinations:

For an additional acquisition of shares in an entity that is already controlled, the difference between the acquisition price of the shares and the additional consolidated equity interest acquired is recognised in equity attributable to owners of the parent, while keeping the consolidated value of the subsidiary's identifiable assets and liabilities, including goodwill, unchanged.

3.8 Foreign currency translation methods

(a) Transactions in foreign currencies

Transactions in foreign currencies are converted into euros based on the exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are converted based on the exchange rate at the reporting date.

Profit and loss data denominated in foreign currencies are converted using the average rate for the period.

The resulting exchange gains or losses are recognised in profit or loss for the year under financial income and expenses.

(b) Financial statements in foreign currencies

The assets and liabilities of subsidiaries presented in foreign currencies are converted into euros based on the exchange rate at the reporting date. Income and expenses for these companies are converted into euros at the average exchange rate for the year. The resulting exchange gains or losses are recognised directly in other comprehensive income.

Exchange rates applied at 31 December 2018 (euro vs. currency):

1 EUR =	GBP	CHF	DKK	MAD	NOK	BRL
Closing date rate	0.8990	1.1255	7.4663	10.9579	9.9034	4.4465
Average rate	0.8848	1.1546	7.4528	10.8082	9.6042	4.3053
Opening date rate	0.8881	1.1703	7.4442	11.2218	9.8432	3.9785
(*) 1 EUR =	AED	SAR	QAR	BHD	OMR	COP
Closing date rate	4.2116	4.3021	4.1917	0.4323	0.4415	3,726.2700
Average rate	4.3349	4.4262	4.1658	0.4428	0.4534	3,444.0241
Opening date rate	4.4095	4.5018	4.3978	0.4526	0.4622	3,586.4100

3.9 Breakdown of current / non-current assets and liabilities

Under IAS 1, assets and liabilities are classified as "current" or "non-current".

Loxam applies the following rules for classifying the main balance sheet aggregates:

- Fixed assets are classified as "non-current",
- Assets and liabilities included in working capital requirements in connection with the business' normal operating cycle are classified as "current",
- All deferred tax assets and liabilities are presented as "non-current",
- All provisions are classified as "current",
- Financial liabilities are classified as "current" or "non-current", depending on whether they are due within or later than one year after the reporting date.

3.10 Fair value of financial assets and liabilities

Financial assets and liabilities – including derivatives – measured at fair value are categorized into three levels (1 to 3), each corresponding to a level of fair value observable inputs based on data used in the fair value measurement technique:

- Level 1: fair value determined based on quoted prices in active markets for identical assets or liabilities;
- Level 2: fair value estimated based on observable data for the asset or liability, either directly (i.e. prices) or indirectly (i.e. pricing-derived data);
- Level 3: fair value estimated using valuation techniques that include data relating to the asset or liability that are not based on observable market data.

Further information on the classification of financial instruments for each category is presented in Note 3.18 (Cash and cash equivalents) and Note 3.19 (Derivative financial instruments – relating to the interest rate risk).

3.11 Intangible assets and goodwill

(a) Goodwill

The goodwill resulting from acquisitions of subsidiaries is included in intangible assets. It represents an asset with an indefinite useful life. For the valuation of goodwill, see Note 3.7.

(b) Trademarks and client relationships

The application of IFRS 3 may lead to the allocation of an acquisition price to identified intangible assets such as trademarks and client relationships. These intangible assets are depreciated over 5 to 12 years. Trademarks are depreciated over 5 to 10 years and customer relationships over 8 to 12 years.

(c) Other intangible assets

Other intangible assets have a finite useful life and are recorded at their acquisition cost, after deducting accumulated amortization and impairment losses.

The amortization of intangible assets is recorded as an expense on a straight-line basis over the estimated useful life from the moment assets are brought into service.

These other intangible assets are primarily software products, amortized over one to three years.

3.12 Property, plant and equipment

Property, plant and equipment are recognised at their acquisition cost, after deducting accumulated depreciation and impairment losses. They are not revalued.

The cost includes the expenditure directly attributable to the asset's acquisition.
Depreciation charges for property, plant and equipment are calculated on a straight-line basis over the useful lives indicated below. Land is not depreciated.

- Buildings 10 to 50 years
- Building fixtures and fittings 5 to 20 years
- Tools 3 to 5 years

- Fleet equipment 3 to 15 years
- Other property, plant and equipment 2 to 5 years

Property, plant and equipment are depreciated from the moment they are brought into service.

A residual value is applied to some categories of equipment, in order to take into account the resale value of this equipment at the end of its life.

3.13 Leases

The Group holds finance leases in accordance with IAS 17.

Finance-leased fixed assets, transferring substantially all the risks and rewards of ownership of the leased asset to the Group, are recorded as assets on the balance sheet at the lower of the fair value of the equipment leased and the present value of minimum future lease payments. The corresponding liability is recorded as financial liabilities.

Lease payments are apportioned between financial expense and the reduction of the liability in order to obtain a constant periodic rate of interest on the remaining liability.

Finance-leased assets are depreciated over their useful life in accordance with the accounting policy applicable to the other property, plant and equipment (cf. Note 3.12- Property, plant and equipment).

Leases under which the lessor retains substantially all the risks and rewards of ownership of the asset are operating leases. Payments for these leases are recorded as expenses on a straight-line basis over the term of the lease.

3.14 Impairment of intangible assets and property, plant and equipment

Assets are reviewed at each reporting date to determine whether there are any indications of impairment. If such indications are identified, the asset's recoverable amount is estimated.

Goodwill is tested annually and whenever indications of impairments arise.

To be tested, the assets that do not generate independent cash inflows are grouped in cash generating units (CGU), which correspond to the countries in which the Group operates. These countries may be grouped together by geographic area (aggregation of CGU's), particularly for financial reporting. For impairment testing, the CGUs to which the goodwill is allocated are grouped together to ensure that the level at which impairment tests are carried out reflects the lowest level at which goodwill is monitored for internal management requirements. Goodwill acquired in connection with a business combination is allocated to the CGU that is expected to benefit from the synergies of the business combination.

The CGU's recoverable amount is the higher of its fair value less costs of disposal and the value in use.

The value in use retained by the Group corresponds to the value of the future economic benefits expected to be earned from their use and disposal. It is assessed using the discounted cash flow (DCF) method, based on the following principles:

- The cash flows are based on the medium-term business plan (five years) drawn up by top management,
- The discount rate is determined based on the weighted average cost of capital for the business and the region concerned,
- The terminal value is calculated by discounting cash flows to infinity, based on standard cash flows and a perpetuity growth rate. The growth rate is consistent with the

development potential of the markets in which the Group operates, as well as its competitive position on these markets.

When the recoverable amount is lower than the net book value of the asset or the cash generating unit, an impairment is recognised in profit or loss.

Impairments recorded for goodwill are irreversible.

3.15 Financial assets

Financial assets include:

- Securities of non-consolidated companies,
- Security deposits paid,
- Cash management assets,
- Cash and cash equivalents.

Financial assets are measured and recognized in accordance with IAS 32 and IFRS 9.

Financial assets are initially recognised at their fair value.

Financial assets maturing in under one year are classified as current financial assets.

3.16 Inventories

Inventories primarily include trade products, parts and consumables. Inventories are measured using the weighted average cost method.

An impairment is recognised when the realisable value, less costs of disposal, is lower than the book value.

3.17 Trade receivables and other current assets

Trade receivables and other current assets are generally measured at their nominal value, when this is considered to be close to their fair value. Provisions for impairment are recorded for receivables when their recoverable value amount is lower than their book value.

3.18 Cash management assets and Cash and cash equivalents

In accordance with IAS 7 Statement of Cash Flows, the cash recorded in the consolidated cash flow statement includes cash at bank and on hand, bank credit balances and cash equivalents. Cash equivalents correspond to liquid short-term deposits that are easily convertible into a determinable amount of liquid assets and subject to an insignificant risk of changes in value.

Term deposits for over three months, which include options for early withdrawals at any time without notice, particularly to cover short-term cash commitments, are consistent with the definition of cash and cash equivalents from IAS 7 in the following cases:

- The capital is guaranteed even in the event of early withdrawal,
- No penalties are due in the form of payments to the financial institution managing the investment, or non-payment of part of the return on the investment. When the return is calculated based on the rate for the previous period or a reduced rate, without any significant change in the value of the amount of the return received, this is not

considered to be a penalty and does not call into question the investment's classification as cash and cash equivalents.

Cash management financial assets comprise money-market securities, bonds and shares in UCITS invested over a short-term management horizon that do not meet the criteria for being classified as cash equivalents under IAS 7. They are measured and recognised at fair value. Changes in fair value are recognised in profit or loss.

Purchases and sales of cash management financial assets are recognised on the transaction date.

Marketable securities classified as cash equivalents on the reporting date are recognised at fair value through profit or loss, with their fair value based on their net asset value.

3.19 Derivative financial instruments – relating to the interest rate risk

The Group holds interest rate swaps to reduce its net interest rate risk exposure.

These derivative financial instruments are initially recognised at their fair value. This fair value corresponds to Category 2 consistent with the definitions given in Note 3.10. Since the hedging relationship is not documented, changes in fair value are recognised in profit or loss.

3.20 Derivative financial instruments – relating to the foreign exchange risk

On an ad hoc basis, and consistent with its market forecasts, the Loxam Group uses financial instruments to reduce its net foreign exchange risk exposure, mainly on Pound Sterling, Danish krone and US Dollar. The Group primarily uses forward currency sales options.

As these instruments concern intra-group receivables, which are eliminated in the consolidated financial statements, the Group has not opted to apply hedge accounting. These foreign exchange derivative instruments are recognised at fair value on the balance sheet. Fair value adjustments are recognised in profit or loss.

3.21 Net investment hedge (NIH)

Net investment hedging is a hedge against foreign exchange changes in a net investment in a foreign operation as designated by the parent company. The net investment is hedged by a financial debt contracted in the same currency that of the investment. The "efficient" part of the net investment hedge is recorded as adjustments to equity reserves. These adjustments are reversed into profit or loss upon termination of the net investment hedge. The termination of hedge accounting may result from:

- the disappearance of the hedged item: the amounts recorded in the shareholders' equity are transferred to profit or loss;
- the voluntary termination of the net investment hedging: the corresponding balances recorded in the equity reserves are taken to profit or loss on a straight-line basis based on the residual life of the underlying item.

The Lavendon Group controls entities whose functional currency is the euro (Dk Rental NV in Belgium) and the dollar (Rapid Access WLL in Bahrain); these companies are classified as "foreign operations" in accordance with IAS 21.

The Lavendon Group hedges its net investment in these companies with a debt in euros and dollars and designates this hedging relationship as a "net investment hedge" (NIH).

As a result of the Lavendon Group acquisition, debts in euros and dollars were taken over by the Loxam Group and an intercompany euro and dollar financing was set up between Loxam and Lavendon.

In accordance with IFRIC 16 section 12, a foreign exchange risk may be hedged as part of a net investment hedge when the functional currency of a foreign operation is different from the functional currency of one of the parent entities of this foreign operation.

Accordingly, from the date of acquisition of the Lavendon Group, the Loxam Group decided to maintain the net investment hedge in the Lavendon sub-group for its foreign operations: Lavendon Access Services SAS, Dk Rental NV and Rapid Access WLL. The intercompany loan set up by Loxam SAS for the Lavendon sub-group presents similar characteristics to those of the external loans.

As of April 1, 2018, the group has decided to stop the net investment hedge following the completion of the Lavendon's group restructuring. (Lavendon Access Services SAS merged into Loxam SAS on April 1, 2018). From this date, foreign exchange differences have been recognized in the income statement.

3.22 Employee benefits

Under IAS 19 (revised), all current and future benefits or compensation acquired by employees in return for services rendered during the current period and prior periods must be recognised as an expense over the period when rights are vested.

In accordance with the laws and practices in each country where it operates, the Group is part of various plans for retirement and post-employment benefits.

(a) Defined contribution plans

For defined contribution plans, the Group has no obligations other than the payment of contributions. The contributions paid in to plans are recognised as expenses for the period. Where applicable, provisions are recorded for contributions not made during the period.

(b) Defined benefits plans

Retirement and related benefits under defined benefit plans are subject to provisions based on an actuarial calculation carried out at least once a year in accordance with IAS 19 (revised).

To assess retirement benefits, the projected unit credit method is applied: each period of service gives rise to an additional unit of benefit entitlements, and each unit is valued separately to determine the obligation in relation to employees.

The calculations consider the specific features of the various plans, as well as the assumptions for retirement dates, career development and wage increases, and the probability of employees still being employed by the Group when they reach retirement age (informed by staff turnover, mortality tables, etc.). The present value of the obligation is determined based on the interest rates for long-term bonds from top-tier issuers.

An employee benefit liability is recorded for the obligation net of any plan assets measured at fair value.

The net expenses for retirement and related benefits are recognised in operating profit for the period in relation to the cost of services provided during the period. The net financial cost is recognised in financial income and expenses.

Under IAS 19R, the actuarial gains or losses generated by changes in assumptions on the net defined benefit liability or differences between interest income and the actual returns on plan financial assets are recognised immediately in other comprehensive income and cannot be recycled to profit or loss.

(c) Other long-term benefits

Certain other long-term benefits are also subject to provisions, which are determined with a similar actuarial calculation to that applied for defined benefit plans.

These benefits primarily concern jubilee awards. Remeasurements of the obligation are recognised in profit or loss.

3.23 Provisions

In accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets, a provision is recorded when, on the reporting date, the Group has an obligation (legal or implied), it is probable that an outflow of resources representing economic benefits will be required to extinguish this obligation, and the amount of the obligation can be estimated reliably.

These provisions are estimated taking into account the most probable assumptions on the reporting date.

3.24 Borrowings and financial debt

Interest-bearing liabilities are initially measured at their fair value, less any directly attributable transaction costs. Subsequently, borrowings and financial debt are measured at their amortized cost using with the effective interest rate method.

The Loxam Group regularly issues loans on the bond market in order to finance its acquisitions. As part of its policy aimed at renewing its debt, the Group's Finance Division weighs up the renewal of tranches reaching maturity at least two years before the redemption term.

From 2016, the effective interest rate on bond loans has been calculated over the term of the loan less two years.

3.25 Trade payables and related

Trade and other payables are recorded at their nominal value, which corresponds to their fair value.

3.26 Tax

Income tax includes both current and deferred tax.

Current tax corresponds to the cumulative amount of corporate income tax payable on taxable income for all the Group's companies and is determined using the tax rates adopted on the reporting date.

There are two tax consolidations within the Group: one for the French companies, with Loxam SAS as head of the group, and one for the Danish companies.

Deferred tax is recorded, using the accrual method, generally for temporary differences on the reporting date between the taxable base for assets and liabilities and their book value on the balance sheet.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the assets will be realized or the liabilities settled, based on the tax rates – and tax regulations – that have been enacted or substantively enacted at the reporting date.

In the event of deductible temporary differences and tax losses, deferred tax assets are recognised for the amount of the deferred tax liabilities whose repayment will make it possible to allocate these tax losses, and beyond that if it is likely that the Group will have future taxable profits.

Deferred taxes are recorded for each entity. Deferred tax assets and liabilities are offset on the balance sheet when taxes are levied by the same tax authority and they relate to the same taxable entity.

Taxes relating to elements recorded in other comprehensive income are recognised in other comprehensive income and not in profit or loss.

The Group does not consider the French CVAE business value-added tax to be an income tax under IAS 12 and accounts for it as taxes other than on income.

3.27 Revenue

Revenue comprises income from equipment rental, services and sales related to rental activities (transportation, damage waivers, labor charges invoiced for repairs) and sales of goods.

Rental revenue

Revenue generated from equipment rental is recognized straight line over the rental period. Contract durations can vary from one day to a few months but are mostly short-term. The contract ends upon the equipment return.

Additional services to the equipment rental and other services

Additional services mainly concern transportation, damage waivers, labor charges invoiced for repairs. Other services comprise training and repair recharges (including spare parts). These services are recognized at the end of the service completion. Revenue linked to fuel consumption is recognized upon the equipment return.

Retail revenue and sale of equipment

Revenue from retail activities and sale of equipment is recognized upon delivery to the customer.

3.28 Other income

Other income primarily concerns net capital gains on disposals of assets in connection with the Group's normal operating cycle.

3.29 Other current expenses

Other current expenses primarily include external services (particularly subcontracted maintenance and transportation costs, property and real estate rentals, and general administrative costs), in addition to losses on receivables net of changes in provisions.

3.30 Other operating income and expenses

Other operating income and expenses concern items that involve a very limited number of occurrences, that are unusual, abnormal and uncommon and that involve particularly significant amounts, which the company presents separately in profit or loss to make it easier to understand recurring operational performance.

3.31 Financial income and expenses

Financial income primarily concerns interest on investments.

Financial expenses primarily concern interest on bonds, bilateral loans and leasing, amortized cost related to bonds, as well as changes to the fair value of financial instruments,.

Exchange gains and losses are recorded as financial income or expenses consistent with fluctuations in foreign currencies resulting in gains or losses.

Note 4 – Scope of consolidation

Legal entities	SIREN number (France) or country	% of control	% of interest	Consolidation method
SAS LOXAM	**450776968**	**100%**	**100%**	**Parents**
SAS LOXAM MODULE	433911948	100%	100%	Full
SAS LOXAM POWER	366500585	100%	100%	Full
LOXAM GMBH	Germany	100%	100%	Full
LOXAM S.A.	Switzerland	100%	100%	Full
LOXAM S.A.	Belgium	100%	100%	Full
LOXAM RENTAL SARL	Luxembourg	100%	100%	Full
LOXAM LTD	Ireland	100%	100%	Full
LOXAM ALQUILER(a)	Spain	—	—	—
LOXAM BV (b)	Netherlands	100%	100%	Full
WORKX HOLDING BV(b)	Netherlands	—	—	—
WORKX MATERIEELVERHUUR BV(b)	Netherlands	—	—	—
ATLAS RENTAL	Morocco	100%	51%	Full
LOXAM HOLDING A/S	Denmark	100%	100%	Full
LOXAM A/S	Denmark	100%	100%	Full
LOXAM AS	Norway	100%	100%	Full
DEGRAUS	Brazil	100%	50.1%	Full
SCI AVENUE ARISTIDE BRIAND	384564472	100%	100%	Full
SCI EST POSE	340583160	100%	100%	Full
SAS LOXAM GRANDE ARMEE	572045953	100%	100%	Full
EURL NORLEU (c)	409981024	—	—	—
SCI TARTIFUME	328948013	100%	100%	Full
SCI THABOR	332962125	100%	100%	Full
LOXAMAM	799097944	100%	100%	Full
HUNE RENTAL S.L.	Spain	100%	100%	Full
HUNE ALUGUER LDA	Portugal	100%	100%	Full
GRUAS Y EQUIPOS HUNE	Colombia	100%	50%	Full
HUNE SICO LLC	Saudi Arabia	100%	49%	Full
LAVENDON HOLDINGS LTD	United Kingdom	100%	100%	Full
ZOOOM HOLDINGS LTD	United Kingdom	100%	100%	Full
ACCESS SOLUTIONS LTD	United Kingdom	100%	100%	Full
LAVENDON ACCESS SERVICES LTD	United Kingdom	100%	100%	Full
ZOOOM LTD	United Kingdom	100%	100%	Full
NATIONWIDE PLATFORMS LTD	United Kingdom	100%	100%	Full
LOGICAL COMMERCE LTD	United Kingdom	100%	100%	Full
PANTHER PLATFORM RENTALS LTD	United Kingdom	100%	100%	Full
AMP ACCESS LTD	United Kingdom	100%	100%	Full
BLUE SKY TOPCO LTD	United Kingdom	100%	100%	Full
BLUE SKY SOLUTIONS LTD	United Kingdom	100%	100%	Full
RAPID JERSEY (N°2) LTD	United Kingdom	100%	100%	Full
ZOOOM STERLING LTD	Jersey	100%	100%	Full
ZOOOM EURO LTD	Jersey	100%	100%	Full
ZOOOM DOLLAR LTD	Jersey	100%	100%	Full
LAVENDON ACCESS SERVICES SAS (d)	France	—	—	—
DK RENTAL NV	Belgium	100%	100%	Full
RAPID ACCESS BV	Netherland	100%	100%	Full
RAPID ACCESS LLC (e)	United Arab Emirates	100%	49%	Full
RAPID ACCESS WLL (f)	Bahrain	100%	49%	Full
RAPID ACCESS LTD (g)	Saudi Arabia	100%	52%	Full
RAPID ACCESS LLC (h)	Oman	100%	34%	Full
RAPID ACCESS MIDDLE EAST LLC (i)	United Arab Emirates	100%	100%	Full
RAPID ACCESS TRADING BAHRAIN WLL (j)	Bahrain	100%	100%	Full
LOXAM ACCESS SRL (k)	Italia	100%	80%	Full
NOVE SRL (k)	Italia	—	—	—
SWAN PLANT HIRE	Ireland	100%	100%	Full
LIR HOLDINGS LTD	Ireland	100%	100%	Full

(a) Merger of Loxam Alquiler into Hune Rental SLU on April 1, 2018. The merger has a retroactive effect as at January 1, 2018.

(b) Merger of Workx Materieelverhuur BV and Workx Holding with Loxam BV on June 1, 2018. The merger has a retroactive effect as at January 1, 2018.

(c) On December 30, 2018, the net assets of EURL Norleu have been fully transferred into Loxam.

(d) Merger of Lavendon Access Services SAS ("Lavendon France") into Loxam SAS on April 1, 2018.

(e) Rapid Access BV has a 49% interest in the shares of Rapid Access LLC (UAE). The Company has a right to give directions with respect to the operating and financial policies of Rapid Access LLC (UAE) and thus is considered to have control. Rapid Access LLC (UAE) is treated as a wholly owned subsidiary for the group's accounting purposes.

(f) Lavendon Access Services LTD has a 49% interest in the shares of Rapid Access WLL. The Company has a right to give directions with respect to the operating and financial policies of Rapid Access WLL and thus is considered to have control. Rapid Access WLL is treated as a wholly owned subsidiary for the group's accounting purposes.

(g) Rapid Access WLL and Lavendon Access Services LTD, jointly owned 100% interest in the shares of Rapid Saudi Arabia LTD. The Company as a right to give directions with respect to the operating and financial policies of Rapid Saudi Arabia LTD and thus is considered to have control. Rapid Saudi Arabia LTD is treated as a wholly owned subsidiary for the group's accounting purposes.

(h) Rapid Access WLL has a 70% interest in the shares of Rapid Access LLC (Oman). The Company has a right to give directions with respect to the operating and financial policies of Rapid Access LLC (Oman) and thus is considered to have control. Rapid Access LLC (Oman) is treated as a wholly owned subsidiary for the group's accounting purposes.

(i) Rapid Access Middle East LLC has a 100% interest in the shares of Rapid Access Trading Bahreïn WLL.

(j) Company created in the fourth quarter of 2018.

(k) Loxam Access SRL acquired No.Ve. S.r.l. ("Nove") on June 21, 2018. Nove merged into Loxam Access SRL on December 21, 2018.

Note 5 – Intangible assets and goodwill

Changes in intangible assets and goodwill in 2018

	Intangible assets	Goodwill	Total
		(*€'000*)	
Net book value at beginning of year	**81,255**	**1,252,634**	**1,333,889**
Changes in scope	11	4,680	**4,691**
Increase	4,107	275	**4,382**
Amortization and depreciation of the year (a)	(12,051)	(608)	**(12,659)**
Loxam Access SRL PPA Allocation	2,500	(2,000)	**500**
Decrease / disposals (b)	(1,695)	(138)	**(1,833)**
Reclassification	1,725	0	**1,725**
Exchange gains or losses	(843)	(2,566)	**(3,409)**
Net book value at end of year	**75,009**	**1,252,277**	**1,327,286**

(a) The impairment of goodwill relates to Hune Pronto Rental for €608k.

(b) The liquidation of Workx Sloop-en Graafdiensten BV resulted in the write-off of its goodwill for €138k.

Impact of changes in scope on goodwill in 2018

The impact of changes in scope mainly concerns Nove (merged on December 31, 2018 into Loxam Access SRL) and NVA, which accounted for impacts of €4,071k and €450k, respectively.

These two acquisitions have no significant impact on the main aggregates of the group and do not require the establishment of pro forma accounts.

Changes in intangible assets and goodwill in 2017

	Intangible assets	Goodwill	Total
		(*€'000*)	
Net book value at beginning of year	**1,459**	**967,517**	**968,976**
Changes in scope	91,555	300,743	**392,298**
Increase	4,049	0	**4,049**
Amortization and depreciation of the year	(13,471)	0	**(13,471)**
Decrease / disposals	0	(5,934)	**(5,934)**
Reclassification	603	0	**603**
Exchange gains or losses	(2,941)	(9,691)	**(12,632)**
Net book value at end of year	**81,255**	**1,252,634**	**1,333,889**

Trademarks and customer relationships

The purchase price for the following acquisitions was allocated to the following intangible assets and valued as follows at December 31, 2018:

	Trademarks	Customer Relationships	Total
		(*€'000*)	
Lavendon Group	13,613	43,353	**56,966**
Hune Group	1,702	4,947	**6,649**
Loxam Access SRL	734	1,385	**2,119**
Net value at end of period ended December 31, 2018	**16,048**	**49,685**	**65,734**

Note that the trademark Lavendon France has been fully depreciated for €609k.

