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LISTING PROSPECTUS

NOT FOR DISTRIBUTION IN THE UNITED STATES OF AMERICA OR TO U.S. PERSONS

€700,000,000 3.25% Senior Secured Notes due 2025
€450,000,000 3.75% Senior Secured Notes due 2026
€250,000,000 5.75% 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) €700,000,000 principal amount of our 3.25% senior secured notes due 2025 (the "2025 Senior Secured Notes"), (ii) €450,000,000 principal amount of our 3.75% senior secured notes due 2026 (the "July 2026 Senior Secured Notes" and together with the 2025 Senior Secured Notes, the "Senior Secured Notes") and (iii) €250,000,000 principal amount of our 5.75% senior subordinated notes due 2027 (the "Senior Subordinated Notes" and, together with the Senior Secured Notes, the "Notes") as part of the financing for our proposed acquisition (the "Acquisition"), directly or indirectly, of all of the shares of Ramirent Plc (the "Target").

The 2025 Senior Secured Notes will mature on January 14, 2025. We will pay interest on the 2025 Senior Secured Notes semi-annually on each March 15 and September 15, commencing September 15, 2019, at a rate of 3.25% per annum. We may redeem all or part of the 2025 Senior Secured Notes at any time on or after July 15, 2021 at the redemption prices described in this listing prospectus. At any time prior to July 15, 2021 we may redeem all or part of the 2025 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 July 15, 2021 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 2025 Senior Secured Notes at a redemption price of 103% of the principal amount of the 2025 Senior Secured Notes redeemed. In addition, at any time prior to July 15, 2021 we may also redeem up to 45% of the 2025 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 2025 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 2025 Senior Secured Notes.

The July 2026 Senior Secured Notes will mature on July 15, 2026. We will pay interest on the July 2026 Senior Secured Notes semi-annually on each June 15 and December 15, commencing December 15, 2019, at a rate of 3.75% per annum. We may redeem all or part of the July 2026 Senior Secured Notes at any time on or after July 15, 2022 at the redemption prices described in this listing prospectus. At any time prior to July 15, 2022 we may redeem all or part of the July 2026 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 July 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 July 2026 Senior Secured Notes at a redemption price of 103% of the principal amount of the July 2026 Senior Secured Notes redeemed. In addition, at any time prior to July 15, 2022 we may also redeem up to 45% of the July 2026 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 July 2026 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 July 2026 Senior Secured Notes.

On the Issue Date, the Senior Secured Notes will not be guaranteed and will be secured by the 2025 Senior Secured Notes Escrow Account Charge and the July 2026 Senior Secured Notes Escrow Account Charge. On the Completion Date (as defined herein), the Senior Secured Notes will be secured by security interests with first priority under the Intercreditor Agreement (as defined herein) in the Existing Senior Secured Collateral (as defined herein). As soon as practicable after the completion of the Acquisition, the Senior Secured Notes will also be secured by a first priority security interest over the Post-Completion Collateral. Within 120 days of the Completion Date, the Senior Secured Notes will be guaranteed by certain subsidiaries of the Issuer.

The Senior Subordinated Notes will mature on July 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 5.75% per annum. The Senior Subordinated Notes will be secured by the Senior Subordinated Notes Escrow Account Charge as of the Issue Date but will be unsecured following the Completion Date. 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 July 15, 2022 at the redemption prices described in this listing prospectus. At any time prior to July 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 July 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.

Pending the consummation of the Acquisition, the Initial Purchasers (as defined herein) will, concurrently with the issuance of the Notes on the Issue Date, deposit the gross proceeds of the Offering into escrow accounts for the benefit of the holders of the Notes (the "**Escrow Accounts**"). The Escrow Accounts will be pledged on the Issue Date in favor of the Trustees (as defined herein) for each tranche of the Notes for the benefit of itself and the holders of the Notes (the "**Escrow Account Charges**"). The release of escrow proceeds from the Escrow Accounts will be subject to the satisfaction of certain conditions. If the Acquisition is not consummated on or prior to December 31, 2019, or upon the occurrence of certain other events, the Notes will be subject to a Special Mandatory Redemption (as defined herein) at a price equal to 100% of the aggregate issue price of the Notes, plus accrued and unpaid interest and additional amounts, if any, from the Issue Date to, but excluding, the Special Mandatory Redemption Date (as defined herein). See "*Description of the 2025 Senior Secured Notes—Escrow of Proceeds; Special Mandatory Redemption,*" "*Description of the July 2026 Senior Secured Notes—Escrow of Proceeds; Special Mandatory Redemption*" and "*Description of the Senior Subordinated Notes—Escrow of Proceeds; Special Mandatory Redemption.*"

This listing prospectus constitutes a prospectus for purposes of Part IV of the Luxembourg law on prospectuses for securities dated July 16, 2019. Application will be 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. The price of any optional redemption or Special Mandatory Redemption of any of the Notes will also include accrued and unpaid interest, if any, to, but excluding, the date of such redemption.

Investing in the Notes involves a high degree of risk. See "Risk Factors" beginning on page 41.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "*U.S. Securities Act*"), or the securities laws of any other jurisdiction. The Notes are being offered and sold in offshore transactions outside the United States in reliance on Regulation S under the U.S. Securities Act ("*Regulation S*"). The Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. For a description of certain restrictions on transfers of the Notes, see "Plan of Distribution" and "Notice to Investors."

Price for the 2025 Senior Secured Notes: 100%
Price for the July 2026 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 or about July 22, 2019.

Joint Bookrunners

Deutsche Bank	**BNP PARIBAS**	**Crédit Agricole CIB**	**Natixis**	**Société Générale**

The date of this listing prospectus is August 6, 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, the Transfer Agent and the Escrow 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, the Escrow 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, DEUTSCHE BANK (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

We are offering the Notes outside the United States to persons other than U.S. persons pursuant to Regulation S under the U.S. Securities Act. If you purchase the Notes, you will be deemed to have made certain acknowledgments, representations and warranties as detailed under "Notice to Investors." The Notes are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the U.S. Securities Act and applicable securities laws of any other jurisdiction pursuant to registration or exemption therefrom. You may be required to bear the financial risk of an investment in the Notes for an indefinite period.

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 Regulation;

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

(c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

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 Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

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 Regulation in that Member State and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129, 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(e) of Regulation (EU) 2017/1129 (the "Prospectus Regulation," as implemented in Member States of the European Economic Area (the "EEA") and any amendments thereto; 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.

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 fully repaid on April 11, 2019;
- "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 fully repaid on April 11, 2019;
- "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 Secured Notes Indenture" are to the indenture governing the 2025 Senior Secured Notes offered hereby;
- "2025 Senior Secured Notes Escrow Account" are to the segregated escrow account into which the gross proceeds of the offering of the 2025 Senior Secured Notes will be deposited on the Issue Date pursuant to the terms of the Escrow Agreement and which shall be subject to the 2025 Senior Secured Notes Escrow Account Charge;
- "2025 Senior Secured Notes Escrow Account Charge" are to the escrow charge dated as of the Issue Date between the Issuer, the 2025 Senior Secured Notes Trustee and the Escrow Agent pursuant to which the Escrow Account will be pledged on a first-ranking basis in favor of the 2025 Senior Secured Notes Trustee for the benefit of the holders of the 2025 Senior Secured Notes;
- "2025 Senior Secured Notes Trustee" are to Wilmington Trust, National Association as trustee for the 2025 Senior Secured Notes;
- "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;

- "Acquisition" are to the proposed acquisition by Loxam of Ramirent Plc and its subsidiaries;

- "April 2019 Refinancing" are to the issuance of the 2026 Senior Secured Notes and the 2027 Senior Subordinated Notes on April 11, 2019 and use of the proceeds therefrom to repay in full the 2021 Senior Secured Notes and the 2022 Senior Subordinated Notes;

- "April 2026 Senior Secured Notes" are to the €300 million principal amount of 2.875% senior secured notes due 2026 issued on April 11, 2019;

- "April 2026 Senior Secured Notes Indenture" are to the indenture governing the April 2026 Senior Secured Notes issued on April 11, 2019;

- "2027 Senior Subordinated Notes" are to the €200 million principal amount of 4.500% senior subordinated notes due 2027 issued on April 11, 2019;

- "2027 Senior Subordinated Notes Indenture" are to the indenture governing the Senior Subordinated Notes issued on April 11, 2019;

- "Auditors" are to our statutory auditors, KPMG Audit (a division of KPMG SA) and Constantin Associés (a member of Deloitte Touche Tohmatsu Limited);

- "Baltics" are to Latvia, Lithuania and Estonia;

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

- "Collateral" are to, collectively, the Existing Senior Secured Collateral and the Post-Completion Collateral;

- "Combination Agreement" are to the combination agreement entered into on June 10, 2019 between Loxam and Ramirent, pursuant to which Loxam has made a voluntary recommended public cash tender offer to purchase all of the issued and outstanding shares of Ramirent;

- "Combined Group" are to the Loxam and Ramirent groups together, assuming consummation of the Acquisition;

- "Completion Date" are to the date on which the initial payment is made by Loxam for the 90% or more of shares of Ramirent validly tendered pursuant to the Tender Offer;

- "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 of Loxam—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;

- "Eastern Europe" are to Poland, the Czech Republic, Slovakia and the Baltics;

- "EBITDA" are to profit from ordinary operations plus depreciation and amortization of fixed assets; see "*Summary-Summary Ramirent Financial Information-Definition of non-IFRS measures*" for the definition as used by Ramirent;

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

- "Escrow Accounts" are to 2025 Senior Secured Notes Escrow Account, July 2026 Senior Secured Notes Escrow Account and Senior Subordinated Notes Escrow Account;

- "Escrow Account Charges" are to the 2025 Senior Secured Notes Escrow Account Charge, July 2026 Senior Secured Notes Escrow Account Charge and Senior Subordinated Notes Escrow Account Charge;

- "Escrow Agent" are to Deutsche Bank AG, London Branch;

- "Escrow Agreement" are to the escrow agreement dated as of the Issue Date, among the Issuer, the 2025 Senior Secured Notes Trustee, the July 2026 Senior Secured Notes Trustee, the Senior Subordinated Notes Trustee and the Escrow Agent with respect to the Escrow Accounts;

- "Escrow Longstop Date" are to December 31, 2019;

- "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 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;

- "Existing Senior Secured Notes" are to the 2022 Senior Secured Notes, the 2023 Senior Secured Notes, the 2024 Senior Secured Notes and the April 2026 Senior Secured Notes;

- "Existing Senior Secured Notes Indentures" are to the 2022 Senior Secured Notes Indenture, the 2023 Senior Secured Notes Indenture, the 2024 Senior Secured Notes Indenture and the April 2026 Senior Secured Notes Indenture;

- "Existing Senior Subordinated Notes" are to the 2025 Senior Subordinated Notes and the 2027 Senior Subordinated Notes;

- "Existing Senior Subordinated Notes Indentures" are to the 2025 Senior Subordinated Notes Indenture and the 2027 Senior Subordinated Notes Indenture;

- "Financing" are to the issuance of the Notes offered hereby and the use of proceeds therefrom.

- "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 2025 Senior Secured Notes,*" "*Description of the July 2026 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 (within 120 days of the Completion Date) 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 one or both of the Senior Secured Indentures 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 July 22, 2019;

- "July 2026 Senior Secured Notes Escrow Account" are to the segregated escrow account into which the gross proceeds of the offering of the July 2026 Senior Secured Notes will be deposited on the Issue Date pursuant to the terms of the Escrow Agreement and which shall be subject to the July 2026 Senior Secured Notes Escrow Account Charge;

- "July 2026 Senior Secured Notes Escrow Account Charge" are to the escrow charge dated as of the Issue Date between the Issuer, the July 2026 Senior Secured Notes Trustee and the Escrow Agent pursuant to which the Escrow Account will be pledged on a first-ranking basis in favor of the July 2026 Senior Secured Notes Trustee for the benefit of the holders of the July 2026 Senior Secured Notes;

- "July 2026 Senior Secured Notes Indenture" are to the indenture governing the July 2026 Senior Secured Notes offered hereby;

- "July 2026 Senior Secured Notes Trustee" are to Wilmington Trust, National Association as trustee for the July 2026 Senior Secured Notes;

- "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;
- "Organic" are to changes in revenue for the period indicated compared to the prior comparable period, excluding changes in the scope of consolidation;
- "Post-Completion Collateral" are to the shares of Ramirent to be acquired by Loxam upon consummation of the Acquisition;
- "Ramirent" are to Ramirent Plc, a company incorporated in Finland and listed on the Nasdaq Helsinki Ltd, and its consolidated subsidiaries;
- "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*";
- "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 Indentures;
- "Senior Secured Indentures" are to the indentures 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;
- "Senior Subordinated Notes Escrow Account" are to the segregated escrow account into which the gross proceeds of the offering of the Senior Subordinated Notes will be deposited on the Issue Date pursuant to the terms of the Escrow Agreement and which shall be subject to the Senior Subordinated Notes Escrow Account Charge;

- "Senior Subordinated Notes Escrow Account Charge" are to the escrow charge dated as of the Issue Date between the Issuer, the Senior Subordinated Notes Trustee and the Escrow Agent pursuant to which the Escrow Account will be pledged on a first-ranking basis in favor of the Senior Subordinated Notes Trustee for the benefit of the holders of the Senior Subordinated Notes;

- "Senior Subordinated Notes Trustee" are to Wilmington Trust, National Association as trustee for the Senior Subordinated Notes;

- "Special Mandatory Redemption" are to the redemption of the Notes that the Issuer is required to carry out if the Acquisition is not consummated on or prior to the Escrow Longstop Date or upon the occurrence of certain other events, as described under "*Description of the 2025 Senior Secured Notes—Escrow of Proceeds; Special Mandatory Redemption*," "*Description of the July 2026 Senior Secured Notes—Escrow of Proceeds; Special Mandatory Redemption*" and "*Description of the Senior Subordinated Notes—Escrow of Proceeds; Special Mandatory Redemption*";

- "Special Mandatory Redemption Date" are to the date on which a Special Mandatory Redemption occurs, as described under "*Description of the 2025 Senior Secured Notes—Escrow of Proceeds; Special Mandatory Redemption*," "*Description of the July 2026 Senior Secured Notes—Escrow of Proceeds; Special Mandatory Redemption*" and "*Description of the Senior Subordinated Notes—Escrow of Proceeds; Special Mandatory Redemption*";

- "Stavdal Acquisition" are to Ramirent's acquisition of Stavdal AB, which closed on July 1, 2019, as described under "*Summary—Recent Developments—Stavdal Acquisition*";

- "Stavdal Acquisition Term Loan Facility" are to the €75 million term loan facility made available to Ramirent pursuant to a facility agreement dated May 31, 2019 by and among Ramirent and Danske Bank A/S, Nordea Bank Abp and OP Corporate Bank plc;

- "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;

- "Target" are to Ramirent Plc;

- "Tender Offer" are to Loxam's public cash tender offer to purchase all of the issued and outstanding shares of Ramirent Plc for €9.00 per share;

- "Trustees" are to the 2025 Senior Secured Notes Trustee, the July 2026 Senior Secured Notes Trustee and the Senior Subordinated Notes Trustee; 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

Loxam 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 as adopted by the European Union. 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.

Our unaudited interim condensed consolidated financial statements as of and for the quarter ended March 31, 2019, with unaudited comparable information for the quarter ended March 31, 2018, were prepared in accordance with IAS 34 – standard of the IFRSs as adopted by the European Union applicable to interim financial reporting. A free English language translation of the interim condensed consolidated financial statements is included elsewhere in this listing prospectus, together with a free English language translation of the review report (examen limité) thereon from our statutory auditors.

This review report indicates that the corresponding figures relating to the period from January 1, 2018 to March 31, 2018 are not audited nor reviewed. This report also draws attention to the matter set out in Notes 3.3 and 24 to the consolidated condensed quarterly financial statements regarding the impacts of the application of IFRS 16.

The comparative information for the quarter ended March 31, 2018 does not reflect the impact of IFRS 16 standard for leases. For further information about IFRS 16, its impact on our financial reporting and an indication of the adjustments made in the quarter ended March 31, 2019 compared to the quarter ended March 31, 2018, see "Management's Discussion and Analysis of Financial Condition and Results of Operations of Loxam—Results of Operations—Quarter ended March 31, 2019 compared to quarter ended March 31, 2018" and the notes to our financial statements included elsewhere in this listing prospectus.

This listing prospectus includes unaudited financial information for the twelve months ended March 31, 2019 for Loxam and Ramirent, the unaudited interim consolidated information for the twelve months ended March 31, 2019 for Loxam, which has been derived by performing the mathematical exercise of aggregating the relevant results for the year ended December 31, 2018, and the three months ended March 31, 2019, and subtracting the results for the three months ended March 31, 2018. These results are for illustrative purposes only and have not been subject to audit or review. This report also draws attention to the matter set out in Notes 3.3 and 24 to the consolidated condensed quarterly financial statements regarding the impacts of the application of IFRS 16.

Ramirent Financial Information

The consolidated financial information for Ramirent as of and for each of the years ended December 31, 2017 and 2018 included herein was derived from Ramirent's audited consolidated annual financial statements, which were audited by Ramirent's auditors. Ramirent's audited consolidated financial statements as of and for the years ended December 31, 2017 and 2018 are included elsewhere in this listing prospectus, from Ramirent's independent auditors, PricewaterhouseCoopers Oy, Authorised Public Accountants. The consolidated financial statements were prepared in accordance with IFRS. For more information on the comparability of the consolidated financial information for Ramirent as of and for each of the years ended December 31, 2017 and 2018, see *"Ramirent—Consolidated Financial Statements as of and for the Year Ended December 31, 2018—Notes to the Consolidated Financial Statements—New and amended IFRS standards implemented in 2018", and "Index to the financial statements–Ramirent—Consolidated Financial Statements as of and for the Year Ended December 31, 2018—Notes to the Consolidated Financial Statements—Segment information."*

For the year ended December 31, 2018, Ramirent changed the presentation of the income statement to be function based. For the year ended December 31, 2017 the classification was based on the nature of the expenses. The comparative information for the year ended December 31, 2017 has been restated to reflect the change in presentation of income statement, and thus the income statement information for the year 2017 presented in the consolidated financial statements for the year ended December 31, 2018 as comparative financial information and this listing prospectus is unaudited. For more information, see *"Ramirent—Consolidated Financial Statements as of and for the Year Ended December 31, 2018—Notes to the Consolidated Financial Statements—Classification of Expenses in the Income Statements."*

As of January 1, 2018, Ramirent reported segments Baltics and Europe Central were joined together as one new segment called Eastern Europe and therefore the financial information for the year ended December 31, 2017 of Eastern Europe segment has been restated to reflect the new structure and is unaudited.

On December 3, 2018, Ramirent announced that it will divest its Danish equipment rental business to G.S.V. Materieludlejning A/S, Denmark's largest equipment rental company. Following the divestment, the financial figures for the Danish operations are reported as discontinued operations and are not included in the financial figures for Ramirent's continuing operations in the financial statements for the year ended December 31, 2018 and December 31, 2017 and for the quarter ended March 31, 2019 and 2018. The unaudited consolidated income statement information for the quarter ended March 31, 2018 and for the year ended December 31, 2017 has been restated accordingly. Therefore the income statement information for the year 2017 presented in this listing prospectus is unaudited. The transaction was completed on March 20, 2019. For more information, see *"Ramirent—Consolidated Financial Statements as of and for the Year Ended December 2018—Notes to the Consolidated Financial Statements—Segment information."*

The summary consolidated financial information for Ramirent as of and for the quarter ended March 31, 2019, with comparable financial information as of and for the quarter ended March 31, 2018, in each case included herein, was derived from tables and notes to the interim financial statements sections of Ramirent's public interim report for the quarter ended March 31, 2019 prepared in accordance with IAS 34 Interim Financial Reporting and financial review January-March 2019 section, as published by Ramirent on April 30, 2019. Ramirent's statutory auditors have not audited, reviewed, compiled or performed any other procedures with respect to such quarterly consolidated financial information for the purpose of its inclusion herein and accordingly, they have not expressed an opinion or provided any form of assurance with respect thereto for the purpose of this listing prospectus.

Ramirent adopted IFRS 16 Leases on January 1, 2019. Ramirent's results for the quarter ended March 31, 2019 presented in this listing prospectus include the impact of the adoption of IFRS 16. Therefore certain tables included in this listing prospectus have been labeled "pre-IFRS 16" and "post-IFRS 16" to identify periods impacted by IFRS 16. As a consequence of the adoption of IFRS 16 as of January 1, 2019, financial information for Ramirent for the quarter ended March 31, 2019 is not comparable to the historical information for Ramirent, including the financial information for the quarter ended March 31, 2018. *See "The Ramirent Group—Quarter ended March 31, 2019 compared to quarter ended March 31, 2018."*

Loxam presents in this listing prospectus certain unaudited financial information excluding IFRS 16 impact of Ramirent. Ramirent has not adopted IFRS 16 using full retrospective method and has not restated financial information for the year 2018 or any quarterly financial information related to year 2018 or disclosed financial information for quarter ended March 31, 2019 excluding the impact of IFRS 16. Loxam's estimate is inherently subject to changes and could materially differ to what would have been the impact if Ramirent had disclosed financial information excluding IFRS 16 impact. Auditors of Ramirent have not audited, reviewed, compiled or performed any other procedures with respect to such excluding IFRS 16 financial information for the purpose of its inclusion herein and accordingly, they have not expressed an opinion or provided any form of assurance with respect thereto for the purpose of this listing prospectus. As such, you should not place undue reliance on Loxam's estimate of financial information excluding IFRS 16 impact of Ramirent.

Ramirent adopted the new IFRS 15 Revenue from contracts with customers on January 1, 2018, The standard was adopted using the full retrospective method**.** Implementation of IFRS 15 did not result in any material differences in the timing of the revenue recognition or in the amounts to be recognized, compared to the earlier principles. Adoption of the new standard did not result in restatement of financial reporting. For more information, see *"Ramirent—Consolidated Financial Statements as of and for the Year Ended December 31, 2018—Notes to the Consolidated Financial Statements—New and amended IFRS standards implemented in 2018."*

Ramirent adopted the new IFRS 9 Financial instruments and IFRS 2 Share-based payments standards on January 1, 2018. The impact of the adoption of those standards has been recognized through opening equity January 1, 2018, historical financial information has not been restated. For more information, see *"Ramirent—Consolidated Financial Statements as of and for the Year Ended December 31, 2018—Notes to the Consolidated Financial Statements—New and amended IFRS standards implemented in 2018."*

The consolidated financial information for Ramirent included herein may not take into account circumstances or events occurring after December 31, 2018 and is based on a number of assumptions that are subject to inherent uncertainties and are subject to change. See *"Index to the financial statements–Ramirent—Consolidated Financial Statements as of and for the Year Ended December 31, 2018—Notes to the Consolidated Financial Statements—Critical accounting estimates and judgements", "Forward-looking statements"* and *"Risk*

factors" for a more complete discussion of factors that could affect future performance and results of operations of Loxam and Ramirent.

Non-IFRS Financial Measures of Ramirent

This listing prospectus contains measures and ratios of Ramirent that do not comply with IFRS, including net sales at comparable exchange rates, EBITDA, EBITDA margin, EBIT, comparable EBIT, net debt, net debt excluding lease liabilities ratio, net debt to EBITDA ratio, net debt to EBITDA ratio without the impact of IFRS 16, gearing ratio, gross capital expenditure, Ramirent presents these non-IFRS measures in Ramirent's own public financial reporting because Ramirent believes 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 Loxam or other companies and may have limitations as analytical tools.

Non-IFRS measures and ratios such as EBITDA and net debt are not measurements of Ramirent's performance or liquidity under IFRS and should not be considered to be alternatives to operating results 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. Non-IFRS measures are unaudited.

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.

Non-IFRS Financial Measures of Loxam

This listing prospectus contains measures and ratios of Loxam that do not comply with IFRS, including EBITDA, EBITDA margin, EBIT, comparable EBIT, free cash flow, recurring free cash flow, net capital expenditures, net debt, net fleet capital expenditures, constant perimeter information, unaudited pro forma information, unaudited pro forma adjusted information, Pro Forma Adjusted Revenue, Pro Forma Adjusted EBITDA, Pro Forma Adjusted EBITDA Margin, Pro Forma Gross capital expenditure, Pro Forma Proceeds from disposal of fixed assets, Pro Forma Net capital expenditures, Pro Forma Interest and financing-related expenses, Pro Forma Adjusted Gross Debt, Pro Forma Adjusted Cash and Cash Equivalents, Pro Forma Adjusted Net Debt. 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, including certain data that are based on the Unaudited Pro Forma Condensed Financial Information as of December 31, 2018 and Supplemental Unaudited Pro Forma Consolidated Condensed Financial Information For The Quarter Ended 31 March 2019, that are adjusted to give effect to certain events, including the issuance of the Notes offered hereby, and the application of the net proceeds of the Notes as of March 31, 2019 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 applied by Loxam

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 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.

Loxam began applying IFRS 16 on January 1, 2019 using the modified retrospective method. Our results for the quarter ended March 31, 2019 presented in this listing prospectus include the impact of IFRS 16, and we provide a breakdown of this impact in certain financial tables. As a consequence of the first application of IFRS 16 as of January 1, 2019, financial information for the quarter ended March 31, 2019 is not comparable to the historical information for Loxam, including the financial information for the quarter ended March 31, 2018 as far as the financial information impacted by the application of IFRS 16 is concerned. See "*Management's Discussion and Analysis of Financial Condition and Results of Operation of Loxam—Results of Operations—Quarter ended March 31, 2019 compared to quarter ended March 31, 2018*" and the notes to our financial statements included elsewhere in this listing prospectus for further information.

Unaudited Pro Forma Consolidated Condensed Financial Information

In this listing prospectus, we present certain unaudited consolidated financial information on a pro forma basis.

The Unaudited Pro Forma Consolidated Condensed Financial Information For The Year Ended December 31, 2018 has been prepared as if the Acquisition and the Financing had occurred on January 1, 2018 (for income statement purposes), or December 31, 2018 (for statement of financial position purposes).

The Supplemental Unaudited Pro Forma Consolidated Condensed Financial Information For The Quarter Ended March 31, 2019 was prepared as if the Acquisition and the Financing had occurred on January 1, 2019 (for income statement purposes), or March 31, 2019 (for statement of financial position purposes).

The Unaudited Pro Forma Consolidated Condensed Financial Information For The Year Ended December 31, 2018 and the Supplemental Unaudited Pro Forma Consolidated Condensed Financial Information For The Quarter Ended March 31, 2019 have been prepared for illustrative purposes only and do not purport to represent what our actual results of operations or financial condition would have been if the Acquisition and the Financing had occurred on those dates, nor do they purport to be indicative of our future results of operations or financial position. Such Unaudited Pro Forma Consolidated Condensed Financial Information For The Year Ended December 31, 2018 and Supplemental Unaudited Pro Forma Consolidated Condensed Financial Information For The Quarter Ended March 31, 2019 consist only of Unaudited Pro Forma Consolidated Condensed income statements, Unaudited Pro Forma Consolidated Condensed statements of financial position and explanatory notes.

The Unaudited Pro Forma Consolidated Condensed Financial Information For The Year Ended December 31, 2018 and Supplemental Unaudited Pro Forma Consolidated Condensed Financial Information For The Quarter Ended March 31, 2019 set forth in this listing prospectus are based on available information and certain assumptions and estimates that we believe are reasonable and may differ materially from the actual amounts that would have been achieved had the Acquisition and the Financing occurred on January 1, 2018, December 31, 2018, January 1, 2019 or March 31, 2019. See "*Unaudited Pro Forma Consolidated Condensed Financial Information For The Year Ended December 31, 2018"* and *"Supplemental Unaudited Pro Forma Consolidated Condensed Financial Information For The Quarter Ended March 31, 2019."*

The Unaudited Pro Forma Consolidated Condensed Financial Information For The Year Ended December 31, 2018 and Supplemental Unaudited Pro Forma Consolidated Condensed Financial Information For The Quarter Ended March 31, 2019 include the results of operations and financial condition of Ramirent for the periods presented as publicly disclosed by Ramirent reclassified and aligned with presentation of Loxam's financial information, as we did not control Ramirent during the periods presented and we would not have been permitted under IFRS to consolidate the results of Ramirent in any historical financial statements prior to the date of the Acquisition. See "*Unaudited Pro Forma Consolidated Condensed Financial Information For The Year Ended December 31, 2018"* and *"Supplemental Unaudited Pro Forma Consolidated Condensed Financial Information For The Quarter Ended March 31, 2019*." The summary consolidated financial information for Ramirent as of and for the quarter ended March 31, 2019, with comparable information as of and for the quarter ended March 31, 2018, in each case included herein, was derived from Ramirent's public interim report for the quarter ended March 31, 2019, as published by Ramirent on April 30, 2019. Ramirent's statutory auditors have not audited, reviewed, compiled or performed any other procedures with respect to such quarterly consolidated financial information for the purpose of its inclusion herein or to any other Ramirent's financial information included in the Unaudited Pro Forma Consolidated Condensed Financial information and accordingly, they have not expressed an opinion or provided any form of assurance with respect thereto for the purpose of this listing prospectus.

The Unaudited Pro Forma Consolidated Condensed Financial Information For The Year Ended December 31, 2018 and Supplemental Unaudited Pro Forma Consolidated Condensed Financial Information For The Quarter Ended March 31, 2019 have not been prepared in accordance with Article 11 of Regulation S-X under the Securities Act or any generally accepted accounting standards.

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.

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 of Loxam*." 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 and acquisition integration strategy;
- our ability to close and achieve the targeted benefits from the Acquisition;
- 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;
- risks related to the Acquisition;
- 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				
July 2019 (through July 16, 2019)	1.1213	1.1255	1.1307	1.1209
June 2019	1.1359	1.1295	1.1389	1.1201
May 2019	1.1162	1.1469	1.2017	1.1134
April 2019	1.1197	1.1202	1.1206	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
Year				
2019 (through July 16, 2019)	1.1213	1.1292	1.1533	1.1134
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.

Unless otherwise indicated or implied by the context, references in this section to "we," "our" and "us" are to Loxam rather than to the Combined Group (as defined below).

Introduction

We are the leading equipment rental company in Europe based on 2018 revenue of €1,482.6 million and the fifth-largest equipment rental group in the world for the construction, industry, public works, services and events sectors based on 2018 revenue with a large international presence outside of Europe through operations in Morocco, the Middle East, Brazil and Colombia.

On June 10, 2019, we announced an all-cash offer (the "Tender Offer") for Ramirent Plc, a publicly listed company based in Finland with operations in Northern and Eastern Europe and revenue of €711.7 million in the year ended December 31, 2018 (€707.2 million in the twelve months ended March 31, 2019). We have received irrevocable undertakings to accept the Tender Offer, subject to certain customary conditions, from shareholders representing approximately 35.4% of the outstanding shares and votes of Ramirent, which includes shares held by two major shareholders of Ramirent (Nordstjernan AB and Oy Julius Tallberg Ab), the President and Chief Executive Officer of Ramirent, Tapio Kolusarka, the Chief Financial Officer of Ramirent, Jukka Havia, and (subject to certain customary conditions) all the shareholders of Stavdal who received shares of Ramirent in connection with the completion of the acquisition of Stavdal by Ramirent. Assuming acceptance of our offer of €9.00 per share, we expect to acquire Ramirent and its subsidiaries for total consideration of approximately €978 million. The purpose of the offering of the Notes made hereby is to finance the Acquisition, to refinance Ramirent's gross debt, to refinance the debt related to the acquisition of Stavdal and to pay the fees and expenses related to the offering and the Acquisition. The Tender Offer will expire on or about July 18, 2019 unless otherwise extended by us. Once we acquire more than 90% of Ramirent's shares through acceptance of the Tender Offer, we will initiate squeeze-out proceedings (the "Squeeze-Out Proceedings") in order to acquire the remaining shares.

The Pro Forma Revenue of Loxam and Ramirent (the "Combined Group") for the year ended December 31, 2018 would have been €2,172.1 million, which is three times larger than that of the nearest European competitor, and the Combined Group's Pro Forma EBITDA would have been €703.1 million, representing a margin of 32.4%. In the twelve months ended March 31, 2019, the Combined Group's Pro Forma Revenue would have been €2,190.6 million and the Combined Group's Pro Forma EBITDA would have been €708.9 million, representing a margin of 32.4%.

We expect the Combined Group to become the undisputed leader in the European equipment rental industry and the third largest equipment rental group in the world based on 2018 revenue, with operations in 30 countries (excluding Ramirent's joint venture activity).

In addition, we believe that the Acquisition has a strong strategic rationale, including:

- Positioning us as the clear pan-European leader in equipment rental by providing us with leading market positions in the Northern and Eastern European rental markets and expanding Loxam's existing network from 22 countries to 30 across the Combined Group;
- Growing our fleet, from Loxam's approximately 290,000 pieces of equipment as of December 31, 2018 to a Combined Group fleet of approximately 540,000 pieces of equipment with an estimated gross book value of €4.1 billion as of the same date;
- Diversifying our sources of revenue through adding approximately 150,000 new and complementary clients while expanding our range of end markets served and products, services and specialty knowledge offered; and

- Combining two groups with solid EBITDA performance, which for the year ended December 31, 2018 was 33.8% for Loxam and would have been 32.4% for the Combined Group.

For additional detail about the expected benefits of the Acquisition, see "*The Acquisition*."

Our Business

We have historically managed our activity through three divisions:

- Generalist France division (€669.8 million revenue and €235.2 million of EBITDA for the twelve months ended March 31, 2019), 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 March 31, 2019, our Generalist France network included 423 branches. Our Generalist France network trades under the LOXAM Rental brand.

- Specialist France division (€228.3 million revenue and €75.7 million of EBITDA for the twelve months ended March 31, 2019), which includes high-access equipment, modular buildings, large compressors and generators, heavy compaction equipment, suspended platforms and scaffolding. As of March 31, 2019, our specialist network in France included 79 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 (€636.3 million revenue and €193.2 million of EBITDA for the twelve months ended March 31, 2019), 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 March 31, 2019, our International division had a network of 264 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. Following the Acquisition, our Combined Group will operate in 30 countries, including Finland, Sweden, Estonia, Latvia, Lithuania, Poland, the Czech Republic and Slovakia in addition to the ones listed above.

Excluding the impact of the Acquisition, we rent over 1,500 different types of equipment and tools in the Loxam fleet, which consisted of approximately 300,000 pieces of equipment (excluding accessories) and had a gross book value of €3.2 billion as of March 31, 2019. 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, Loxam had 725 European branches, more than any other rental network in Europe.

Recent Results of Loxam, Ramirent and the Combined Group

Loxam generated revenue of €1,482.6 million and EBITDA of €500.7 million during the year ended December 31, 2018, representing an EBITDA margin of 33.8%. In the twelve months ended March 31, 2019, Loxam generated revenue of €1,505.8 million. 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. In the quarter ended March 31, 2019, Loxam generated revenue of €367.3 million and EBITDA of €126.2 million (including the impact of IFRS 16), representing an EBITDA margin of 34.4%. As of March 31, 2019, Loxam's net debt (excluding IFRS 16 - lease liabilities) was €2,217.7 million and our shareholder's equity, group share was €647.5 million. As of March 31, 2019, our fleet consisted of approximately 300,000 pieces of equipment (excluding accessories) and had a gross book value of €3.2 billion.

Ramirent generated net sales of €711.7 million and EBITDA of €202.9 million during the year ended December 31, 2018. In the twelve months ended March 31, 2019, Ramirent generated net sales of €707.2 million. In the quarter ended March 31, 2019, Ramirent generated net sales of €163.0 million and EBITDA of €49.1 million. Ramirent's net debt as of March 31, 2019 was €328.9 million, excluding IFRS 16 – lease liabilities. As of December 31, 2018, Ramirent's fleet consisted of approximately 250,000 pieces of equipment and had a gross book value of €1,094.1 million.

Pro forma for the Acquisition, the Combined Group would have had a Pro Forma Revenue of €2,172.1 million for the year ended December 31, 2018, €2,190.6 million for the twelve months ended March 31, 2019 and €524.4 million for the quarter ended March 31, 2019. The Combined Group's Pro Forma EBITDA would have been €703.1 million for the year ended December 31, 2018, €708.9 million for the twelve months ended March 31, 2019, and €151.2 million for the quarter ended March 31, 2019. Combined Group would have had a Pro Forma Net Debt excluding IFRS 16 – Lease liabilities of €3,535.3 million as of March 31, 2019 excluding IFRS 16. As of December 31, 2018, the Combined Group's fleet included approximately 540,000 pieces of equipment with an estimated gross book value of €4.1 billion.

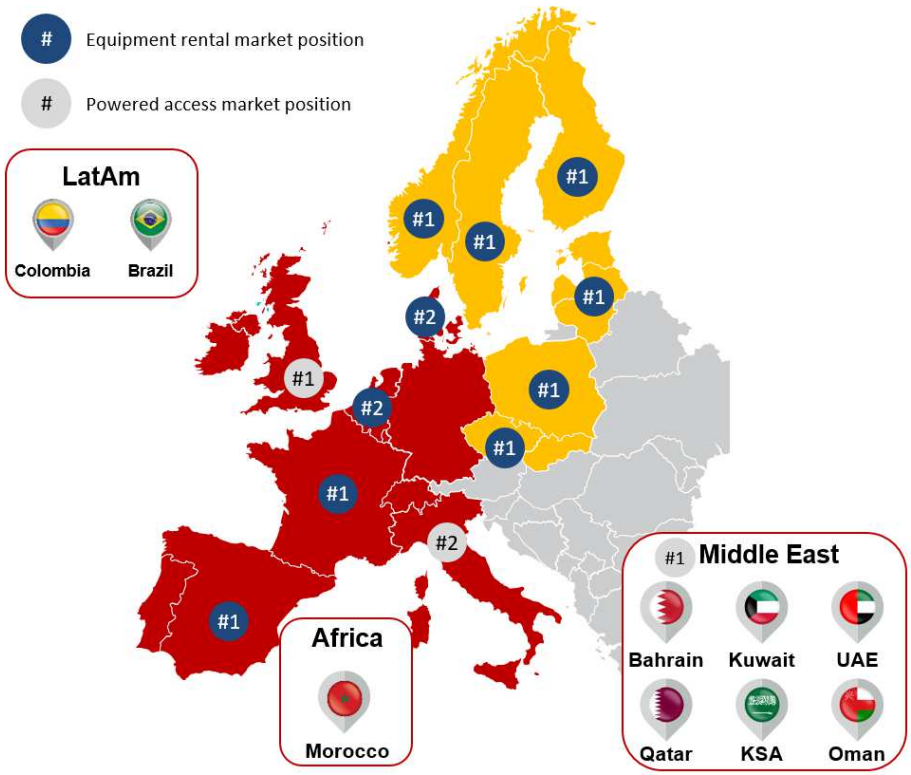
Competitive Strengths

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

Undisputed leader in pan-European equipment rental market with positive growth outlook

The Combined Group will be the undisputed leader in the European equipment rental market, with Pro Forma Revenue in 2018 approximately three times greater than that of the nearest European competitor and over 1,000 branches across 22 European countries. Based on 2018 revenue, the Combined Group will have market leading positions in eight key European markets (France, Spain, Norway, Sweden, Finland, the Baltics, Poland and the Czech Republic) and top three market positions in each of the UK (where Loxam is the leader in the powered access market), Denmark (number two), the Netherlands, Belgium (number two) and Italy (number two). In France, Loxam operated 502 branches as of March 31, 2019 and had a market share of approximately 21% in 2018. We believe that we are consistently one of the two largest players in most of the French regions where we are active.