Impact of changes in scope on goodwill in 2017:

	Total
	(*€'000*)
Lavendon Group	256,239
Hune Rental	30,145
Loxam Access SRL	13,175
Swan	1,185
Total changes in scope	**300,743**

At December 31, 2017, the purchase price allocation exercise of Lavendon and Hune Groups enabled the identification and valuing of the following intangible assets:

	Trademarks	Customer Relationships	Total
		(*€'000*)	
Lavendon Group	16,168	48,173	64,341
Hune Group	2,253	5,759	8,012
Net value at end of period ended December 31, 2017	**18,421**	**53,932**	**72,353**

Goodwill impairment tests:

Goodwill and other intangible assets with an indefinite useful life acquired through business combinations are allocated to the CGUs for impairment testing. The CGUs correspond to the countries where the Group operates. For financial reporting, the Group has combined its CGUs for each region: France and International.

Allocation of goodwill for each CGU group:

	31.12.17	31.12.18
	(*€'000*)	
France	820,486	839,830
International	432,148	412,448
TOTAL	**1,252,634**	**1,252,278**

Goodwill is tested at least once a year and whenever indications of impairment arise. The last test was performed in December 2018.

In these tests, the book value of the net asset, including goodwill allocated to a CGU, is compared with its recoverable amount. The recoverable amount is determined using the "Discounted Cash Flow" method. The cash flow forecasts used for the calculations are based on amounts from the following year's budget approved by management, and forecasts for the next four years.

The cash flow forecasts covering a five-year period are based on experience and development forecasts for the markets in which the Group operates. Cash flows are calculated net of tax and discounted to their present value with a discount rate reflecting the risks associated with the cash flows. The discount rates correspond to the weighted average cost of capital (WACC) calculated for each CGU, in line with the sector's financial structure and market data.

Following the result of this test, the goodwill of Hune Pronto rental was depreciated for an amount of €608k. For the other entities of the group, no impairments were recorded since the recoverable value exceeded the book value for each CGU.

The following assumptions, considered to be key assumptions, were used to calculate the discounted value of cash flow forecasts for the CGUs:

	31.12.17		31.12.18	
%	Perpetuity growth rate	Discount rate	Perpetuity growth rate	Discount rate
France	1.5%	6.97%	1.5%	6.61%
International	1.5% to 5%	6.2% to 11.6%	1.5% to 7%	6.2% to 13.3%

Perpetuity growth rate: The perpetuity growth rate reflects a moderate level of inflation expected for the entire region in which the Group operates.

Discount rate: The cash flow forecasts are discounted with a specific rate for each CGU. The weighted average cost of capital (WACC) represents the discount rate. To determine the specific rate for each CGU, the specific risk for each country is taken into account, including assumptions for fluctuations in inflation and/or exchange rates.

Sensitivity analysis regarding the key assumptions: the amounts presented below include the value assigned to the main parameters, for each assumption taken separately, for which the book value is equal to its recoverable amount. In the sensitivity analysis, the parameters for the perpetuity growth rate and discount rate are modified independently, while holding the other assumptions constant.

Sensitivity tests: value of the parameter to reach the book value:

	31.12.17		31.12.18	
%	Perpetuity growth rate	Discount rate	Perpetuity growth rate	Discount rate
France	-3.4%	10.4%	-2.8%	9.7%
International	-3.8%	10.6%	-7.8%	12.5%

Note 6 – Property, plant and equipment

Change in property, plant and equipment in 2018

	Rental equipment	Other	Total
		(*€'000*)	
Net value at beginning of year	**1,134,278**	**98,319**	**1,232,597**
Changes in scope	10,893	469	**11,362**
Increase	373,414	33,861	**407,274**
Amortization and depreciation of the year	(255,107)	(22,237)	**(277,345)**
Decrease / disposals	(16,718)	(2,124)	**(18,841)**
Reclassification	1,543	(1,697)	**(154)**
Exchange gains or losses	(310)	117	**(193)**
Net value at end of year	**1,247,993**	**106,708**	**1,354,701**

Change in property, plant and equipment in 2017

	Rental equipment	Other	Total
		(*€'000*)	
Net value at beginning of year	**552,722**	**77,322**	**630,044**
Changes in scope	400,231	13,020	**413,251**
Increase	420,584	30,642	**451,227**
Amortization and depreciation of the year	(208,164)	(19,716)	**(227,880)**
Decrease / disposals	(12,148)	(1,745)	**(13,893)**
Reclassification	(200)	(401)	**(602)**
Exchange gains or losses	(18,747)	(803)	**(19,550)**
Net value at end of year	**1,134,278**	**98,319**	**1,232,597**

(a) Including the acquisition of the rental equipment of the Cramo Group's Danish operations for €21.0 m.

Note 7 – Investments in associates

Gross and net values

	Associates 31.12.17	Associates 31.12.18
	(*€'000*)	
Value at beginning of year	**9,738**	—
Increase in capital of associates		
Group share in earnings for the year	(1,306)	
Dividends paid		
Changes in scope	(8,432)	
Exchange gains or losses		
Value at end of year	—	—

In October and December 2017, Loxam Group increased its stake in Degraus by 24.4%, bringing its total ownership stake to 50.1% as at December 31, 2017. This controlling interest in the company resulted in a change in the consolidation method (full consolidation from December 31, 2017).

Note 8 – Financial assets

Change of Financial assets in 2018

This heading primarily concerns security deposits paid, mainly in connection with branch real estate leases.

	Loans and other borrowings (a)	Other non-current financial assets	Total
		(*€'000*)	
Gross and net value at beginning of year	**15,614**	**12**	**15,626**
Changes in scope	(63)		**(63)**
Increase	726		**726**
Decrease	(1,639)		**(1,639)**
Exchange gains or losses	(269)		**(269)**
Gross and net value at end of year	**14,369**	**12**	**14,381**

Change of Financial assets in 2017

	Loans and other borrowings (a)	Other non-current financial assets	Total
		(*€'000*)	
Gross and net value at beginning of year	**9,907**	**12**	**9,919**
Changes in scope	4,692		**4,692**
Increase (a)	1,887		**1,887**
Decrease	(863)		**(863)**
Exchange gains or losses	(8)		**(8)**
Gross and net value at end of year	**15,614**	**12**	**15,626**

(a) Including the deposits from Cramo's Danish operations of €0.5 million.

Note 9 – Inventories

	31.12.17	31.12.18
	(*€'000 – Net value*)	
Trade	12,534	12,024
Parts and consumables	16,781	18,759
Total	**29,315**	**30,782**

Note 10 – Trade and other receivables

	31.12.17	31.12.18
	(*€'000*)	
Gross value	436,264	474,295
Impairment	(65,422)	(85,798)
Total trade and other receivables	**370,842**	**388,497**
Not past due	60%	60%
Past Due < 30 days	22%	18%
Past Due 30 to 60 days	8%	8%
Past Due > 60 days	10%	14%

Note 11 – Income tax receivables and other current assets

	31.12.17	31.12.18
	(*€'000*)	
Income tax receivables	19,380	12,256
Prepaid expenses	14,988	15,371
Other receivables	49,712	40,843
Other current assets	64,701	56,215
Total income tax receivables and other current assets	**84,081**	**68,470**

Note 12 – Cash management assets, cash and cash equivalents

	31.12.17	31.12.18
	(*€'000*)	
Other marketable securities	89	352
Cash	117,455	143,437
Total	**117,544**	**143,789**

Marketable securities comprise cash investment funds (SICAV), as well as term accounts and deposits in line with the IAS 7 definition of cash and cash equivalents (cf. Note 3.18).

Note 13 – Shareholders' equity

The share capital amounts to €229,818,150, split into 22,981,815 shares with a par value of €10. It is fully paid up.

The dividend paid per share amounted to €0.30 in 2018 compared to €0.21 in 2017.

Note 14 – Financial risk management – Financial instruments

Financial instruments relating to interest rate risk:

As indicated in Note 3.19, the interest rate swaps entered into by the Group are classified as derivative financial instruments. No new contracts were entered into in 2017 and 2018.

At December 31, 2018, these agreements relate to a notional amount of €36.5 million against the 3 month Euribor, with the next maturity date in January 2019 and a maximum maturity date of July 2022. At December 31, 2017 these agreements had a notional amount reaching €81.9 million.

At December 31, 2018, the fair value of these derivative instruments amounts to €1,400k, compared to €2,855k at December 31, 2017. Fair value adjustments are accounted for in financial incomes for an amount of €1,455k in 2018 and €1,999k in 2017.

The fair value is estimated based on forecasts of observable interest rates on the derivatives market and classified as Level 2 in accordance with the classification presented in Note 3.10.

Financial instruments relating to foreign exchange risk:

As indicated in Note 3.20, foreign currency put options entered into by the Group are classified as derivative financial instruments.

Loxam SAS held forward contracts on the Pound Sterling for GBP 74,872k at December 31, 2018, compared to GBP 100,000k at December 31, 2017. Loxam SAS held forward contracts on the US Dollar for USD 7,000k at December 31, 2018 compared to USD 16,000k at December 31, 2017. Loxam stopped hedging on the Danish krone in 2018 (the amount hedged was DKK 15,000k as at December 31,2017).

The fair value of these financial instruments is a liability of € 913k at December 31, 2018, compared to an asset of €1,181k at December 31, 2017. The change in fair value between December 31, 2017 and December 31, 2018 is accounted as a financial loss for an amount of €2,095k against a financial income of €1,157k in 2017.

The fair value is estimated based on forecasted exchange rates observable on the currency market and is classified as Level 2 in accordance with the classification presented in Note 3.10.

Change in the valuation of financial instruments in 2018:

	Interest Rate swaps	Exchange rate hedging	Financial instruments
		(*€'000*)	
Fair value level	Level 2	Level 2	
Value at beginning of year	**2,855**	**1,181**	**1,674**
Changes in scope			
Acquisition			
Value adjustment	(1,455)	2,095	**640**
Value at end of year	**1,400**	**913**	**2,313**

Derivatives instruments included in the assets	—
Derivatives instruments included in the liabilities	**2,313**

Change in the valuation of financial instruments in 2017:

	GBP Option	Interest Rate swaps	Exchange rate hedging	Financial instruments
		(*€'000*)		
Fair value level	Level 2	Level 2	Level 2	
Value at beginning of year	**(741)**	**4,854**	**(24)**	**4,089**
Changes in scope				
Acquisition				
Value adjustment	741	(1,999)	(1,157)	**(2,415)**
Value at end of year	**0**	**2,855**	**1,181**	**1,674**

Derivatives instruments included in the assets	**1,181**
Derivatives instruments included in the liabilities	**2,855**

Net investment hedge

As indicated in Note 3.21, following the acquisition of the Lavendon Group, the Loxam Group maintained the net investment hedge applied in the Lavendon "foreign operations" sub-group until March 31, 2018.

The amount recorded in OCI as a net investment hedge amounted to €238k at December 31, 2018 and concerned the period from January 1, 2018 to March 31, 2018. From this date, exchange differences are recognized in the income statement.

Liquidity risk information

Liquidity risk is managed by Loxam's Finance Department, which provides subsidiaries with access to adequate short or long-term financing facilities.

The subsidiaries can look to local financing to fund their investments; in this case, these agreements are validated by the Group's Finance Department.

Liquidity is optimised at the parent company level through investment tools with capital guarantees (particularly marketable securities or instant access term deposit accounts).

Transfers between the parent company and its subsidiaries are covered by cash management agreements or loan agreements. The group is subject to financial ratios pursuant to its bond issuances. At December 31, 2018, the Group is in compliance with these ratios.

Credit risk information

The Loxam Group put in place a credit management policy enabling it to ensure the financial solvency of its customers.

Outstanding balances are monitored with regular reports and financial information concerning customers is tracked daily. Provisions are recorded in the accounts for uncollectible amounts at each month end.

Note 15 – Borrowings and financial debt

Breakdown of current and non-current financial debt:

	31.12.17	31.12.18
	(*€'000*)	
Bond (a)	1,631,419	1,552,170
Bilateral and bridge loans net of issuance costs	256,027	305,570
Lease debt	150,043	205,289
Non-current financial debt	**2,037,490**	**2,063,029**
Short-term bilateral loans	108,584	103,523
Short-term lease debt	68,610	88,043
Other financial debt	23,064	22,567
Current bank borrowings	961	2,371
Current financial debt	**201,218**	**216,504**
Financial debt	**2,238,708**	**2,279,533**

(a) Net of bond issue costs.

Breakdown of financial debt by interest rate

	31.12.17	31.12.18
	(*€'000*)	
Variable-rate debt	349,049	379,967
Fixed-rate debt	1,888,402	1,896,900
Bank overdrafts	961	2,371
Other	296	295
TOTAL	**2,238,708**	**2,279,533**

Breakdown of financial debt by maturity

	31.12.17	31.12.18
	(*€'000*)	
< 1 year	201,218	216,504
1 to 5 years	1,242,959	1,518,329
> 5 years	794,531	544,700
TOTAL	**2,238,708**	**2,279,533**

Change in borrowings and financial debt

Changes in 2018

	Beginning of year	Change in scope	Increase	Decrease	Other	Year-end
			(*€'000*)			
Bond issues	1,631,419			(85,000)	5,751	1,552,170
Bilateral loans	364,611		325,630	(279,459)	(1,690)	409,093
Lease debt	218,653	795	166,640	(92,384)	(372)	293,332
Other financial debt	24,024				914	24,938
TOTAL	**2,238,708**	**795**	**492,270**	**(456,843)**	**4,603**	**2,279,533**

Changes in 2017

	Beginning of year	Change in scope	Increase	Decrease	Other	Year-end
			(*€'000*)			
Bond issues	901,969		834,781	(110,700)	5,370	1,631,419
Bridge loan			779,280	(779,280)		—
Bilateral loans	244,679	2,288	174,503	(56,559)	(301)	364,611
Lease debt	143,737	19,211	130,386	(74,500)	(181)	218,653
Other financial debt	6,252	3,422		(1)	14,351	24,024
TOTAL	**1,296,637**	**24,921**	**1,918,950**	**(1,021,040)**	**19,239**	**2,238,708**

Note 16 – Employee benefits

	31.12.17	31.12.18
	(*€'000*)	
Net Defined Benefit Obligation	16,608	11,111
Reconciliation of the commitment and the provision		
Commitment	30,178	13,271
Plan assets	(13,570)	(2,160)
Net Defined Benefit Obligation at year-end	**16,608**	**11,111**
Movement in Defined Benefit Liability		
Net Defined Benefit Liability at beginning of year	**18,716**	**16,608**
Expense for the financial year	1,143	(3,378)
Recognition of actuarial gains or losses through OCI	(3,568)	(2,269)
Benefits or contributions paid by the employer	(1,025)	(906)
Exchange gains or losses	(111)	58
Changes in scope	1,454	997
Net Defined Benefit Obligation at year-end	**16,608**	**11,111**
Breakdown of the expense for the financial year		
Current service cost	779	1,046
Other	52	(41)
Interest cost	312	202
Gain related to contract amendment (a)		(4,585)
Expense for the year	**1,143**	**(3,378)**

(a) Since January 1, 2018, employees of Loxam BV have been transferred to a defined contribution plan (DC). All financial risks of the old defined benefit plan (DB) have been outsourced. There is no longer commitment on this plan and the gain related to the amendment of the contract has been recorded into the other operational incomes for €4,585k.

The provisions for employee benefits concern retirement benefits for €10,220k at December 31, 2018 compared to €14,291k at December 31, 2017, and jubilee awards for €891k at December 31, 2018 compared to €2,317k at December 31, 2017.

	31.12.17		31.12.18	
Actuarial assumptions used	**France**	**International**	**France**	**International**
Discount rate (a)	1.75	0.6 to 2.25	2.00	1.00 to 2.00
Salary increase rate	1.50	0.00 to 4.6	1.50	0.00 to 4.6
Inflation rate	1.75	0.60 to 1.75	1.75	0.60 to 1.75
Mortality table	THTF 00-02	Depending on the country	THTF 00-02	Depending on the country
Retirement age	65	62 to 70	65	62 to 70

(a) Discount rate retained: Mercer Pension Yield Curve Eurozone.

Schedule of future payments over ten years	**31.12.17**	**31.12.18**
Less than 1 year	494	324
More than 5 years	9,726	5,614

Sensitivity Analysis – Changes in the defined benefit obligation as %	**31.12.17**	**31.12.18**
Discount rate +0.5%	-11%	-10%
Discount rate -0.5%	9%	4%

Note 17 – Provisions

Change in provisions in 2018:

	Provisions for contingencies	Provisions for charges	Total
		(*€'000*)	
Balance at beginning of year	**6,857**	**4,388**	**11,245**
Changes in scope	7	(49)	**(42)**
Allocations	2,086	906	**2,993**
Reversals	(1,706)	(2,005)	**(3,712)**
Reclassifications (a)	(285)	899	**614**
Balance at end of year	**6,959**	**4,139**	**11,098**

(a) Relate to exchange differences (mainly Degraus) and a provision for the refurbishment work amounted to €(1,106)k.

Change in provisions in 2017:

	Provisions for contingencies	Provisions for charges	Total
		(*€'000*)	
Balance at beginning of year	**3,909**	**1,039**	**4,948**
Changes in scope	3,072	3,286	**6,358**
Allocations	1,921	1,006	**2,926**
Reversals	(2,025)	(942)	**(2,967)**
Reclassifications	(19)	(1)	**(20)**
Balance at end of year	**6,857**	**4,388**	**11,245**

Note 18 – Trade payables and other current liabilities

	31.12.17	31.12.18
	(*€'000*)	
Trade payables	120,615	132,547
Payables to fixed asset suppliers	67,566	69,663
Trade payables and related	**188,181**	**202,210**
Corporate income tax liabilities	**7,958**	**3,706**
Tax and social security liabilities	111,149	115,035
Other liabilities	22,412	19,094
Accrued income	1,839	1,333
Other liabilities and accruals	**135,400**	**135,462**
Total current liabilities	**331,540**	**341,378**

Note 19 – Personnel expenses

	31.12.17	31.12.18
	(*€'000*)	
Salaries	277,573	288,989
Payroll taxes	81,927	89,542
Employee profit-sharing	611	2,767
Total personnel expenses	**360,111**	**381,298**
Average headcount	7,900	7,928

The French tax credit, "Crédit d'Impôt Compétitivité Emploi (C.I.C.E.)", is deducted from payroll taxes.

Note 20 – Other operating income and expenses

At December 31, 2018 the other operating incomes amounted to €5,530k and are related to the gain on pension contribution contracts requalification.

The other operating expenses amounted to €5,302k and resulted from fees incurred for the acquisition of Nove, NVA and UK Platforms, impairment on fleet, depreciation on goodwill of Hune Pronto Rental and the depreciation of the Lavendon France trademark.

At December 31, 2017 net other operating incomes and expenses amounted to €(4,461)k and related to non-recurring fees from the acquisitions of Hune and Lavendon which were partially offset by the net capital gain on the Gardemann disposal.

Note 21 – Financial income (expense)

	31.12.17	31.12.18
	(*€'000*)	
Interest and financing-related expenses	(93,292)	(97,177)
Income from cash and cash equivalents	4	1
Net finance costs	**(93,288)**	**(97,176)**
Fair value adjustments for financial instruments	2,415	(640)
Non-recurring financial expenses (a)	(20,075)	(1,902)
Foreign exchange gains or losses	(6,792)	(3,198)
Other financial expenses	(362)	(486)
Other financial income	1,389	1,267
Financial income (expense)	**(116,714)**	**(102,135)**

(a) In 2018, mainly concerns early repayment and accelerated amortization of issuance costs following the reimbursement of €60 million of the €299.3 million outstanding principal amount of the 2021 Senior Secured Notes issued in 2014 and €25 million of the €250.0 million outstanding principal amount of the 2022 Senior Subordinated Notes.

In 2017, this item was related to:

- fees for issuance and early repayment of the bridge facility for €13.8 million,
- fees for early repayment and accelerated amortization of issuance costs following the reimbursement of €110.7 million of €410 million senior secured notes issued in 2014 for €3.4 million
- revaluation of investment to equity affiliate following the increasing stake in the Degraus company in Q4 2017 for €2.9 million.

Note 22 – Corporate income tax

Analysis of tax expense

	31.12.17	31.12.18
	(*€'000*)	
Current tax	(9,323)	(8,927)
Deferred tax	(9,537)	(11,644)
Total	**(18,860)**	**(20,571)**

Different tax rates were used for the calculation of deferred taxes on accelerated amortizations (25.83%) and employee benefits (25.83%) in France. Long term rates have also been used for the calculation of deferred taxes on intangible assets resulting from the purchase price allocation.

Reconciliation between actual tax and theoretical tax expense

	31.12.17	31.12.18
	(*€'000*)	
Consolidated income before tax and "CICE" French tax credit	97,591	104,503
Tax rate (parent)	34,43%	32,02%
Theoretical tax expense	**(33,601)**	**(33,462)**
Difference in parent / subsidiary rates	11,637	8,617
Unused tax losses for the year	(2,334)	(3,295)
Use of previously unused losses	3,017	289
Permanent differences	2,134	7,588
Withholding taxes on dividends	(148)	—
Tax credits and other	434	(309)
Actual tax expense	**(18,860)**	**(20,572)**

Deferred tax assets and liabilities

	31.12.17	31.12.18
	(*€'000*)	
Opening balance	**(17,606)**	**(40,432)**
Income (expense)	(9,537)	(11,644)
Change in scope	(12,480)	300
Own funds allocation	(860)	(441)
Other changes	51	211
Closing balance	**(40,432)**	**(52,006)**

Deferred tax assets primarily relate to temporary differences and the use of loss carry forwards. The deferred tax liabilities relate to temporary differences, primarily linked to accelerated tax depreciation charges.

Note 23 – Operating lease commitments

	31.12.17	31.12.18
	(*€'000*)	
Future minimum lease payments by maturity:		
Less than 1 year	70,534	68,695
1 to 5 years	128,361	143,087
Over 5 years	15,007	34,735
Total future minimum lease payments (undiscounted)*	**213,902**	**246,517**

*Information not available for Hune Sico and Hune Pronto rental

Note 24 – Off-balance sheet commitments

	31.12.17	31.12.18
	(*€'000*)	
Guarantee given to banks for payment of real estate rentals	2,106	2,106
Pledging of business assets as collateral	360	360
Total commitments given	**2,466**	**2,466**
Bank guarantee received for payment of real estate rentals	7,308	7,308
Other bank guarantees received	450	450
Total commitments received	**7,758**	**7,758**

There was no change in the commitments between both financial years.

Other commitments given to guarantee bank borrowings recorded on the balance sheet:

- Guarantees from Loxam SAS on subsidiaries' borrowings (bilateral and leasing) for €36,543k at December 31, 2018.

- Pledge of Loxam Power, Loxam Module and Lavendon Group Ltd shares as well as the Loxam brand as a collateral to guarantee €1,089.3 million of secured senior bonds.

- €75 million RCF: transfer under the Dailly Act : 120% of the outstanding amount drawn on the revolving loan and pledging of a bank account as collateral to guarantee the revolving loan.The revolving loan was not drawn during the period. The RCF amounts to € 75 million.

Note 25 – Related-party transactions

The remuneration of key governing bodies is comprised of the following:

	31.12.17	31.12.18
	(*€'000*)	
Executive Committee compensation	2,994	3,084
Executive Committee benefits in kind	34	31
Attendance fees paid to directors	40	44
Total amount of compensation and benefits paid to executives and directors	**3,068**	**3,159**

The Loxam SAS parent company has entered into a service delivery agreement with DPZ Partners, which holds part of the share capital of Loxam SAS. This agreement has been entered into under normal market conditions. Services provided under this agreement were invoiced to Loxam for an amount of €1.1 million in 2018 compared to €1.9 million in 2017.

The Group does not have any significant transactions with related parties that have not been entered into under normal market conditions.

Note 26 – Statutory Auditors' Fees

	Constantin/Deloitte	KPMG	Other
		(*€'000*)	
Accounts certification	201	201	—
Other subsidiaries	486	211	263
Other services	—	—	56
Overall fees of statutory Auditors	**687**	**412**	**319**

KPMG Audit
Parc Edonia, Bâtiment S
Rue de la Terre Victoria
CS 46806
35768 Saint Grégoire Cedex
France

Member of Deloitte Touche Tohmatsu Limited
185 Avenue de Charles de Gaulle
92524 Neuilly-sur-Seine Cedex
France

Loxam S.A.S.

Statutory auditors' report on the consolidated financial statements

For the year ended 31 December, 2017
Loxam S.A.S.
256 rue Coatanlem - 56850 Caudan
This report contains 53 pages
Reference : VB-181-14

KPMG Audit
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185 Avenue de Charles de Gaulle
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France

This is a translation into English of the statutory auditors' report on the financial statements of Loxam S.A.S. issued in French and it is provided solely for the convenience of English speaking users.
This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Loxam S.A.S.

Registered office: 256 rue Coatanlem - 56850 Caudan
Share capital: €.229 818 150

Statutory auditors' report on the consolidated financial statements

For the year ended 31 December, 2017

To the annual general meeting of Loxam S.A.S.,

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying consolidated financial statements of Loxam S.A.S. for the year ended 31 December 2017.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31 December 2017 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from 1 January 2017 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in the French Code of ethics (code de déontologie) for statutory auditors.

Justification of Assessments

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the following

assessments that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Goodwill and other intangible assets

The Note 3.7 « Business combinations » and Note 3.14 « Impairment of intangible assets and property, plant and equipment » illustrate the method used to allocate identifiable assets and liabilities of consolidated entities, and the method used to determine the recoverable amounts of intangible assets.

The intangible assets reported in the consolidated financial statements as at 31 December 2017 include EUR 1,252,634 thousand in goodwill, which were subjected to impairment tests in accordance with the methods described in Note 3.14 « Impairment of intangible assets and property, plant and equipment » and Note 5 « Intangible assets and goodwill » of the consolidated financial statements.

As part of our audit, we assessed, among other things, the method used to perform impairment tests, the consistency of all the data and assumptions that underpin the measurement, as well as the calculation. We evaluated the appropriateness of the notes presented in the consolidated financial statements.