The map below presents the expected European leadership positions of the Combined Group.



We have established Loxam's leadership in the European market through developing and expanding our network, both organically and through a series of successful acquisitions, while cultivating a brand recognized for our strong market and technical expertise and our large, high quality fleet. We believe Loxam's fleet of approximately 300,000 pieces of equipment at group level is the largest in the European market based on its gross book value of €3.2 billion and estimated replacement value of €3.7 billion as of March 31, 2019. Following the

Acquisition, the Combined Group will have a significantly larger fleet with an estimated gross book value of over €4.3 billion and over 550,000 pieces of equipment.

We operated 230 Loxam branches in Europe outside of France as of March 31, 2019 and have leveraged the best practices cultivated from our extensive experience in France to build a strong presence in our other markets. We have been able to broaden our geographic coverage significantly in recent years due to our opportunistic, value-accretive M&A strategy, through which we have extended Loxam's operations into Italy, Portugal, the Middle East, Brazil and Colombia while also expanding our existing presence in the UK, Spain, Belgium, the Netherlands, Germany and Ireland. For further details about our recent acquisitions, see "*Business—History and Development.*" Through the Acquisition, we will further enlarge the Loxam network to include Sweden, Finland, Poland, the Czech Republic, Slovakia, Latvia, Lithuania and Estonia. The Combined Group's broader geographic coverage in Europe will further contribute to the depth of our market knowledge and ability to leverage this expertise as part of our responsive business strategy driven by the evolving needs of our markets and customers.

In addition to these benefits, we expect to benefit from the positive medium-term outlook of the European equipment rental and construction markets, particularly in France, which accounted for 60% of Loxam revenue in 2018. The equipment rental market in France and in the United Kingdom had an estimated value in 2018 of €4.4 billion and £6.0 billion, respectively, according to the European Rental Association. Due in part to government-supported infrastructure and construction initiatives, the market in France is expected to grow at an average growth rate of 3.7% from 2018 through 2020, supported by the expected growth of the construction market by an average growth rate of 1.3% from 2018 through 2021, according to Euroconstruct.

For additional information about the expected benefits of the Acquisition, see "*The Acquisition*."

Dense commercial footprint serving diversified geographic and customer end markets through an expansive fleet and high-quality customer service

Loxam operated a fleet of approximately 300,000 pieces of equipment serving over 200,000 customers in 22 countries as of March 31, 2019. Following the Acquisition, the Combined Group will have a fleet of over 550,000 pieces of equipment serving over 350,000 customers through more than 1,000 branches in 30 countries (excluding Ramirent's joint venture operation). Historically, the diverse coverage of Loxam's fleet of generalist and specialist equipment and the density of Loxam's branches (particularly in France) have provided us with the flexibility needed to meet our clients' changing needs, while our focus on customer service has further strengthened our brand and enhanced our ability to attract and retain customers across our broad geographic coverage. We believe that the Acquisition will reinforce the diversity of our footprint, the range of our fleet and our excellent customer service that are described below.

Our portfolio of clients mostly includes construction and industrial customers, from small businesses and craftsmen to large international groups, and our customers operate within different economic cycles. The construction end markets represent the largest portion of our business and accounted for approximately 63% of Loxam's 2018 revenue. In recent years, we have diversified our revenue across industries and in particular are now increasingly supporting the day-to-day activities or occasional needs of customers engaged in municipal projects and in events and media. As a result of these efforts, we have increased the percentage of Loxam's revenue generated by non-construction end markets from 30% in 2013 to 37% in 2018. Out of 37% of non-construction revenue, approximately 10% is related to industrial clients. We expect the Acquisition to reinforce this end market diversification as the Combined Group's percentage of revenue from outside the construction market would have been 39% in 2018. Loxam also decreased the percentage of total revenue generated by its top 10 customers (all of whom operate in the construction, civil engineering and utilities end markets) to less than 12% in 2018 and we expect the Acquisition to further decrease this figure for the Combined Group given the lack of overlap with Ramirent's existing customer base.

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 as well as respond quickly to their changing requirements. 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. Ramirent has a similarly strong commitment to customer service which we expect will reinforce our existing reputation in this area.

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

Loxam's successful, customer-oriented business model centers on the smart management of our rental equipment fleet and our broad network of branches, which is guided by our superior knowledge of the end markets, customers and geographic regions we serve. Ramirent's business model is similarly driven by local management and expertise as well as customer-oriented decision-making and therefore we expect the Acquisition to reinforce the proven success of our approach.

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, the large number of our customers across diverse end markets and our experience of more than 50 years 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 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 has contributed to Loxam's 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 the Loxam business model and our ability to manage growth. This profitability exists at the level of each of our three business divisions and is consistently higher than that of Loxam's three closest European competitors. We believe that we will continue to achieve EBITDA margins above 30% following the Acquisition based on the Combined Group's Pro Forma EBITDA margin of 32.4% for the year ended December 31, 2018.

The EBITDA margin of our 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 successful 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 expenditure 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 can rapidly reduce capital expenditures, streamline our network 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. The contra-cyclical nature of our cash flow generation driven by discretionary capital expenditure requirements contributes to the overall resilience of our business model throughout cycles.

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

Loxam's senior management team is led by Mr. Gérard Déprez, our president, CEO and controlling shareholder who has over 30 years of experience with us. 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 local branch managers while keeping 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 deliver strong financial performance and protect cash flow generation. In recent years, our management team has also earned distinction for its skill at expanding our business through acquisitions. Since 2012, we have successfully integrated 18 acquired companies representing approximately 300 branches. These acquisitions have played a particularly important role in expanding our geographic presence beyond France: Loxam now operates 264 branches in 21 countries outside of France compared to 88 branches outside of France as of December 31, 2012, and our International revenue has grown to represent 40.4% of our revenue for the year ended December 31, 2018 compared to 14.4% in the year ended December 31, 2012. For further details about Loxam's recent acquisitions, see "*Business—History and Development.*"

In particular, we believe that our management team's successful integration in 2017 of the Lavendon Group, by which Loxam established a footprint in six countries in the Middle East while also significantly increasing our existing network in the United Kingdom, has positioned us for a smooth integration of Ramirent and a successful entry into eight new markets in the Nordics and eastern Europe. We believe that the management teams of Loxam and Ramirent share similar approaches and priorities, as evidenced by, for example, our common focus on improving safety and diversifying our customer end markets.

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 Loxam's historical business strategy that we intend to carry forward following the Acquisition.

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. These strategies will also be key to our integration of Ramirent, which will add approximately 250,000 pieces of equipment to our fleet. We believe that the Acquisition will enhance our purchasing power and ability to continue investing in the expansion and maintenance of our high-quality fleet. For additional details on Ramirent's complementary equipment fleet, see "*The Acquisition*."

Drive market consolidation and further strengthen market position through successful integration of acquisitions

We believe that our acquisition track record has established us as a unique market consolidator and has helped to strengthen our market leadership by acquiring scale, particularly in Europe. Historically, through our acquisition strategy, which is supported by our extensive familiarity with the markets we serve and our ability to anticipate customer needs and new market opportunities, we have aimed 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. Our acquisition strategy has previously included both significant transformational acquisitions, such as those of the Lavendon and Hune Groups in addition to Ramirent, and bolt-on acquisitions, such as those of Cramo's Danish equipment rental operations, Swan Plant Hire in Ireland, Nove in Italy, and most recently UK Platforms Limited ("UK Platforms") through our subsidiary Nationwide Platforms Limited. For further details of these and other recent acquisitions, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations of Loxam—Key Factors Affecting Results of Operations—Acquisitions.*"

Following the Acquisition, we will focus on successfully integrating Ramirent's business and driving cash flow generation to deleverage the Combined Group while continuing to evaluate value-accretive bolt-on opportunities in parallel. We believe the fragmentation in the global equipment rental market will continue to

allow us to complete acquisitions and act as a market consolidator within our existing markets and globally and we actively monitor opportunities to expand and optimize our network at the local, national and international levels in order to maximize profitable growth.

Successful integration of acquisitions is key to our strategy and we believe that our management team has developed expertise in this area that has positioned us to integrate Ramirent and any future acquired companies smoothly and profitably. We work closely with the management of acquired companies to understand the nuances of their operations and local markets and draw from our own expertise and familiarity with the equipment rental markets to optimize equipment offerings and adjust branch locations as needed in order to anticipate and meet the needs of each market we serve. We expect to draw from our recent experience integrating acquired companies, in particular the Lavendon and Hune Groups in order to achieve similar success and efficiency in integrating Ramirent and positioning the Combined Group for continued success across all of our markets.

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, the 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 expect the Acquisition to contribute to this diversification as well given Ramirent's similar focus recently on developing its customer base outside the construction market and the lack of overlap among our respective customers.

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 some 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 has enabled us to maintain high EBITDA margins while also giving us the flexibility to quickly adjust our capital expenditure investments to match 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 delivering 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 2021 (pro forma for the Acquisition). 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 growth and cash flow generation 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. Safety has also been a top priority for Ramirent, which is currently on track to meet its goal of reducing lost-time accident frequency to under five by 2020.

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 particular as part of our integration of Ramirent, in order to improve our internal processes and our customer service.

The Transactions

The Issuer intends to acquire all of the outstanding shares of the Target (the "Acquisition"). The Issuer is offering the Notes as part of the overall financing of the Acquisition.

The Acquisition

On June 10, 2019, we announced an all-cash offer (the "Tender Offer") pursuant to which we offered to acquire the entire issued and outstanding share capital of Ramirent for €9.00 per share, or total consideration of approximately €978 million. On June 9, 2019, the board of directors of Ramirent, represented by a quorum formed by conflict-free board members, unanimously recommended that Ramirent shareholders accept the Offer.

The offer period under the Tender Offer is expected to expire on or about July 18, 2019, subject to any extension of the offer period by Loxam in accordance with the terms and conditions of the Tender Offer. Once we have acquired more than 90% of the issued and outstanding shares, we intend to initiate Squeeze-Out Proceedings to acquire the remaining shares. Loxam will acquire the shares validly tendered on the Completion Date. For additional details about the payment process, see "—*The Financing*" below.

The consummation of the Acquisition is subject to the receipt of all required regulatory authorizations.

The Financing

The Issuer is issuing the Notes on the Issue Date in anticipation of the Acquisition. The Initial Purchasers will, concurrently with the issuance of the Notes on the Issue Date, deposit the gross proceeds of the Offering into the Escrow Accounts in the name of the Issuer. The Escrow Accounts will be controlled by the Escrow Agent and pledged in favor of the 2025 Senior Secured Notes Trustee, July 2026 Senior Secured Notes Trustee and Senior Subordinated Notes Trustee, respectively, each for the benefit of itself and the holders of the respective Notes. The release of the escrowed proceeds will be subject to the satisfaction of certain conditions, including consummation of the Acquisition promptly following the release of the escrowed proceeds from the Escrow Accounts. We intend to release the escrowed proceeds on the business day prior to the Completion Date upon the Tender Offer becoming unconditional in order to timely pay the purchase price for the validly tendered shares of the Target. If the Acquisition is not consummated on or prior to the Escrow Longstop Date, the Notes will be subject to a Special Mandatory Redemption. The Special Mandatory Redemption price of the Notes will be equal to 100% of the aggregate issue price of the Notes plus accrued and unpaid interest, if any, to, but excluding the Special Mandatory Redemption Date and additional amounts then required to be paid under the Notes, if any, from the Issue Date to, but excluding, the Special Mandatory Redemption Date. See "*Description of the 2025 Senior Secured Notes—Escrow of Proceeds; Special Mandatory Redemption,*" "*Description of the July 2026 Senior Secured Notes—Escrow of Proceeds; Special Mandatory Redemption,*" "*Description of the Senior Subordinated Notes—Escrow of Proceeds; Special Mandatory Redemption*" and "*Risk Factors—Risks Related to the Acquisition—If the conditions to the release of the proceeds of the offering of the Notes from escrow in the Escrow Agreement are not satisfied, the Notes will be redeemed and you may not obtain the return you expected on the Notes.*"

On the Completion Date, the Issuer will use the gross proceeds from the issuance of the Notes in this Offering to (a) pay the purchase price for the validly tendered shares of the Target, (b) repay certain of the Target's existing debt and (c) pay fees and expenses incurred in connection with the Transactions (including estimated fees and expenses to be incurred in connection with the Offering). If less than 100% (but more than 90%) of the Target shares have been tendered pursuant to the Tender Offer on the Completion Date, a portion of the proceeds of the issuance of the Notes will be transferred to the Issuer to enable the Issuer to acquire the remaining shares pursuant to the Squeeze-Out Proceedings.

The term the "**Transactions**" means collectively, the Acquisition, the Offering and the payment of associated fees and expenses, including commitment, placement, financial advisory, the Initial Purchasers' commissions and discounts and other transaction costs.

Recent Developments

Current trading of Loxam

Loxam's revenue grew by approximately 5% from April 1, 2019 to May 31, 2019 compared to the same period in 2018. Revenue generated from France increased by approximately 10%, primarily due to a higher volume of rentals generated from the increased availability of our expanded fleet as well as a favorable number of trading days during the two months period, whereas Loxam's revenue generated from Loxam's international activities grew by approximately 3%, primarily as a result of the acquisition of UK Platforms. Over the two months period, at constant perimeter and constant exchange rate, Loxam's consolidated revenue grew by approximately 5% compared to the same period in 2018.

In addition, Loxam's net financial debt as of May 31, 2019 was approximately €2,300 million, excluding the impact of IFRS 16. Loxam's net financial debt has increased by approximately €80 million since March 31, 2019, primarily due to the payment of rental equipment which was delivered during the first months of 2019.

Stavdal Acquisition by Ramirent

On April 8, 2019, Ramirent announced that it signed an agreement to acquire Stavdal AB, a general equipment rental company operating in 11 cities in Sweden and in the Oslo area in Norway. Ramirent disclosed that the enterprise value of the transaction was approximately €158 million, to be settled in cash and through the issuance of 5,848,341 Ramirent shares based on a share price of €5.8 per share, as of April 5, 2019. Ramirent also announced that the estimated annual synergies to be extracted from the Stavdal acquisition would be approximately €6 million, fully effective by the end of 2020.

Ramirent announced that the Stavdal acquisition occurred on July 1, 2019, the purchase price having been paid with a cash consideration of approximately €86 million, while the rest was paid through the issuance and delivery of 5,848,341 Ramirent shares. Additionally, Stavdal's underlying bank financing of approximately €40 million has been rolled-over and consolidated to Ramirent Group.

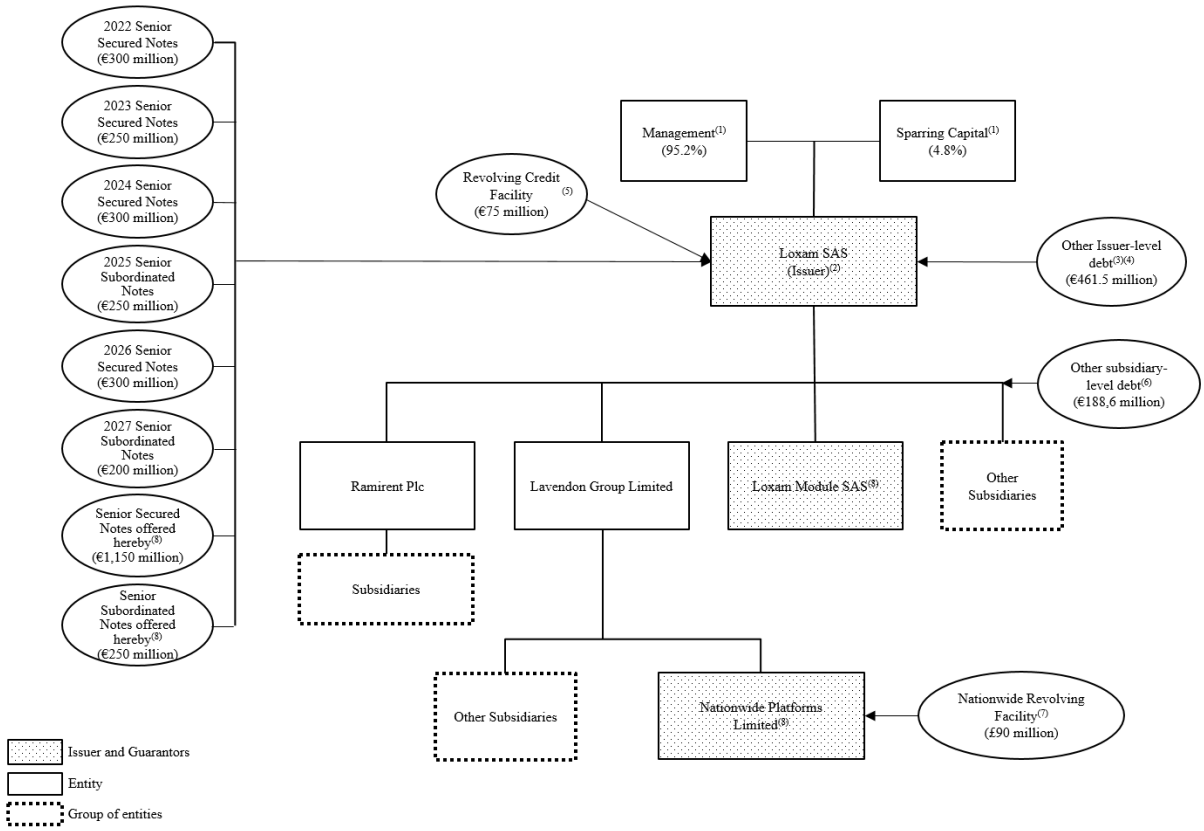
According to Ramirent's public disclosure, Stavdal had revenues of €79 million and an adjusted EBITDA of approximately €28 million under Swedish GAAP for the year ended December 31, 2018. According to Ramirent's public disclosure, the company currently employs approximately 280 employees who have joined Ramirent's networks in Sweden and Norway following the closing of the acquisition. Stavdal operates a modern fleet and its rental offering includes heavy and light machinery, lifts, modules, scaffolding and fall protection, power and heating equipment and hoists.

The unaudited financial information presented above has been prepared by management. Such unaudited financial information was not prepared with a view towards compliance with published guidelines of the SEC, the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of unaudited financial information or IFRS. Our statutory auditors or auditors of Ramirent have not audited, reviewed, compiled or performed any procedures with respect to such unaudited financial information for the purpose of its inclusion herein and accordingly, they have not expressed an opinion or provided any form of assurance with respect thereto for the purpose of this listing prospectus. The unaudited financial information set out above does not take into account any circumstances or events occurring after the period to which it refers and is based on a number of assumptions that are subject to inherent uncertainties subject to change. In addition, although we believe the unaudited financial information to be reasonable, our actual results may vary from the information contained above and such variations could be material. As such, you should not place undue reliance on the inclusion of such unaudited financial information and it should not be regarded as an indication that it will be an accurate prediction of future events. See "Forward-looking statements" and "Risk factors" for a more complete discussion of factors that could affect our future performance and results of operations.