Verifications of information pertaining to the Group presented in the management report

As required by law, we have also verified in accordance with professional standards applicable in France the information pertaining to the Group presented in the management report of the Chairman.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The consolidated financial statements were approved by the Chairman.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that

an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements.

- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.

- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Rennes, on the 26 March 2018

The statutory auditors

French original signed by

Vincent Broyé
Partner

KPMG Audit
Département de KPMG S.A.

Vincent Broyé
Partner

Neuilly-sur-Seine, on the 26 March 2018

Jean Paul Séguret
Partner

Constantin Associés
Member of Deloitte Touche Tohmatsu Limited
Jean Paul Séguret
Partner

Free translation into English

LOXAM GROUP

IFRS FINANCIAL STATEMENTS

at 31 December 2017

CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2017

Statement of financial position

	Notes	31.12.16	31.12.17
		(*€'000*)	
ASSETS			
Intangible assets and goodwill	5	968,976	1,333,889
Property, plant and equipment	6	630,044	1,232,597
Investments in associates	7	9,738	0
Financial assets	8	9,919	15,626
Financial derivatives	14	765	1,181
Deferred tax assets	22	7,790	21,632
Non-current assets		**1,627,233**	**2,604,925**
Inventories	9	18,681	29,315
Trade and other receivables	10	224,636	370,842
Other current assets	11	26,137	64,701
Corporate income tax receivables	11	6,589	19,380
Cash and cash equivalents	12	155,857	117,544
Current assets		**431,899**	**601,782**
Total assets		**2,059,132**	**3,206,707**

	Notes	31.12.16	31.12.17
		(*€'000*)	
LIABILITIES			
Share capital		232,400	229,818
Additional paid-in capital		1,882	1,882
Consolidated reserves		211,313	211,953
Net profit for the year		34,298	84,644
Shareholders' equity (Group share)		**479,894**	**528,297**
Non-controlling interests		938	15,391
Total equity	**13**	**480,832**	**543,688**
Employee benefits	16	18,716	16,608
Deferred tax liabilities	22	25,396	62,064
Borrowings and financial debt	15	1,189,195	2,037,490
Financial derivatives	14	4,854	2,855
Non-current liabilities		**1,238,161**	**2,119,017**
Provisions	17	4,948	11,245
Borrowings and financial debt	15	107,442	201,218
Trade and other payables	18	123,129	188,181
Other liabilities	18	103,938	135,400
Corporate income tax liabilities	18	683	7,958
Current liabilities		**340,139**	**544,003**
Total shareholders' equity and liabilities		**2,059,132**	**3,206,707**

Consolidated income statement and statement of comprehensive income

	Notes	31.12.16	31.12.17
		(*€'000*)	
Revenue		**926,782**	**1,367,698**
Other income		56,265	62,611
Operating income		**983,047**	**1,430,309**
Purchases consumed		(105,482)	(144,444)
Personnel expenses	19	(244,362)	(360,111)
Other current expenses		(311,737)	(443,267)
Taxes and duties		(16,637)	(18,488)
Depreciation and amortization		(143,705)	(238,383)
Profit from ordinary operations		**161,124**	**225,616**
Other operating incomes	20	17	14 045
Other operating expenses	20	(19,956)	(18,506)
Operating profit		**141,185**	**221,155**
Interest and financing-related expenses		(63,130)	(93,292)
Other financial expenses		(31,848)	(26,920)
Financial income		6,830	3,499
Financial income (expense)	21	**(88,148)**	**(116,714)**
Profit before tax		**53,037**	**104,441**
Share of profit of associates		(1,002)	(1,306)
Income tax expense	22	(17,649)	(18,860)
Net profit		**34,386**	**84,275**
Non-controlling interests		87	(369)
Net profit, Group share		**34,298**	**84,644**

	31.12.16	31.12.17
Net profit	**34,386**	**84,275**
Exchange gains or losses (1)	1,469	(24,615)
Value adjustments linked to hedging derivatives		(842)
Tax		
Items recycled to profit or loss	***1,469***	***(25,457)***
Remeasurement of liabilities for defined benefit retirement plans	(3,291)	3,568
Tax	858	(894)
Items not recycled to profit or loss	***(2,434)***	***2,674***
Other comprehensive income	**(964)**	**(22,783)**
Comprehensive income	**33,421**	**61,492**
(1) including associates:	2,090	

(1) Of which foreign currency variation linked to the Lavendon Group: -€20,956k in 2017.

Consolidated cash-flow statement

	Notes		31.12.16	31.12.17
			(*€'000*)	
Net profit			**34,386**	**84,275**
Share of profit of associates	7		1,002	1,306
Income tax expense (including deferred tax)	22		17,649	18,860
Net finance costs	21		88,148	116,714
Other operating income and expense				(14,045)
Depreciation and provisions, net of reversals			157,809	247,049
Capital gains on asset disposals			(45,686)	(52,046)
Cash flow from operations (before cost of financing and tax)			**253,308**	**402,112**
Income tax paid			(12,710)	(9,323)
Financial interest paid			(83,128)	(92,696)
Financial interest received			1,293	1,440
Change in working capital requirements			6,804	(40,727)
Cash flow from operating activities		**A**	**165,566**	**260,805**
Impact of changes in scope			(2,019)	(817,570)
Acquisitions of fixed assets			(230,857)	(432,838)
Disposals of fixed assets			54,578	66,643
Cash flow from investing activities		**B**	**(178,298)**	**(1,183,764)**
Dividends paid			(4,906)	(4,941)
Capital decrease			(95,542)	(9,554)
Proceeds from loans and borrowings	15		485,483	1,918,950
Repayment of loans and borrowings	15		(377,989)	(1,021,040)
Cash flow from financing activities		**C**	**7,046**	**883,416**
Change in cash and cash equivalents		**A+B+C**	**(5,686)**	**(39,544)**
Cash and cash equivalents at beginning of period			158,043	155,677
Cash and cash equivalents at end of period			155,677	116,583
Impact of exchange rate fluctuations			(3,320)	(450)
Change in cash and cash equivalents			**(5,686)**	**(39,544)**
Other marketable securities			65,262	89
Cash at bank and on hand			90,595	117,455
Current bank borrowings			(180)	(961)
Cash and cash equivalents			**155,677**	**116,583**

Consolidated statement of changes in equity

	Share capital	Additional paid-in capital	Consolidated reserves	Reserves to be recycled (OCI)	Shareholders' equity (Group share)	Non-controlling interests	Total equity
				(*€'000*)			
At 1st January 2015	**258,223**	**1,882**	**285,628**	**(2,324)**	**543,408**	**476**	**543,884**
Net profit for the period			8,008		8,008	(276)	7,732
Employee benefits				1,716	1,716		1,716
Exchange gains or losses				(1,226)	(1,226)	5	(1,221)
Comprehensive income			**8,008**	**490**	**8,498**	**(271)**	**8,227**
Capital movements					0		0
Dividends			(4,906)		(4,906)		(4,906)
At 31 December 2015	**258,223**	**1,882**	**288,730**	**(1,834)**	**547,000**	**204**	**547,204**
Net profit for the period			34,298		34,298	87	34,386
Employee benefits				(2,434)	(2,434)		(2,434)
Exchange gains or losses			5	1,450	1,455	14	1,469
Comprehensive income			**34,303**	**(984)**	**33,320**	**102**	**33,421**
Capital movements	(25,822)		(69,720)		(95,542)	633	(94,910)
Dividends			(4,884)		(4,884)	—	(4,884)
At 31 December 2016	**232,400**	**1,882**	**248,430**	**(2,818)**	**479,894**	**938**	**480,832**
Net profit for the period			84,644		84,644	(369)	84,275
Employee benefits (a)				2,674	2,674		2,674
Hedge of net investment				(842)	(842)		(842)
Exchange gains or losses (b)				(23,458)	(23,458)	(1,157)	(24,615)
Comprehensive income			**84,644**	**(21,626)**	**63,019**	**(1,526)**	**61,492**
Capital movements	(2,582)		(6,972)		(9,554)		(9,554)
Dividends			(4,941)		(4,941)		(4,941)
Changes in scope			(120)		(120)	15,979	15,859
At 31 December 2017	**229,818**	**1,882**	**321,041**	**(24,444)**	**528,297**	**15,391**	**543,688**

(a) Net of tax

(b) Of which foreign currency variation linked to the Lavendon Group: -€20,956k

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Note 1 – Overview

1.1. Presentation of the Group

Loxam SAS is a French simplified joint stock company ("Société par actions simplifiée") with a share capital of €229,818,150 at 31 December 2017, governed by all of the legislation and regulations for commercial companies in France, and particularly the French commercial code ("Code de commerce"). Its registered office is located at 256 rue Nicolas Coatanlem, 56850 Caudan, France.

The Group is the European equipment rental market leader, with its business focused primarily on construction and civil engineering professionals. The Group operates mainly in Europe, as well as North Africa, and has a 50.1% stake in a rental company in Brazil. Following the acquisitions of the Lavendon and Hune Groups, the Group also operates in the United Arab Emirates, Bahrain, Saudi Arabia, Oman, Qatar and Kuwait as well as Colombia.

1.2. Context for the preparation of the IFRS consolidated financial statements

The consolidated financial statements for the period from 1 January to 31 December 2017 include Loxam SAS and its subsidiaries (together "the Group" or "the Loxam Group"), including the Group's share in equity affiliates and joint ventures.

1.3. Functional and reporting currency

The Group's consolidated financial statements are prepared and presented in euros, which is the parent company's functional currency. All the financial data are presented in thousands of euros, rounded to the nearest thousand euros. The total amounts indicated in the tables may differ from the sum of the various items due to rounding.

Note 2 – Highlights

Overview of keys developments in 2017:

In January 2017, Loxam SAS completed its share buy-back programme and bought 258,222 shares, which were cancelled by a capital reduction.

On February 6, 2017, Loxam SAS bought a 100% interest in the Spanish rental company Hune Rental S.L. (together with its subsidiaries, the "Hune Group"), that operates in Spain, Portugal, and France, and has two joint-ventures in Saudi Arabia and Colombia.

On February 13, 2017, Loxam SAS took control of the British company Lavendon plc (together with its subsidiaries, the "Lavendon Group"), which has its headquarters in the UK. The Lavendon Group is composed of 70 branches located in the UK, Germany, France, Belgium and the Middle East.

Salmat Nord which was acquired in 2016 was merged into Loxam SAS as at January 1, 2017.

On April 4, 2017, Loxam SAS issued €850 million of new bonds split into three tranches :

- A senior secured bond of € 300 million due in 2022,
- A senior secured bond of € 300 million due in 2024,
- A senior subordinated bond of € 250 million due in 2025,

A bridge credit facility set up in February 2017 for the Lavendon acquisition and the refinancing of its debt has been fully repaid at the beginning of April.

On April 28, 2017, Loxam SAS acquired 100% of Hune France from Hune Rental SLU (Spain). Hune France was merged into Loxam SAS on July 1, 2017.

On June 29, 2017, the German subsidiary of the Lavendon Group Gardemann, was sold to the TVH Group. The capital gain amounted to € 14 million. At December 31, 2017, the goodwill and the intangible assets (trademarks and customer relationships) allocated to Gardemann were fully depreciated for € 8.9 million.

A purchase price allocation following the acquisition of the Lavendon and Hune Groups was completed as at December 31, 2017 and is detailed in Note 5.

On August 7, 2017, Loxam redeemed €110.7 million out of the €410 million outstanding principal amount of its Senior Secured Notes due 2021. This partial redemption was funded out of the Group's available cash.

On August 31, 2017, Loxam SAS completed the acquisition of the Danish equipment rental operation of Cramo Plc. This operation was structured as an asset deal. The seven branches acquired have since been integrated into Loxam's Danish operations.

On October 31, 2017, Loxam SAS acquired the activities of the Italian company Nacanco SpA. This transaction was structured as an asset deal through Loxam Access SRL, a newly created company 80% owned by Loxam SAS. Loxam Access SRL now operates a network of 14 branches specialized in access equipment rental.

On November 30, 2017, Loxam SAS acquired 100% of the shares of an Irish rental company, Swan Plant Hire, which operates out of two branches in Dublin.

In October and December of 2017, the Loxam Group increased its stake in the Degraus company by 24.4%, bringing its total stake to 50.1% as at December 31, 2017.

On December 31, 2017, the assets and liabilities of Loxam Access Ltd were sold to Nationwide Platforms Ltd (Lavendon UK).

On December 31, 2017, Workx Sloop- en Graafdiensten BV ceased trading.

Overview of key developments in 2016:

On March 31, 2016, Loxam Alquiler merged with Hertz Alquiler de Maquinaria with an accounting and tax effect from January 1, 2016. This merger had no consequences on Loxam's financial consolidated accounts.

In April 2016, Loxam SAS increased its stake in the Degraus company, buying 0.7% of additional shares for a total consideration of €0.3 million, to reach a total controlling interest of 25.7%.

In May 2016, Loxam SAS refinanced its €300 million senior subordinated notes due in January 2020, thanks to the issuance of €250 million of senior secured notes due in May 2023.

On May 31, 2016, Safelift AB Sweden was liquidated and removed from the scope of consolidation.

On October 28, 2016, Loxam SAS acquired 100% of the share capital of Salmat Nord, which has been included within the scope of consolidation since January 1, 2017.

Loxam SAS decreased its share capital by 2,582,226 shares in December 2017 by launching a share buy-back from minority shareholders, which resulted in a capital decrease of €95.5 million.

The Group changed its accounting estimate of the average depreciation lengths of rental fleet equipment effective from January 1, 2016.

Subsequent events to the closing:

On February 13, 2018, Loxam SAS sold Loxam Alquiler to Hune Rental.

On February 15, 2018, Loxam SAS purchased 100% of the shares of Lavendon Access Services SAS from the Lavendon Group.

Note 3 – Accounting principles

3.1 Declaration of compliance

The Loxam Group has prepared its consolidated financial statements at 31 December 2017, approved by the Chairman on [22 March 2018], in accordance with IFRS (International Financial Reporting Standards) as adopted by the European Union at 31 December 2017, with mandatory compliance at this date, with comparative information presented for 2016, established with the same reporting standards.

These standards include International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS), as well as the interpretations of the Standing Interpretations Committee (SIC) and the International Financial Reporting Standards Interpretations Committee (IFRS IC).

These standards are available on the European Commission site:

http://ec.europa.eu.internal_market/accounting/ias/index_fr.htm

The consolidated financial statements include the financial statements of Loxam SAS and its subsidiaries for the financial year from January 1, 2017 to December 31, 2017.

The list of consolidated companies is presented in Note 4.

3.2 Application and interpretation of standards and regulations

New mandatory IFRS standards, IFRIC interpretations or amendments to be applied from January 1, 2017:

Standards, amendments or interpretations	Dates adopted by the European Union	Application dates: financial year starting on or after
Amendments to IAS 7: Disclosure initiative	06.11.2017	01.01.2017
Amendments to IAS 12: Recognition of deferred tax assets for unrealised losses	06.11.2017	01.01.2017
Annual IFRS improvements for 2014-2016	Q4 2017	01.01.2017

The application of these standards and amendments did not have a material impact on the consolidated financial statements.

Amendments published by the IASB and applicable by anticipation:

Standards, amendments or interpretations	Adoption in Europe	IASB application dates: financial year starting on or after
IFRS 15 – Revenue from ordinary activities from contracts with customers	22.09.2016	01.01.2018
Amendment to IFRS 15 – Clarification	31.10.2017	01.01.2018

Standards, amendments or interpretations	Adoption in Europe	IASB application dates: financial year starting on or after
IFRS 9 Financial Instruments – Classification and measurement - amendments to IFRS 9, IFRS 7 and IAS 39 – general hedge accounting	22.11.2016	01.01.2018
Amendments to IFRS 4 – For insurance contracts: "Application of IFRS 9 financial instruments with IFRS 4"	03.11.2017	01.01.2018
IFRS 16 – Leases contracts	31.10.2017	01.01.2019
Amendments to IAS 40 – Investment property	Q1 2018	01.01.2018
Annual IFRS improvements for 2014-2016	Q4 2017	01.01.2018
IFRIC 22 Interpretation – Foreign currency transactions and advance consideration	Q1 2018	01.01.2018
IFRIC 23 Interpretation – Uncertainty over Income Tax Treatments	2018	01.01.2019

Impact of the new standards on the 2017 financial statements:

IFRS 15, Recognition of revenue:

On September 22, 2016, the European Union published IFRS 15 standard "Revenue from Contracts with Customers" in the Official Journal. This standard will replace the IAS 11 and IAS 18 standards and the associated IFRIC and SIC interpretations. This standard offers a new recognition approach for revenue, described in five stages.

This standard will not have any significant impact on the Group's income and financial situation.

The Group will apply IFRS 15 standard from January 1, 2018 using the simplified retrospective method: the 2018 financial statements will be prepared by applying IFRS 15 principles while the comparatives from 2017 will be retained according to the former framework.

IFRS 9, Financial Instruments:

On 22 November 2016, the European Union published IFRS 9 standard "Financial Instruments" in the Official Journal. The changes made by this standard include:

- a new approach to the classification and valuation of financial assets which reflects the management model as well as their contractual cash flows: loans and debt securities that are not considered "basic" in accordance with the standard (Solely Payments of Principal and Interest) will be measured at fair value through income, while the "basic" loans and debt securities will be measured at amortised cost or at fair value by shareholders' equity; shareholders' equity instruments will be measured at fair value through income or, by irrevocable election, at fair value by Other Comprehensive Income;

- a single model client risk depreciation: IFRS 9 aims to move from the provision of incurred losses on trade receivables to a forward-looking provision model based on expected credit losses;

- a significantly reformed approach of hedge accounting allowing risk management to be better reflected, particularly in expanding the field of eligible hedging instruments. While awaiting a future standard on macro hedging, IFRS 9 makes it possible to

maintain the current regulations (IAS 39) on hedge accounting to any hedging relations or macro-hedging relations only.

The impact of the application of this new standard on the Group accounts is being finalised but should not lead to significant impacts.

IFRS 16, Leases: This standard was not applied in advance.

On October 31, 2017, the European Union published IFRS 16 standard "Leases" in the Official Journal, which will replace the IAS 17 standard and the associated IFRIC and SIC interpretations and will remove the distinction previously made between simple leases and finance leases for the lessee. According to IFRS 16, a lessee employs a right-of-use asset and a financial debt representing the rental obligation. Right-of-use assets are amortised and the rental obligation is initially valued at the present value of lease payments during the lease, at the interest rate implicit in the lease if the rate can be readily determined, or the incremental borrowing rates. However, this standard is very close to the existing standard for the treatment of leases by the lessor.

The Group is currently recording its leases falling within the scope of IFRS 16 as per the legacy IAS 17 standards and is studying their valuation in accordance with the principles of the new standard. It is expected that property leases will represent the Group's main obligations and will represent most of the contracts to be impacted.

New standards, reviews of IFRS regulatory and statutory framework, as well as interpretations published by the IASB, but not yet applicable, or not applied in advance by the Group:

Standards, amendments or interpretations	Dates adopted by the European Union	Application dates: financial year starting on or after
IFRS 14 – Regulatory deferral accounts	not adopted	01.01.2016
Amendments to IFRS 2 – Classification and measurement of transactions whose payment is based on shares	not adopted	01.01.2018
Amendments to IFRS 10 and IAS 28 - Sale or contribution of assets between an investor and its associate or joint venture	postponed	postponed
IFRS 17 – Insurance Contracts	not adopted	01.01.2021
Amendments to IFRS 9 - Prepayment Features with Negative Compensation	not adopted	01.01.2019
*(*Amendments to IAS 28) Long-term Interests in Associates and Joint Ventures	not adopted	01.01.2019
Annual improvements for 2015-2017	not adopted	01.01.2019

3.3 Presentation of the financial statements

The Group's consolidated financial statements are prepared on a historical cost basis, with the exception of certain categories of assets and liabilities, measured at fair value, in accordance with IFRS. The categories concerned are mentioned in the following notes.

The financial year-end for all the Group's subsidiaries and entities is December 31, with the exception of Swan Plant Hire Ltd and Lir Holdings Ltd, for which the financial year-end is 30 September.

3.4 Consolidation principle

A subsidiary is an entity controlled by Loxam SAS. An entity's control is based on three criteria:

- Power over the entity, i.e. the ability to direct the activities with the greatest impacts on its profitability;

- Exposure to the entity's variable returns, which may be positive, based on dividends or any other economic benefits, or negative;

- Link between power and these returns, i.e. the ability to exercise power over the entity to influence the returns achieved.

The financial statements of subsidiaries are consolidated from the date on which the Group acquires effective control until such time as control is transferred outside the Group.

The consolidated financial statements include all of the subsidiary's assets, liabilities, income and expenses. Equity and income are shared between the owners of the Group and non-controlling interests.

Transactions between consolidated companies and intragroup profits are eliminated when preparing the consolidated financial statements.

An associate is an entity over which the Group has significant influence, without having control or joint control over financial and operational policies. The share in the associate's assets and liabilities, including goodwill, is presented on a separate line on the balance sheet.

3.5 Comparability of the financial statements

The consolidated financial statements at 31 December 2017 included:

- 11 months of operations for the Hune and Lavendon Groups

- 4 months of operations for the Cramo's Danish branches

- 2 months of operations for Loxam Access SRL

- 1 month of operations for Swan

Degraus was consolidated using the equity method until 31 December 2017, and was then fully consolidated as at 31 December 2017 (see Note 7).

This change in consolidation method is reflected in the recognition of:

- the income of 2017 at 25.71% as a share of profit of associates, and

- the balance sheet at 31 December 2017.

The impact of the 2017 acquisitions is presented in note 27 and allows comparability of the financial statements between 2016 and 2017 for the historical scope of Loxam Group.

A "Pro –forma" information on the income statement at 31/12/17 reflecting 12 months of activity for the Hune Group, Lavendon Group, the Danish activities of the Cramo group, Swan, Loxam Access Srl and Degraus is presented in note 28. The 2016 financial year has not been restated.

3.6 Accounting judgments and estimates

To prepare the consolidated financial statements in accordance with IFRS, the Group makes a certain number of estimates and assumptions that are based on historical information and other factors, including expectations for future events that are considered reasonable in view of the circumstances.

The Group's estimates and judgments with the most significant impacts on the financial statements concern the following elements:

- Impairment tests for intangible assets with an indefinite useful life (primarily goodwill) (Note 5),
- Measurement of obligations relating to defined benefit plans (Note 16),
- Measurement of financial instruments at fair value (Note 14),
- Qualification of leases (Note 3.13),
- Purchase price allocation of Hune and Lavendon Groups.

These estimates are based on the information available when they were prepared. They are continuously assessed based on past experience and various other factors that are considered to be reasonable, which form the basis for assessments of the book value of assets and liabilities. Estimates may be revised if the circumstances on which they were based change or new information becomes available. Actual results may differ significantly from these estimates depending on different conditions or assumptions.

3.7 Business combinations

a) Business combinations

In accordance with IFRS 3, business combinations are accounted for on the acquisition date, which is the date when control is transferred to the Group.

Goodwill represents the fair value of the consideration transferred (including the fair value of any interest previously held in the company acquired), plus the amount recognised for any non-controlling interest in the company acquired, less the net amount recognised (generally at fair value) for the identifiable assets and liabilities assumed.

When the difference is negative, this is badwill, representing a profit resulting from acquisitions under preferential conditions. Badwill is recognised immediately in profit or loss.

The costs relating to the acquisition are expensed as incurred.

Corrections or adjustments may be made to the fair value of the assets and liabilities assumed and the consideration transferred within 12 months of the acquisition. As a result, the goodwill may be revised.

Contingent consideration relating to business combinations is measured at fair value on the acquisition date and subsequently measured at fair value at each future reporting date. After a one-year period from the acquisition date, any change in the fair value of the contingent consideration classified as a financial liability will be recognised in profit or loss. During this one-year period, any changes to this fair value explicitly related to events occurring after the acquisition date will also be recognised in profit or loss. Other changes will be recognised as adjustments to goodwill.

Goodwill is not amortized. In accordance with IAS 36 Impairment of Assets, it is subject to impairment tests at least once a year and more frequently if there are any indications of impairment.

The conditions for these tests are presented in Section 3.14.

b) Commitment to buy out non-controlling interests (minority interests), entered into at the time of business combinations, if minorities do not retain current access to profits.

The anticipated acquisition method is applied: the deferred payment for the buyout commitment is recognised as a liability for the present value of the option's exercise price. Goodwill is calculated

taking into account the total percentage including the commitment to buy out the non-controlling interests.

c) Commitment to buy out non-controlling interests (minority interests), entered into at the time of business combinations, if minorities retain current access to profits.

The deferred payment for the buyout commitment is recognised as a liability for the present value of the option's exercise price. Subsequent changes in the value of the commitment are recognised in equity attributable to owners of the parent.

d) Acquisition of non-controlling interests (minority interests), agreed on after business combinations:

For an additional acquisition of shares in an entity that is already controlled, the difference between the acquisition price of the shares and the additional consolidated equity interest acquired is recognised in equity attributable to owners of the parent, while keeping the consolidated value of the subsidiary's identifiable assets and liabilities, including goodwill, unchanged.

3.8 Foreign currency translation methods

a) Transactions in foreign currencies

Transactions in foreign currencies are converted into euros based on the exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are converted based on the exchange rate at the reporting date.

Profit and loss data denominated in foreign currencies are converted using the average rate for the period.

The resulting exchange gains or losses are recognised in profit or loss for the year under financial income and expenses.

b) Financial statements in foreign currencies

The assets and liabilities of subsidiaries presented in foreign currencies are converted into euros based on the exchange rate at the reporting date. Income and expenses for these companies are converted into euros at the average exchange rate for the year. The resulting exchange gains or losses are recognised directly in other comprehensive income.