The financial results of Ramirent as of and for the six months ended June 30, 2019 are scheduled to be released by Ramirent on or about July 31, 2019. We and the Initial Purchasers have enquired of Ramirent as to their expected financial results as of and for the six months ended June 30, 2019. Ramirent declined to provide any information or to give any indication regarding its financial results as of and for the six months ended June 30, 2019. As a result, we provide no assurance about the financial results of Ramirent as of and for the six months ended June 30, 2019 and the actual results may vary, including materially, from Ramirent's past results, Ramirent's previous outlook or market guidance or other third party forecast or estimates.

SUMMARY CORPORATE AND FINANCING STRUCTURE

The diagram below illustrates, in simplified form, our corporate and financing structure as of March 31, 2019, as adjusted for the Acquisition, the issuance of the Notes offered hereby and the application of the net proceeds therefrom in the manner described under "*Use of Proceeds.*"



(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 €245.8 million was drawn as of March 31, 2019, and finance leases totaling €215.7 million as of March 31, 2019. See "*Description of Certain Financing Arrangements*."

(4) Indebtedness amounts do not include €12.1 million of accrued interest on debt, €4.5 million of other financial debt and €0.5 million of bank overdrafts, less capitalized debt issuance costs of €13.5 million.

(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 March 31, 2019, 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 €64.8 million was drawn as of March 31, 2019 (excluding the Nationwide Revolving Facility), finance leases totaling €101.2 million as of March 31, 2019 and Stavdal rollover debt of €40.0 million, minus €17.4 million of other debt related items. 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 March 31, 2019, €103.6 million was outstanding under the Nationwide Revolving Facility, net of issuance costs. See "*Description of Certain Financing Arrangements—Nationwide Revolving Facility Agreement.*"

(8) On the Issue Date, the Senior Secured Notes will be senior obligations of the Issuer and will be secured by the 2025 Senior Secured Notes Escrow Charge and the July 2026 Senior Secured Notes Escrow Account Charge. The Senior Secured Notes will not be guaranteed or secured by any other entity or collateral on the Issue Date. On the Completion Date, the Senior Secured Notes will be secured by security interests with first priority under the Intercreditor Agreement in the Existing Senior Secured Collateral (as defined herein). As soon as practicable after the completion of the Acquisition, the Senior Secured Notes will also be secured by a first priority security interest over the Post-Completion Collateral, see "*Risk Factors—Risks Related to the Acquisition.*" The Senior Secured Notes will be guaranteed within 120 days of the Completion Date 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 March 31, 2019, the Issuer and the Guarantors accounted for 68% of the Loxam group's consolidated EBITDA and 67% 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 2025 Senior Secured Notes—The Notes Guarantees,*" "*Description of the July 2026 Senior Secured Notes—The Notes Guarantees*" and "*Risk Factors—Risks Related to the Notes and Our Capital Structure.*" As of the Completion Date, 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, will be structurally subordinated to all existing and future obligations of subsidiaries of the Issuer or the Guarantors that do not guarantee the 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 2025 Senior Secured Notes,*" "*Description of the July 2026 Senior Secured Notes,*" "*Risk Factors—Risks Related to the Notes and Our Capital Structure*" and "*Risk Factors—Risks Related to the Senior Secured Notes.*"

(9) 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, the April 2026 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, 2027 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. The Senior Subordinated Notes will be secured by the Senior Subordinated Notes Escrow Account Charge on the Issue Date but will be unsecured following the Completion 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) €700,000,000 aggregate principal amount of 3.25% senior secured notes due 2025 (the "2025 Senior Secured Notes"), (ii) €450,000,000 aggregate principal amount of 3.75% senior secured notes due 2026 (the "July 2026 Senior Secured Notes and together with the 2025 Senior Secured Notes, the "Senior Secured Notes"), and (iii) €250,000,000 aggregate principal amount of 5.75% senior subordinated notes (the "Senior Subordinated Notes" and together with the Senior Secured Notes, the "Notes").
Issue Date	July 22, 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 €1,400,000,000. Upon release from escrow, the gross proceeds from the offering of the Notes will be used to finance the Acquisition, to refinance certain of Ramirent's gross debt, to refinance certain of the debt related to the acquisition of Stavdal and to pay the fees and expenses related to the offering and the Acquisition. See "*Use of Proceeds*."

The Senior Secured Notes

Issue Price	• for the 2025 Senior Secured Notes: 100% (plus accrued and unpaid interest from the Issue Date); and • for the July 2026 Senior Secured Notes: 100% (plus accrued and unpaid interest from the Issue Date).
Maturity	The 2025 Senior Secured Notes will mature on January 14, 2025 and the July 2026 Senior Secured Notes will mature on July 15, 2026. The redemption price for the 2025 and the July 2026 Senior Secured Notes at maturity will be 100%.
Interest	• for the 2025 Senior Secured Notes: 3.25% per annum, payable semi-annually in arrear on March 15 and September 15 of each year, beginning on September 15, 2019; • for the July 2026 Senior Secured Notes: 3.75% per annum, payable semi-annually in arrear on June 15 and December 15 of each year, beginning on December 15, 2019; and
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 Indentures and secured by assets other than the property and assets securing the Senior Secured Notes.

Senior Secured Notes Guarantees ..... From the Issue Date to the Completion Date, the Senior Secured Notes will be unguaranteed senior obligations of the Issuer.

Within 120 days of the Completion 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 March 31, 2019, the Issuer and the Senior Secured Notes Guarantors accounted for 67.0% of our consolidated revenue, 68.3% of our consolidated EBITDA and 66.5% of our consolidated total assets, respectively. See "*Description of the 2025 Senior Secured Notes—the Note Guarantees*" and "*Description of the July 2026 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	On the Issue Date, the Senior Secured Notes will be secured by a first-ranking security interest consisting of an English law pledge by the Issuer over the Escrow Account and the funds and investments (including the escrowed funds) held in the Escrow Account (the "Escrow Account Charge"). On the Completion Date, the Senior Secured Notes will be secured by a security interest granted over the Existing Senior Secured Collateral on a first-priority basis by virtue of the Intercreditor Agreement. As soon as practicable after the Completion Date, the Senior Secured Notes will also be secured by a first priority security interest over the Post-Completion Collateral. 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 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 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*."
Escrow of Proceeds; Special Mandatory Redemption	Following the deposit of the gross proceeds from the Offering in the 2025 Senior Secured Notes Escrow Account and the July 2026 Senior Secured Notes Escrow Account by the Initial Purchasers, the 2025 Senior Secured Notes Escrow Account and the July 2026 Senior Secured Notes Escrow Account will be controlled by the Escrow Agent and pledged on a first-ranking basis on behalf of the 2025 Senior Secured Notes Trustee and the July 2026 Senior Secured Notes Trustee for the benefit of themselves and the holders of the 2025 Senior Secured Notes and July 2026 Senior Secured Notes, respectively. Upon delivery to the 2025 Senior Secured Notes Trustee, the July 2026 Senior Secured Notes Trustee and the Escrow Agent of an officer's certificate stating that the conditions to the release of the proceeds from escrow are satisfied, the escrowed funds will be released to the Issuer and utilized as described in "*The Transactions*", "*Use of Proceeds,*" "*Description of the 2025 Senior Secured Notes—Escrow of Proceeds; Special Mandatory Redemption*" and "*Description of the July 2026 Senior*

	Secured Notes—Escrow of Proceeds; Special Mandatory Redemption."
	In the event that (i) the Completion Date does not take place on or prior to the Escrow Longstop Date, (ii) in the reasonable judgment of the Issuer, the Acquisition will not be consummated by the Escrow Longstop Date, (iii) the Combination Agreement terminates at any time prior to the Escrow Longstop Date, (iv) an insolvency-related default or event of default under the 2025 Senior Secured Notes Indenture or the July 2026 Senior Secured Notes Indenture occurs on or prior to the Escrow Longstop Date, the Notes will be subject to a Special Mandatory Redemption. The Special Mandatory Redemption price will be a price equal to 100% of the aggregate issue price of the Senior Secured Notes plus the accrued and unpaid interest and additional amounts, if any, to, but excluding, the date of such Special Mandatory Redemption. The escrowed funds would be applied to pay for any such Special Mandatory Redemption. See "*Description of the 2025 Senior Secured Notes—Escrow of Proceeds; Special Mandatory Redemption,*" "*Description of the July 2026 Senior Secured Notes—Escrow of Proceeds; Special Mandatory Redemption,*" and "*Risk Factors—Risks Related to the Transactions—If the conditions to the escrow in the Escrow Agreement are not satisfied, the Notes will be redeemed and you may not get the return you expect on the Notes.*"
Optional Redemption	We may redeem all or part of the 2025 Senior Secured Notes at any time on or after July 15, 2021 at the redemption prices described in this listing prospectus. At any time prior to July 15, 2021 we may redeem all or part of the 2025 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 July 15, 2021 during each 12-month period commencing on the Issue Date, we may redeem up to 10% of the aggregate principal amount of the 2025 Senior Secured Notes at a redemption price of 103% of the principal amount of the 2025 Senior Secured Notes redeemed. In addition, at any time prior to July 15, 2021 we may also redeem up to 45% of the 2025 Senior Secured Notes with the net proceeds from certain equity offerings. We may redeem all or part of the July 2026 Senior Secured Notes at any time on or after July 15, 2022 at the redemption prices described in this listing prospectus. At any time prior to July 15, 2022 we may redeem all or part of the July 2026 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 July 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 July 2026 Senior Secured Notes at a redemption price of 103% of the principal amount of the July 2026 Senior Secured Notes redeemed. In addition, at any time prior to July 15, 2022 we may also redeem up to 45% of the July 2026 Senior Secured Notes with the net proceeds from certain equity offerings. The price of any optional redemption of the Senior Secured Notes will also include accrued and unpaid interest, if any, to, but excluding, the date of such redemption.
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 indentures 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 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 will be 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 Indentures 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 and the Escrow Agreement are governed by, and construed in accordance with, the laws of England and Wales.
2025 Senior Secured Notes Trustee	Wilmington Trust, National Association
July 2026 Senior Secured Notes Trustee	Wilmington Trust, National Association
Security Agent	Wilmington Trust (London) Limited
Paying Agent	Deutsche Bank AG, London Branch
Escrow 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 2025 Senior Secured Notes" and "Description of the July 2026 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 July 15, 2027. The redemption price for the Senior Subordinated Notes at maturity will be 100%.
Interest	5.75% 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 Collateral and the Revolving Credit Facility Collateral).
Security	The Senior Subordinated Notes will be secured on the Issue Date by the Senior Subordinated Notes Escrow Account Charge. On and after the Completion Date, the Senior Subordinated Notes will be unsecured.
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*."
Escrow of Proceeds; Special Mandatory Redemption	Following the deposit of the gross proceeds from the Offering in the Senior Subordinated Notes Escrow Account by the Initial Purchasers. The Senior Subordinated Notes Escrow Account will be controlled by the Escrow Agent and pledged on a first-ranking basis on behalf of the Senior Subordinated Notes Trustee for the benefit of itself and the holders of the Senior Subordinated Notes. Upon delivery to the Senior Subordinated Notes Trustee and the Escrow Agent of an officer's certificate stating that the conditions to the release of the proceeds from escrow are satisfied, the escrowed funds will be released to the Issuer and utilized as described in "*The Transactions,*" "*Use of Proceeds*" and "*Description of the Senior Subordinated Notes—Escrow of Proceeds; Special Mandatory Redemption.*" In the event that (i) the Completion Date does not take place on or prior to the Escrow Longstop Date, (ii) in the reasonable judgment of the Issuer, the Acquisition will not be consummated by the Escrow Longstop Date, (iii) the Combination Agreement terminates at any time prior to the Escrow Longstop Date, (iv) an insolvency-related default or event of default under the Senior Subordinated Notes Indenture occurs on or prior to the Escrow Longstop Date, the Senior Subordinated Notes will be subject to a Special Mandatory Redemption. The Special Mandatory Redemption price will be a price equal to 100% of the aggregate issue price of the Senior Subordinated Notes plus the accrued and unpaid interest and additional amounts, if any, to but excluding, the date of such Special Mandatory Redemption. The escrowed funds would be applied to pay for any such Special Mandatory Redemption. See "*Description of the Senior Subordinated Notes—Escrow of Proceeds; Special Mandatory Redemption"* and "*Risk Factors—Risks Related to the Transactions—If the conditions to the escrow in the Escrow Agreement are not satisfied, the Notes will be redeemed and you may not get the return you expect on the Notes.*"
Optional Redemption	We may redeem all or part of the Senior Subordinated Notes at any time on or after July 15, 2022 at the redemption prices described in this listing prospectus. At any time prior to July 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 July 15, 2022 we may also redeem up to 45% of the Senior Subordinated Notes with the net proceeds from certain equity offerings. The price of any optional redemption of the Senior Subordinated Notes will also include accrued and unpaid interest, if any, to, but excluding, the date of such redemption.
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 will be 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.
Senior Subordinated Notes Trustee	Wilmington Trust, National Association
Escrow Agent	Deutsche Bank AG, London Branch
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 AND OTHER INFORMATION

Summary Loxam Financial and other Information

The following tables present our summary consolidated financial information as of and for the years ended December 31, 2016, 2017 and 2018 and as of March 31, 2019 and for the quarters ended March 31, 2018 and 2019. The summary consolidated financial information as of and for each of the years ended December 31, 2016, 2017 and 2018 was 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 independent auditors, KPMG Audit (a division of KPMG SA) and Constantin Associés (a member of Deloitte Touche Tohmatsu Limited). These consolidated financial statements were prepared in accordance with IFRS as adopted by the European Union. The summary consolidated financial information as of March 31, 2019 and for the quarter ended March 31, 2019, with comparable information for the quarter ended March 31, 2018, was derived from our unaudited condensed consolidated interim financial statements as of and for the quarter ended March 31, 2019 which were prepared in accordance with IAS 34 – standard of the IFRS as adopted by the European Union applicable to interim financial reporting. The unaudited condensed consolidated interim financial statements as of and for the quarter ended March 31, 2019 were reviewed by our statutory auditors. An English language translation of our unaudited condensed consolidated interim financial statements as of and for the quarter ended March 31, 2019 is included elsewhere in this listing prospectus, together with a free English language translation of the review report ("*examen limité*") thereon from our Auditors. This review report indicates that the corresponding figures relating to the period from January 1, 2018 to March 31, 2018 are not audited nor reviewed. This report also draws attention to the matter set out in Notes 3.3 and 24 to the consolidated condensed quarterly financial statements regarding the impacts of the application of IFRS 16.

We began applying IFRS 16 on January 1, 2019 using the modified retrospective method. Our results for the quarter ended March 31, 2019 presented in this listing prospectus include the impact of IFRS 16, and we provide a breakdown of this impact in certain financial tables. As a consequence of the first application of IFRS 16 as of January 1, 2019, financial information for the quarter ended March 31, 2019 is not comparable to the historical information for Loxam, including the financial information for the quarter ended March 31, 2018 as far as the financial information impacted by the application of IFRS 16 is concerned. See "*Management's Discussion and Analysis of Financial Condition and Results of Operation of Loxam—Results of Operations—Quarter ended March 31, 2019 compared to quarter ended March 31, 2018*" and the notes to our financial statements included elsewhere in this listing prospectus for further information.

The summary consolidated financial and other 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 Management's Discussion and Analysis of Financial Condition and Results of Operations of Loxam*."

Summary Loxam Consolidated Income Statement Information

	Year ended December 31,			Quarter ended March 31,	
	2016	**2017**	**2018**	**2018**	**2019**
		***Pre-IFRS 16*[(a)]**		***Pre-IFRS 16*[(a)]**	***Post-IFRS 16*[(a)]**
			in millions of euros		
Revenue	926.8	1,367.7	1,482.6	343.9	367.3
Other income[(b)]	56.3	62.6	56.7	10.4	9.3
Operating income	**983.0**	**1,430.3**	**1,539.3**	**354.3**	**376.5**
Purchases consumed	(105.5)	(144.4)	(162.8)	(38.3)	(40.1)
Personnel expenses	(244.4)	(360.1)	(381.3)	(97.1)	(100.4)
Other current expenses	(311.7)	(443.3)	(475.3)	(114.4)	(103.0)
Taxes and duties	(16.6)	(18.5)	(19.3)	(6.1)	(6.9)
Depreciation and amortization	(143.7)	(238.4)	(287.8)	(64.3)	(90.9)
Profit from ordinary operations	**161.1**	**225.6**	**212.9**	**34.2**	**35.3**
Other operating income and expense	(19.9)	(4.5)	0.2	0.0	0.3
Operating profit	**141.2**	**221.2**	**213.2**	**34.2**	**35.6**
Interest and financing-related expenses	(63.1)	(93.3)	(97.2)	(24.5)	(25.9)
Other financial expenses	(31.8)	(26.9)	(7.7)	(1.7)	(0.7)
Financial income	6.8	3.5	2.8	0.9	1.7
Financial income (expense)	**(88.1)**	**(116.7)**	**(102.1)**	**(25.2)**	**(25.0)**
Profit before tax	**53.0**	**104.4**	**111.0**	**9.0**	**10.6**
Share of profit of associates	(1.0)	(1.3)	-	-	-
Income tax expense	(17.6)	(18.9)	(20.6)	(1.5)	(1.4)
Net profit	**34.4**	**84.3**	**90.4**	**7.5**	**9.2**
Non-controlling interests	0.1	(0.4)	(5.2)	(0.7)	(0.0)
Net profit, Group share	**34.3**	**84.6**	**95.7**	**8.2**	**9.3**

(a) The Group is applying IFRS 16 from January 1, 2019, using the modified retrospective approach. Under this approach, comparative information is not restated.

(b) 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 and €7.7 million, €6.7 million and €42.5 million for the quarter ended March 2018 and March 2019 and for the 12 months ended March 31, 2019, 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 , and €1.4 million and €1.2 million for the quarter ended March 31, 2018 and March 31, 2019.

Summary Loxam Consolidated Statement of Financial Position Information

	As of December 31,			As of March 31,
	2016	**2017**	**2018**	**2019**
		***Pre-IFRS 16*[(a)]**		***Post-IFRS 16*[(a)]**
		in millions of euros		
Intangible assets and goodwill	969.0	1,333.9	1,327.3	1,365.4
Property, plant and equipment	630.0	1,232.6	1,354.7	1,710.9
Financial assets	9.9	15.6	14.4	14.4
Financial derivatives	0.8	1.2	-	-
Investments in associates	9.7	-	-	-
Deferred tax assets	7.8	21.6	18.4	18.2
Non-current assets	**1,627.2**	**2,604.9**	**2,714.8**	**3,109.0**
Inventories	18.7	29.3	30.8	34.2
Trade and other receivables	224.6	370.8	388.5	405.6
Other current assets	26.1	64.7	56.2	57.7
Corporate income tax receivables	6.6	19.4	12.3	10.6
Cash and cash equivalents	155.9	117.5	143.8	93.0
Current assets	**431.9**	**601.8**	**631.5**	**601.0**
Total assets	**2,059.1**	**3,206.7**	**3,346.3**	**3,710.1**
Share capital	232.4	229.8	229.8	229.8
Additional paid-in capital	1.9	1.9	1.9	1.9
Consolidated reserves	211.3	212.0	292.5	406.5
Net profit for the year	34.3	84.6	95.7	9.3
Shareholders' equity (Group share)	**479.9**	**528.3**	**619.8**	**647.5**
Non-controlling interests	0.9	15.4	10.6	10.8
Total equity	**480.8**	**543.7**	**630.5**	**658.3**
Employee benefits	18.7	16.6	11.1	11.2
Deferred tax liabilities	25.4	62.1	70.4	70.8
Borrowings and financial debt	1,189.2	2,037.5	2,063.0	2,261.4
Financial derivatives	4.9	2.9	2.3	6.1
Non-current liabilities	**1,238.2**	**2,119.0**	**2,146.9**	**2,349.6**
Provisions	4.9	11.2	11.1	9.5
Borrowings and financial debt	107.4	201.2	216.5	264.3
Trade and other payables	123.1	188.2	202.2	289.1
Other liabilities	103.9	135.4	135.5	135.0
Corporate income tax liabilities	0.7	8.0	3.7	4.3
Current liabilities	**340.1**	**544.0**	**569.0**	**702.2**
Total shareholders' equity and liabilities	**2,059.1**	**3,206.7**	**3,346.3**	**3,710.1**

(a) The Group is applying IFRS 16 from January 1, 2019, using the modified retrospective approach. Under this approach, comparative information is not restated.

Summary Loxam Consolidated Cash Flow Statement Information

	Year ended December 31,			Quarter ended March 31,	
	2016	**2017**	**2018**	**2018**	**2019**
		Pre-IFRS 16		***Pre-IFRS 16***	***Post-IFRS 16***
			in millions of euros		
Cash flow from operating activities	165.6	260.8	361.9	56.4	167.8
Cash flow from investing activities	(178.3)	(1,183.8)	(366.9)	(83.7)	(226.5)
Cash flow from financing activities	7.0	883.4	28.5	(20.4)	9.0
Change in cash and cash equivalents	**(5.7)**	**(39.5)**	**23.5**	**(47.7)**	**(49.7)**
Cash and cash equivalents[a] at end of period	155.7	116.6	141.4	70.7	92.4

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

Summary Loxam Other Financial and Operating Data

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

	As of or for the year ended December 31,			As of or for the quarter ended March 31,			As of or for the twelve months ended
	2016	**2017**	**2018**	**2018**	**2019**	**2019**	**2019[9]**
		Pre-IFRS 16		***Pre-IFRS 16***	***Excluding IFRS 16 impact***	***Post-IFRS 16***	***Excluding IFRS 16 impact***
			in millions of euros, except percentages and operational data				
EBITDA[1]	**304.8**	**464.0**	**500.7**	**98.5**	**109.3**	**126.2**	**511.5**
EBITDA Margin[1]	**32.9%**	**33.9%**	**33.8%**	**28.6%**	**29.8%**	**34.4%**	**34.0%**
Gross capital expenditures							
Purchases of rental equipment	197.6	399.6	373.4	87.8	172.3	172.3	**457.9**
Purchases of non-rental equipment [2]	33.2	33.3	39.1	9.1	6.7	6.7	**36.7**
Total	**230.9**	**432.8**	**412.5**	**96.9**	**179.0**	**179.0**	**494.6**
Proceeds from disposal of fixed assets							
Proceeds from disposals of rental equipment	50.0	62.7	56.2	12.2	12.2	12.2	**56.2**
Proceeds from disposals of non-rental equipment	4.6	3.9	6.5	0.9	0.5	0.5	**6.1**
Total	**54.6**	**66.6**	**62.8**	**13.2**	**12.7**	**12.7**	**62.3**
Net capital expenditures[3]	176.3	366.2	349.7	83.7	166.3	166.3	**432.3**
Change in working capital requirements	6.8	(40.7)	8.7	(10.0)	71.3	71.3	**90.0**
Interest and financing-related expenses	(63.1)	(93.3)	(97.2)	(24.5)	(24.0)	(25.9)	**(96.7)**
Free cash flow[4]	(5.4)	(121.1)	10.8	(30.2)	(16.4)	(1.3)	**24.6**
Loans and financial debt (gross debt)[5]	**1,296.6**	**2,238.7**	**2,279.5**	**2,221.8**	**2,310.7**	**2,525.7**	**2,310.7**
Net debt[6]	**1,140.8**	**2,121.2**	**2,135.7**	**2,150.8**	**2,217.7**	**2,432.7**	**2,217.7**

	As of or for the year ended December 31,			As of or for March 31,	
	2016	**2017**	**2018**	**2018**	**2019**
Employees	5,007	7,879	7,914	7,890	8,080
Number of branches	648	760	763	758	766
Branch openings	11	11	8	1	2
Branch closures or mergers	36	49	12	4	11
Acquisitions (number of branches)	1	150	7	1	12
Replacement value of the fleet[7] (in millions of euros)	2,117	3,443	3,631	3,546	3,706
Organic growth[8] (%)	4.8	8.4	3.3	2.9	4.0
Revenue from Generalist France division (%)	61.9	45.5	44.4	43.9	44.1

	As of or for the year ended December 31,			As of or for March 31,	
	2016	2017	2018	2018	2019
Revenue from Specialist France division (%).....	17.7	15.6	15.2	15.4	14.9
Revenue from International division (%).....	20.5	38.9	40.4	40.7	40.0

(1) EBITDA is defined by Loxam 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 of Loxam—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 by Loxam 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 of Loxam—Free cash flow*."

(5) Gross debt is defined by Loxam 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 by Loxam 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 of Loxam—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) Figures for the Last twelve-month period are calculated by adding the relevant figures for the quarter ended March 31, 2019 and for the year ended December 31, 2018, to which are subtracted the figures for the quarter ended March 31, 2018.

Summary Ramirent Financial Information

The summary consolidated financial information for Ramirent as of and for each of the years ended December 31, 2017 and 2018 included herein was derived from Ramirent's audited consolidated financial statements, which were audited by Ramirent's auditors. Ramirent's audited consolidated financial statements as of and for the years ended December 31, 2017 and 2018 are included elsewhere in this listing prospectus, from Ramirent's independent auditors, PricewaterhouseCoopers Oy, Authorised Public Accountants. These consolidated financial statements for Ramirent were prepared in accordance with IFRS as adopted in the European Union.

The summary unaudited consolidated financial information for Ramirent as of and for the quarter ended March 31, 2019, with comparative financial information as of and for the quarter ended March 31, 2018, in each case included herein, was derived from Ramirent's public interim report for the quarter ended March 31, 2019 prepared in accordance with IAS 34 Interim Financial Reporting, as published by Ramirent on April 30, 2019. Ramirent's statutory auditors have not audited, reviewed, compiled or performed any other procedures with respect to such quarterly consolidated financial information for the purpose of its inclusion herein and accordingly, they have not expressed an opinion or provided any form of assurance with respect thereto for the purpose of this listing prospectus.

Ramirent adopted IFRS 16 (*Leases*) on January 1, 2019. Ramirent's results for the quarter ended March 31, 2019 presented in this listing prospectus include the impact of the adoption of IFRS 16. As a consequence of the adoption of IFRS 16 as of January 1, 2019, financial information for Ramirent for the quarter ended March 31, 2019 is not comparable to the historical information for Ramirent, including the financial information for the quarter ended March 31, 2018. *See "The Ramirent Group–Quarter ended March 31, 2019 compared to quarter ended March 31, 2018."*

The consolidated financial information for Ramirent included herein may not take into account circumstances or events occurring after December 31, 2018 and is based on a number of assumptions that are subject to inherent uncertainties and are subject to change. See *"Ramirent—Consolidated Financial Statements as of and for the Year Ended December 31, 2018—Notes to the Consolidated Financial Statements—Critical accounting estimates and judgements", "Forward-looking statements"* and *"Risk factors"* for a more complete discussion of factors that could affect future performance and results of operations of Loxam and Ramirent.

The summary consolidated financial information included below is not necessarily indicative of Ramirent's future results of operations and should be read in conjunction with, and is qualified in its entirety by reference to, Ramirent's 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 "*The Ramirent Group.*"

For more information related to the financial information and on the comparability of the consolidated financial information for Ramirent as of and for each of the years ended December 31, 2017 and 2018 and as of and for the quarter ended March 31, 2019 and as of and for the quarter ended March 31, 2018, see *"Index to the financial statements–Ramirent—Consolidated Financial Statements as of and for the Year Ended December 31, 2018—Notes to the Consolidated Financial Statements—New and amended IFRS standards implemented in 2018", and "Ramirent—Consolidated Financial Statements as of and for the Year Ended December 31, 2018—Notes to the Consolidated Financial Statements—Segment information" and "Presentation of financial and other information – Ramirent Financial information."*

Summary Ramirent Consolidated Income Statement Information

	Year ended December 31,		Quarter ended March 31,	
	2017[a][b]	**2018[c]**	**2018[b][c]**	**2019[d]**
	Pre-IFRS 16		***Pre-IFRS 16***	***Post-IFRS 16***
	in millions of euros			
Continuing Operations				
Rental income	432.4	451.7	102.5	99.2
Service income	193.6	203.3	59.4[e]	57.8[e]
Sale of used rental machinery and equipment	29.0	22.1	5.6	5.9
Sale of goods	30.4	34.6	—	—
Net sales	**685.5**	**711.7**	**167.5**	**163.0**
Cost of sales	(516.2)	(523.5)	(124.9)	(125.4)
Gross profit	**169.3**	**188.2**	**42.6**	**37.6**
Other operating income	2.1	0.8	0.2	0.9
Selling, general and administrative expenses	(81.7)	(90.2)	(21.5)	(21.8)
Losses on disposal of businesses	—	(32.3)	—	—
Share of result of associates and joint ventures	1.0	0.4	(0.1)	0.4
Operating result (EBIT)	**90.7**	**66.9**	**21.2**	**17.1**
Financial income	0.7	0.6	0.2	0.1
Financial expenses	(13.0)	(11.1)	(2.7)	(2.3)
Total financial income and expenses	(12.3)	(10.5)	(2.5)	(2.2)
Earnings before taxes (EBT)	**78.4**	**56.4**	**18.7**	**14.9**
Income taxes	(13.6)	(11.5)	(4.0)	(3.0)
Result from continuing operations	**64.8**	**44.9**	**14.7**	**11.9**
Discontinued operations				
Result from discontinued operations	(1.3)	3.0	0.5	1.5
Result for the financial year	**63.5**	**47.8**	**15.2**	**13.4**

(a) Unaudited and restated due to changed presentation of the income statement format. For more information, see "Presentation of financial and other information – Ramirent Financial information"

(b) Unaudited and restated due to divestment of Danish equipment rental business. Following the divestment, the financial information for the Danish operations are reported as discontinued operations and are not included in the financial information for Ramirent's continuing operations for the year 2018 and 2017. For more information, see "Presentation of financial and other information – Ramirent Financial information"

(c) Ramirent adopted IFRS 15 on January 1, 2018 using the full retrospective approach. Ramirent adopted IFRS 9 and amendments on IFRS 2 on January 1, 2018 without restating the comparative financial information.

(d) Ramirent adopted IFRS 16 on January 1, 2019, using the modified retrospective approach. Under this approach, comparative financial information is not restated.

(e) Includes sale of goods

Summary Ramirent Consolidated Statement of Comprehensive Income Information

	Year ended December 31,		Quarter ended March 31,	
	2017 Pre-IFRS 16	2018 Pre-IFRS 16	2018 Pre-IFRS 16	2019 Post-IFRS 16
	in millions of euros			
Result for the financial year	**63.5**	**47.8**	**15.2**	**13.4**
Items that will not be reclassified to profit or loss:				
Remeasurement of defined benefit obligation, net of tax	(1.3)	(1.2)	—	—
Items that may be reclassified to profit or loss in subsequent periods:				
Translation differences	(8.6)	(9.3)	(7.2)	(0.7)
Cash flow hedges, net of tax	0.2	(0.7)	(0.0)	(0.6)
Portion of cash flow hedges transferred to profit or loss, net of tax	—	0.1	—	0.0
Share of other comprehensive income of associates and joint ventures	(1.3)	(1.8)	(0.3)	1.0
Total	**(9.7)**	**(11.7)**	**(7.5)**	**(0.3)**
Other comprehensive income for the financial year	**(11.0)**	**(12.9)**	**(7.5)**	**(0.3)**
Total comprehensive income for the financial year	**52.4**	**34.9**	**7.7**	**13.1**

Summary Ramirent Statement of Financial Position Information

	As of December 31,		As of March 31,	
	2017 Pre-IFRS 16	**2018[c] Pre-IFRS 16**	**2018[c] Pre-IFRS 16**	**2019[b] Post-IFRS 16**
	in millions of euros			
Assets				
Non—current assets				
Property, plant and equipment	524.8	515.5	546.7	537.4
Right—of—use assets	—	—	—	94.8
Goodwill	134.7	126.5	132.3	126.4
Other intangible assets	23.8	13.3	21.8	11.8
Investments in associates and joint ventures	7.8	6.4	7.4	7.8
Non—current financial assets	10.3[a]	8.7	10.1	8.1
Available—for—sale financial assets	0.1	—	—	—
Other non—current assets	0.6[a]	0.4	0.7	0.4
Deferred tax assets	1.2	1.0	1.0	1.0
Total non—current assets	**703.1**	**671.8**	**720.0**	**787.7**
Current assets				
Inventories	12.7	14.7	13.2	17.7
Trade and other receivables	130.6	126.5	133.3	128.3
Current tax assets	2.6	1.3	2.6	2.0
Cash and cash equivalents	6.9	10.3	7.3	9.7
Total current assets	**152.8**	**152.8**	**156.5**	**157.7**
Assets held for sale	—	37.9[d]	—	—
Total current assets	**855.9**	**862.6**	**876.5**	**945.5**
Equity and liabilities				
Equity				
Share capital	25.0	25.0	25.0	25.0
Revaluation fund	(0.2)	(0.9)	(0.3)	(1.5)
Invested unrestricted equity fund	116.4	116.6	116.6	119.1
Retained earnings from previous years	104.9	104.3	114.4	100.6
Result for the period	63.5	47.8	15.2	13.4
Equity attributable to the parent company shareholders	309.5	292.8	270.8	256.5
Total Equity	**309.5**	**292.8**	**270.8**	**256.5**
Non—current liabilities				
Deferred tax liabilities	48.0	41.1	46.9	40.6
Pension obligations	22.4	24.2	21.7	24.2
Non—current provisions	2.6	2.6	2.5	4.8
Non—current interest—bearing liabilities	174.6	74.8	174.6	124.8
Non—current lease liabilities	—	—	—	68.3
Other non—current liabilities	5.0	6.6	5.8	6.7
Total non—current liabilities	**252.4**	**149.4**	**251.5**	**269.5**
Current liabilities				
Trade payables and other liabilities	116.6	116.1	165.3	172.2
Current provisions	2.6	3.2	1.1	0.2
Current tax liabilities	4.5	9.0	3.4	6.9
Current interest—bearing liabilities	170.3	286.1	184.4	213.7
Current lease liabilities	—	—	—	26.5
Total current liabilities	**294.0**	**414.4**	**354.2**	**419.5**
Liabilities associated with assets held for sale	—	6.0	—	—
Total liabilities	**546.4**	**569.8**	**605.7**	**688.9**
Total equity and liabilities	**855.9**	**862.6**	**876.5**	**945.5**

(a) The non-current financial assets and other non-current assets have been reclassified in 2018 and are therefore unaudited.

(b) Ramirent adopted IFRS 16 on January 1, 2019, using the modified retrospective approach. Under this approach, comparative information is not restated.

(c) Ramirent adopted IFRS 15 on January 1, 2018 using the full retrospective approach. Ramirent adopted IFRS 9 and amendments on IFRS 2 on January 1, 2018 without restating the comparative financial information.

(d) Assets held for sale relate to the sold Danish operations.

Summary Ramirent Consolidated Statement of Cash Flow Information

	Year ended December 31,		Quarter ended March 31,	
	2017[(a)]	**2018[(a)]**	**2018[(a)]**	**2019[(a)(b)]**
	in millions of euros			
Net cash flow from operating activities, total	199.8	188.5	33.1	35.9
Net cash flow from investing activities, total.....	(148.2)	(147.8)	(46.8)	(3.9)
Net cash flow from financing activities, total	(46.3)	(37.3)	14.1	(32.6)
Net change in cash and cash equivalents during the financial year.....	**5.3**	**3.4**	**0.4**	**(0.6)**
Cash and cash equivalents at the end of the period.....	6.9	10.3	7.3	9.7

(a) Includes the impact of the disposed Danish operations until March, 2019 and Temporary Space Business until November, 2018.

(b) Ramirent adopted IFRS 16 on January 1, 2019, using the modified retrospective approach. Under this approach, comparative information is not restated.

Summary Ramirent Other Financial and Operating Information

	As of or for the year ended December 31,		As of or for the quarter ended March 31,			As of or for the twelve months ended March 31,
	2017	**2018**	**2018**	**2019**	**2019**	**2019**
	Pre-IFRS 16		***Pre-IFRS 16***	***Excluding IFRS 16 impact[(***)]***	***Post-IFRS 16***	***Excluding IFRS 16 impact[(***)]***
	in millions of euros, except percentages and operational data					
Net sales.....	**685.5**	711.7[(*)]	167.5	163.0	163.0	707.2
EBITDA.....	**200.7**	**202.9**	**46.8**	**42.1**	**49.1**	**198.1**
EBITDA margin	29.3%	28.5%	28.0%	25.8%	30.1%	28.0%
Gross capital expenditure[(**)].....	166.4	199.5	53.3	43.3	43.3	189.5
Cash flow after investments[(**)].....	**51.6**	40.7	(13.7)	32.0	32.0	86.4
Net debt.....	**337.9**	**350.6**	**351.7**	**328.9**	**423.6**	**328.9**
Net debt to EBITDA ratio	**1.7**	**1.7**	**1.7**	**1.7**	**2.1**	**1.7**
Net debt excluding lease liabilities .	**337.9**	**350.6**	**351.7**	**328.9**	**328.9**	**328.9**

(*) Derived from audited financial statements

(**) Includes the impact of the discontinued Danish operations

(***) For more information on items excluding IFRS 16 impact, see "Presentation of financial and other information – Ramirent Financial information"

Definitions of non-IFRS measures

- Net sales at comparable exchange rates is defined by Ramirent as net sales for the financial period converted to euros by using the currency exchange rates prevailing for the comparative financial period.
- EBITDA is defined by Ramirent as operating result before depreciation, amortization and impairment charges. Ramirent presents EBITDA as additional information because Ramirent believes it is helpful to investors in highlighting trends in their business. However, other companies may present EBITDA differently than Ramirent does. 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 Ramirent's operating performance or any other measures of performance derived in accordance with IFRS.
- EBITDA margin is defined by Ramirent as EBITDA divided by net sales.
- Net debt is defined by Ramirent as interest-bearing debt less cash and cash equivalents.
- Net debt excluding lease liabilities is defined by Ramirent as interest-bearing debt less cash and cash equivalents less lease liabilities.
- Net debt to EBITDA ratio is defined by Ramirent as net debt divided by EBITDA (rolling 12 months).
- Net debt to EBITDA ratio without the impact of IFRS 16 is defined by Ramirent as net debt less lease liabilities divided by EBITDA less lease expenses for the right-of-use assets.
- Gross capital expenditure is defined by Ramirent as purchases of tangible and intangible non-current assets and investments in associates and joint ventures.
- Figures for the last twelve-month period are unaudited and calculated by adding the relevant figures for the quarter ended March 31, 2019 and for the year ended December 31, 2018, to which are subtracted the figures for the quarter ended March 31, 2018.