Exchange rates applied at 31 December 2017 (euro vs. currency):

1 EUR =	GBP	CHF	DKK	MAD	NOK	BRL
Closing date rate	0,8881	1,1703	7,4442	11,2218	9,8432	3,9785
Average rate	0,8763	1,1115	7,4383	10,8401	9,3285	3,6036

(*) 1 EUR =	AED	SAR	QAR	BHD	OMR	COP
Closing date rate	4,4095	4,5018	4,3978	0,4526	0,4622	3 586,4100
Average rate	4,1467	4,2325	4,0968	0,4237	0,4338	3 295,8142

(*) These currencies are now used following the integration of the Lavendon and Hune Groups during the period:

AED: United Arab Emirates Dirham
SAR: Saudi Riyal
QAR: Qatari Riyal

BHD: Bahraini Dinar
OMR: Omani Riyal
COP: Colombian Peso

3.9 Breakdown of current / non-current assets and liabilities

Under IAS 1, assets and liabilities are classified as “current” or “non-current”.

The Group applies the following rules for classifying the main balance sheet aggregates:

- Fixed assets are classified as “non-current”,
- Assets and liabilities included in working capital requirements in connection with the business’ normal operating cycle are classified as “current”,
- All deferred tax assets and liabilities are presented as “non-current”,
- All provisions are classified as “current”,
- Financial liabilities are classified as “current” or “non-current”, depending on whether they are due within or later than one year after the reporting date.

3.10 Fair value of financial assets and liabilities

Financial assets and liabilities - including derivatives - measured at fair value are categorized into three levels (1 to 3), each corresponding to a level of fair value observable inputs based on data used in the fair value measurement technique:

- Level 1: fair value determined based on quoted prices in active markets for identical assets or liabilities;
- Level 2: fair value estimated based on observable data for the asset or liability, either directly (i.e. prices) or indirectly (i.e. pricing-derived data);
- Level 3: fair value estimated using valuation techniques that include data relating to the asset or liability that are not based on observable market data.

Further information on the classification of financial instruments for each category is presented in Note 3.18 (Cash and cash equivalents) and Note 3.19 (Derivative financial instruments – relating to the interest rate risk).

3.11 Intangible assets and goodwill

a) Goodwill

The goodwill resulting from acquisitions of subsidiaries is included in intangible assets and represents an asset with an indefinite useful life. For the valuation of goodwill, see Note 3.7.

b) Brands and client relationships

The application of IFRS 3 may lead to the allocation of an acquisition price to identified intangible assets such as trademarks and client relationships. Trademarks are depreciated over 5 to 10 years and customer relationships over 8 to 12 years.

c) Other intangible assets

Other intangible assets have a finite useful life and are recorded at their acquisition cost, after deducting accumulated amortization and impairment losses.

The amortization of intangible assets is recorded as an expense on a straight-line basis over their estimated useful life from the moment such assets are brought into service.

These other intangible assets are primarily software products, amortized over one to three years.

3.12 Property, plant and equipment

Property, plant and equipment are recognised at their acquisition cost, after deducting accumulated depreciation and impairment losses. They are not revalued.

The cost includes the expenditure directly attributable to the asset's acquisition.

Depreciation charges for property, plant and equipment are calculated on a straight-line basis over the useful lives indicated below. Land is not depreciated:

- Buildings 10 to 50 years
- Building fixtures and fittings 5 to 20 years
- Tools 3 to 5 years
- Fleet equipment 3 to 15 years
- Other property, plant and equipment 2 to 5 years

Property, plant and equipment are depreciated from the moment they are brought into service.

A residual value is applied to some categories of equipment, in order to take into account the resale value of this equipment at the end of its life.

A "high heights/large equipment" sub-segment was created with a prospective application from 01/01/17, taking into account a 10 year depreciation period.

3.13 Leases

The Group holds finance leases in accordance with IAS 17.

Finance-leased fixed assets, transferring substantially all the risks and rewards of ownership of the leased asset to the Group, are recorded as assets on the balance sheet at the lower of the fair value of the equipment leased and the present value of minimum future lease payments. The corresponding liability is recorded as financial liabilities.

Lease payments are apportioned between financial expense and the reduction of the liability in order to obtain a constant periodic rate of interest on the remaining liability.

Finance-leased assets are depreciated over their useful life in accordance with the accounting policy applicable to the other property, plant and equipment (cf. Note 3.12- Property, plant and equipment).

Leases under which the lessor retains substantially all the risks and rewards of ownership of the asset are operating leases. Payments for these leases are recorded as expenses on a straight-line basis over the term of the lease.

3.14 Impairment of intangible assets and property, plant and equipment

Assets are reviewed at each reporting date to determine whether there are any indications of impairment. If such indications are identified, the asset's recoverable amount is estimated.

Goodwill is tested annually and whenever indications of impairments arise.

For the purposes of testing goodwill, the assets that do not generate independent cash inflows are grouped in cash generating units (CGU), which correspond to the countries in which the Group operates. These countries may be grouped together by geographic area (aggregation of CGU's), particularly for financial reporting. For impairment testing, the CGUs to which the goodwill is allocated are grouped together to ensure that the level at which impairment tests are carried out reflects the lowest level at which goodwill is monitored for internal management requirements. Goodwill acquired in connection with a business combination is allocated to the CGU that is expected to benefit from the synergies of the business combination.

The CGU's recoverable amount is the higher of its fair value less costs of disposal and the value in use.

The value in use retained by the Group corresponds to the value of the future economic benefits expected to be earned from their use and disposal. It is assessed using the discounted cash flow (DCF) method, based on the following principles:

- The cash flows are based on the medium-term business plan (five years) drawn up by top management,
- The discount rate is determined based on the weighted average cost of capital for the business and the region concerned,
- The terminal value is calculated by discounting cash flows to infinity, based on standard cash flows and a perpetuity growth rate. The growth rate is consistent with the development potential of the markets in which the Group operates, as well as its competitive position on these markets.

When the recoverable amount is lower than the net book value of the asset or the cash generating unit, an impairment is recognised in profit or loss.

Impairments recorded for goodwill are irreversible.

3.15 Financial assets

Financial assets include:

- Securities of non-consolidated companies,
- Security deposits paid,
- Cash management assets,
- Cash and cash equivalents.

Financial assets are measured and recognized in accordance with IAS 39.

Financial assets are initially recognised at their fair value.

Financial assets maturing in under one year are classified as current financial assets.

3.16 Inventories

Inventories primarily include trade products, parts and consumables. Inventories are measured using the weighted average cost method.

An impairment is recognised when the realisable value, less costs of disposal, is lower than the book value.

3.17 Trade receivables and other current assets

Trade receivables and other current assets are generally measured at their nominal value, when this is considered to be close to their fair value. Provisions for impairment are recorded for receivables when their recoverable value amount is lower than their book value.

3.18 Cash management assets and Cash and cash equivalents

In accordance with IAS 7 Statement of Cash Flows, the cash recorded in the consolidated cash flow statement includes cash at bank and on hand, bank credit balances and cash equivalents. Cash equivalents correspond to liquid short-term deposits that are easily convertible into a determinable amount of liquid assets and subject to an insignificant risk of changes in value.

Term deposits for over three months, which include options for early withdrawals at any time without notice, particularly to cover short-term cash commitments, are consistent with the definition of cash and cash equivalents from IAS 7 in the following cases:

- The capital is guaranteed even in the event of early withdrawal,
- No penalties are due in the form of payments to the financial institution managing the investment, or non-payment of part of the return on the investment. When the return is calculated based on the rate for the previous period or a reduced rate, without any significant change in the value of the amount of the return received, this is not considered to be a penalty and does not call into question the investment's classification as cash and cash equivalents.

Cash management financial assets comprise money-market securities, bonds and shares in UCITS invested over a short-term management horizon that do not meet the criteria for being classified as cash equivalents under IAS 7. They are measured and recognised at fair value. Changes in fair value are recognised in profit or loss.

Purchases and sales of cash management financial assets are recognised on the transaction date.

Marketable securities classified as cash equivalents on the reporting date are recognised at fair value in profit or loss, with their fair value based on their net asset value.

3.19 Derivative financial instruments – relating to the interest rate risk

The Group holds interest rate swaps to reduce its net interest rate risk exposure.

These derivative financial instruments are initially recognised at their fair value. This fair value corresponds to Category 2 consistent with the definitions given in Note 3.10. Since the hedging relationship is not documented, changes in fair value are recognised in profit or loss.

The swaps that were eligible for hedge accounting on the transition date have been recognised in other comprehensive income on the opening balance sheet. This reserve is amortized over the term of the swap agreements. Following the refinancing in July 2014, virtually all the variable-rate loans held by Loxam SAS were repaid and replaced with fixed-rate bonds. Since July 2014, the swaps retained are

no longer effective. As a result, the remaining reserve was fully recycled to profit or loss when the underlying items disappeared.

3.20 Derivative financial instruments – relating to the foreign exchange risk

On an ad hoc basis, and consistent with its market forecasts, the Loxam Group uses financial instruments to reduce its net foreign exchange risk exposure, mainly on Pound Sterling, Danish krone and US Dollar. The Group primarily uses forward currency sales options.

As these instruments concern intra-group receivables, which are eliminated in the consolidated financial statements, the Group has not opted to apply hedge accounting, except for the Lavendon Group (3.21). These foreign exchange derivative instruments are recognised at fair value on the balance sheet. Fair value adjustments are recognised in profit or loss.

Furthermore, the Group bought a currency £/€ call option as part of its external development projects. This instrument is valued at fair value on the balance sheet. Changes in fair value are recognised in the income statement. This fair value corresponds to Category 2, according to the definition specified in Note 3.10.

This £/€ call option, which matured in March 2017, was reversed to income.

3.21 Net investment hedge (NIH)

Net investment hedging is a hedge against foreign exchange changes in a net investment in a foreign operation as designated by the parent company. The net investment is hedged by a financial debt contracted in the same currency than that of the investment. The "efficient" part of the net investment hedge is recorded as adjustments to equity reserves. These adjustments are reversed into profit or loss upon termination of the net investment hedge. The termination of hedge accounting may result from:

- the disappearance of the hedged item: the amounts recorded in the shareholders' equity are transferred to profit or loss;
- the voluntary termination of the net investment hedging: the corresponding balances recorded in the equity reserves are taken to profit or loss on a straight-line basis based on the residual life of the underlying item.

The Lavendon Group controls entities whose functional currency is the euro (Lavendon Access Services SAS in France, Gardemann Gmbh in Germany), Dk Rental NV in Belgium) and the dollar (Rapid Access WLL in Bahrain); these companies are classified as "foreign operations" in accordance with IAS 21.

The Lavendon Group hedges its net investment in these companies with a debt in euros and dollars and designates this hedging relationship as a "net investment hedge" (NIH).

As a result of the Lavendon Group acquisition, debts in euros and dollars were taken over by the Loxam Group and an intercompany euro and dollar financing was set up between Loxam SAS and Lavendon.

In accordance with IFRIC 16 section 12, a foreign exchange risk may be hedged as part of a net investment hedge when the functional currency of a foreign operation is different from the functional currency of one of the parent entities of this foreign operation.

Accordingly, from the date of acquisition of the Lavendon Group, the Loxam Group decided to maintain the net investment hedge in the Lavendon sub-group for its foreign operations: Lavendon Access Services SAS, Gardemann Gmbh, Dk Rental NV and Rapid Access WLL. The intercompany loan set up by Loxam SAS for the Lavendon sub-group presents similar characteristics to those of the external loan.

The impacts of the net investment hedge are presented in Note 14.

3.22 Employee benefits

Under IAS 19 (revised), all current and future benefits or compensation acquired by employees in return for services rendered during the current period and prior periods must be recognised as an expense over the period when rights are vested.

In accordance with the laws and practices in each country where it operates, the Group is part of various plans for retirement and post-employment benefits.

a) Defined contribution plans

For defined contribution plans, the Group has no obligations other than the payment of contributions. The contributions paid in to plans are recognised as expenses for the period. Where applicable, provisions are recorded for contributions not made during the period.

b) Defined benefits plans

Retirement and related benefits under defined benefit plans are subject to provisions based on an actuarial calculation carried out at least once a year in accordance with IAS 19 (revised).

To assess retirement benefits, the projected unit credit method is applied: each period of service gives rise to an additional unit of benefit entitlements, and each unit is valued separately to determine the obligation in relation to employees.

The calculations consider the specific features of the various plans, as well as the assumptions for retirement dates, career development and wage increases, and the probability of employees still being employed by the Group when they reach retirement age (staff turnover, mortality tables, etc.). The present value of the obligation is determined based on the interest rates for long-term bonds from top-tier issuers.

An employee benefit liability is recorded for the obligation net of any plan assets measured at fair value.

The net expenses for retirement and related benefits are recognised in operating profit for the period in relation to the cost of services provided during the period. The net financial cost is recognised in financial income and expenses.

Under IAS 19R, the actuarial gains or losses generated by changes in assumptions on the net defined benefit liability or differences between interest income and the actual returns on plan financial assets are recognised immediately in other comprehensive income and cannot be recycled to profit or loss.

c) Other long-term benefits

Certain other long-term benefits are also subject to provisions, which are determined with a similar actuarial calculation to that applied for defined benefit plans.

These benefits primarily concern jubilee awards. Remeasurements of the obligation are recognised in profit or loss.

3.23 Provisions

In accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets, a provision is recorded when, on the reporting date, the Group has an obligation (legal or implied), it is probable that an outflow of resources representing economic benefits will be required to extinguish this obligation, and the amount of the obligation can be estimated reliably.

These provisions are estimated taking into account the most probable assumptions on the reporting date.

3.24 Borrowings and financial debt

Interest-bearing liabilities are initially measured at their fair value, less any directly attributable transaction costs. Subsequently, borrowings and financial debt are measured at their amortized cost using the effective interest rate method.

The Loxam Group regularly issues loans on the bond market in order to finance its acquisitions. As part of its policy aimed at renewing its debt, the Group's Finance Division evaluates the renewal of tranches reaching maturity at least two years before the redemption term.

From 2016, the effective interest rate on bond loans has been calculated over the term of the loan less two years.

3.25 Trade payables and related

Trade and other payables are recorded at their nominal value, which corresponds to their fair value.

3.26 Tax

Income tax includes both current and deferred tax.

Current tax corresponds to the cumulative amount of corporate income tax payable on taxable income for all the Group's companies and is determined using the tax rates adopted on the reporting date.

There are three tax consolidations within the Group: one for the French companies, with Loxam SAS as head of the group, one for the Danish companies and one for the Workx group companies in the Netherlands.

Deferred tax is recorded, using the accrual method, generally for temporary differences on the reporting date between the taxable base for assets and liabilities and their book value on the balance sheet.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the assets will be realized or the liabilities settled, based on the tax rates - and tax regulations - that have been enacted or substantively enacted at the reporting date.

In the event of deductible temporary differences and tax losses, deferred tax assets are recognised for the amount of the deferred tax liabilities whose repayment will make it possible to allocate these tax losses, and beyond that if it is likely that the Group will have future taxable profits.

Deferred taxes are recorded for each entity. Deferred tax assets and liabilities are offset on the balance sheet when taxes are levied by the same tax authority and they relate to the same taxable entity.

Taxes relating to elements recorded in other comprehensive income are recognised in other comprehensive income and not in profit or loss.

The Group does not consider the French CVAE business value-added tax to be an income tax under IAS 12 and accounts for it as taxes other than on income.

3.27 Revenue

Revenue comprises income from equipment rental, services and sales related to rental activities (transportation, damage waivers, labour charges invoiced for repairs) and sales of goods.

Income is recognised over the period services are provided.

3.28 Other income

Other income primarily concerns net capital gains on disposals of assets in connection with the Group's normal operating cycle.

3.29 Other current expenses

Other current expenses primarily include external services (particularly subcontracted maintenance and transportation costs, property and real estate rentals, and general administrative costs), in addition to losses on receivables net of changes in provisions.

3.30 Other operating income and expenses

Other operating income and expenses concern items that involve a very limited number of instances, that are unusual, abnormal and uncommon, that involve particularly significant amounts, which the company presents separately in profit or loss to make it easier to understand recurring operational performance.

3.31 Financial income and expenses

Financial income primarily concerns interest on investments.

Financial expenses primarily concern interest on bank borrowings and bonds, adjustments to the fair value of financial instruments, and the amortization of the recyclable reserve included in other comprehensive income for swaps classified as hedging on the transition date, then disqualified due to a lack of documentation.

Exchange gains and losses are recorded as financial income or expenses consistent with fluctuations in foreign currencies resulting in gains or losses.

Note 4 – Scope of consolidation

Legal entities	SIREN number (France) or country	% of control	% of interest	Consolidation method
SAS LOXAM	**450776968**	**100%**	**100%**	**Parents**
SAS LOXAM MODULE	433911948	100%	100%	Full
SAS LOXAM POWER	366500585	100%	100%	Full
LOXAM ACCESS UK	United Kingdom	100%	100%	Full
LOXAM GMBH	Germany	100%	100%	Full
LOXAM S.A.	Switzerland	100%	100%	Full
LOXAM S.A.	Belgium	100%	100%	Full
LOXAM RENTAL SARL	Luxembourg	100%	100%	Full
LOXAM LTD	Ireland	100%	100%	Full
LOXAM ALQUILER	Spain	100%	100%	Full
LOXAM BV	Netherlands	100%	100%	Full
WORKX HOLDING BV	Netherlands	100%	100%	Full
WORKX MATERIEELVERHUUR BV	Netherlands	100%	100%	Full
WORKX SLOOP EN GRAAFDIENSTEN BV	Netherlands	100%	100%	Full
ATLAS RENTAL	Morocco	100%	51%	Full
LOXAM HOLDING A/S	Denmark	100%	100%	Full
LOXAM A/S	Denmark	100%	100%	Full
LOXAM AS	Norway	100%	100%	Full
DEGRAUS (a)	Brazil	100%	50.1%	Full
SCI AVENUE ARISTIDE BRIAND	384564472	100%	100%	Full
SCI EST POSE	340583160	100%	100%	Full
SAS LOXAM GRANDE ARMEE	572045953	100%	100%	Full
EURL NORLEU	409981024	100%	100%	Full
SCI TARTIFUME	328948013	100%	100%	Full
SCI THABOR	332962125	100%	100%	Full

Legal entities	SIREN number (France) or country	% of control	% of interest	Consolidation method
LOXAMAM	799097944	100%	100%	Full
HUNE RENTAL S.L	Spain	100%	100%	Full
HUNE ALUGUER LDA	Portugal	100%	100%	Full
HUNE LOCATION FRANCE SAS	537790537	100%	100%	Full
GRUAS Y EQUIPO HUNE	Colombia	100%	50%	Full
HUNE SPECIALIZED INTERNATIONAL COMPANY	Saudi Arabia	100%	49%	Full
LAVENDON HOLDINGS LTD	United Kingdom	100%	100%	Full
ZOOOM HOLDINGS LTD	United Kingdom	100%	100%	Full
ACCESS SOLUTIONS LTD	United Kingdom	100%	100%	Full
LAVENDON ACCESS SERVICES LTD	United Kingdom	100%	100%	Full
ZOOOM LTD	United Kingdom	100%	100%	Full
NATIONWIDE PLATFORMS LTD	United Kingdom	100%	100%	Full
LOGICAL COMMERCE LTD	United Kingdom	100%	100%	Full
PANTHER PLATFORM RENTALS LTD	United Kingdom	100%	100%	Full
AMP ACCESS LTD	United Kingdom	100%	100%	Full
BLUE SKY TOPCO LTD	United Kingdom	100%	100%	Full
BLUE SKY SOLUTIONS LTD	United Kingdom	100%	100%	Full
RAPID JERSEY (N°2) LTD	United Kingdom	100%	100%	Full
ZOOOM STERLING LTD	Jersey	100%	100%	Full
ZOOOM EURO LTD	Jersey	100%	100%	Full
ZOOOM DOLLAR LTD	Jersey	100%	100%	Full
LAVENDON ACCESS SERVICES SAS	France	100%	100%	Full
LAVENDON HOLDINGS GMBH (b)	Germany	100%	100%	Full
GARDEMANN ARBEITSBUHNEN GMBH (b)	Germany	100%	100%	Full
DK RENTAL NV	Belgium	100%	100%	Full
RAPID ACCESS BV	Netherland	100%	100%	Full
RAPID ACCESS LLC (c)	United Arab Emirates	100%	49%	Full
RAPID ACCESS WLL (d)	Bahrain	100%	49%	Full
RAPID ACCESS LTD (e)	Saudi Arabia	100%	52%	Full
RAPID ACCESS LLC (f)	Oman	100%	34%	Full
RAPID ACCESS MIDDLE EAST LLC	United Arab Emirates	100%	100%	Full
LOXAM ACCESS SRL	Italia	100%	80%	Full
SWAN PLANT HIRE	Ireland	100%	100%	Full
LIR HOLDINGS LTD	Ireland	100%	100%	Full

(a) Change to consolidation method of Degraus as at 31 December 2017: the income is recognized proportionally to the ownership share over 12 months in 2017, and the balance sheet is fully consolidated as at 31 December 2017.

(b) Sale of Gardemann as at 29 June 2017. The consolidated income statement as at 31 December 2017 incorporates the contributions of Gardemann from 1 February 2017 to 29 June 2017.

(c) Rapid Access BV has a 49% interest in the shares of Rapid Access LLC (UAE). The Company has a right to give directions with respect to the operating and financial policies of Rapid Access LLC (UAE) and is considered to have control and as such treats Rapid Access LLC (UAE) as a wholly owned subsidiary for the group's accounting purposes.

(d) Lavendon Access Services LTD has a 49% interest in the shares of Rapid Access WLL. The Company has a right to give directions with respect to the operating and financial policies of Rapid Access WLL and is considered to have control and as such treats Rapid Access WLL as a wholly owned subsidiary for the group's accounting purposes.

(e) Rapid Access WLL and Lavendon Access Services LTD jointly own 100% interest in the shares of Rapid Saudi Arabia LTD. The Company has a right to give directions with respect to the operating and financial policies of Rapid Saudi Arabia LTD and is considered to have control and as such treats Rapid Saudi Arabia LTD as a wholly owned subsidiary for the group's accounting purposes.

(f) Rapid Access WLL has a 70% interest in the shares of Rapid Access LLC (Oman). The Company has a right to give directions with respect to the operating and financial policies of Rapid Access LLC (Oman) and is considered to have control and as such treats Rapid Access LLC (Oman) as a wholly owned subsidiary for the group's accounting purposes.

Note 5 – Intangible assets and goodwill

Changes in intangible assets and goodwill in 2017

	Intangible assets	Goodwill	Total
		(*€'000*)	
Gross value at year-start	**16,906**	**982,517**	**999,423**
Changes in scope	132,211	300,743	**432,954**
Increase	4,049		**4,049**
Decrease / disposals	(3,311)		**(3,311)**
Reclassification	580		**580**
Exchange gains or losses	(4,123)	(9,772)	**(13,895)**
Gross value at year-end	**146,312**	**1,273,489**	**1,419,801**
Depreciation and amortisation at year-start	**(15,447)**	**(15,000)**	**(30,447)**
Changes in scope	(40,656)		**(40,656)**
Depreciation and amortisation for the year	(13,471)		**(13,471)**
Withdrawals / reversals on withdrawals (a)	3,311	(5,934)	**(2,623)**
Reclassification	23		**23**
Exchange gains or losses	1,182	80	**1,263**
Depreciation and amortisation at year-end	**(65,057)**	**(20,855)**	**(85,912)**
Net value at year-start	**1,459**	**967,517**	**968,976**
Net value at year-end	**81,255**	**1,252,634**	**1,333,889**

(a) Impairment of goodwill linked to the sale of Gardemann: -€5,934K

Changes in intangible assets and goodwill in 2016

	Intangible assets	Goodwill	Total
		(*€'000*)	
Gross value at year-start	**15,682**	**981,462**	**997,145**
Changes in scope	2	744	**746**
Increase	1,544	300	**1,844**
Decrease / disposals	(543)		**(543)**
Reclassification	221		**221**
Exchange gains or losses	(1)	11	**11**
Gross value at year-end	**16,906**	**982,517**	**999,423**
Depreciation and amortisation at year-start	**(14,130)**	**0**	**(14,130)**
Changes in scope	(2)		**(2)**
Depreciation and amortisation for the year	(1,828)	(15,000)	**(16,828)**
Withdrawals / reversals on withdrawals	543		**543**
Reclassification	(29)		**(29)**
Exchange gains or losses	0		**0**
Depreciation and amortisation at year-end	**(15,447)**	**(15,000)**	**(30,447)**
Net value at year-start	**1,552**	**981,462**	**983,015**
Net value at year-end	**1,459**	**967,517**	**968,976**

Trademarks and customer relationships

According to the purchase price allocation of Lavendon and Hune Groups, the intangible assets of each group have been identified and valued as follows:

	Trademarks	Customer Relationships	Total
		(*€'000*)	
Lavendon Group	17,903	52,134	**70,037**
Hune Group	2,755	6,500	**9,255**
Gross value at 12/31/17	**20,658**	**58,634**	**79,292**

Impact of changes in scope on goodwill:

The entities below have been impacted by the change of scope at December 31, 2017:

	Total
	(*€'000*)
Lavendon Group	**256,239**
Hune Rental (a)	**30,145**
Loxam Access SRL	**13,175**
Swan	**1,185**
Total changes in scope	**300,743**

(a) The calculation of goodwill of Hune Rental takes into account the adjustment of the original depreciation based on group rules.