Reconciliation of non-IFRS measures

	Year ended December 31,		Quarter ended March 31,	
	2017	**2018**	**2018**	**2019**
	in millions of euros			
Operating result (EBIT)	**90.7**	**66.9**(*)	**21.2**	**17.1**
Depreciation, amortization and impairment charges	109.9	136.0(*)	25.6	32.0
Earnings before interests, taxes, depreciation and amortization (EBITDA)	**200.7**	**202.9**	**46.8**	**49.1**

	Year ended December 31,		Quarter ended March 31,	
	2017	**2018**	**2018**	**2019**
	in millions of euros			
Interest–bearing liabilities	344.8(*)	360.9(*)	359	433.3
Cash and cash equivalents	6.9(*)	10.3(*)	7.3	9.7
Net debt	**337.9**	**350.6**	**351.7**	**423.6**

(*) Derived from audited financial statements

Summary Unaudited Pro Forma Consolidated Condensed Financial Information

The following tables set forth summary Unaudited Pro Forma Consolidated Condensed Financial Information as of and for the year ended December 31, 2018 and summary Supplemental Unaudited Pro Forma Consolidated Condensed Financial Information as of March 31, 2019 and for the quarters ended March 31, 2019 and 2018. The summary Unaudited Pro Forma Consolidated Condensed Financial Information for the year ended December 31, 2018 was derived from our Unaudited Pro Forma Consolidated Condensed Financial Information as of and for the year ended December 31, 2018 included elsewhere in this listing prospectus. This Unaudited Pro Forma Consolidated Condensed Financial Information was prepared as if the Acquisition and the financing had occurred on January 1, 2018 (for income statement purposes), or December 31, 2018 (for statements of financial position purposes).

The summary Supplemental Unaudited Pro Forma Consolidated Condensed Financial Information as of and for the quarter ended March 31, 2019 was derived from our Supplemental Unaudited Pro Forma Consolidated Condensed Financial Information as of and for the quarter ended March 31, 2019 included elsewhere in this listing prospectus and excluding IFRS 16 impact. This Supplemental Unaudited Pro Forma Consolidated Condensed Financial Information was prepared as if the Acquisition and the Financing had occurred on January 1, 2019 (for income statement purposes), or March 31, 2019 (for statement of financial position purposes).

The summary Unaudited Pro Forma Consolidated Condensed Financial Information as of and for the quarter ended March 31, 2018 was prepared as if the Acquisition and the Financing had occurred on January 1, 2018 (for income statement purposes). The underlying Loxam and Ramirent figures relating to the period from January 1, 2018 to March 31, 2018 are not audited nor reviewed.

The Unaudited Pro Forma Consolidated Condensed Financial Information as of and for the year ended December 31, 2018 and the quarters ended March 31, 2018 and 2019 has been prepared for illustrative purposes only and does not purport to represent what our actual results of operations or financial condition would have been if the Acquisition and the Financing had occurred on those dates, nor does it purport to be indicative of our future results of operations or financial position. The Unaudited Pro Forma Consolidated Condensed Financial Information and Supplemental Unaudited Pro Forma Consolidated Condensed Financial Information set forth in this listing prospectus are based on available information and certain assumptions and estimates that we believe are reasonable and may differ materially from the actual amounts that would have been achieved had the Acquisition and the Financing occurred on January 1, 2018, December 31, 2018, January 1, 2019 or March 31, 2019. *See "Unaudited Pro Forma Consolidated Condensed Financial Information For the Year Ended December 31, 2018" and "Supplemental Unaudited Pro Forma Consolidated Condensed Financial Information For the Quarter Ended March 31, 2019."* The Unaudited Pro Forma Consolidated Condensed Financial Information set forth in this section are exclusive of Loxam's acquisition of UK Platforms and No.Ve S.r.l., Ramirent's acquisition of Stavdal and SRV Kalusto and Ramirent's divestments of Temporary Space Business and G.S.V. Materieludlejning A/S. To see a breakdown of the impact of certain of those acquisitions and divestments on the Unaudited Pro Forma Consolidated Condensed Financial Information, see *"—Supplemental Summary Unaudited Pro Forma Consolidated Condensed Financial and Operating Data*".

Summary Unaudited Pro Forma Consolidated Condensed Income Statement Information

	Year ended December 31, 2018	Quarter ended March 31, 2018	Quarter ended March 31, 2019
	Pro Forma	*Pro Forma*	*Pro Forma*
	Pre-IFRS 16	**Pre-IFRS 16**	**Excluding IFRS 16 impact**
		in millions of euros	
Revenue	2,172.1	505.9	524.4
Other income	74.3	16.1	16.1
Operating income	**2,246.4**	**522.0**	**540.4**
Purchases consumed	(189.4)	(38.3)	(40.1)
Personnel expenses	(554.8)	(140.3)	(142.1)
Other current expenses	(779.8)	(192.0)	(200.2)
Taxes and duties	(19.3)	(6.1)	(6.9)
Depreciation and amortization	(423.8)	(89.9)	(100.3)
Share of result of associates and joint ventures	-	-	(0.1)
Profit from ordinary operations	**279.4**	**55.5**	**50.9**
Other operating income	5.5	-	0.7
Other operating expenses	(15.8)	(10.5)	(11.0)
Operating profit	**269.1**	**45.0**	**40.6**
Interest and financing-related expenses	(153.0)	(39.7)	(38.5)
Other financial expenses	(13.1)	(1.7)	(0.7)
Financial income	3.4	1.1	1.7
Financial income (expense)	**(162.7)**	**(40.2)**	**(37.5)**
Profit before tax	**106.4**	**4.8**	**3.1**
Share of profit of associates	0.4	(0.1)	0.4
Income tax expense	(13.6)	1.7	1.8
Net profit from continuing operations	**93.3**	**6.4**	**5.4**
Net profit from discontinuing operations	3.0	0.5	1.5
Net profit	**96.3**	**6.8**	**6.9**
Non-controlling interests	(5.2)	(0.7)	0.0
Net profit, Group share	**101.5**	**7.5**	**6.9**
Non IFRS Measure:			
Pro Forma EBITDA[(1)]	**703.1**	**145.4**	**151.2**

(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.

Summary Unaudited Pro Forma Consolidated Condensed Statements of Financial Position Information

	As of December 31, 2018	As of March 31, 2019
	Pro Forma	*Pro Forma*
	Pre-IFRS 16	**Excluding IFRS 16 impact**
	in millions of euros	
Intangible assets and goodwill	2,152.5	2,225.4
Property, plant and equipment	1,870.2	2,034.2
Financial assets	23.1	22.5
Financial derivatives	0.0	—
Investments in associates	6.4	7.8
Non Current assets	0.4	0.4
Deferred tax assets	19.4	19.3
Non-current assets	**4,072.1**	**4,309.5**
Inventories	45.5	51.9
Trade and other receivables	515.0	533.9
Other current assets	56.2	57.7
Corporate income tax receivables	16.9	15.7
Cash management assets	0.0	-
Cash and cash equivalents	184.1	155.0
Current assets	**817.7**	**814.2**
Assets held for sale	37.9	—
Total assets	**4,927.7**	**5,123.7**
Share capital	254.8	254.8
Additional paid-in capital	1.9	1.9
Consolidated reserves	356.0	384.1
Shareholders' equity (Group share)	**612.7**	**640.8**
Non-controlling interests	10.6	10.8
Total equity	**623.3**	**651.6**
Employee benefits	35.3	35.5
Non current provisions	2.6	4.8
Deferred tax liabilities	111.5	111.4
Borrowings and financial debt	3,442.7	3,486.0
Financial derivatives	2.3	6.1
Other non current liabilities	6.6	6.7
Non-current liabilities	**3,601.1**	**3,650.6**
Provisions	14.3	9.7
Borrowings and financial debt	216.5	204.3
Trade and other payables	318.3	461.3
Other liabilities	135.5	135.0
Corporate income tax liabilities	12.7	11.2
Current liabilities	**697.3**	**821.5**
Liabilities associated with assets held for sale	6.0	—
Total shareholders' equity and liabilities	**4,927.7**	**5,123.7**

Supplemental Summary Unaudited Pro Forma and Pro Forma Adjusted Consolidated Condensed 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, 2018	**As of or for the twelve months ended March 31, 2019[12]**
	Pre-IFRS 16	**Excluding the impact of IFRS 16**
	in millions of euros, except percentages and operational data	
Loxam Revenue	1,482.6	1,505.8
Loxam EBITDA[1]	500.7	511.5
Loxam EBITDA Margin	33.8%	34.0%
Ramirent Revenue	711.7	707.2
Ramirent EBITDA[2]	202.9	198.1
Ramirent EBITDA Margin	28.5%	28.0%
Pro Forma Adjusted Revenue[3]		**2,298.0**
Pro Forma Adjusted EBITDA[1][4]		**764.3**
Pro Forma Adjusted EBITDA Margin[1][5]		**33.3%**
Pro Forma Gross capital expenditures	**612.0**	**684.1**
Pro Forma Proceeds from disposal of fixed assets	**85.3**	**85.1**
Pro Forma Net capital expenditures[6]	**526.7**	**599.0**
Pro Forma Interest and financing-related expenses	**153.0**	**151.8**
Pro Forma Adjusted Gross Debt[7]		**3,753.4**
Pro Forma Adjusted Cash and Cash Equivalents[7]		**19.9**
Pro Forma Adjusted Net Debt[8]		**3,733.6**
Ratio of Pro Forma Adjusted Net Debt to Pro Forma Adjusted EBITDA[1][9]		**4.9**
Pro Forma Adjusted Net Priority Debt[10]		**2,825.4**
Ratio of Pro Forma Adjusted Net Priority Debt to Pro Forma Adjusted EBITDA [1][11]		**3.7**
Pro Forma Employees (average)	10,819	10,947
Pro Forma Number of branches	1,057	1,058
Pro Forma Gross book value of the fleet (in millions of euros)	4,140	4,351

(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.

(2) EBITDA is defined by Ramirent as operating result before depreciation, amortization and impairment charges. Ramirent presents EBITDA as additional information because Ramirent believes it is helpful to investors in highlighting trends in their business. However, other companies may present EBITDA differently than Ramirent does. 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 Ramirent's operating performance or any other measures of performance derived in accordance with IFRS.

(3) The following table presents a breakdown of adjustments applied to the Pro Forma Revenue in order to obtain the Pro Forma Adjusted Revenue:

	Adjustments	
	Year ended December 31, 2018	**Twelve months ended March 31, 2019**
	in millions of euros	
Pro Forma Revenue[(a)]	**2,172.1**	**2,190.6**
UK Platforms acquisition[(b)]	-	25.1
No.Ve S.r.l. and NVA acquisitions[(c)]	6.0	3.3
Stavdal Acquisition[(d)]	79.0	79.0
Pro Forma Adjusted Revenue[(a)]	**2,257.1**	**2,298.0**

(a) For more information on Pro Forma Revenue, see *"—Summary Unaudited Pro Forma Consolidated Condensed Financial Information."* Pro Forma Revenue includes a reclassification adjustment of €22.1 million for the year ended December 31, 2018 and €22.4 million for the twelve months ended March 31, 2019.

(b) As if the UK Platforms acquisition by Loxam occurred on January 1, 2019 for the December 31, 2018 adjustments, or April 1, 2018 for the last twelve-months adjustments. For more information on the UK Platforms acquisition, see *"Management's Discussion and Analysis of Financial Condition and Results of Operations—Factors affecting Comparability of Results—Recent Acquisitions."*

(c) As if the acquisitions of No.Ve S.r.l. and NVA by Loxam occurred on January 1, 2018. For more information on the No.Ve S.r.l. and NVA acquisitions, see *"Business—History and Development—International Development." and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Recent Acquisitions."*

(d) Stavdal Acquisition revenue adjustment is based on Stavdal revenue for the year ended December 31, 2018 under Swedish GAAP, as disclosed by Ramirent in a press release dated April 8, 2019. With respect to the twelve-month period ended March 31, 2019 shown herein, we also used Stavdal revenue for the year ended December 31, 2018 as disclosed by Ramirent. Actual revenue generated by Stavdal for the twelve-month period ended March 31, 2019 may significantly differ. More generally, the actual impact of the Stavdal Acquisition may significantly differ from information shown herein. For more information on Stavdal Acquisition, see *"The Ramirent Group—Results of Operations—Divestments and Acquisitions."*

(4) The following table presents a breakdown of adjustments applied to the Pro Forma EBITDA in order to obtain the Pro Forma Adjusted EBITDA:

	Adjustments	
	As of or for the year ended December 31, 2018	**As of or for the twelve months ended March 31, 2019**
	in millions of euros	
Pro Forma EBITDA[(a) (b)]	**703.1**	**708.9**
UK Platforms acquisition[(c)]	-	8.3
No.Ve S.r.l. and NVA acquisitions[(d)]	2.7	1.1
Stavdal acquisition[(e)]	28.0	28.0
Ramirent/Stavdal synergies[(f)]	6.0	6.0
Loxam/Ramirent synergies[(g)]	12.0	12.0
Pro Forma Adjusted EBITDA[(a)]	**751.8**	**764.3**

(a) 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.

(b) For more information on Pro Forma EBITDA, see *"—Summary Unaudited Pro Forma Consolidated Condensed Financial Information."* Pro Forma EBITDA includes a reclassification of €0.4 million for the year ended December 31, 2018 and €0.7 million for the twelve months ended March 31, 2019.

(c) As if the UK Platforms acquisition by Loxam occurred on January 1, 2019 for the December 31, 2018 adjustments, or April 1, 2018 for the last twelve-months adjustments. For more information on the UK Platforms acquisition, see *"Management's Discussion and Analysis of Financial Condition and Results of Operations—Factors affecting Comparability of Results—Recent Acquisitions."*

(d) As if the acquisitions of No.Ve S.r.l. and NVA by Loxam occurred on January 1, 2018. For more information on No.Ve S.r.l. and NVA acquisitions, see *"Business—History and Development—International Development." and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Recent Acquisitions."*

(e) Stavdal Acquisition EBITDA adjustment is based on Stavdal EBITDA for the year ended December 31, 2018 under Swedish GAAP, as disclosed by Ramirent in a press release dated April 8, 2019. With respect to the twelve-month period ended March 31, 2019 shown herein, we also used Stavdal EBITDA for the year ended December 31, 2018 as disclosed by Ramirent. Actual EBITDA generated by Stavdal for twelve-month period ended March 31, 2019 may significantly differ. More generally, the actual impact of the Stavdal Acquisition may significantly differ from information shown herein. For more information on Stavdal Acquisition, see *"The Ramirent Group—Results of Operations—Divestments and Acquisitions."*

(f) Ramirent announced that the estimated annual synergies to be extracted from the Stavdal acquisition would be approximately €6 million, fully effective by the end of 2020.

(g) Represents cost synergies expected from the Acquisition, including reduction of costs related to the delisting of Ramirent, central costs reduction, geographic reorganizations and other costs savings. For more information see *"The Acquisition—An Integration Plan with the Potential to Generate Synergies."*

(5) Pro Forma Adjusted EBITDA Margin is equal to Pro Forma Adjusted EBITDA divided by Pro Forma Adjusted Revenue for the relevant period. Excluding IFRS 16 adjustment for the quarter ended March 31, 2019.

(6) Pro Forma Net capital expenditures is capital expenditures net of proceeds from disposals of fixed assets.

(7) For a presentation and reconciliation of Pro Forma Adjusted Gross Debt and Pro Forma Adjusted Cash and Cash Equivalents, see "*Capitalization*."

(8) Pro Forma Adjusted Net Debt is calculated as Pro Forma Adjusted Gross Debt less Pro Forma Adjusted Cash and Cash equivalents, as presented in "*Capitalization*."

(9) Represents Pro Forma Adjusted Net Debt divided by Pro Forma Adjusted EBITDA.

(10) We define priority debt as secured debt of the Issuer plus any debt of our subsidiaries. Pro Forma Adjusted Net Priority Debt is secured Pro Forma Adjusted Net Debt of the Issuer and any Pro Forma Adjusted Net Debt of our subsidiaries.

(11) Represents Pro Forma Adjusted Net Priority Debt divided by Pro Forma Adjusted EBITDA.

(12) Except for percentages, figures for the Last-twelve month period are calculated by adding the relevant figures for the quarter ended March 31, 2019 and for the year ended December 31, 2018, to which are subtracted the figures for the quarter ended March 31, 2018. For more information on items excluding IFRS 16 impact, see *"Presentation of financial and other information – Ramirent Financial information."*

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 of Loxam—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.

Another area of uncertainty concerns the progressive decrease of the French statutory corporate income tax rate provided for by Article 219 of the French Tax Code from 33.3% to 25% (or from 34.43% to 25.83% if the 3.3% social contribution provided for by Article 235 ter ZC of the French Tax Code is added to the French statutory corporate income tax rate) over a period of four years starting in 2019. Even though such decrease was enacted by the French Finance Law for 2018, a new French tax bill, released by the French government on March 6, 2019 and currently under discussion before the French Parliament, proposes that the French statutory corporate income tax rate applicable to companies generating a French turnover exceeding €250 million would still be set at 33.$^{1/3}$% with respect to fiscal year 2019 instead of 31% (or 32.02% including the abovementioned additional 3.3% social contribution) to address budget constraints of the French State. For these reasons, the pace of the progressive decrease could even be further revisited by the French government and/or the French Parliament prior the end of the fiscal year 2019.

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 and was initially composed of seventeen jurisdictions, is currently composed of eleven jurisdictions (American Samoa, Belize, Fiji, Guam, the Marshall Islands, Oman, Samoa, Trinidad and Tobago, the United Arab Emirates, the United States Virgin Islands and Vanuatu). 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 Acquisition

The Acquisition is subject to significant uncertainties and risks.

The consummation of the Acquisition pursuant to the Combination Agreement is subject to certain conditions being satisfied or waived. Accordingly, we may not be permitted to undertake the Acquisition in a timely fashion, without remedies, or at all. Any such remedies may make the Acquisition less attractive.

Completion of the Acquisition concurrently with or promptly after the release of the proceeds of the Offering is one of the conditions required to release the proceeds of the Offering of the Notes from the Escrow Accounts. If the Acquisition cannot be consummated for any reason on or prior to the Escrow Longstop Date and, as a result, the proceeds from the sale of the Notes are not released, the Issuer will be required to redeem the Notes pursuant to the terms of the Special Mandatory Redemption provided under the Indentures, and you may not obtain the investment return you expect to receive on the Notes after the Special Mandatory Redemption Date. The Issuer may also undertake a Special Mandatory Redemption at any time if, in its reasonable judgment, the Acquisition will not be consummated by the Escrow Longstop Date. See "*—If the conditions in the Escrow Agreement are not satisfied, the Notes will be redeemed and you may not obtain the return you expected on the Notes,*" "*Description of the 2025 Senior Secured Notes—Escrow of proceeds; Special Mandatory Redemption,*" "*Description of the July 2026 Senior Secured Notes—Escrow of proceeds; Special Mandatory Redemption*" and "*Description of the Senior Subordinated Notes—Escrow of proceeds; Special Mandatory Redemption.*"

Amendments made to the Combination Agreement may have adverse consequences for holders of the Notes.

The Acquisition is expected to be consummated in accordance with the terms of the Combination Agreement. However, the Combination Agreement may be amended and the closing conditions may be waived at any time by the parties thereto, without the consent of the holders of the Notes. Any amendment made to the Combination Agreement, or waiver of the conditions to the closing of the Acquisition, may be adverse to the interests of the holders of the Notes, which, in turn, may have an adverse effect on the investment return you expect to receive on the Notes.

The Issuer does not currently control the Target and will not control the Target until completion of the Acquisition.

The Issuer will not obtain control of the Target until the completion of the Acquisition. We cannot assure you that the Target's management will operate the business during the interim period in the same way that the Issuer would and we cannot assure you that, following the Completion Date, the Issuer will operate the business in the same way that the Target's management have operated the business in the past. The information contained in this listing prospectus has been derived from industry studies conducted by third-party sources and, in the case of historical information relating to the Target, has been provided to the Issuer by the Target's management, and the Issuer has relied on such information supplied to it in its preparation of this listing prospectus.

Furthermore, the Transactions themselves have required, and will likely continue to require, substantial time and focus from management, which could adversely affect its ability to operate the business. Likewise, other employees may be uncomfortable with the Transactions or feel otherwise affected by it, which could have an impact on work quality and retention. The integration process could distract our management or disrupt our ongoing business, which could in turn adversely affect our ability to maintain relationships with customers, suppliers and employees or to achieve the anticipated benefits of the Acquisition, or could otherwise adversely affect our business and financial results.

In addition, prior to the Completion Date, the Target will not be subject to the covenants described in "*Description of the 2025 Senior Secured Notes,*" "*Description of the July 2026 Senior Secured Notes*" and "*Description of the Senior Subordinated Notes*" to be included in the Indentures. As such, we cannot assure you that, prior to such date, the Target will not take an action that would otherwise have been prohibited by the Indentures had such covenants been applicable.

If the conditions to the release of the proceeds of the offering of the Notes from escrow in the Escrow Agreement are not satisfied, the Notes will be redeemed and you may not get the return you expect on the Notes.

The gross proceeds from the Offering will be held in the Escrow Accounts in the name of the Issuer but controlled by the Escrow Agent and pledged in favor of the Trustees for the benefit of themselves and on behalf of the holders of the Notes pending the satisfaction of certain conditions, some of which are outside of our control. If the Acquisition is not consummated by the Escrow Longstop Date or upon the occurrence of certain other events, the Notes will be subject to the Special Mandatory Redemption provisions described in "*Description of the 2025 Senior Secured Notes—Escrow of proceeds; Special Mandatory Redemption,*" "*Description of the July 2026 Senior Secured Notes—Escrow of proceeds; Special Mandatory Redemption"* and "*Description of the Senior Subordinated Notes—Escrow of proceeds; Special Mandatory Redemption*" and you may not obtain the investment return you expect to receive on the Notes after the redemption date.

Certain of the Target's contracts contain change of control provisions, which may allow their counterparties to terminate the contract under circumstances such as the Acquisition.

Certain of the Target's contracts contain "change of control" provisions that require them to notify the counterparty of a potential change of control at the Ramirent Plc level or contain language that could be interpreted as allowing, subject to certain conditions, the counterparty to terminate the contract. We have performed a risk analysis of the change of control provisions in those contracts as well as the Target's relationships with the various counterparties. However, we may have failed to identify and may fail to send notices of the Acquisition to all of the Target's counterparties who they are contractually required to notify of the Acquisition, and we may fail to seek formal consent from every counterparty that might have a termination or other right under a change of control provision. Since the Acquisition was announced, the Target has not received any formal notice or inquiry from any counterparty regarding a termination or other right arising from a change of control. Nevertheless, there can be no assurance that counterparties will not seek to exercise termination or other relevant rights in the future. If a substantial number of these contracts were terminated or materially altered as a result of the Acquisition, we may be forced to enter into new contracts. We may be unable to renegotiate contracts or enter into new contracts on terms acceptable to us or comparable to the terms in place prior to the Acquisition. Any of these events could have a material adverse effect on our business, financial condition and results of operations.

Your decision to invest in the Notes is made at the time of purchase. Changes in our business or financial condition, or the terms of the Acquisition or the financing thereof, between the Issue Date and the Completion Date, may have an impact on the creditworthiness of the Issuer and/or the Guarantors and you will not be able to rescind your decision to invest in the Notes as a result thereof. We may not be able to enforce claims with respect to the representations and warranties that the Target has provided to us under the Combination Agreement.

In connection with the Acquisition, the Target will give certain customary representations and warranties related to their shares, the Target and the business of the Target under the Combination Agreement. There can be no assurance that we will be able to enforce any claims against the Target relating to breaches of such representations and warranties. The Target's liability with respect to breaches of their representations and warranties under the Combination Agreement is limited. Moreover, even if we ultimately succeed in recovering any amounts from the Target, we may temporarily be required to bear these losses ourselves.

The acquisition of Ramirent may fail to achieve the expected benefits or generate higher than expected integration costs.

The success of the Acquisition will depend on our ability to effectively integrate Ramirent into our business and information technology systems, to maintain Ramirent's growth and operational performance and to effectively partner together. Among other things, the success of the integration will depend on our ability to retain the Ramirent operating teams and their client bases and to effectively capitalize on their expertise in order to deliver the expected benefits of the combined business, in particular in terms of operations and sales. In addition, the Acquisition may generate higher than expected integration costs as a result of unforeseen contingent risks or latent liabilities or as a result of delays, or other financial and operational difficulties. Any difficulties encountered in the integration of Ramirent could result in higher implementation costs and/or lower benefits or revenue than anticipated, which could have a material adverse effect on our business, financial condition and result of operations.

We may fail to achieve the synergies we are targeting from the acquisition.

We believe that a significant benefit of the combination of Ramirent and Loxam will be to add strength to Loxam's solid financial performance given Ramirent's established financial profile. We also believe that synergies are achievable through the combination of Ramirent and Loxam. Given the limited geographic overlap between Loxam and Ramirent, we expect limited revenue synergies from our mutual client bases given the domestic market focus of our customers. However, we believe we may achieve cost synergies by improving our purchasing power and procurement efficiency, optimizing our network, consolidating headquarter functions and streamlining operations and management. The estimated synergies from the acquisition are subject to a number of assumptions about the timing, execution and costs associated with realizing the synergies. Such assumptions are inherently uncertain and are subject to a wide variety of significant business, economic and competition risks and uncertainties. There can be no assurance that such assumptions will turn out to be correct.

As a result, the total amount of synergies that we will actually realize and/or the timing of any such realization may differ significantly (and may be significantly lower) from those that we are currently targeting. In addition, the assumptions made in the business plans of Ramirent may be incorrect, in particular with respect to synergies and performance. Finally, we may incur significant costs in realizing the integration of Ramirent and in achieving the estimated synergies, and the integration costs may be higher than expected. If one or more of our underlying assumptions regarding these initiatives proves to have been incorrect, these efforts could lead us to incur substantially higher costs than planned and we may not be able to realize fully, or realize at all, such synergies and cost savings in the anticipated timeframe. In addition, cost efficiencies may not be able to be sustained due to our inability to integrate the Target, unforeseen legal, regulatory, contractual, labor or other issues or other cost variables. As a result, investors are cautioned not to place undue reliance on the synergies and cost savings adjustments included in the calculation of Pro forma Adjusted EBITDA (including synergies) included elsewhere in this listing prospectus. We cannot assure you that we will be able to realize the totality of these synergies or cost savings, and the costs we incur in trying to realize these synergies may be substantially higher than our current estimates and may outweigh the benefits. Failure to achieve the expected synergies may result in a lower return on investment for the acquisition, and could have a material adverse effect on our business and results of operations.

Our opportunity to conduct due diligence with respect to Ramirent has been limited and we may discover that Ramirent has liabilities that could impact our business and financial condition.

In order to determine our estimate of the value of Ramirent (and thus the prices that we offered to pay), we conducted limited due diligence investigations. No assurance can be given that our investigations identified all material regulatory, contractual or other issues or liabilities related to Ramirent, or that factors outside the control of Ramirent and outside our control will not later arise. If we failed to identify material issues, we may be forced to write down or write off assets, restructure our operations or incur impairment or other charges that could result in reporting losses. Any unidentified or unanticipated liabilities, individually or in the aggregate, could hinder the integration of Ramirent into our Group and have a material adverse effect on our business, financial condition and results of operations.

As a result of the acquisition, we expect to record a significant amount of goodwill, which could thereafter be subject to the risk of impairments in the event of adverse changes to the underlying assumptions as to the results and cash flows from the acquired businesses.

We expect to record substantial amounts of goodwill in connection with the Acquisition. These amounts will be recorded based on the excess of the amounts paid to acquire Ramirent based on the fair value of its net assets at the date of the acquisition. For the purposes of the Unaudited Pro Forma Consolidated Condensed Financial Information for the year ended December 31, 2018, a preliminary amount of €812.0 million of goodwill was recorded with respect to the acquisitions of Ramirent. This amount is preliminary and the definitive amount of goodwill to be recorded will be determined based on the determination of the fair value of the applicable assets on the relevant acquisition date. The amount of goodwill may be significantly different from the preliminary amount. See *"Unaudited Pro Forma Consolidated Condensed Financial Information for the year ended December 31, 2018."*

Following the recording of the definitive amounts of goodwill, we may subsequently experience unforeseen issues with the Ramirent business, which may adversely affect the anticipated returns or value of the intangible assets and trigger an evaluation of the recoverability of the recorded goodwill and intangible assets for Ramirent. In accordance with IFRS, goodwill is tested for impairment annually, or when changes in the circumstances indicate that the carrying amount may not be recoverable. The recoverable amounts units are determined on the basis of value in use calculations, which depend on certain key assumptions. If management's projections change, the estimate of the recoverable amount of goodwill could fall significantly and result in impairment. While impairment does not affect reported cash flows, the decrease of the estimated recoverable amount and the related non-cash charge in the income statement could have a material adverse effect on our results of operations, net equity or financial condition.

The pro forma financial information and other related Ramirent's financial information may not be representative of Ramirent's future performance as part of Loxam.

The summary consolidated financial information for Ramirent as of and for the quarter ended March 31, 2019, with comparable information as of and for the quarter ended March 31, 2018, in each case included herein, was derived from Ramirent's public interim report for the quarter ended March 31, 2019, as published by Ramirent on April 30, 2019. Ramirent's statutory auditors have not audited, reviewed, compiled or performed any other procedures with respect to such quarterly consolidated financial information for the purpose of its inclusion herein and accordingly, they have not expressed an opinion or provided any form of assurance with respect thereto for the purpose of this listing prospectus.

In preparing the pro forma financial information included in this listing prospectus, we made adjustments to historical financial information based upon currently available information and upon assumptions that our management believes are reasonable in order to reflect, on a pro forma basis, the impact of the Acquisition. The pro forma financial information was also prepared based on the assumption that this offering would include €1,150 million aggregate principal amount of two tranches of senior secured notes and €250 million aggregate principal amount of senior subordinated notes. The estimates and assumptions used in the calculation of the pro forma financial information in this listing prospectus may be materially different from our actual experience. Accordingly, the pro forma financial information included in this listing prospectus is illustrative only and does not purport to indicate the results that would have actually been achieved had the above transactions been completed on the assumed date or for the periods presented, or which may be realized in the future, nor does the pro forma financial information give effect to any events other than those discussed in the Unaudited Pro Forma Consolidated Condensed Financial Information for the year ended December 31, 2018 and related notes. See "*Unaudited Pro Forma Consolidated Condensed Financial Information for the Year Ended December 31, 2018—*

Basis of Preparation" and "*Unaudited Pro Forma Consolidated Condensed Financial Information for the Quarter Ended 31 March 2019—Basis of Preparation*."

The financial results of Ramirent as of and for the six months ended June 30, 2019 are scheduled to be released by Ramirent on or about July 31, 2019. We and the Initial Purchasers have enquired of Ramirent as to their expected financial results as of and for the six months ended June 30, 2019. Ramirent declined to provide any information or to give any indication regarding its financial results as of and for the six months ended June 30, 2019. As a result, we provide no assurance about the financial results of Ramirent as of and for the six months ended June 30, 2019 and the actual results may vary, including materially, from Ramirent's past results, Ramirent's previous outlook or market guidance or other third party forecast or estimates.

Ramirent's joint venture operations in Russia and Ukraine may expose us to risks with which we are unfamiliar.

Ramirent operates in nine countries, including Sweden, Finland, Norway, Latvia, Lithuania, Estonia, Poland, the Czech Republic and Slovakia. In addition to its activities in those countries, Ramirent owns 50% of a joint venture, Fortrent Oy ("Fortrent"), with operations in Russia and Ukraine as of December 31, 2018. As of the date of this listing prospectus, Fortrent is not consolidated within Ramirent's financial statements. Fortrent's operations in Ukraine are expected to close before the end of 2019.

Fortrent's presence in Russia and Ukraine, where the level of economic, political and social risks may be higher than in European countries where we conduct the majority of our operations, may expose us to various and potentially substantial risks with which we are unfamiliar given that we do not have prior experience operating in this region. These 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 and international sanctions. These risks may also result from unexpected changes to legislative and regulatory frameworks including taxation regimes, nationalization or expropriation measures without adequate compensation, debt collection difficulties, changes to the fiscal framework, foreign exchange control measures, or other actions or restrictions imposed by local governments. The occurrence and magnitude of incidents related to economic, social and political instability are unpredictable and may have a significant impact on our ability to effectively manage Fortrent's business in this market.

Ramirent generates its revenue, profits and cash flows in currencies other than the euro, which increases our exposure to the risks of fluctuations in currency exchange rates.

Ramirent reports its financial results in euros but generates revenue, profits and cash flows in several currencies other than the euro. We report our financial results and derive a large majority of our revenue, profits and cash flows in euros. Ramirent's operations increase our exposure to the risks of fluctuations in foreign currency exchange rates, which may impact currency translation adjustments. In the absence of hedging, currency fluctuations between the euro and the currencies of the various markets in which Ramirent operates may affect our results and make it difficult to compare performance levels in those markets from year to year. If the euro appreciates (or depreciates) against another currency, the euro value of the assets, liabilities, income and expenses initially recognized in that other currency will decline (or increase). To partially offset this exposure, we will continue Ramirent's practice of utilizing cash flows arising in a given currency to pay for expenses arising in the same currency wherever possible, and we may also engage in certain limited hedging transactions. However, there can be no assurance that these strategies will be sufficient to effectively limit the increased impact of fluctuations in foreign currency exchange rates on our 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 March 31, 2019, we had total consolidated debt of €2,310.7 million. On an as adjusted basis, taking into account the April 2019 Refinancing, the Acquisition, the offering of the Notes and the use of the proceeds therefrom, our total consolidated debt was €3,753.4 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 of Loxam*" 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 March 31, 2019, 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 €3,574.7 million for the Issuer and the Senior Secured Notes Guarantors, and €178.8 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 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 Security Interests*."

In France, the enforcement of the Guarantees and the security interests in the Collateral is limited to the maximum amount that can be guaranteed or secured over such 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 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 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 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 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 Collateral consisting of securities rather than by a sale of such 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 conventionnelle*) 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 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 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 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 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 Indentures (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 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 Collateral, which in turn could materially and adversely affect the recovery under the 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 2025 Senior Secured Notes Trustee and the July 2026 Senior Secured Notes Trustee will have certain assigned duties and rights under the Senior Secured Indentures that become particularly important following Defaults or Events of Default, and acts as a prudent person 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.

Certain of the security interests to be granted in favor of holders of the Senior Secured Notes do not rank pari passu with the security interests currently 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 Existing Senior Secured Collateral securing the Senior Secured Notes.

The Existing Senior Secured Notes are secured by a first priority security interest in the Existing Senior Secured Collateral and, assuming consummation of the Acquisition, will be secured by the Post-Completion Collateral. Prior to the granting of security over the Post-Completion Collateral, which will be secured on a *pari passu* basis among the Existing Senior Secured Notes and the Senior Secured Notes. The Senior Secured Notes offered hereby will be secured on the Completion Date by a security interest in the Existing Senior Secured Collateral ranking after any then-existing security interest granted over the Existing 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 Existing 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 Existing 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 Collateral may be adversely affected by the failure to perfect security interests in the 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 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 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 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 will be 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 become or 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, failure to be approved for listing or the delisting of the Notes, as applicable, from the Official List may have a material effect on a holder's ability to resell the Notes, as applicable 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 2025 Senior Secured Notes,*" *"Description of the July 2026 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 Collateral will not initially secure the Notes and the Guarantors will not initially guarantee the Notes.

As of the Issue Date, the Senior Secured Notes will be secured only by the 2025 Senior Secured Notes Escrow Account Charge and the July 2026 Senior Secured Notes Escrow Account Charge. In connection with the release of the proceeds of the Senior Secured Notes from escrow and pursuant to the terms of the Senior Secured Notes Indentures, we will be required to take such actions as may be necessary to grant security interests in the Existing Senior Secured Collateral to secure the Senior Secured Notes. In addition, as soon as practicable following the Completion Date and pursuant to the terms of the Senior Secured Indentures, we will be required to take such actions as may be necessary to grant security interests in the Post-Completion Collateral. There can, however, be no assurance that we will be successful in procuring such security interests within the time period specified.

Given the structure of the financing in connection with the Acquisition, the Guarantees will not be in effect until the Completion Date. Within a 120 days of the Completion Date, subject to agreed security principles, guarantor entities will accede to the Senior Secured Indentures as Guarantors. See also "*—Risks Related to the Acquisition—If the conditions to the release of the proceeds of the offering of the Notes from escrow in the Escrow Agreement are not satisfied, the Notes will be redeemed and you may not get the return you expect on the Notes.*"

Additionally, the execution of the Collateral will be subject to certain agreed security principles that could relieve certain Guarantors or other subsidiaries of the obligation to grant security interests in assets otherwise expected to form part of the Collateral, which could have a material adverse impact on the credit support available to you in connection with your investment in the Senior Secured Notes.

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

The Senior Secured Notes will be secured only by the Collateral. Furthermore, the Senior Secured Indentures governing the Senior Secured Notes will permit us to incur additional debt that can be secured by liens on the Collateral that have the same priority with the liens on the Collateral that secures the Senior Secured Notes. Many of our assets, such as certain assets owned by our subsidiaries, are not part of the Collateral that will secure the Senior Secured Notes. With respect to those assets that are not part of the Collateral that will secure 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 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 Collateral. The Existing Senior Secured Collateral, which also secures the Existing Senior Secured Notes pursuant to the Intercreditor Agreement, and the Post-Completion Collateral, 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 Collateral would be diluted by any increase in the debt secured by the Collateral or a reduction in the value of the 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 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 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 Collateral should not be relied on as a measure of realizable value for such assets. All or a portion of the 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 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 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 and will be 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 Collateral in accordance with the terms of the Existing Senior Secured Notes Indentures, the Senior Secured Indentures 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 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 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 Collateral securing the Senior Secured Notes will be automatically and unconditionally released, including (without limitation):

(1) upon the sale, disposition or transfer of such 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 Indentures governing the Senior Secured Notes;

(2) upon the sale, disposition or transfer of Capital Stock of the Restricted Subsidiary that has pledged such 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 indentures 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 March 31, 2019, on an as adjusted basis giving effect to the April 2019 Refinancing, the Acquisition and the offering of the Notes and the use of proceeds therefrom, €2,825.4 million in priority debt, consisting of secured debt of the Issuer plus both secured and unsecured 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 €1,400,000,000.