The goodwill resulting from the transactions on Lavendon and Hune Groups have been calculated as follows:

	Lavendon Group	Hune Group
	(*€'000*)	
Intangible assets (including trademarks and customer relationships)	82,909	9,281
Tangible assets	392,451	46,430
Other non-current assets		6,987
Current assets	126,691	41,871
Non-current liabilities	(232,944)	(50,156)
Current liabilities	(80,514)	(21,874)
Net Assets at fair value	**288,593**	**32,539**
Non-controlling interest share		(10,575)
Share of net assets acquired	**288,593**	**21,964**

	Lavendon Group	Hune Group
	(*€'000*)	
Consideration transferred	544,832	52,109
Net assets acquired	288,593	21,964
Goodwill	**256,239**	**30,145**

The entity below has been impacted by the change of scope at December 31, 2016:

	Total
	(*€'000*)
Salmat Nord	**744**
FY 2016	**744**

Goodwill impairment tests:

Goodwill and other intangible assets with an indefinite useful life acquired through business combinations are allocated to the CGUs for impairment testing. The CGUs correspond to the countries where the Group operates. For financial reporting, the Group has combined its CGUs for each region: France and International.

Allocation of goodwill for each CGU group:

	31.12.16	31.12.17
	(*€'000*)	
France	820,486	820 486
International	147,031	432 148
FY	**967,517**	**1 252 634**

Goodwill is tested at least once a year and whenever indications of impairment arise.

The last test was performed in December 2017. In these tests, the book value of the net asset, including goodwill allocated to a CGU, is compared with its recoverable amount. The recoverable amount is determined using the "Discounted Cash Flow" method. The cash flow forecasts used for the calculations are based on amounts from the following year's budget approved by management, and forecasts for the next four years.

The cash flow forecasts covering a five-year period are based on experience and development forecasts for the markets in which the Group operates. Cash flows are calculated net of tax and discounted to their present value with a discount rate reflecting the risks associated with the cash flows. The discount rates correspond to the weighted average cost of capital (WACC) calculated for each CGU, in line with the sector's financial structure and market data.

No impairments were recorded as a result of this test since the recoverable value exceeded the book value for each CGU.

The following assumptions, considered to be key assumptions, were used to calculate the discounted value of cash flow forecasts for the CGUs:

	31.12.16		**31.12.17**	
%	Perpetuity growth rate	Discount rate	Perpetuity growth rate	Discount rate
France	1.50%	6.82%	1.5%	6.97%
International	1.5% to 3.0%	6.1% to 7.5%	1.5% to 5%	6.2% to 11.6%

Perpetuity growth rate: The perpetuity growth rate reflects a moderate level of inflation expected for the entire region in which the Group operates.

Discount rate: The cash flow forecasts are discounted with a specific rate for each CGU. The weighted average cost of capital (WACC) represents the discount rate. To determine the specific rate for each CGU, the specific risk for each country is taken into account, including assumptions for fluctuations in inflation and/or exchange rates.

Sensitivity analysis regarding the key assumptions: the amounts presented below include the value assigned to the main parameters, for each assumption taken separately, for which the book value is equal to its recoverable amount. In the sensitivity analysis, the parameters for the perpetuity growth rate and discount rate are modified independently, while holding the other assumptions constant.

Sensitivity tests: value of the parameter to reach the book value:

	31.12.2016		**31.12.2017**	
%	Perpetuity growth rate	Discount rate	Perpetuity growth rate	Discount rate
France	-1.4%	8.8%	-3.4%	10.4%
International	-5.4%	10.9%	-3.8%	10.6%

Note 6 – Property, plant and equipment

Change in property, plant and equipment in 2017

	Rental equipment	Other	Total
		(*€'000*)	
Gross value at beginning of year	**1,783,068**	**257,195**	**2,040,264**
Changes in scope	980,862	48,673	**1,029,535**
Acquisitions (a)	420,584	30,642	**451,227**
Disposals	(245,924)	(17,780)	**(263,704)**
Reclassification	(778)	500	**(278)**
Exchange gains or losses	(39,073)	(2,131)	**(41,204)**
Gross value at end of year	2,898,740	317,100	**3,215,840**
Cumulative depreciation at beginning of year	**(1,230,346)**	**(179,874)**	**(1,410,220)**
Changes in scope	(580,631)	(35,653)	**(616,284)**
Depreciation for the year	(208,164)	(19,716)	**(227,880)**
Disposals	233,776	16,035	**249,811**
Reclassifications	577	(901)	**(323)**
Exchange gains or losses	20,326	1,328	**21,654**
Cumulative depreciation at end of year	(1,764,462)	(218,781)	**(1,983,242)**
Net value at beginning of year	552,722	77,322	**630,044**
Net value at end of year	1,134,278	98,319	**1,232,597**

(a) including the acquisition of the rental equipment of the Cramo Group's Danish operations for €21.0 m.

Change in property, plant and equipment in 2016

	Rental equipment (a)	Other (a)	Total
		(*€'000*)	
Gross value at beginning of year	1,766,238	252,468	**2,018,706**
Changes in scope	8,141	195	**8,337**
Acquisitions	197,631	22,750	**220,381**
Disposals (a)	(179,589)	(21,503)	**(201,091)**
Reclassification	(3,033)	3,397	**364**
Exchange gains or losses	(6,321)	(113)	**(6,433)**
Gross value at end of year	1,783,068	257,195	**2,040,264**
Cumulative depreciation at beginning of year	(1,274,090)	(184,522)	**(1,458,612)**
Changes in scope	(5,960)	(136)	**(6,097)**
Depreciation for the year	(127,338)	(14,546)	**(141,884)**
Disposals	173,453	19,255	**192,708**
Reclassifications	(573)	18	**(555)**
Exchange gains or losses	4,162	58	**4,220**
Cumulative depreciation at end of year	(1,230,346)	(179,874)	**(1,410,219)**
Net value at beginning of year	492,149	67,946	**560,095**
Net value at end of year	552,722	77,322	**630,044**

(a) Including impairment on fleet equipment following the Hertz acquisition for an amount of €8,2 million.

Note 7 – Investments in associates

Gross and net values

	Associates 31.12.16	Associates 31.12.17
	(*€'000*)	
Value at beginning of year	**8,465**	**9,738**
Increase in capital of associates		
Group share in earnings for the year	(1,002)	(1,306)
Dividends paid	(70)	
Changes in scope	254	(8,432)
Exchange gains or losses	2,090	—
Value at end of year	**9,738**	**0**

In October and December 2017, Loxam Group increased its stake in Degraus by 24.4%, bringing its total ownership stake to 50.1% as at 31 December 2017. This controlling interest in the company resulted in a change in the consolidation method (full consolidation from 31 December 2017).

This is reflected in the accounts by:

- - The booking of the income proportionate to the 25.71% stake (initial) in 2017,
- - The booking as at 31 December 2017 of the balance sheet balances,
- - The valuation at its fair value of the stake in Degraus on the acquisition date representing a net impact on the financial result of -€2.9 million.

Note 8 – Financial assets

Financial assets movements in 2017

This heading primarily concerns security deposits paid, mainly in connection with branch real estate leases.

	Loans and other borrowings	Other non-current financial assets	Total
		(*€'000*)	
Gross and net value at beginning of year	**9,907**	**12**	**9,919**
Changes in scope	4,692		**4,692**
Increase (a)	1,887		**1,887**
Decrease	(863)		**(863)**
Exchange gains or losses	(8)		**(8)**
Gross and net value at end of year	**15,614**	**12**	**15,626**

(a) Including the deposits from Cramo's Danish operations for €0.5 million.

Financial assets movements in 2016

	Loans and other borrowings	Other non-current financial assets	Total
		(*€'000*)	
Gross and net value at beginning of year	**9,424**	**1**	**9,425**
Changes in scope	1	11	**12**
Increase	1,142		**1,142**
Decrease	(646)		**(646)**
Exchange gains or losses	(13)		**(13)**
Gross and net value at end of year	**9,907**	**12**	**9,919**

Note 9 – Inventories

	31.12.16	31.12.17
	(*€'000 – Net value*)	
Trade	12,705	12,534
Parts and consumables	5,976	16,781
Total	**18,681**	**29,315**

Note 10 – Trade and other receivables

	31.12.16	31.12.17
	(*€'000*)	
Gross value	248,962	436,264
Impairment	(24,326)	(65,422)
Total trade and other receivables	**224,636**	**370,842**
Not past due	68%	60%
Past Due < 30 days	20%	22%
Past Due 30 to 60 days	6%	8%
Past Due > 60 days	6%	10%

Note 11 – Income tax receivables and other current assets

	31.12.16	31.12.17
	(*€'000*)	
Income tax receivables	6,589	19,380
Prepaid expenses	6,923	14,988
Other receivables	19,214	49,712
Other current assets	26,137	64,701
Total income tax receivables and other current assets	**32,726**	**84,081**

Note 12 – Cash management assets, cash and cash equivalents

	31.12.16	31.12.17
	(*€'000*)	
Other marketable securities	65,262	89
Cash	90,595	117,455
Total	**155,857**	**117,544**

Marketable securities comprise cash investment funds (SICAV) included in the AMF's "short-term money market" category, as well as term accounts and deposits in line with the IAS 7 definition of cash and cash equivalents (cf. Note 3.18).

Note 13 – Shareholders' equity

The share capital amounts to €229,818,150, split into 22,981,815 shares with a par value of €10 each as at December 31, 2017. It is fully paid up.

In January 2017 and in December 2017, Loxam SAS completed its share buy-back program and bought 258,222 shares. All of the 258,222 shares were cancelled.

The dividend paid per share amounted to €0.21 in 2017 compared to €0.19 in 2016.

Note 14 – Financial risk management - Financial instruments

Financial instruments relating to interest rate risk:

As indicated in Note 3.19, the interest rate swaps entered into by the Group are classified as derivative financial instruments.

No new contracts were entered into in 2016 and 2017.

At December 31, 2017, these agreements relate to a notional amount of €81,900 k against the 3 month Euribor, with the next maturity date in September 2018 (the latest maturity date will be July 2022). At December 31, 2016, these agreements related to a notional amount of €82,300k.

At December 31, 2017, the fair value of these derivative instruments amounts to €2,855 k, compared to €4,854 k at December 31, 2016. Fair value adjustments are accounted for in financial income for an amount of €1,999 k in 2017, €1,759k in financial expenses for 2016.

The fair value is estimated based on forecasts of observable interest rates on the derivatives market and classified as Level 2 in accordance with the classification presented in Note 3.10.

Financial instruments relating to foreign exchange risk:

As indicated in Note 3.20, foreign currency put options entered into by the Group are classified as derivative financial instruments.

Loxam SAS held put options on the Pound Sterling for GBP 100,000 k at December 31, 2017 against GBP 14,845 k at December 31, 2016, on the Danish Krone for DKK 15,000 k at December 31, 2017, against DKK 20,000 K at December 31, 2016. In 2017, the Group set up put options on the US Dollar for USD 16,000 K.

The fair value of these financial instruments is €1,181 k at December 31, 2017, compared to €24 k at December 31, 2016. The change in fair value is accounted as a financial income for an amount of €1,157 k in 2017 against a financial expense of € 200k in 2016. .

The fair value is estimated based on forecast exchange rates observable on the currency market and is classified as Level 2 in accordance with the classification presented in Note 3.10.

In 2016, in the context of the Lavendon acquisition, financial hedging instruments relating to GBP were put in place for a nominal amount of GBP 490,000k which generated a premium payment of €7,490k. The fair value of the option amounted to €741k as at 31 December 2016. The fair value adjustment was recorded as a financial expense for an amount of -€741k in 2017.

Change in the valuation of financial instruments in 2017:

	Interest Rate swaps	Exchange rate hedging	GBP Option	Financial instruments
		(*€'000*)		
Fair value level	Level 2	Level 2	Level 2	
Value at beginning of period	**4,854**	**(24)**	**(741)**	**4,089**
Changes in scope				0
Acquisition				0
Value adjustment	(1,999)	(1,157)	741	(2,415)
Value at end of period	**2,855**	**1,181**	**0**	**1,674**

Derivatives instruments included in the assets	**1,181**
Derivatives instruments in the liabilities	**2,855**

Change in the valuation of financial instruments in 2016:

	Interest Rate swaps	Equity warrants	Exchange rate hedging	GBP Option	Financial instruments
			(*€'000*)		
Fair value level	Level 2	Level 3	Level 2	Level 2	
Value at beginning of year	**6,613**	**2,744**	**175**	**0**	**9,532**
Changes in scope					0
Acquisition				(7,490)	(7,490)
Value adjustment	(1,759)	(2,744)	(200)	6,749	2,047
Value at end of year	**4,854**	**0**	**(24)**	**(741)**	**4,089**

Derivatives instruments included in the assets	**765**
Derivatives instruments in the liabilities	**4,854**

Net investment hedge

As indicated in Note 3.21, from the date of acquisition of the Lavendon Group, the Loxam Group decided to maintain the net investment hedge applied in the Lavendon "foreign operations" sub-group.

All profits or losses related to the hedging instrument are directly recorded into equity reserves. The reserves are reversed into profit or loss upon termination of the net investment hedge. The termination of hedge accounting may result from:

- the disappearance of the hedged item: the amounts recorded in the shareholders' equity are taken to profit or loss;
- the voluntary termination of the net investment hedging: the corresponding balances recorded in the equity reserves are taken to profit or loss on a straight-line basis based on the residual life of the underlying item.

The sale of Gardemann led to the disappearance of the hedged item; the amounts recorded in the equity reserves were recycled into losses for -€1,320k; this reduced the capital gains on the disposal of Gardemann.

The amount recorded in OCI as net investment hedge amounted to -€842k as at 31 December 2017.

Liquidity risk information

Liquidity risk is managed by Loxam's Finance Department, which provides subsidiaries with access to adequate short or long-term financing facilities.

The subsidiaries can look to local financing to fund their investments; in this case, these agreements are validated by the Group's Finance Department.

Liquidity is optimised at the parent company level through investment tools with capital guarantees (particularly marketable securities or instant access term deposit accounts).

Transfers between the parent company and its subsidiaries are covered by cash management agreements or loan agreements. The group is subject to financial ratios pursuant to its bond issuances. At 31/12/17, the Group is in compliance with these ratios.

Credit risk information

The Loxam Group put in place a credit management policy enabling it to ensure the financial solvency of its customers.

Outstanding balances are monitored with regular reports and financial information concerning customers is tracked daily. Provisions are recorded in the accounts for uncollectible amounts at each month-end.

Note 15 – Borrowings and financial debt

Breakdown of current and non-current financial debt:

	31.12.16	31.12.17
	(*€'000*)	
Bond (a)	901,969	1,631,419
Bilateral loans	191,638	256,027
Lease debt	95,589	150,043
Non-current financial debt	**1,189,195**	**2,037,490**
Short-term bilateral loans	53,041	108,584
Short-term lease debt	48,148	68,610
Other financial debt	6,073	23,064
Current bank borrowings	180	961
Current financial debt	**107,442**	**201,218**
Financial debt	**1,296,637**	**2,238,708**

(a) net of bond issue costs.

Breakdown of financial debt by interest rate

	31.12.16	31.12.17
	(*€'000*)	
Variable-rate debt	227,780	349,049
Fixed-rate debt	1,068,382	1,888,402
Bank overdrafts	180	961
Other	295	296
Total	**1,296,637**	**2,238,708**

Breakdown of financial debt by maturity

	31.12.16	31.12.17
	(*€'000*)	
< 1 year	107,442	201,218
1 to 5 years (a)	687,411	1,242,959
> 5 years	501,785	794,531
TOTAL	**1,296,637**	**2,238,708**

(a) Including other financial debt due in more than one year (classified as current liabilities)

Change in borrowings and financial debt

Changes in 2017

	Beginning of period	Change in scope	Increase	Decrease	Other	End of period
			(*€'000*)			
Bond issuances	901,969		834,781	(110,700)	5,370	1,631,419
Bridge loan			779,280	(779,280)		0
Bilateral loans	244,679	2,228	174,503	(56,559)	(300)	364,611
Lease debt	143,737	19,211	130,386	(74,500)	(181)	218,653
Other financial debt	6,252	3,422		(1)	14,351	24,024
TOTAL	**1,296,637**	**24,921**	**1,918,950**	**(1,021,040)**	**19,239**	**2,238,708**

Changes in 2016

	Beginning of year	Change in scope	Increase	Decrease	Other	Year-end
			(*€'000*)			
Bond issuances	944,840		247,029	(300,000)	10,100	901,969
Bilateral loans	125,543		147,178	(28,094)	52	244,679
Lease debt	100,799	1,509	91,277	(49,895)	48	143,737
Other financial debt	11,536				(5,283)	6,252
TOTAL	**1,182,717**	**1,509**	**485,483**	**(377,989)**	**4,916**	**1,296,637**

Note 16 – Employee benefits

	31.12.16	31.12.17
	(*€'000*)	
Net Defined Benefit Obligation	**18,716**	**16,608**
Reconciliation of the commitment and the provision		
Commitment	31,012	30,178
Plan assets	(12,296)	(13,570)
Net Defined Benefit Obligation at year-end	**18,716**	**16,608**
Movement in Defined Benefit Liability		
Net Defined Benefit Liability at beginning of year	**15,044**	**18,716**
Expense for the financial year	1,214	1,143
Recognition of actuarial gains or losses through OCI	3,291	(3,568)
Benefits or contributions paid by the employer	(811)	(1,025)
Exchange gains or losses	12	(111)
Changes in scope	(36)	1,454
Net Defined Benefit Obligation at year-end	**18,716**	**16,608**
Breakdown of the expense for the financial year		
Current service cost	1,279	779
Other	(406)	52
Interest cost	52	312
Expense for the year	**1,214**	**1,143**

The provisions for employee benefits concern retirement benefits for €14,291 K at 31 December 2017 vs €17,878K at 31 December 2016, and jubilee awards for €2,317k at 31 December 2017 vs €837K at 31 December 2016.

	31.12.16		31.12.17	
Actuarial assumptions used	**France**	**International**	**France**	**International**
Discount rate (a)	1.50	0.60 to 2	1.75	0.6 to 2.25
Salary increase rate	1.50	1.75 to 2	1.50	0.00 to 4.6
Inflation rate	1.75	0.6 to 1.75	1.75	0.60 to 1.75
Mortality table	INSEE TH TF 07-09	Depending on the country	THTF 00-02	Depending on the country
Retirement age	65	62 to 67	65	62 to 70

(a) Discount rate retained at 31/12/2017: Mercer Pension Yield Curve Eurozone.

Schedule of future payments over four years	**31.12.16**	**31.12.17**
Less than 1 year	435	494
More than 1 year	8,692	9,726

Sensitivity Analysis – Changes in the defined benefit obligation as %	**31.12.16**	**31.12.17**
Discount rate +0.5%	-9%	-9%
Discount rate -0.5%	11%	11%

Note 17 – Provisions

Change in provisions in 2017:

	Provisions for contingencies	**Provisions for charges**	**Total**
		(*€'000*)	
Balance at beginning of year	**3,909**	**1,039**	**4,948**
Changes in scope	3,072	3,286	**6,358**
Allocations	1,921	1,006	**2,926**
Reversals	(2,025)	(942)	**(2,967)**
Reclassifications	(19)	(1)	**(20)**
Balance at end of year	**6,857**	**4,388**	**11,245**

Change in provisions in 2016:

	Provisions for contingencies	**Provisions for charges**	**Total**
		(*€'000*)	
Balance at beginning of year	**3,703**	**3,361**	**7,064**
Changes in scope	28		**28**
Allocations	2,091	616	**2,707**
Reversals	(1,909)	(2,937)	**(4,846)**
Reclassifications	(5)		**(5)**
Balance at end of year	**3,909**	**1,039**	**4,948**

Note 18 – Trade payables and other current liabilities

	31.12.16	31.12.17
	(*€'000*)	
Trade payables	82,928	120,615
Payables to fixed asset suppliers	40,201	67,566
Trade payables and related	**123,129**	**188,181**
Corporate income tax liabilities	**683**	**7,958**
Tax and social security liabilities	89,485	111,149
Other liabilities	12,928	22,412
Accrued income	1,525	1,839
Other liabilities and accruals	**103,938**	**135,400**
Total current liabilities	**227,750**	**331,540**

Note 19 – Personnel expenses

	31.12.16	31.12.17
	(*€'000*)	
Salaries	179,723	277,573
Payroll taxes	63,922	81,927
Employee profit-sharing	717	611
Total personnel expenses	**244,362**	**360,111**
Average headcount	5,004	7,900

The French tax credit, "Crédit d'Impôt Compétitivité Emploi (C.I.C.E.)", is deducted from payroll taxes.

Note 20 – Other operating income and expenses

Net other operating income and expenses amounted to -€4,461k as at 31 December 2017, and related to:

- Capital gains on the sale of Gardemann;
- The impairment of goodwill and intangible assets linked to the sale of Gardemann;
- Non-recurring fees related to the acquisitions.

Note 21 – Financial income (expense)

	31.12.16	31.12.17
	(*€'000*)	
Interest and financing-related expenses	(63,130)	(93,292)
Income from cash and cash equivalents	541	4
Net finance costs	**(62,589)**	**(93,288)**
Other financial income and expenses – non-cash items	(2,047)	(2,246)
Financial costs related to early repayment (a)	(24,023)	(20,075)
Other financial expenses	(1,076)	(2,539)
Other financial income	1,587	1,434
Financial income (expense)	**(88,148)**	**(116,714)**

(a) in 2017 primarily relates to:

- the costs of implementing the bridge,
- the early redemption fees and the accelerated amortisation of the loan issuance fees linked to the high yield bond repayment of €110.7 million,
- the revaluation of the stake in Degraus,

Non-recurring financial costs in 2016 related to the early redemption fees and the accelerated amortisation of the loan issuance fees on the €300 million high yield, reimbursed in May 2016.

Note 22 – Corporate income tax

Analysis of tax expense

	31.12.16	31.12.17
	(*€'000*)	
Current tax	(12,710)	(9,323)
Deferred tax	(4,939)	(9,537)
Total	**(17,649)**	**(18,860)**

Different tax rates were used for the calculation of deferred taxes on accelerated amortizations (28%) and employee benefits (25.85%) in France. Long term rates have also been used for the calculation of deferred taxes on intangible assets resulting from the PPA.

Reconciliation between actual tax and theoretical tax expense

	31.12.16	31.12.17
	(*€'000*)	
Consolidated income before tax and "CICE" French tax credit	47,228	97,591
Tax rate (parent)	34.43%	34,43%
Theoretical tax expense	**(16,260)**	**(33,601)**
Difference in parent / subsidiary rates	4,948	11,637
Unused tax losses for the year	(525)	(2,334)
Use of previously unused losses	391	3,017
Permanent differences	(5,606)	2,134
French tax on dividends	(147)	(148)
Tax credits and other	(450)	434
Actual tax expense	**(17,649)**	**(18,860)**

Deferred tax assets and liabilities

	31.12.16	31.12.17
	(*€'000*)	
Opening balance	**(13,287)**	**(17,606)**
Income (expense)	(4,939)	(9,537)
Change in scope	(237)	(12,480)
Own funds allocation	857	(860)
Other changes	1	51
Closing balance	**(17,606)**	**(40,432)**

Deferred tax assets primarily relate to temporary differences and the use of loss carry forwards. The deferred tax liabilities relate to temporary differences, primarily linked to accelerated tax depreciation charges.

Note 23 – Operating lease commitments

	31.12.16	31.12.17
	(*€'000*)	
Future minimum lease payments by maturity:		
Less than 1 year	51,191	70,534
1 to 5 years	104,766	128,361
Over 5 years	10,346	15,007
Total future minimum lease payments (undiscounted)	**166,303**	**213,902**

Note 24 – Off-balance sheet commitments

	31.12.16	31.12.17
	(*€'000*)	
Guarantee given to banks for payment of real estate rentals	2,106	2,106
Pledging of business assets as collateral	360	360
Total commitments given	**2,466**	**2,466**
Bank guarantee received for payment of real estate rentals	7,308	7,308
Other bank guarantees received	450	450
Total commitments received	**7,758**	**7,758**

There was no change in the commitments between both financial years.

Other commitments given to guarantee bank borrowings recorded on the balance sheet:

- Guarantee from the Loxam SAS parent company on subsidiaries' borrowings for €14,805K at December 30, 2017.
- Pledge of Loxam Power, Loxam Module and Lavendon Group Ltd shares as well as the Loxam brand as a collateral to guarantee €1,149.3 million of secured senior bonds.
- €75 million RCF: transfer under the Dailly Act: 120% of the outstanding amount drawn on the revolving loan and pledging of a bank account as collateral to guarantee the revolving loan. The revolving loan was not drawn during the period.

Note 25 – Related-party transactions

Key management personnel compensation for the management bodies is comprised of the following:

	31.12.16	31.12.17
	(*€'000*)	
Executive Committee compensation	2,754	2,994
Executive Committee benefits in kind	34	34
Attendance fees paid to directors	40	40
Total amount of compensation and benefits paid to executives and directors	**2,828**	**3,068**

The Loxam SAS parent company has entered into a service delivery agreement with DPZ Partners, which holds part of the share capital of Loxam SAS. This agreement has been entered into under normal market conditions. Services provided under this agreement were invoiced to Loxam SAS for an amount of €1.9 million in 2017 compared to €1.1 million in 2016.

The Group does not have any significant transactions with related parties that have not been entered into under normal market conditions.

Note 26 – Statutory Auditors' Fees

	Constantin/Deloitte	KPMG	Other
		(*€'000*)	
Accounts certification	170	185	0
Other subsidiaries	517	219	203
Other services	1,042	200	0
Overall fees of statutory Auditors	**1,729**	**604**	**203**

Note 27 – Impacts of changes in scope on the financial statements

	31.12.16	Loxam Gp Historical	Degraus	Swan	Nacanco	Hune Group	Lavendon Group	31.12.17
				(€'000)				
ASSETS								
Goodwill	**967,517**	967,472		1,185	13,175	30,145	240,658	**1,252,634**
Trademarks and customers relationships						8,012	64,341	**72,353**
Intangible assets	**1,459**	2,227	459		231	43	5,941	**8,902**
Property, plant and equipment	**630,044**	768,099	22,877	2,416	20,627	56,440	362,138	**1,232,597**
Investments in associates	**9,738**							**0**
Financial assets	**10,685**	10,890	2,467		40	2,229		**15,626**
Neutralisation of securities		624,449	(13,247)	(4,250)	(10,010)	(52,109)	(544,833)	**0**
Financial derivatives		1,181						**1,181**
Deferred tax assets	**7,790**	6,047				15,584		**21,632**
NON-CURRENT ASSETS	**1,627,233**	**2,380,366**	**12,556**	**(649)**	**24,063**	**60,345**	**128,245**	**2,604,925**
Inventories	**18,681**	18,519	346	617	460	1,045	8,328	**29,315**
Trade and other receivables	**224,636**	239,038	1,876	1,850	8,478	31,279	88,322	**370,842**
Other current assets	**26,137**	52,754	1,167	179	182	2,128	8,291	**64,701**
Income tax receivables	**6,589**	13,622		12		5,746		**19,380**
Cash and cash equivalents	**155,857**	84,867	86	371	3,709	4,884	23,628	**117,544**
Liaison/intercompany account		253,106	(248)		(24,996)	(53,588)	(174,273)	**0**
CURRENT ASSETS	**431,899**	**661,905**	**3,227**	**3,029**	**(12,167)**	**(8,506)**	**(45,705)**	**601,782**
TOTAL ASSETS	**2,059,132**	**3,042,271**	**15,783**	**2,379**	**11,896**	**51,838**	**82,540**	**3,206,707**

LIABILITIES	31.12.16	Loxam Gp Historical	Degraus	Swan	Nacanco	Hune Group	Lavendon Group	31.12.17
				(€'000)				
Share capital	**232,400**	229,818						**229,818**
Consolidated reserves	**213,195**	268,978	(4,090)			(984)	(50,070)	**213,834**
Net profit of Group	**34,298**	35,930	(2,937)	(106)	(143)	10,800	41,099	**84,644**
Reserves outside of Group	**851**	892	6,196		(791)	9,464		**15,760**
Net profit outside of Group	**87**	96			(36)	(430)		**(369)**
SHAREHOLDERS' EQUITY	**480,832**	**535,715**	**(831)**	**(106)**	**(970)**	**18,850**	**(8,971)**	**543,688**
Employee benefits	**18,716**	15,154			1,454			**16,608**
Deferred tax liabilities	**25,396**	37,106					24,958	**62,064**
Borrowings and financial debts – Long Term portion	**1,189,195**	2,014,140	3,102	746	2,728	12,774	3,999	**2,037,490**
Financial derivatives	**4,854**	2,855						**2,855**
NON-CURRENT LIABILITIES	**1,238,161**	**2,069,255**	**3,102**	**746**	**4,182**	**12,774**	**28,957**	**2,119,017**
Provisions	**4,948**	4,966	4,650			1,629		**11,245**
Borrowings and financial debts – current portion	**107,442**	190,480	5,194		2,030	3,514		**201,218**
Trade payables	**123,129**	134,046	1,436	1,308	4,567	10,586	36,239	**188,181**
Tax and social security liabilities	**104,621**	107,808	2,232	431	2,087	4,486	26,316	**143,358**
CURRENT LIABILITIES	**340,139**	**437,300**	**13,512**	**1,738**	**8,683**	**20,214**	**62,555**	**544,003**
TOTAL LIABILITIES	**2,059,132**	**3,042,271**	**15,783**	**2,379**	**11,896**	**51,838**	**82,540**	**3,206,707**

INCOME STATEMENT	31.12.16	Loxam Group Historical	Degraus	Swan	Loxam Access SRL	Hune Group	Lavendon Group	31.12.2017
				(€'000)				
No. of consolidation months		12 months	0 month	1 month	2 months	11 months	11 months	
Revenue	**926,782**	1,011,332		410	4,527	68,873	282,557	**1,367,698**
Other income	**56,265**	54,138		(2)	11	1,997	6,468	**62,611**
Operating income	**983,047**	**1,065,470**		**407**	**4,538**	**70,869**	**289,024**	**1,430,309**
Purchases consumed	**(105,482)**	(115,885)		(217)	(395)	(6,726)	(21,221)	**(144,444)**
Personnel expenses	**(244,362)**	(261,719)		(168)	(1,179)	(18,633)	(78,413)	**(360,111)**
Other current expenses	**(311,737)**	(339,680)		(65)	(1,818)	(23,724)	(77,980)	**(443,267)**
Taxes and duties	**(16,637)**	(17,074)		(1)	(16)	(111)	(1,287)	**(18,488)**
Depreciation and amortisation – Property, plant & equipment	**(143,705)**	(165,713)		(61)	(1,089)	(5,411)	(55,606)	**(227,880)**
Depreciation and amortisation – Intangible assets		(1,772)			(33)	(1,257)	(7,441)	**(10,503)**
Current operating expenses	**(821,923)**	**(901,843)**		**(512)**	**(4,529)**	**(55,862)**	**(241,948)**	**(1,204,694)**
Profit from ordinary operations	**161,124**	**163,627**		**(105)**	**9**	**15,007**	**47,076**	**225,616**
Other operating income and expenses	**(19,939)**	(9,605)					5,144	**(4,461)**
Operating profit	**141,185**	**154,022**	**0**	**(105)**	**9**	**15,007**	**52,221**	**221,155**
Financial income (expense)	**(88,148)**	**(103,431)**	**(2,937)**	**(1)**	**(188)**	**(2,719)**	**(7,438)**	**(116,714)**
Profit before tax	**53,037**	**50,592**	**(2,937)**	**(106)**	**(179)**	**12,288**	**44,783**	**104,441**
Share of profit of associates	**(1,002)**	(1,306)						**(1,306)**
Income tax expense	**(17,649)**	(13,258)				(1,918)	(3,684)	**(18,860)**
Net profit	**34,386**	**36,027**	**(2,937)**	**(106)**	**(179)**	**10,370**	**41,099**	**84,275**
Non-controlling interests	**87**	96			(36)	(430)		**(369)**
Net profit, Group share	**34,298**	**35,930**	**(2,937)**	**(106)**	**(143)**	**10,800**	**41,099**	**84,644**

Note 28 – Business Combination - Comparative Information

In order to have a comparable basis for the upcoming years, we here-below present a "pro-forma" analysis of the main income statement items.

	Loxam consolidated 31/12/17	Additional Contributions from the entities acquired as from 1/01/2017	**Combination 12 months**	Restatements related to financing activities	Homogenization according to Group's standards	Elimination of non-recurring items	**Pro Forma 31/12/17**
				(*€'000*)			
		Note 1		Note 2	Note 3	Note 4	
Revenue	1,367,698	67,025	1,434,724				1,434,724
Other income	62,611	285	62,896		170		63,066
Operating income	**1,430,309**	**67,310**	**1,497,619**		**170**		**1,497,789**
Purchases consumed	(144,444)	(9,219)	(153,663)				(153,663)
Personnel expenses	(360,111)	(16,380)	(376,491)			663	(375,828)
Other current expenses	(443,267)	(26,946)	(470,213)				(470,213)
Taxes and duties	(18,488)	(603)	(19,091)				(19,091)
D&A – Tangible	(227,880)	(14,605)	(242,485)		406		(242,079)
D&A – Intangible	(10,503)	(1,210)	(11,713)		(641)		(12,354)
Profit from ordinary operations	**225,616**	**(1,653)**	**223,963**		**(65)**	**663**	**224,561**
Other operating income and expenses	(4,461)	(24,319)	(28,779)			19,175	(9,605)
Operating profit	**221,155**	**(25,972)**	**195,183**		**(65)**	**19,838**	**214,956**
Financial income/ expense	**(116,714)**	**(2,611)**	**(119,324)**	**1,436**		**(166)**	**(118,055)**
Profit before tax	**104,441**	**(28,582)**	**75,859**	**1,436**	**(65)**	**19,672**	**96,901**

Note 1: The following additional contribution from the companies acquired was added:

- 1 month of activity for Lavendon Group (excluding Gardemann)
- Neutralization of 5 months of activity for Gardemann following its sale at the end of June 2017
- 1 month of activity for Hune Group
- 10 months of activity for Loxam Access SRL
- 11 months of activity for Swan
- 12 months of activity for Degraus
- 8 months of activity for the Danish branches of Cramo

This data comes from the annual financial statements for the Lavendon Group, the Hune Group and Degraus which have statutory auditors. Impacts related to Cramo, Loxam Access Srl and Swan were estimated based on the information available but have not been audited.

Note 2: Restatements related to financing activities:

These restatements reflect the impact of the new financing arrangements for the 2017 acquisitions. They are detailed as follows:

- Maintaining financing arrangements from February (Bridge, then new bond issues from April),
- Addition of a month of financing (January) on the basis of the €850 million bond interest rates,

- Early repayment of € 110.7 million of the €410 million bond from 01/01/2017, this operation being linked to the financing arrangement of € 850 million

- Neutralization of interest paid on the historical debt of the Lavendon Group, the Hune Group and Loxam Access Srl, because replaced by current accounts financing

Note 3: Adjustments to Group accounting rules:

- Homogenization of fleet depreciation method of Hune Group from 01/01/17

- Depreciation of intangible assets resulting from the Price Purchase Allocation of the Hune and Lavendon Groups from January 1, 2017

Note 4: Elimination of non-recurring items:

- Elimination of impacts related to Gardemann disposal : impact of €-7,9 million on other operating incomes and expenses

- Elimination of costs borne by the Lavendon Group and related to the shareholders' change : impact of + € 27,1 million on other operating incomes and expenses

- Other non-recurring costs :

    - Elimination of bonuses paid to shareholders (+ € 0.7 million on personnel expenses),

    - Elimination of non-recurring items on the financial results mainly due to debt write-offs and penalty fees for companies acquired (€ -0.2 million).

LOXAM

Simplified Joint Stock Company

256 rue Nicolas Coatanlem
56850 – CAUDAN

Statutory Auditors' report on the consolidated financial statements

Year ended December 31, 2016

CONSTANTIN ASSOCIES
Member of Deloitte Touche Tohmatsu Limited
185 avenue Charles de Gaulle

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This is a free translation into English of the statutory auditors' report on the consolidated financial statements issued in French and is provided solely for the convenience of English-speaking users.
The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit opinion on the consolidated financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions, or disclosures.
This report also includes information relating to the specific verification of information given in the Group's management report.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

LOXAM

Simplified Joint Stock Company

256 rue Nicolas Coatanlem
56850 – CAUDAN

STATUTORY AUDITOR'S REPORT
ON THE CONSOLIDATED FINANCIAL STATEMENTS
Year ended December 31, 2016

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meeting, we hereby report to you, for the year ended December 31, 2016, on:

- the audit of the accompanying consolidated financial statements of Loxam;
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by the Chairman. Our role is to express an opinion on these consolidated financial statements based on our audit.

1. Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit so as to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatements. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31 December 2016 and of the results of its operations for the year then ended in accordance with IFRSs as adopted by the European Union.

2. Justification of our assessments

In accordance with the requirements of Article L. 823-9 of the French Commercial Code *(code de commerce)* relating to the justification of our assessments, we bring to your attention the following matters:

Goodwill

Notes 3.7 “Business Combination” and 3.14 “Impairment of intangible and tangible fixed assets” to the consolidated financial statements set out the principle of allocation of the identifiable assets and liabilities of the entities included in the scope of consolidation, together with the methods for determining the recoverable value of the intangible assets thus identified.

Impairment tests have been performed, in accordance to the methods set out in Note 3.14 “Impairment of intangible and tangible fixed assets” and Note 5 “Intangible assets and Goodwill” to the consolidated financial statements, on the Goodwill, recognised on the balance sheet at December 31, 2016 for a net amount of €967,517 thousands euros.

We have reviewed the details of implementation for these tests and the overall consistency of the assumptions used; we have reviewed the calculations and have verified that Notes to the consolidated financial statements provides appropriate information.

Change accounting estimate

Note 3.5 “Comparability of the financial statements” to the consolidated financial statements details the reasons which led the company to change the useful life of “materiel Parc” and apply a residual value on certain categories of its rental fleet, and specifies the impact of these changes on the consolidated financial statements.

We have reviewed the calculation of the change in useful life and have verified that this note to the consolidated financial statements gives an appropriate information.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

3. Specific verification

As required by law we have also verified, in accordance with professional standards applicable in France, the information presented in the Group's management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Neuilly-sur-Seine and Rennes, March 16, 2017

The Statutory Auditors

CONSTANTIN ASSOCIES	**KPMG Audit**
Member of Deloitte Touche Tohmatsu Limited	*A Division of KPMG S.A.*
Jean Paul SEGURET	Vincent BROYE

Free translation into English

LOXAM GROUP
IFRS FINANCIAL STATEMENTS

at 31 December 2016

CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2016

Statement of financial position

	Notes	31.12.15	31.12.16
ASSETS		(*€'000*)	
Intangible assets and goodwill	5	983,015	968,976
Property, plant and equipment	6	560,095	630,044
Investments in associates	7	8,465	9,738
Financial assets	8	9,425	9,919
Financial derivatives	14	0	765
Deferred tax assets	22	8,618	7,790
Non-current assets		**1,569,617**	**1,627,233**
Inventories	9	18,364	18,681
Trade and other receivables	10	206,361	224,636
Other current assets	11	21,767	26,137
Corporate income tax receivables	11	3,865	6,589
Cash and cash equivalents	12	158,211	155,857
Current assets		**408,569**	**431,899**
Total assets		**1,978,185**	**2,059,132**

	Notes	31.12.15	31.12.16
LIABILITIES		(*€'000*)	
Share capital		258,223	232,400
Additional paid-in capital		1,882	1,882
Consolidated reserves		278,887	211,313
Net profit for the year		8,008	34,298
Shareholders' equity (Group share)		**547,000**	**479,894**
Non-controlling interests		204	938
Total equity	**13**	**547,204**	**480,832**
Employee benefits	16	15,044	18,716
Deferred tax liabilities	22	21,904	25,396
Borrowings and financial debt	15	1,109,036	1,189,195
Financial derivatives	14	9,532	4,854
Non-current liabilities		**1,155,518**	**1,238,161**
Provisions	17	7,064	4,948
Borrowings and financial debt	15	73,680	107,442
Trade and other payables	18	89,386	123,129
Other liabilities	18	105,254	103,938
Corporate income tax liabilities	18	80	683
Current liabilities		**275,464**	**340,139**
Total shareholders' equity and liabilities		**1,978,185**	**2,059,132**

Consolidated income statement and statement of comprehensive income

	Notes	31.12.15	31.12.16
		(*€'000*)	
Revenue		**838,288**	**926,782**
Other income		57,433	56,265
Operating income		**895,720**	**983,047**
Purchases consumed		(91,988)	(105,482)
Personnel expenses	19	(224,557)	(244,362)
Other current expenses		(286,419)	(311,737)
Taxes and duties		(15,472)	(16,637)
Depreciation and amortization		(187,327)	(143,705)
Profit from ordinary operations		**89,957**	**161,124**
Other operating income	20	50	17
Other operating expenses	20	—	(19,956)
Operating profit		**90,008**	**141,185**
Interest and financing-related expenses		(69,397)	(63,130)
Other financial expenses		(2,162)	(31,848)
Financial income		4,966	6,830
Financial income (expense)	21	**(66,593)**	**(88,148)**
Profit before tax		**23,415**	**53,037**
Share of profit of associates		(397)	(1,002)
Income tax expense	22	(15,286)	(17,649)
Net profit		**7,732**	**34,386**
Non-controlling interests		(276)	87
Net profit, Group share		**8,008**	**34,298**

	31.12.15	31.12.16
	(*€'000*)	
Net profit	**7,732**	**34,386**
Exchange gains or losses (1)	(1,221)	1,469
Value adjustments linked to hedging derivatives	—	—
Tax	—	—
Items recycled to profit or loss	***(1,221)***	***1,469***
Remeasurement of liabilities for defined benefit retirement plans	2,419	(3,291)
Tax	(703)	858
Items not recycled to profit or loss	***1,716***	***(2,434)***
Other comprehensive income	**495**	**(964)**
Comprehensive income	**8,227**	**33,421**
(1) including associates:	(2,020)	2,090

Consolidated cash-flow statement

	Notes		31.12.2015	31.12.2016
			(*€'000*)	
Net profit			**7,732**	**34,386**
Share of profit of associates	7		397	1,002
Income tax expense (including deferred tax)	22		15,286	17,649
Net finance costs	21		66,593	88,148
Depreciation and provisions, net of reversals			186,871	157,809
Capital gains on asset disposals			(47,565)	(45,686)
Cash flow from operations (before cost of financing and tax)			**229,314**	**253,308**
Income tax paid			(17,918)	(12,710)
Financial interest paid			(66,413)	(83,128)
Financial interest received			2,393	1,293
Change in working capital requirements			5,878	6,804
Cash flow from operating activities		**A**	**153,254**	**165,566**
Impact of changes in scope			(125,081)	(2,019)
Acquisitions of fixed assets			(150,756)	(230,857)
Disposals of fixed assets			58,580	54,578
Cash flow from investing activities		**B**	**(217,257)**	**(178,298)**
Dividends paid			(4,906)	(4,906)
Capital decrease			—	(95,542)
Proceeds from loans and borrowings	15		125,882	485,483
Repayment of loans and borrowings	15		(43,240)	(377,989)
Cash flow from financing activities		**C**	**77,736**	**7,046**
Change in cash and cash equivalents		**A+B+C**	**13,733**	**(5,686)**
Cash and cash equivalents at beginning of period			144,253	158,043
Cash and cash equivalents at end of period			158,043	155,677
Impact of exchange rate fluctuations			(57)	(3,320)
Change in cash and cash equivalents			**13,733**	**(5,686)**
Other marketable securities			86,429	65,262
Cash at bank and on hand			71,782	90,595
Current bank borrowings			(168)	(180)
Cash and cash equivalents			**158,043**	**155,677**

Consolidated statement of changes in equity

	Share capital	Additional paid-in capital	Consolidated reserves	Reserves to be recycled (OCI)	Shareholders' equity (Group share)	Non-controlling interests	Total equity
				(*€'000*)			
At 1 January 2014	**258,223**	**1,882**	**278,693**	**(5,009)**	**533,789**	**283**	**534,072**
Net profit for the period			11,841		**11,841**	(126)	11,715
Derivatives				5,515	**5,515**	—	5,515
Employee benefits				(2,810)	**(2,810)**	—	(2,810)
Exchange gains or losses				(20)	(20)	10	(10)
Comprehensive income			**11,841**	**2,685**	**14,525**	**(116)**	**14,409**
Capital increase					—	308	308
Dividends			(4,906)		(4,906)	—	(4,906)
At 31 December 2014	**258,223**	**1,882**	**285,628**	**(2,324)**	**543,408**	**476**	**543,884**
Net profit for the period			8,008		8,008	(276)	7,732
Employee benefits				1,716	1,716	—	1,716
Exchange gains or losses				(1,226)	(1,226)	5	(1,221)
Comprehensive income			**8,008**	**490**	**8,498**	**(271)**	**8,227**
Dividends			(4,906)		(4,906)	—	(4,906)
At 31 December 2015	**258,223**	**1,882**	**288,730**	**(1,834)**	**547,000**	**204**	**547,204**
Net profit for the period			34,298		34,298	87	34,386
Employee benefits				(2,434)	(2,434)	—	(2,434)
Exchange gains or losses			5	1,450	1,455	14	1,469
Comprehensive income			**34,303**	**(984)**	**33,320**	**102**	**33,421**
Capital movements	(25,822)		(69,720)		(95,542)	633	(94,910)
Dividends			(4,884)		(4,884)	—	(4,884)
At 31 December 2016	**232,400**	**1,882**	**248,430**	**(2,818)**	**479,894**	**938**	**480,832**

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Note 1 – Overview

1.4 Presentation of the Group

Loxam is a French simplified joint stock company ("Société par actions simplifiée") with a capital of €232,400,370 at 31 December 2016, governed by all of the legislation and regulations for commercial companies in France, and particularly the French commercial code ("Code de commerce"). Its registered office is located at 256 rue Nicolas Coatanlem, 56850 Caudan, France.

The Group is the European equipment rental market leader, with its business focused primarily on construction and civil engineering professionals. The Group operates mainly in Europe, as well as in North Africa, and has a 25.7% stake in a company in Brazil.

1.5 Context for the preparation of the IFRS consolidated financial statements

The consolidated financial statements for the period from 1 January to 31 December 2016 include Loxam and its subsidiaries (the whole referring to "the Group"), and the Group's share in equity affiliates and joint ventures.

1.6 Functional and reporting currency

The consolidated financial statements are prepared and presented in euros, which is the parent company's functional currency. All the financial data are presented in thousands of euros, rounded to the nearest thousand euros. The total amounts indicated in the tables may differ from the sum of the various items due to rounding.

Note 2 – Highlights

Overview of key developments in 2016:

On March 31, 2016, Loxam Alquiler merged with Hertz Alquiler de Maquinaria with an accounting and tax effect from January 1, 2016. This merger has no consequences on Loxam's financial consolidated accounts.

In April 2016, Loxam increased its stake in the company Degraus , buying 0.7% of additional shares for a total consideration of €0.3 million, to reach a total control interest of 25.7%.In May 2016, Loxam refinanced its €300 million senior subordinated notes due in January 2020, thanks to the issue of €250 million of senior secured notes due in May 2023.

On May 31, 2016, , Safelift AB Sweden was liquidated, and removed from the scope of consolidation.

On October 28, 2016, Loxam SAS acquired 100% of the share capital of Salmat Nord; this entity is now included within the scope of consolidation.

Loxam SAS decreased its capital by 2,582,226 shares in December, by launching a share buy back on minority shareholders, which resulted in a capital decrease of €95.5 million.

The Group changed its accounting estimate of the average depreciation lengths of rental fleet equipment effective from January 1, 2016.

Overview of key developments in 2015:

On 14 April 2015, the Group acquired a 25% stake in Degraus, which operates 20 branches in Brazil. This interest enables the Group to exercise a significant influence over Degraus, and is therefore classified as an associate. As a result, Loxam SAS' investment in Degraus is accounted for using the

equity method of accounting. The goodwill associated with the acquisition of Degraus is valued at €4.4 million and is included in investments in associates.

In June 2015, our 51%-owned Moroccan subsidiary Atlas Rental acquired a 100% interest in Maroc Elevation. Maroc Elevation has been consolidated in Loxam's consolidated accounts since 1 July 2015. Its contribution to the Group's consolidated financial statements was not significant for the period. In accordance with IFRS 3 (revised), Loxam is currently measuring the fair value of the identifiable assets and liabilities acquired.

The provisional goodwill associated with the acquisition of Maroc Elevation is valued at €0.9 million at 31 December 2015.

On 31 October 2015, the Group acquired a 100% interest in Hertz Equipement France and Hertz de Alquiler de Maquinaria in Spain. These two companies have been consolidated in Loxam's consolidated accounts since 1 November 2015. Their contribution to the Group's consolidated financial statements represents €11.0 million in revenue and €73.3 million in property, plant and equipment. If the companies had been consolidated from 1 January 2015, the contribution to revenue over 12 months would have represented €69.5 million. In accordance with IFRS 3 (revised), Loxam is currently measuring the fair value of the identifiable assets and liabilities acquired. The provisional goodwill associated with the acquisition of Hertz Equipement France is valued at €30.3 million at 31 December 2015, while the amount for Hertz de Alquiler de Maquinaria in Spain is negative and represents €50 K.

In 2015, several mergers took place without any impact on the consolidated accounts:

- Merger of Dansk Lift with Loxam Danemark A/S on 30 April 2015, effective retroactively to 1 January 2015
- Merger of Workx BV with Workx Holding BV on 31 August 2015, effective retroactively to 1 January 2015
- Merger of Hertz Equipement France SAS with Loxam SAS at 31 December 2015, effective retroactively to 1 January 2015.

Subsequent events to the closing

Salmat Nord which was acquired in 2016 was merger into Loxam SAS as at January 1, 2017.

In January 2017, Loxam effected a share buy back on 258,222 shares, retained100,000 shares according to L.225-228 and cancelled 158,222 shares by capital decrease.

On February 6, 2017, Loxam took a 100% interest in the Spanish company Hune rental S.L, that operates on the equipment rental market in Spain, Portugal, and France and has two joint-ventures in Saudi Arabia and Colombia.

On February 13, 2017, Loxam took the control of Lavendon Group, which has its registered office in the UK. This Group consists of 70 branches located in the UK, Germany, France, Belgium and the Middle East.

Note 3 – Accounting principles

3.1 Declaration of compliance

The Loxam Group has prepared its consolidated financial statements at 31 December 2016, approved by the Chairman on 15 March 2017, in accordance with IFRS (International Financial Reporting

Standards) as adopted by the European Union at 31 December 2016, with mandatory compliance at this date, with comparative information presented for 2015, established with the same reporting standards.

These standards include International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS), as well as the interpretations of the Standing Interpretations Committee (SIC) and the International Financial Reporting Standards Interpretations Committee (IFRS IC).

These standards are available on the European Commission site: http://ec.europa.eu.internal_market/accounting/ias/index_fr.htm

The consolidated financial statements include the financial statements of Loxam SAS and its subsidiaries for the financial year from January 1, 2016 to December 31, 2016.

The list of consolidated companies is presented in Note 4.

3.2 Application and interpretation of standards and regulations

New mandatory IFRS standards, IFRIC interpretations or amendments to be applied from January 1, 2016:

Standards, amendments or interpretations	Dates adopted by the European Union	Application dates: financial year starting on or after
Amendments to IAS 1: Presentation of financial statements as part of the Disclosure Initiative.	19.12.2015	01.01.2016
Amendment to IAS 16 and IAS 38 – Clarification of acceptable methods of depreciation and amortisation	03.12.2015	01.01.2016
Amendments to IAS 16 and IAS 41 – Agriculture: bearer plants assets	24.11.2015	01.01.2016
IAS 19 – Defined benefit plans: Employee Contributions	09.01.2015	01.02.2015
Annual improvements for 2010-2012	09.01.2015	01.02.2015
Amendments to IFRS 11 – Joint arrangements: acquisition of an interest in a joint operation	25.11.2015.	01.01.2016
Annual improvements for 2012-2014	16.12.2015	01.01.2016
Amendments to IAS 27 – Equity method in separate financial statements	23.12.2015	01.01.2016
Amendments to IFRS 10, IFRS 12, and IAS 28 – Clarifications to apply the consolidation Exemption	22.09.2016	01.01.2016

The application of the standards and amendments did not have a material impact on the consolidated financial statements.

Amendment published by the IASB and applicable by anticipation:

Standards, amendments or interpretations	Dates adopted by the European Union	Application dates: financial year starting on or after
IFRS 15 – Revenue from ordinary activities from contracts with customers	22.09.2016	01.01.2018

IFRS 9 Financial Instruments – Classification and measurement – amendments to IFRS 9, IFRS 7 and IAS 39 – general hedge accounting	22.11.2016	01.01.2018

These standards, amendments or interpretations have not been applied early. Their potential impact is currently being analysed.

New standards, reviews of IFRS regulatory and statutory framework, as well as interpretations published by the IASB, but not yet applicable, or not applied in advance by the Group:

Standards, amendments or interpretations	Adoption in Europe	IASB application dates: financial years starting on or after
Amendments to IAS 7: Disclosure initiative	Not adopted	01.01.2017
Amendments to IAS 12: Recognition of deferred tax assets for unrealised losses	Not adopted	01.01.2017
Annual improvements for 2014-2016	Not adopted	01.01.2017 or 01.01.2018
Amendments to IAS 40 – Investment property	Not adopted	01.01.2018
IFRIC 22 Interpretation – Foreign currency transactions and advance consideration	Not adopted	01.01.2018
IFRS 14 – Regulatory deferral accounts	Will not be adopted by the EU	01.01.2016
Amendment to IFRS 15 – Clarification	Not adopted	01.01.2018
Amendments to IFRS 2 – Classification and measurement of transactions which payment is based on shares	Not adopted	01.01.2018
Amendments to IFRS 4 – For insurance contracts: "Apply IFRS 9 financial instruments with IFRS 4"	Not adopted	01.01.2020
Amendments to IFRS 10 and IAS 28 – Sale or contribution of assets between an investor and its associate or joint venture	Postponed	Postponed
IFRS 16 – Leases contracts	Not adopted	01.01.2019.

3.3 Presentation of the financial statements

The Group's consolidated financial statements are prepared on a historical cost basis, with the exception of certain categories of assets and liabilities, measured at fair value, in accordance with IFRS. The categories concerned are mentioned in the following notes.

The financial year-end for all the Group's subsidiaries and entities is December 31.

3.4 Consolidation principle

A subsidiary is an entity controlled by Loxam SAS. An entity's control is based on three criteria:

- Power over the entity, i.e. the ability to direct the activities with the greatest impacts on its profitability;
- Exposure to the entity's variable returns, which may be positive, based on dividends or any other economic benefits, or negative;

- Link between power and these returns, i.e. the ability to exercise power over the entity to influence the returns achieved.

The financial statements of subsidiaries are consolidated from the date on which the Group acquires effective control until such time as control is transferred outside the Group.

The consolidated financial statements include all of the subsidiary's assets, liabilities, income and expenses. Equity and income are shared between the owners of the Group and non-controlling interests.

Transactions between consolidated companies and intragroup profits are eliminated when preparing the consolidated financial statements.

An associate is an entity in which the Group has significant influence, without having control or joint control over financial and operational policies. The share in the associate's assets and liabilities, including goodwill, is presented on a separate line on the balance sheet.

3.5 Comparability of the financial statements

In 2016, the Group carried out an assessment of the useful life of its equipment for rent on the basis of internal statistics. The review resulted in the extension of the average length of our depreciation on certain fleet equipment as a result of new maintenance practices, higher quality of the materials used by our suppliers, and preventive maintenance. Also a residual value was introduced for certain fleet equipment to reflect the capital gains on equipment disposals on the second-hand market.

In accordance with IAS 8, the impact of the change in depreciation estimate was recorded according to a prospective approach since the beginning of the year 2016.

This change of estimate was applied to the net book value of the assets at December 31, 2015 over the remaining depreciation period, that now ranges between 3 and 10 years vs 2 and 7 years before.

The impact of this change resulted in an improvement of the net result after tax by€47.6 million, and an improvement in operating profit by €67.7 million.

Furthermore, the consolidated financial statements included 2 months of Hertz (France + Spain) at December 31, 2015, compared to 12 months at December 31, 2016.

3.6 Accounting judgments and estimates

To prepare the consolidated financial statements in accordance with IFRS, the Group makes a certain number of estimates and assumptions that are based on historical information and other factors, including expectations for future events that are considered reasonable in view of the circumstances.

The Group's estimates and judgments with the most significant impacts on the financial statements concern the following elements:

- Impairment tests for intangible assets with an indefinite useful life (primarily goodwill) (Note 5),
- Measurement of obligations relating to defined benefit plans (Note 16),
- Measurement of financial instruments at fair value (Note 14),
- Qualification of leases (Note 3.13),
- The revision of depreciation periods, and new management rules on the Group's fleet.

These estimates are based on the information available when they were prepared. They are continuously assessed based on past experience and various other factors that are considered to be reasonable, which form the basis for assessments of the book value of assets and liabilities. Estimates may be revised if the circumstances on which they were based change or new information becomes available. Actual results may differ significantly from these estimates depending on different conditions or assumptions.

3.7 Business combinations

(a) Business combinations

In accordance with IFRS 3, business combinations are accounted for on the acquisition date, which is the date when control is transferred to the Group.

Goodwill represents the fair value of the consideration transferred (including the fair value of any interest previously held in the company acquired), plus the amount recognised for any non-controlling interest in the company acquired, less the net amount recognised (generally at fair value) for the identifiable assets and liabilities assumed.

When the difference is negative, this is badwill, representing a profit resulting from acquisitions under preferential conditions. Badwill is recognised immediately in profit or loss.

The costs relating to the acquisition are expensed as incurred.

Corrections or adjustments may be made to the fair value of the assets and liabilities assumed and the consideration transferred within 12 months of the acquisition. As a result, the goodwill may be revised.

Contingent consideration relating to business combinations is measured at fair value on the acquisition date and subsequently measured at fair value at each future reporting date. After a one-year period from the acquisition date, any change in the fair value of the contingent consideration classified as a financial liability will be recognised in profit or loss. During this one-year period, any changes to this fair value explicitly related to events occurring after the acquisition date will also be recognised in profit or loss. Other changes will be recognised as adjustments to goodwill.

Goodwill is not amortized. In accordance with IAS 36 Impairment of Assets, it is subject to impairment tests at least once a year and more frequently if there are any indications of impairment.

The conditions for these tests are presented in Section 3.14.

(b) Commitment to buy out non-controlling interests (minority interests), entered into at the time of business combinations, if minorities do not retain current access to profits:

The anticipated acquisition method is applied: the deferred payment for the buyout commitment is recognised as a liability for the present value of the option’s exercise price. Goodwill is calculated taking into account the total percentage including the commitment to buy out the non-controlling interests.

(c) Commitment to buy out non-controlling interests (minority interests), entered into at the time of business combinations, if minorities retain current access to profits

The deferred payment for the buyout commitment is recognised as a liability for the present value of the option’s exercise price. Subsequent changes in the value of the commitment are recognised in equity attributable to owners of the parent.

(d) Acquisition of non-controlling interests (minority interests), agreed on after business combinations:

For an additional acquisition of shares in an entity that is already controlled, the difference between the acquisition price of the shares and the additional consolidated equity interest acquired is recognised in equity attributable to owners of the parent, while keeping the consolidated value of the subsidiary's identifiable assets and liabilities, including goodwill, unchanged.

3.8 Foreign currency translation methods

(a) Transactions in foreign currencies

Transactions in foreign currencies are converted into euros based on the exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are converted based on the exchange rate at the reporting date.

Profit and loss data denominated in foreign currencies are converted using the average rate for the period.

The resulting exchange gains or losses are recognised in profit or loss for the year under financial income and expenses.

(b) Financial statements in foreign currencies

The assets and liabilities of subsidiaries presented in foreign currencies are converted into euros based on the exchange rate at the reporting date. Income and expenses for these companies are converted into euros at the average exchange rate for the year. The resulting exchange gains or losses are recognised directly in other comprehensive income.

Exchange rates applied at 31 December 2016 (euro vs. currency):

1 EUR =	GBP	CHF	DKK	MAD	SEK	NOK	BRL
Reporting date rate	0.85618	1.07390	7.43440	10.65860	9.55250	9.08630	3.43050
Average rate	0.81894	1.09017	7.44534	10.84364	9.46718	9.29367	3.86118

3.9 Breakdown of current / non-current assets and liabilities

Under IAS 1, assets and liabilities are classified as "current" or "non-current".

Loxam applies the following rules for classifying the main balance sheet aggregates:

- Fixed assets are classified as "non-current"
- Assets and liabilities included in working capital requirements in connection with the business' normal operating cycle are classified as "current"
- All deferred tax assets and liabilities are presented as "non-current"
- All provisions are classified as "current"
- Financial liabilities are classified as "current" or "non-current", depending on whether they are due within or later than one year after the reporting date.

3.10 Fair value of financial assets and liabilities

Financial assets and liabilities – including derivatives – measured at fair value are categorized into three levels (1 to 3), each corresponding to a level of fair value observable inputs based on data used in the fair value measurement technique:

- Level 1: fair value determined based on quoted prices in active markets for identical assets or liabilities;
- Level 2: fair value estimated based on observable data for the asset or liability, either directly (i.e. prices) or indirectly (i.e. pricing-derived data);
- Level 3: fair value estimated using valuation techniques that include data relating to the asset or liability that are not based on observable market data.

Further information on thee classification of financial instruments for each category is presented in Note 3.18 Cash and cash equivalents and Note 3.19 Financial instruments.

3.11 Intangible assets and goodwill

(a) Goodwill

The goodwill resulting from acquisitions of subsidiaries is included in intangible assets. It represents an asset with an indefinite useful life. For the valuation of goodwill, see Note 3.7.

(b) Other intangible assets

Other intangible assets have a finite useful life and are recorded at their acquisition cost, after deducting accumulated amortization and impairment losses.

The amortization of intangible assets is recorded as an expense on a straight-line basis over the estimated useful life from the moment assets are brought into service.

These other intangible assets are primarily software products, amortized over one to three years.

3.12 Property, plant and equipment

Property, plant and equipment are recognised at their acquisition cost, after deducting accumulated depreciation and impairment losses. They are not remeasured.

The cost includes the expenditure directly attributable to the asset's acquisition.

Depreciation charges for property, plant and equipment are calculated on a straight-line basis over the useful lives indicated below. Land is not depreciated:

- Buildings 10 to 20 years
- Building fixtures and fittings 5 to 20 years
- Tools 3 to 5 years
- Fleet equipment 3 to 10 years
- Other property, plant and equipment 2 to 5 years

Property, plant and equipment are depreciated from the moment they are brought into service.

A residual value is applied to some categories of equipment, in order to take the resale value of this equipment at the end of its life into account.

3.13 Leases

The Group holds finance leases in accordance with IAS 17.

Finance-leased fixed assets, transferring substantially all the risks and rewards of ownership of the leased asset to the Group, are recorded as assets on the balance sheet at the lower of the fair value of the equipment leased and the present value of minimum future lease payments. The corresponding liability is recorded as financial liabilities.

Lease payments are apportioned between financial expense and the reduction of the liability in order to obtain a constant periodic rate of interest on the remaining liability.

Finance-leased assets are depreciated over their useful life in accordance with the accounting policy applicable to the other property, plant and equipment (cf. Note 3.12- Property, plant and equipment).

Leases under which the lessor retains substantially all the risks and rewards of ownership of the asset are operating leases. Payments for these leases are recorded as expenses on a straight-line basis over the term of the lease.

3.14 Impairment of intangible assets and property, plant and equipment

Assets are reviewed at each reporting date to determine whether there are any indications of impairment. If such indications are identified, the asset's recoverable amount is estimated.

Goodwill is tested annually and whenever indications of impairments arise.

To be tested, the assets that do not generate independent cash inflows are grouped in cash generating units (CGU), which correspond to the countries in which the Group operates. These countries may be grouped together by geographic area (aggregation of CGU's), particularly for financial reporting. For impairment testing, the CGUs which the goodwill is allocated to are grouped together to ensure that the level at which impairment tests are carried out reflects the lowest level at which goodwill is monitored for internal management requirements. Goodwill acquired in connection with a business combination is allocated to the CGU that is expected to benefit from the synergies of the business combination.

The CGU's recoverable amount is the higher of its fair value less costs of disposal and the value in use.

The value in use retained by the Group corresponds to the value of the future economic benefits expected to be earned from their use and disposal. It is assessed using the discounted cash flow (DCF) method, based on the following principles:

- The cash flows are based on the medium-term business plan (five years) drawn up by top management,
- The discount rate is determined based on the weighted average cost of capital for the business and the region concerned,
- The terminal value is calculated by discounting cash flows to infinity, based on standard cash flows and a perpetuity growth rate. The growth rate is consistent with the development potential of the markets in which the Group operates, as well as its competitive position on these markets.

When the recoverable amount is lower than the net book value of the asset or the cash generating unit, an impairment is recognised in profit or loss.

Impairments recorded for goodwill are irreversible.

3.15 Financial assets

Financial assets include:

- Securities of non-consolidated companies,
- Security deposits paid,
- Cash management assets,
- Cash and cash equivalents.

Financial assets are measured and recognised in accordance with IAS 39.

Financial assets are initially recognised at their fair value.

Financial assets maturing in under one year are classified as current financial assets.

3.16 Inventories

Inventories primarily include trade products, parts and consumables. Inventories are measured using the weighted average cost method.

An impairment is recognised when the realisable value, less costs of disposal, is lower than the book value.

3.17 Trade receivables and other current assets

Trade receivables and other current assets are generally measured at their nominal value, when this is considered to be close to their fair value. Provisions for impairment are recorded for receivables when their recoverable value amount is lower than their book value.

3.18 Cash management assets and Cash and cash equivalents

In accordance with IAS 7 Statement of Cash Flows, the cash recorded in the consolidated cash flow statement includes cash at bank and on hand, bank credit balances and cash equivalents. Cash equivalents correspond to liquid short-term deposits that are easily convertible into a determinable amount of liquid assets and subject to an insignificant risk of changes in value.

Term deposits for over three months, which include options for early withdrawals at any time without notice, particularly to cover short-term cash commitments, are consistent with the definition of cash and cash equivalents from IAS 7 in the following cases:

- The capital is guaranteed even in the event of early withdrawal,
- No penalties are due in the form of payments to the financial institution managing the investment, or non payment of part of the return on the investment. When the return is calculated based on the rate for the previous period or a reduced rate, without any significant change in the value of the amount of the return received, this is not

considered to be a penalty and does not call into question the investment's classification as cash and cash equivalents.

Cash management financial assets comprise money-market securities, bonds and shares in UCITS invested over a short-term management horizon that do not meet the criteria for being classified as cash equivalents under IAS 7. They are measured and recognised at fair value. Changes in fair value are recognised in profit or loss.

Purchases and sales of cash management financial assets are recognised on the transaction date.

Marketable securities classified as cash equivalents on the reporting date are recognised at fair value through profit or loss, with their fair value based on their net asset value.

3.19 Derivative financial instruments – relating to the interest rate risk

The Group holds interest rate swaps to reduce its net interest rate risk exposure.

These derivative financial instruments are initially recognised at their fair value. This fair value corresponds to Category 2 consistent with the definitions given in Note 3.10. Since the hedging relationship is not documented, changes in fair value are recognised in profit or loss.

The swaps that were eligible for hedge accounting on the transition date have been recognised in other comprehensive income on the opening balance sheet. This reserve is amortized over the term of the swap agreements. With the refinancing in July 2014, virtually all the variable-rate loans held by Loxam SAS were repaid and fixed-rate bonds were subscribed to. Since July 2014, the swaps retained are no longer effective. As a result, the remaining reserve was fully recycled to profit or loss when the underlyings disappeared.

3.20 Derivative financial instruments – relating to the foreign exchange risk

On an ad hoc basis, and consistent with its market forecasts, the Loxam Group uses financial instruments to reduce its net foreign exchange risk exposure. The Group primarily uses forward currency sales options.

As these instruments concern intra-group receivables, which are eliminated in the consolidated financial statements, the Group has not opted to apply hedge accounting. These foreign exchange derivative instruments are recognised at fair value on the balance sheet. Fair value adjustments are recognised in profit or loss.

Furthermore, the Group bought a currency £/€ call option as part of its external development projects. This instrument is valued at fair value on the balance sheet. Changes in fair value are recognised in the income statement. This fair value corresponds to Category 2, according to the definition specified in Note 3.10.

3.21 Financial instruments – Equity warrants

Along with the capital decrease that occurred during the last quarter of 2016 and in January 2017, Loxam cancelled all existing equity warrants and incurred a profit of €2,744k as at December 31, 2016.

(a) Equity warrant features

Under the terms of a delegation of authority granted by the Company's General Meeting on 29 July 2011, the Chairman, as decided on 28 February 2012, issued 3,165,713 BSA 1 equity warrants and 22,391,550 BSA 2 equity warrants to shareholders.

The BSA 1 and BSA 2 equity warrants were subscribed for in full by beneficiaries and both subscription agreements acknowledging the operation's completion were closed on 2 April 2012.

The BSA 1 ans BSA 2 equity warrants were issued free of charge and concomitantly.

(b) Accounting treatment

In accordance with IAS 32, these equity warrants have been classified as derivative and recorded as liabilities. They were measured at fair value through profit or loss, in accordance with IAS 39. This fair value corresponds to Category 3, in line with the definitions given in Note 3.10.

3.22 Employee benefits

Under IAS 19 (revised), all current and future benefits or compensation acquired by employees in return for services rendered during the current period and prior periods must be recognised as an expense over the period when rights are vested.

In accordance with the laws and practices in each country where it operates, the Group is part of various plans for retirement and post-employment benefits.

(a) Defined contribution plans

For defined contribution plans, the Group has no obligations other than the payment of contributions. The contributions paid in to plans are recognised as expenses for the period. Where applicable, provisions are recorded for contributions not made during the period.

(b) Defined benefits plans

Retirement and related benefits under defined benefit plans are subject to provisions based on an actuarial calculation carried out at least once a year in accordance with IAS 19 (revised).

To assess retirement benefits, the projected unit credit method is applied: each period of service gives rise to an additional unit of benefit entitlements, and each unit is valued separately to determine the obligation in relation to employees.

The calculations consider the specific features of the various plans, as well as the assumptions for retirement dates, career development and wage increases, and the probability of employees still being employed by the Group when they reach retirement age (staff turnover, mortality tables, etc.). The present value of the obligation is determined based on the interest rates for long-term bonds from top-tier issuers.

An employee benefit liability is recorded for the obligation net of any plan assets measured at fair value.

The net expenses for retirement and related benefits are recognised in operating profit for the period in relation to the cost of services provided during the period. The net financial cost is recognised in financial income and expenses.

Under IAS 19R, the actuarial gains or losses generated by changes in assumptions on the net defined benefit liability or differences between interest income and the actual returns on plan financial assets are recognised immediately in other comprehensive income and cannot be recycled to profit or loss.

(c) Other long-term benefits

Certain other long-term benefits are also subject to provisions, which are determined with a similar actuarial calculation to that applied for defined benefit plans.

These benefits primarily concern long-service awards (*médailles du travail*). Remeasurements of the obligation are recognised in profit or loss.

3.23 Provisions

In accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets, a provision is recorded when, on the reporting date, the Group has an obligation (legal or implied), it is probable that an outflow of resources representing economic benefits will be required to extinguish this obligation, and the amount of the obligation can be estimated reliably.

These provisions are estimated taking into account the most probable assumptions on the reporting date.

3.24 Borrowings and financial debt

Interest-bearing liabilities are initially measured at their fair value, less any directly attributable transaction costs. Subsequently, borrowings and financial debt are measured at their amortised cost using with the effective interest rate method.

The Loxam Group regularly issues loans on the bond market in order to finance its acquisitions. As part of its policy aimed at renewing its debt, the Group's Finance Division weighs up the renewal of tranches reaching maturity at least two years before the redemption term.

From 2016, the effective interest rate on bond loans has been calculated over the term of the loan less two years.

3.25 Trade payables and related

Trade and other payables are recorded at their nominal value, which corresponds to their fair value.

3.26 Tax

Income tax includes both current and deferred tax.

Current tax corresponds to the cumulative amount of corporate income tax payable on taxable income for all the Group's companies and is determined using the tax rates adopted on the reporting date.

There are three tax consolidations within the Group: one for the French companies, with Loxam SAS as head of the group, one for the Danish companies and one for the Workx group companies in the Netherlands.

Deferred tax is recorded, using the accrual method, generally for temporary differences on the reporting date between the taxable base for assets and liabilities and their book value on the balance sheet.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the assets will be realised or the liabilities settled, based on the tax rates – and tax regulations – that have been enacted or substantively enacted at the reporting date.

In the event of deductible temporary differences and tax losses, deferred tax assets are recognized for the amount of the deferred tax liabilities whose repayment will make it possible to allocate these tax losses, and beyond that if it is likely that the Group will have future taxable profits.

Deferred taxes are recorded for each entity. Deferred tax assets and liabilities are offset on the balance sheet when taxes are levied by the same tax authority and they relate to the same taxable entity.

Taxes relating to elements recorded in other comprehensive income are recognised in other comprehensive income and not in profit or loss.

The Group does not consider the French CVAE business value-added tax to be an income tax under IAS 12 and accounts for it as taxes other than on income.

3.27 Revenue

Revenue comprises income from equipment rental, services and sales related to rental activities (transportation, damage waivers, labour charges invoiced for repairs) and sales of goods.

Income is recognised over the period services are provided.

3.28 Other income

Other income primarily concerns net capital gains on disposals of assets in connection with the Group's normal operating cycle.

3.29 Other current expenses

Other current expenses primarily include external services (particularly subcontracted maintenance and transportation costs, property and real estate rentals, and general administrative costs), in addition to losses on receivables net of changes in provisions.

3.30 Other operating income and expenses

Other operating income and expenses concern items that involve a very limited number of instances, that are unusual, abnormal and uncommon, that involve particularly significant amounts, which the company presents separately in profit or loss to make it easier to understand recurring operational performance.

3.31 Financial income and expenses

Financial income primarily concerns interest on investments.

Financial expenses primarily concern interest on bank borrowings and bonds, adjustments to the fair value of financial instruments, and the amortization of the recyclable reserve included in other comprehensive income for swaps classified as hedging on the transition date, then disqualified due to a lack of documentation.

Exchange gains and losses are recorded as financial income or expenses consistent with fluctuations in foreign currencies resulting in gains or losses.

Note 4 – Scope of consolidation

Legal entities	SIREN number (France) or country	% control	% interest	Consolidation method
SAS LOXAM	**450776968**	**100%**	**100%**	**Parent**
SAS LOXAM MODULE	433911948	100%	100%	Full
SAS LOXAM POWER	366500585	100%	100%	Full
SARL SALMAT NORD	383562493	100%	100%	Full
LOXAM ACCESS UK	United Kingdom	100%	100%	Full
LOXAM GMBH	Germany	100%	100%	Full
LOXAM S.A.	Switzerland	100%	100%	Full
LOXAM S.A.	Belgium	100%	100%	Full
LOXAM RENTAL SARL	Luxembourg	100%	100%	Full
LOXAM LTD	Ireland	100%	100%	Full
LOXAM ALQUILER	Spain	100%	100%	Full
LOXAM BV	Netherlands	100%	100%	Full
WORKX HOLDING BV	Netherlands	100%	100%	Full
WORKX MATERIEELVERHUUR BV	Netherlands	100%	100%	Full
WORKX SLOOP EN GRAAFDIENSTEN BV	Netherlands	100%	100%	Full
ATLAS RENTAL	Morocco	100%	51%	Full
LOXAM HOLDING A/S	Denmark	100%	100%	Full
LOXAM A/S	Denmark	100%	100%	Full
LOXAM AS NORVEGE	Norway	100%	100%	Full
DEGRAUS	Brazil	25.7%	25.7%	Equity
SCI AVENUE ARISTIDE BRIAND	384564472	100%	100%	Full
SCI EST POSE	340583160	100%	100%	Full
SAS LOXAM GRANDE ARMEE	572045953	100%	100%	Full
EURL NORLEU	409981024	100%	100%	Full
SCI TARTIFUME	328948013	100%	100%	Full
SCI THABOR	332962125	100%	100%	Full
LOXAMAM	799097944	100%	100%	Full

Note 5 – Intangible assets and goodwill

Changes in intangible assets and goodwill in 2016

	Intangible assets	Goodwill	Total
		(*€'000*)	
Gross value at year-start	**15,682**	**981,462**	**997,145**
Changes in scope	2	744	**746**
Increase	1,544	300	**1,844**
Decrease / disposals	(543)		**(543)**
Reclassification	221		**221**
Exchange gains or losses	(1)	11	**11**
Gross value at year-end	**16,906**	**982,517**	**999,423**
Depreciation and amortisation at year-start	**(14,130)**	—	**(14,130)**
Changes in scope	(2)		**(2)**
Depreciation and amortisation for the year	(1,828)	(15,000)	**(16,828)**
Withdrawals / reversals on withdrawals	543		**543**
Reclassification	(29)		**(29)**
Exchange gains or losses	0		**0**
Depreciation and amortisation at year-end	**(15,447)**	**(15,000)**	**(30,447)**
Net value at year-start	**1,552**	**981,462**	**983,015**
Net value at year-end	**1,459**	**967,517**	**968,976**

Changes in intangible assets and goodwill in 2015

	Intangible assets	Goodwill	Total
		(*€'000*)	
Gross value at year-start	**13,118**	**950,083**	**963,200**
Changes in scope	1,216	31,230	**32,446**
Increase	1,488	150	**1,638**
Decrease / disposals	(1,013)		**(1,013)**
Contingent consideration			**—**
Reclassification	870		**870**
Exchange gains or losses	5		**5**
Gross value at year-end	**15,682**	**981,462**	**997,145**
Depreciation and amortisation at year-start	**(11,555)**	—	**(11,555)**
Changes in scope	(1,205)		**(1,205)**
Depreciation and amortisation for the year	(1,831)		**(1,831)**
Withdrawals / reversals on withdrawals	1,012		**1,012**
Reclassification	(546)		**(546)**
Exchange gains or losses	(5)		**(5)**
Depreciation and amortisation at year-end	**(14,130)**	—	**(14,130)**
Net value at year-start	**1,563**	**950,083**	**951,645**
Net value at year-end	**1,552**	**981,462**	**983,015**

Impact of changes in scope on goodwill:

The entity below has been impacted by the change of scope at December 31, 2016:

	Total
	(*€'000*)
Salmat Nord	744
FY 2016	**744**

The entities below have been impacted by the change of scope at December 31, 2015:

	Total
	(*€'000*)
Maroc Elevation	886
Hertz Equipement France	30,344
FY 2015	**31,230**

Goodwill impairment tests:

Goodwill and other intangible assets with an indefinite useful life acquired through business combinations are allocated to the CGUs for impairment testing. The CGUs correspond to the countries where the Group operates. For financial reporting, the Group has combined its CGUs for each region: France and International.

Allocation of goodwill for each CGU group:

	31.12.15	31.12.16
	(*€'000*)	
France	819,442	820,486
International	162,020	147,031
FY 2016	**981,462**	**967,517**

Goodwill is tested once a year and whenever indications of impairment arise.

The last test was performed in December 2016. In these tests, the book value of the net asset, including goodwill allocated to a CGU, is compared with its recoverable amount. The recoverable amount is determined using the Discounted Cash Flow method. The cash flow forecasts used for the calculations are based on amounts from the following year's budget approved by management, and forecasts for the next four years.

The cash flow forecasts covering a five-year period are based on experience and development forecasts for the markets in which the Group operates. Cash flows are calculated net of tax and discounted to their present value with a discount rate reflecting the risks associated with the cash flows. The discount rates correspond to the weighted average cost of capital (WACC) calculated for each CGU, in line with the sector's financial structure and market data.

The book value of the Denmark CGU has been compared with its value-in-use calculated based on the method of discounted future cash flows. This resulted in a loss of €15 million as at 31 December 2016. This impairment charge was allocated to the goodwill value and disclosed under "other operating expenses".

The operating assumptions are based on forecasts related to the activity and EBITDA targets.

These were revised based on past performances and market forecasts for Denmark.

The upward adjustment of the budget data as well as of the discount rate explain the impairment that was recorded as a result.

The assumptions used were as follows:

%	31.12.15	31.12.16
Discount rate	5.72%	6.94%
Compound annual growth rate (CAGR)	5.2%	4.1%
Perpetual growth rate	1.5%	1.5%

The following assumptions, considered to be key assumptions, were used to calculate the discounted value of cash flow forecasts for the CGUs:

	31.12.15		31.12.16	
%	Perpetuity growth rate	Discount rate	Perpetuity growth rate	Discount rate
France	1.50%	5.90%	1.50%	6.82%
International	1.5% to 3.0%	5.1% to 8.2%	1.5% to 3.0%	6.1% to 7.5%

Perpetuity growth rate: The perpetuity growth rate reflects a moderate level of inflation expected for the entire region in which the Group operates.

Discount rate: The cash flow forecasts are discounted with a specific rate for each CGU. The weighted average cost of capital (WACC) represents the discount rate. To determine the specific rate for each CGU, the specific risk for each country is taken into account, including assumptions for fluctuations in inflation and/or exchange rates.

Sensitivity analysis regarding the key assumptions: the amounts presented below include the value assigned to the main parameters, for each assumption taken separately, for which the book value is equal to its recoverable amount. In the sensitivity analysis, the parameters for the perpetuity growth rate and discount rate are modified independently, while holding the other assumptions constant.

Sensitivity tests: value of the parameter to reach the book value:

	31.12.2015		31.12.2016	
%	Perpetuity growth rate	Discount rate	Perpetuity growth rate	Discount rate
France	-1.5%	8.0%	-1.4%	8.8%
International	-3.6%	9.4%	-5.4%	10.9%

Note 6 – Property, plant and equipment

Change in property, plant and equipment in 2016

	Rental equipment	Other	Total
		(*€'000*)	
Gross value at beginning of year	**1,766,238**	**252,468**	**2,018,706**
Changes in scope	8,141	195	**8,337**
Acquisitions	197,631	22,750	**220,381**
Disposals[(a)]	(179,589)	(21,503)	**(201,091)**
Reclassification	(3,033)	3,397	**364**
Exchange gains or losses	(6,321)	(113)	**(6,433)**
Gross value at end of year	**1,783,068**	**257,195**	**2,040,264**
Cumulative depreciation at beginning of year	**(1,274,090)**	**(184,522)**	**(1,458,612)**
Changes in scope	(5,960)	(136)	**(6,097)**
Depreciation for the year	(127,338)	(14,546)	**(141,884)**
Disposals	173,453	19,255	**192,708**
Reclassifications	(573)	18	**(555)**
Exchange gains or losses	4,162	58	**4,220**
Cumulative depreciation at end of year	**(1,230,346)**	**(179,874)**	**(1,410,219)**
Net value at beginning of year	**492,149**	**67,946**	**560,095**
Net value at end of year	**552,722**	**77,322**	**630,044**

(a) Including the rental equipment write-offs for an original gross book value of €8.2 million subsequent to the acquisition of Hertz Equipment.

Change in property, plant and equipment in 2015

	Rental equipment (a)	Other (a)	Total
		(*€'000*)	
Gross value at beginning of year	**1,637,720**	**204,341**	**1,842,061**
Changes in scope	175,739	40,843	**216,583**
Acquisitions	123,642	23,350	**146,992**
Disposals	(173,366)	(17,751)	**(191,117)**
Reclassification	(2,228)	1,359	**(870)**
Exchange gains or losses	4,731	326	**5,057**
Gross value at end of year	**1,766,238**	**252,468**	**2,018,706**
Cumulative depreciation at beginning of year	**(1,154,451)**	**(153,372)**	**(1,307,824)**
Changes in scope	(108,152)	(34,638)	**(142,790)**
Depreciation for the year	(174,751)	(10,745)	**(185,495)**
Disposals	164,813	15,763	**180,576**
Reclassifications	1,711	(1,165)	**546**
Exchange gains or losses	(3,260)	(365)	**(3,625)**
Cumulative depreciation at end of year	**(1,274,090)**	**(184,522)**	**(1,458,612)**
Net value at beginning of year	**483,268**	**50,969**	**534,237**
Net value at end of year	**492,149**	**67,946**	**560,095**

Note 7 – Investments in associates

Gross and net values

	Associates 31.12.15	Associates 31.12.16
	(*€'000*)	
Value at beginning of year	**—**	**8,465**
Increase in capital of associates	—	—
Group share in earnings for the year	(397)	(1,002)
Dividends paid	(45)	(70)
Changes in scope	10,928	254
Exchange gains or losses	(2,020)	2,090
Value at end of year	**8,465**	**9,738**

Note 8 – Financial assets

Financial assets movements in 2016

	Loans and other borrowings	Other non-current financial assets	Total
		(*€'000*)	
Gross and net value at beginning of year	**9,424**	**1**	**9,425**
Changes in scope	1	11	**12**
Increase	1,142		**1,142**
Decrease	(646)		**(646)**
Exchange gains or losses	(13)		**(13)**
Gross and net value at end of year	**9,907**	**12**	**9,919**

This heading primarily concerns security deposits paid, mainly in connection with branch real estate leases.

Financial assets movements in 2015

	Loans and other borrowings	Other non-current financial assets	Total
		(*€'000*)	
Gross and net value at beginning of year	**6,018**	**1**	**6,019**
Changes in scope	1,896		**1,896**
Increase	2,104		**2,104**
Decrease	(572)		**(572)**
Exchange gains or losses	(21)		**(21)**
Gross and net value at end of year	**9,424**	**1**	**9,425**

Note 9 – Inventories

	31.12.15	31.12.16
	(*€'000 – Net value*)	
Trade	11,509	12,705
Parts and consumables	6,855	5,976
Total	**18,364**	**18,681**

Note 10 – Trade and other receivables

	31.12.15	31.12.16
	(*€'000*)	
Gross value	232,154	248,962
Impairment	(25,793)	(24,326)
Total trade and other receivables	**206,361**	**224,636**
Not past due	67%	68%
Past Due < 30 days	21%	20%
Past Due 30 to 60 days	6%	6%
Past Due > 60 days	6%	6%

Note 11 – Income tax receivables and other current assets

	31.12.15	31.12.16
	(*€'000*)	
Income tax receivables	3,865	6,589
Prepaid expenses	3,923	6,923
Other receivables	17,845	19,214
Other current assets	21,767	26,137
Total income tax receivables and other current assets	**25,632**	**32,726**

Note 12 – Cash management assets, cash and cash equivalents

	31.12.15	31.12.16
	(*€'000*)	
Other marketable securities	86,429	65,262
Cash	71,782	90,595
Total	**158,211**	**155,857**

Marketable securities comprise cash investment funds (SICAV) included in the AMF's "short-term money market" category, as well as term accounts and deposits in line with the IAS 7 definition of cash and cash equivalents (cf. Note 3.18).

Note 13 – Shareholders' equity

The share capital amounts to €232,400,370 split into 23,240,037 shares with a par value of €10. It is fully paid up.

The capital decrease of December related to 2,582,226 shares.

The dividend per share is €0.19 in 2016, same as in 2015.

Note 14 – Financial risk management – Financial instruments

Financial instruments relating to interest rate risk:

As indicated in Note 3.19, the interest rate swaps entered into by the Group are classified as derivative financial instruments.

No new contracts were entered into 2015 and 2016.

At 31 December 2016, these agreements relate to a notional amount of €82,300k against the 3-month Euribor, with next maturity date in September 2018 and a maximum maturity date of July 2022. At 31 December 2015, these agreements related to a notional amount of €167,700k.

At 31 December 2016, the fair value of these derivative instruments amount to €4,854k, compared with €6,613k at 31 December 2015. Fair value adjustments are accounted for in financial incomes for an amount of €1,759k in 2016, €2,540k in financial expenses for 2015.

The fair value is estimated based on forecasts of observable interest rates on the derivatives market and classified as Level 2 in accordance with the classification presented in Note 3.10.

Financial instruments relating to foreign exchange risk:

As specified in Note 3.20, foreign currency put options entered into by the Group are classified as derivative financial instruments.

The Group held options on the Pound Sterling for GBP 14,845k at 31 December 2016, GBP 16,535k at 31 December 2015, and on the Danish Krone for DKK 20,000k at 31 December 2016, DKK 29,500k at 31 December 2015.

The fair value of these derivative financial instruments is -€24k at 31 December 2016, €175k at 31 December 2015. The fair value adjustments are accounted for in financial income for an amount of €200k in 2016, compared with a financial expense of €19k in 2015.

Financial hedging instruments relating to the GBP were put in place for a nominal amount of GBP 490,000k which generated a premium payment of €7,490k. The fair value of the option amounted to €741k at 31 December 2016. The fair value adjustment was recorded as a financial expense for an amount of €6,749k.

The fair value is estimated based on forecasted exchange rates observable on the currency market and is classified as Level 2 in accordance with the classification presented in Note 3.10.

Financial instruments relating to the equity warrants:

These financial instruments and their accounting treatment are presented in Note 3.21.

These financial instruments are valued using an option model based on the following assumptions. This valuation of equity warrants is classified as Level 3 in accordance with the classification presented in Note 3.10.

The fair value of these derivatives instruments amounted to €2,744k at 31 December 2015. The cancellation of these equity warrants in December 2016 led to a reversal of fair value, which was recognised in financial income for an amount of €2,744k.

Change in the valuation of financial instruments in 2016:

	Interest Rate swaps	Equity warrants	Exchange rate hedging	GBP Option	Financial instruments
			(*€'000*)		
Fair value level	Level 2	Level 3	Level 2	Level 2	
Value at beginning of year	**6,613**	**2,744**	**175**	**0**	**9,532**
Changes in scope					**0**
Acquisition				(7,490)	**(7,490)**
Value adjustment	(1,759)	(2,744)	(200)	6,749	**2,047**
Other					**0**
Value at end of year	**4,854**	**0**	**(24)**	**(741)**	**4,089**

Derivatives instruments included in the assets	**765**
Derivatives instruments included in the liabilities	**4,854**

Change in the valuation of financial instruments in 2015:

	Interest Rate swaps	Equity warrants	Currency hedge	Financial instruments
		(*€'000*)		
Fair value level	Level 2	Level 3	Level 2	
Value at beginning of year	**9,153**	**2,523**	**156**	**11,832**
Changes in scope				**0**
Value adjustment	(2,540)	221	19	**(2,300)**
Other				**0**
Value at end of year	**6,613**	**2,744**	**175**	**9,532**

Derivatives instruments included in the assets	**—**
Derivatives instruments in the liabilities	**9,532**

Liquidity risk information

Liquidity risk is managed by Loxam's Finance Department, which provides subsidiaries with access to adequate short or long-term financing facilities.

The subsidiaries can look to local financing to fund their investments; in this case, these agreements are validated by the Group's Finance Department.

Liquidity is optimised at the parent company level through investment tools with capital guarantees (particularly marketable securities or instant access term deposit accounts).

Transfers between the parent company and its subsidiaries are covered by cash management agreements or loan agreements.

Credit risk information

The Loxam Group put in place a credit management policy enabling it to ensure its customers' financial solvency.

Outstanding balances are monitored with regular reports and financial information concerning customers is tracked daily. Provisions are recorded in the accounts for uncollectible amounts at each month-end.

Note 15 – Borrowings and financial debt

Breakdown of current and non-current financial debt:

	31.12.15	31.12.16
	(*€'000*)	
Bond (1)	944,840	901,969
Bilateral loans	100,187	191,638
Lease debt	64,010	95,589
Non-current financial debt	**1,109,036**	**1,189,195**
Short-term bilateral loans	25,356	53,041
Short-term lease debt	36,789	48,148
Other financial debt	11,368	6,073
Current bank borrowings	168	180
Current financial debt	**73,680**	**107,442**
Financial debt	**1,182,717**	**1,296,637**

(1) net of bond issue costs.

Breakdown of financial debt by interest rate

	31.12.15	31.12.16
	(*€'000*)	
Variable-rate debt	115,967	227,780
Fixed-rate debt	1,066,259	1,068,382
Bank overdrafts	168	180
Other	323	295
TOTAL	**1,182,717**	**1,296,637**

Breakdown of financial debt by maturity

	31.12.15	31.12.16
	(*€'000*)	
< 1 year	73,378	107,442
1 to 5 years (1)	451,653	687,411
> 5 years	657,686	501,785
TOTAL	**1,182,717**	**1,296,637**

(1) Including other financial debt due in more than one year (classified as current liabilities)

Change in borrowings and financial debt

Changes in 2016

	Beginning of year	Change in scope	Increase	Decrease	Other	Year-end
			(*€'000*)			
Bond issues	944,840		247,029	(300,000)	10,100	901,969
Bilateral loans	125,543		147,178	(28,094)	52	244,679
Lease debt	100,799	1,509	91,277	(49,895)	48	143,737
Other financial debt	11,536				(5,283)	6,252
TOTAL	**1,182,717**	**1,509**	**485,483**	**(377,989)**	**4,916**	**1,296,637**

Changes in 2015

	Beginning of year	Change in scope	Increase	Decrease	Other	Year-end
			(*€'000*)			
Bond issues	942,260				2,580	944,840
Bilateral loans	28,730		105,197	(8,334)	(50)	125,543
Lease debt	115,011		20,685	(34,906)	9	100,799
Other financial debt	10,405				131	11,536
TOTAL	**1,096,406**	**—**	**125,882**	**(43,240)**	**3,669**	**1,182,717**

Note 16 – Employee benefits

	31.12.15	31.12.16
	(*€'000*)	
Reconciliation of the commitment and the provision		
Commitment	27,022	31,012
Plan assets	11,977	12,296
Amount paid in advance		
Net Defined Benefit Obligation at year-end	**15,044**	**18,716**
Movement in Defined Benefit Liability		
Net Defined Benefit Liability at beginning of year	**15,085**	**15,044**
Expense for the financial year	1,406	380
Recognition of actuarial gains or losses through OCI	(2,419)	3,291
Changes in scope	973	
Other		
Net Defined Benefit Obligation at year-end	**15,044**	**18,716**
Breakdown of the expense for the financial year		
Current service cost	1,616	1,268
Benefits or contributions paid by the employer	(744)	(799)
Other	182	(442)
Interest cost	248	341
Exchange gains or losses	103	12
Expense for the year	**1,406**	**380**

The provisions for employee benefits concern retirement benefits for €17,897k at 31 December 2016 vs €13,880k at December 31, 2015, and long-service awards ("médailles du travail") for €818k at December 31, 2016 vs €1,164k at December 31, 2015.

	31.12.15		31.12.16	
Actuarial assumptions used	**France**	**International**	**France**	**International**
Discount rate (a)	2.25	0.75 to 2.75	1.50	0.60 to 2
Salary increase rate	2.00	0.00 to 2.50	1.50	1.75 to 2
Inflation rate	2.00	1.00 to 2.00	1.75	0.6 to 1.75
Mortality table	INSEE TH TF 07-09	Depending on the country	INSEE TH TF 07-09	Depending on the country
Retirement age	65	62 to 70	65	62 to 67

(a) Discount rate retained at 31/12/2016: Mercer Pension Yield Curve Eurozone.

Schedule of future payments over four years	**31.12.15**	**31.12.16**
Less than 1 year	453	435
1 to 4 years	2,483	8,692

Sensitivity Analysis – Changes in the defined benefit obligation as %	**31.12.15**	**31.12.16**
Discount rate +0.5%	-9%	-9%
Discount rate -0.5%	11%	11%

Note 17 – Provisions

Change in provisions in 2016:

	Provisions for contingencies	Provisions for charges	Total
		(*€'000*)	
Balance at beginning of year	**3,703**	**3,361**	**7,064**
Changes in scope	28		**28**
Allocations	2,091	616	**2,707**
Reversals	(1,909)	(2,937)	**(4,846)**
Reclassifications	(5)		**(5)**
Balance at end of year	**3,909**	**1,039**	**4,948**

Change in provisions in 2015:

	Provisions for contingencies	Provisions for charges	Total
		(*€'000*)	
Balance at beginning of year	**4,366**	**1,205**	**5,571**
Changes in scope	512	2,435	**2,947**
Allocations	1,272	1,340	**2,613**
Reversals	(2,451)	(1,621)	**(4,072)**
Reclassifications	4	1	**4**
Balance at end of year	**3,703**	**3,361**	**7,064**

Note 18 – Trade payables and other current liabilities

	31.12.15	31.12.16
	(*€'000*)	
Trade payables	65,813	82,928
Payables to fixed asset suppliers	23,572	40,201
Trade payables and related	**89,386**	**123,129**
Corporate income tax liabilities	**80**	**683**
Tax and social security liabilities	87,350	89,485
Other liabilities	15,880	12,928
Accrued income	2,024	1,525
Other liabilities and accruals	**105,254**	**103,938**
Total current liabilities	**194,720**	**227,750**

Note 19 – Personnel expenses

	31.12.15	31.12.16
	(*€'000*)	
Salaries	164,993	179,723
Payroll taxes	59,118	63,922
Employee profit-sharing	446	717
Total personnel expenses	**224,557**	**244,362**
Average headcount	4,659	5,004

The French tax credit, "Crédit d'Impôt Compétitivité Emploi (C.I.C.E.)", is deducted from payroll taxes.

Note 20 – Other operating income and expenses

At 31 December 2016, other operating income and expense amount to -€19,939k and refer to:

- The result of the liquidation of the Swedish subsidiary

- The impairment of goodwill in Denmark (-€15,000k);
- Non-recurring fees, especially related to the acquisitions.

In 2015, other operating income related to the recognition of the badwill generated by the acquisition of Hertz Spain.

Note 21 – Financial income (expense)

	31.12.15	31.12.16
	(*€'000*)	
Interest and financing-related expenses	(69,397)	(63,130)
Income from cash and cash equivalents	1,183	541
Net finance costs	**(68,213)**	**(62,589)**
Fair value adjustments for financial instruments	2,300	(2,047)
redemption costs (a)	—	(24,023)
Other financial expenses	(1,921)	(1,075)
Other financial income	1,242	1,587
Financial income (expense)	**(66,593)**	**(88,148)**

(a) In 2016, relates to the early redemption fees and accelerated amortization of remaining issuance costs.

Note 22 – Corporate income tax

Analysis of tax expense

	31.12.15	31.12.16
	(*€'000*)	
Current tax	(17,918)	(12,710)
Deferred tax	2,633	(4,939)
Total	**(15,286)**	**(17,649)**

A reduced rate of 28% was used to calculate the deferred tax on the accelerated tax depreciation and on employee benefits (French 2017 Tax Act).

Reconciliation between actual tax and theoretical tax expense

	31.12.15	31.12.16
	(*€'000*)	
Consolidated income before tax and "CICE" French tax credit	17,775	47,228
Tax rate (parent)	34.43%	34.43%
Theoretical tax expense	**(6,120)**	**(16,260)**
Difference in parent / subsidiary rates	(1,589)	4,948
Unused tax losses for the year	(1,383)	(525)
Use of previously unused losses	19	391
Permanent differences	(5,787)	(5,606)
French tax on dividends	(147)	(147)
Tax credits and other	(280)	(450)
Actual tax expense	**(15,286)**	**(17,649)**

Deferred tax assets and liabilities

	31.12.15	31.12.16
	(*€'000*)	
Opening balance	**(15,261)**	**(13,287)**
Income (expense)	2,633	(4,939)
Change in scope	52	(237)
Own funds allocation	(703)	857

Other changes	(7)	1
Closing balance	**(13,287)**	**(17,606)**

Deferred tax assets mainly relate to temporary differences and to the use of loss carry forwards. The unrecognized deferred tax assets relating to unused losses amounted to €14.5 million at 31 December 2016 compared to €14.4 million at 31 December 2015.

The deferred tax liabilities refer to temporary differences, mainly related to accelerated tax depreciation charges.

Note 23 – Operating lease commitments

	31.12.15	**31.12.16**
	(*€'000*)	
Future minimum lease payments by maturity:		
Less than 1 year	50,518	51,191
1 to 5 years	103,338	104,766
Over 5 years	8,513	10,346
Total future minimum lease payments (undiscounted)	**162,369**	**166,303**

Note 24 – Off-balance sheet commitments

	31.12.15	**31.12.16**
	(*€'000*)	
Guarantee given to banks for payment of real estate rentals	2,106	2,106
Pledging of business assets as collateral	360	360
Total commitments given	**2,466**	**2,466**
Bank guarantee received for payment of real estate rentals	7,308	7,308
Other bank guarantees received	450	450
Total commitments received	**7,758**	**7,758**

There was no change in the commitments between both financial years.

Other commitments given to guarantee bank borrowings recorded on the balance sheet:

- Guarantee from the Loxam parent company on subsidiaries' borrowings for €19,760K at 31 December 2016.
- Pledge of Loxam Power shares, Loxam Module shares and the Loxam brand as collateral to guarantee €410 million of secured senior bonds.
- Transfer under the Dailly Act as a guarantee: 120% of the outstanding amount drawn on the revolving loan and pledging of a bank account as collateral to guarantee the revolving loan. The revolving loan was not draw down in 2015 and 2016

Note 25 – Related-party transactions

Key management personnel compensation for the management bodies is comprised of the following:

	31.12.15	**31.12.16**
	(*€'000*)	
Executive Committee compensation	2,533	2,754
Executive Committee benefits in kind	38	34
Attendance fees paid to directors	40	40
Total amount of compensation and benefits paid to executives and directors	**2,611**	**2,828**

The Loxam SAS parent company has entered into a service delivery agreement with DPZ Partners, which holds part of the share capital of Loxam SAS. This agreement has been entered into under normal market conditions. Services provided under this agreement were invoiced to Loxam for an amount of €1.1 million in 2016 compared to €1.2 million in 2015.

The Group does not have any significant transactions with related parties that have not been entered into under normal market conditions.

Note 26 – Statutory Auditors' Fees

	Constantin	KPMG	Other
		(*€'000*)	
Accounts certification	163	163	0
Other subsidiaries	84	93	283
Other services	166	153	45
Overall fees amount paid to statutory Auditors	**413**	**408**	**328**

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€200,000,000 4.500% Senior Subordinated Notes due 2027

Joint Bookrunners

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