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 €1,352,300,000.

We intend to use the gross proceeds from the offering to finance the Acquisition, to refinance certain of Ramirent's gross debt, to refinance certain of the debt related to the acquisition of Stavdal and to pay the fees and expenses related to the offering and the Acquisition.

Sources of Funds	**Amount** *(in millions of euros)*	**Uses of Funds**	**Amount** *(in millions of euros)*
Senior Secured Notes offered hereby	1,150.0	Payment of Ramirent shares [(1)]	1,022.5
Senior Subordinated Notes offered hereby	250.0	Repayment of Ramirent gross debt (as of March 31, 2019) [(2)]	338.5
Cash on balance sheet	94.8	Repayment of Stavdal acquisition financings [(3)]	86.0
		Estimated fees and expenses [(4)]	47.7
Total sources	**1,494.8**	**Total uses**	**1,494.8**

(1) Payment of Ramirent's shares at €9.0 per share for 114,545,669 outstanding shares (representing 100% of the share capital of Ramirent), minus 933,452 treasury shares.

(2) Represents the repayment in full of €338.5 million of Ramirent's gross indebtedness as of March 31, 2019, corresponding to €208.0 million of outstanding loans under the commercial paper program and €130.5 million of loans from financial institutions. Actual amounts outstanding and payable as of the effective date of repayment may vary from amounts shown herein.

(3) Repayment of the Stavdal acquisition financings for €86.0 million, as made public in the press release for the closing of the Stavdal acquisition by Ramirent dated July 1, 2019.

(4) Represents our estimate of €36.8 million in 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 in addition with an estimated €10.9 million in commissions, fees and expenses related to the Acquisition. Actual fees and expenses may differ.

CAPITALIZATION

The following table presents our cash position and capitalization as of March 31, 2019:

- of Loxam, on an historical actual basis;
- of Loxam, as adjusted for the April 2019 Issuance by Loxam of the 2026 Senior Secured Notes and the 2027 Senior Subordinated Notes and the application of the net proceeds therefrom; and
- of Ramirent, as adjusted for the Stavdal Acquisition;
- of the Combined Group, as adjusted for the Acquisition, as well as 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,"* including the refinancing of Ramirent's financial debt, as if such events had occurred on March 31, 2019.

The "as adjusted" figures in the table below may differ from the figures presented in our Supplemental Unaudited Pro Forma Condensed Consolidated Financial Information for The Quarter Ended 31 March 2019 due to the use of different assumptions in their preparation. We believe the "as adjusted" figures are useful because they are more consistent with the figures we would use to calculate compliance with our financial ratio requirements. However, the "as adjusted" figures do not represent the figures that we would have recorded had the acquisition of Ramirent occurred on a date other than that on which they were effectively realized, nor are they indicative of our future financial condition.

The "as adjusted" figures in the table below do not reflect drawings under our bilateral credit facilities and finance leases subsequent to March 31, 2019.

Finally, despite de fact that both Loxam and Ramirent have started to apply IFRS 16 as of January 1, 2019, the table below excludes the impact of IFRS 16 in order ensure comparability with prior periods for which neither Loxam nor Ramirent were applying IFRS 16.

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 the consolidated financial statements, and the notes thereto, for Loxam and Ramirent, included elsewhere in this listing prospectus.

	As of March 31, 2019 *Excluding IFRS 16 impact*			
	Loxam	**Loxam**	**Ramirent**	**Combined Group**
	Actual	***Adjusted for the April 2019 Refinancing***	***Actual and adjusted for the Stavdal acquisition***	***Pro Forma Adjusted***
	(in millions of euros)			
Cash and cash equivalents [1]	**93.0**	**105.0**	**9.7**	**19.9**
Loxam:				
Bilateral credit facilities [2]	414.2	414.2	—	414.2
Revolving Credit Facility [3]	—	—	—	—
Finance leases [4]	317.0	317.0	—	317.0
Other financial debt [5]	15.2	3.7	—	(17.7)
2021 Senior Secured Notes [6]	239.3	—	—	—
2022 Senior Subordinated Notes [6]	225.0	—	—	—
2022 Senior Secured Notes [6]	300.0	300.0	—	300.0
2023 Senior Secured Notes [6]	250.0	250.0	—	250.0
2024 Senior Secured Notes [6]	300.0	300.0	—	300.0
2025 Senior Subordinated Notes [6]	250.0	250.0	—	250.0
April 2026 Senior Secured Notes [6]	—	300.0	—	300.0
2027 Senior Subordinated Notes [6]	—	200.0	—	200.0
Senior Secured Notes offered hereby [6]	—	—	—	1,150.0
Senior Subordinated Notes offered hereby [6]	—	—	—	250.0
Ramirent:				
Loans from financial institutions [8]	—	—	130.5	0.0
Commercial Papers Program [9]	—	—	208.0	0.0
Stavdal acquisition financings [10]	—	—	86.0	0.0
Stavdal rollover debt [11]	—	—	40.0	40.0
Total debt [7]	**2,310.7**	**2,334.9**	**464.5**	**3,753.4**
Of which Total priority debt [12]	1,574.7	1,635.4	464.5	2,825.4
Total Group Shareholders' equity	**658.9**	**658.9**	—	**658.9**
Total Group capitalization	**2,969.6**	**2,993.8**	—	**4,412.3**

(1) As adjusted cash and cash equivalents reflects (i) €93.0 million of cash and cash equivalents on balance sheet for Loxam as of March 31, 2019, (ii) the use of proceeds of the issuance of the 2026 Senior Secured Notes and the 2027 Senior Subordinated Notes issued by Loxam in April 2019, (iii) €9.7 million of cash and cash equivalents on balance sheet for Ramirent as of March 31, 2019 and (iv) the consummation of €94.8 million of cash from balance in connection with the Transactions as indicated in "*Use of Proceeds*."

(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 March 31, 2019, €245.8 million was owed by Loxam S.A.S., and €168.4 million was owed by our subsidiaries (and as such constitute priority debt), which includes Nationwide revolving facility which provides for borrowings of up to an aggregate of £90 million on a committed basis. See" *Description of Certain Financing Arrangements—Bilateral Credit Facilities*," and "*Description of Certain Financing Arrangements—Nationwide Revolving Facility Agreement*."

(3) 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 March 31, 2019, no amounts were drawn under the Revolving Credit Facility. We do not intend to draw under the Revolving Credit Facility on the Issue Date or in connection with the Acquisition of Ramirent.

(4) 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 March 31, 2019, €215.7 million was owed by Loxam S.A.S. and €101.3 million was owed by our subsidiaries. For an explanation of the impact on our balance of IFRS 16 that was first applied by Loxam on January 1, 2019, please see *"Stabilization—New Standards and Interpretation—IFRS 16."* For the avoidance of doubt our finance leases are considered priority debt.

(5) Actual other financial debt as of March 31, 2019 is composed of €20.9 million of accrued interest on debt, €(10.7) million of unamortized portion of capitalized debt issuance costs and €5.0 million of bank overdrafts and other financial debt. As adjusted other financial debt is composed of €12.1 million of accrued interest on debt, €(34.9) million of unamortized portion of capitalized debt issuance costs and €5.0 million of bank overdrafts and other financial debt.

(6) Represents outstanding aggregate principal amount.

(7) Presented net of the unamortized portion of capitalized debt issuance costs and excluding accrued and unpaid interest.

(8) According to Ramirent's public disclosure, Ramirent's loans from financial institutions as of March 31, 2019 included (i) a term loan facility providing for borrowings of up to €75.0 million, (ii) revolving credit facilities providing for borrowings of up to an aggregate of €185.0 million and €175.0 million and (iii) a term loan facility made available by the European Investment Bank for a maximum amount of €50.0 million. As of March 31, 2019, borrowings outstanding under these loans from financial institutions amounted to €130.5 million. We anticipate that Ramirent's loans from financial institutions will be repaid in full and cancelled on or shortly after the Completion Date in connection with the Acquisition using the proceeds of the Notes offered hereby.

(9) The Ramirent Commercial Papers Program provides for borrowings of up to an aggregate of €300.0 million, of which €208.0 million was outstanding as of March 31, 2019. We anticipate that the Ramirent Commercial Papers Program will be repaid in full and cancelled on or shortly after the Completion Date in connection with the Acquisition using the proceeds of the Notes offered hereby.

(10) The Stavdal acquisition was completed by Ramirent on July 1, 2019, with financings amounting to an aggregate of €86.0 million. We anticipate that the financings put in place to fund the Stavdal acquisition will be repaid in full and cancelled on or shortly after the Completion Date in connection with the Acquisition using the proceeds of the Notes offered hereby.

(11) According to Ramirent's public disclosure, €40 million of existing debt at the Stavdal level was rolled-over in connection with the acquisition of Stavdal by Ramirent and will remain in place following the Acquisition.

(12) We define priority debt as secured debt of the Issuer plus both secured and unsecured debt of our subsidiaries. The priority debt includes (i) all the senior secured notes, (ii) finance leases and (iii) €168.4 million of bilateral credit facilities owed by our subsidiaries.

THE ACQUISITION

Acquisition Process

On June 10, 2019, we announced an all-cash offer (the "Tender Offer") pursuant to which we offered to acquire the entire issued and outstanding share capital of Ramirent for €9.00 per share, or total consideration of approximately €978 million. On June 9, 2019, the board of directors of Ramirent, represented by a quorum formed by conflict-free board members, unanimously recommended that Ramirent shareholders accept the Offer.

The offer period under the Tender Offer is expected to expire on or about July 18, 2019, subject to any extension of the offer period by Loxam in accordance with the terms and conditions of the Tender Offer. Once we have acquired more than 90% of the issued and outstanding shares, we intend to initiate Squeeze-Out Proceedings to acquire the remaining shares. Loxam will acquire the shares validly tendered on the Completion Date. For additional details about the payment process, see "*—The Financing*" below.

The consummation of the Acquisition is subject to the receipt of all required regulatory authorizations.

Rationale for the Acquisition

The acquisition of Ramirent by Loxam will create a pan-European equipment rental network that will not only enhance Loxam's existing position as the clear European market leader but also raise Loxam from the fifth to the third largest equipment rental company in the world based on 2018 revenue, with a presence in 30 countries (excluding Ramirent's joint venture activity) and a market-leading position in nine key European markets. Together, Loxam and Ramirent had over 1,055 branches, over 10,000 employees and a fleet of approximately 540,000 units with a gross book value of approximately €4.1 billion as of December 31, 2018. On a pro forma basis, as if the Acquisition had occurred as of January 1, 2018, our Pro Forma Revenue would have been €2,172.1 million (compared to €1,482.6 million for Loxam on a stand-alone basis) in the year ended December 31, 2018 and €2,190.6 million (compared to €1,505.8 million for Loxam on a stand-alone basis) in the twelve months ended March 31, 2019. Our Pro Forma EBITDA would have been €703.1 million in the year ended December 31, 2018, representing a Pro Forma EBITDA margin of 32.4%, compared to Loxam's historical EBITDA of €500.7 million and EBITDA margin of 33.8% in 2018.

The Acquisition would provide us with significant strategic benefits that we believe have the potential to generate substantial future growth for our group, as described below.

Undisputed Leadership Across Pan-European Network

The acquisition of Ramirent will enhance Loxam's undisputed leadership position in the European market through expanding Loxam's presence to eight new countries. Our combined Pro Forma Revenue in 2018 were approximately three times the 2018 revenue of our nearest European rival. Ramirent's leadership positions in its existing markets will make our combined group the market leader in eight key European markets based on 2018 revenue: France, Spain, Norway, Finland, the Baltics, Poland, the Czech Republic and assuming the completion of the Stavdal Acquisition, Sweden. Additionally, we believe that Loxam holds the number two position in Denmark, Belgium and the Netherlands and the number one and number two positions in the powered access equipment markets in the United Kingdom and Italy, respectively.

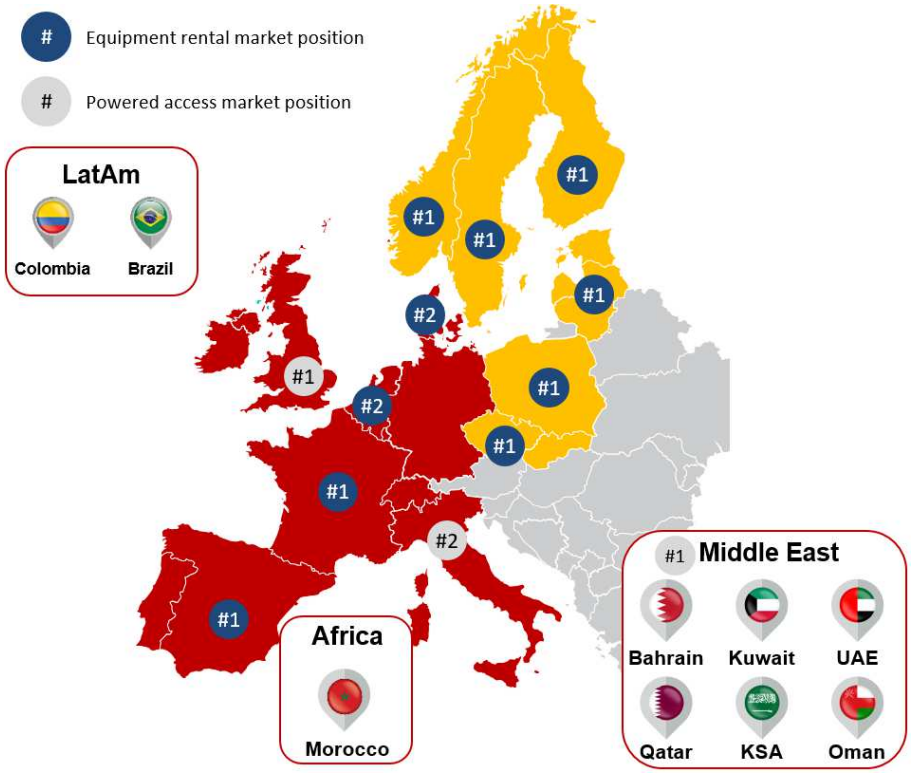
Our expanded European presence would provide us with a number of benefits to further reinforce our leadership and brand: the ability to consolidate locations and share best practices drawn from developments across the range of our markets, enhanced brand recognition, strengthened procurement that should reduce costs, comprehensive quality programs, broader innovation and greater opportunities for training and attracting talent.

Loxam and Ramirent together would have a well-invested, combined fleet of approximately 540,000 pieces of equipment units as of December 31, 2018. We intend to continue to pursue our strategy of adapting our capital expenditures to our perceptions of market trends, a strategy that Ramirent has also used successfully for many years.

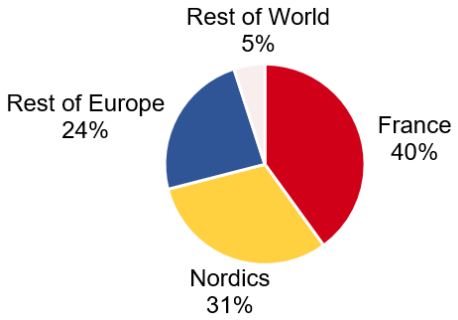
Multi-Dimensional Diversification

We expect the acquisition of Ramirent to offer a potential to diversify our existing business in four areas: geographic exposure, end markets, product range and customer offerings.

As the following map indicates, the geographic presences of the Loxam and Ramirent (including Stavdal) groups are highly complementary.



We expect to significantly diversify our geographic splits of revenue as a result of the Acquisition. In the year ended December 31, 2018, 60% of our revenue came from France and 33% came from our other European operations. In contrast, France would have contributed 40% of the Pro Forma Revenue for the combined Loxam and Ramirent groups in the same period. The graphs below present the geographic distribution of revenue for each of Loxam, Ramirent, and the Combined Group (on a Pro Forma Adjusted basis) for the year ended December 31, 2018.



Ramirent's range of equipment will complement our existing fleet. Ramirent's largest source of revenue is modular construction equipment in terms of revenue, in the year ended December 31, 2018. Modular construction equipment has historically been a smaller component of Loxam's fleet, accounting for 6% of our sales in the year ended December 31, 2018. Additionally, Ramirent's powered access equipment offering will allow us to continue building on the leadership in this sector of the equipment rental market that we have been pursuing since our acquisition of Lavendon in 2017. Finally, Ramirent offers a range of scaffolding and safety enhancement products that should also complement our existing range of equipment.

The Acquisition will also increase the proportion of our revenue generated outside the construction and civil engineering sectors, building on our ongoing efforts to lessen the impact of conditions in these sectors on our revenue through further diversifying our end markets. In the year ended December 31, 2018, the construction and

civil engineering sectors contributed 63% of our revenue, whereas these sectors would have contributed 61% of revenue on a pro forma basis for the same period.

Our enhanced end market diversification further expands our customer base, which would increase from Loxam's existing base of over 200,000 customers to over 350,000 customers as of December 31, 2018 on a pro forma basis. Given the general lack of overlap between our respective groups of customers, we expect the percentage of total combined group revenue derived from our top ten customers to decrease as a result of the Acquisition.

An Integration Plan with the Potential to Generate Synergies

The following discussion includes forward-looking information that is by its nature subject to significant uncertainty. This forward-looking information is based on data, assumptions, and estimates made in reliance on the information available to us that we consider reasonable as of the date of this listing prospectus in light of anticipated future economic conditions and the expected impact of Acquisition. We do not, as a matter of course, make public projections as to future sales, earnings, or other results. However our management has prepared the prospective financial information set forth below to present the expected synergies expected to be realized from the Acquisition. The accompanying prospective financial information was not prepared with a view toward public disclosure or with a view toward complying with the guidelines established by the American Institute of Certified Public Accountants with respect to prospective financial information, but, in the view of our management, was prepared on a reasonable basis, reflects the best currently available estimates and judgments, and presents, to the best of management's knowledge and belief, the expected course of action and the expected future financial performance. The forward-looking information set forth herein is inherently uncertain and is subject to a wide variety of significant uncertainties related to, among other things, the business, economic, financial, competitive, tax or regulatory environment affecting Loxam and Ramirent and other factors of which we may be unaware as of the date of this listing prospectus. As a consequence, we cannot assure you that the information on which we have based our assumptions will not change or that we will be able to realize any of the synergies or other benefits we believe are possible from the Acquisition. We may not realize some or all of the objectives described below for a number of reasons, some of which are beyond our control. Furthermore, the costs we incur in trying to realize these synergies and other benefits may be substantially higher than our current estimates and may outweigh any benefit. We do not undertake to publish corrections or communicate updates to this information in the future. See "Forward-Looking Statements," "Risk Factors–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" and "Risk Factors–Risks Related to the Acquisition" for a discussion of certain factors that may result in our being unable to realize some or all of these objectives. Neither Loxam's nor Ramirent's independent auditors, nor any other independent accountants, have compiled, examined or performed any procedures with respect to the prospective financial information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and assume no responsibility for, and disclaim any association with, the prospective financial information.

We will implement a clear integration plan to help us realize the potential synergies that may be generated by the Acquisition. We believe that our track record of 14 successful acquisitions since 2013 demonstrates our experience and our ability to fully integrate our acquired companies in an effective manner.

We believe that a significant benefit of a combination between Ramirent and Loxam will be to add strength to Loxam's solid financial performance given Ramirent's established financial profile. We also believe that synergies are achievable through the combination of Ramirent and Loxam. Given the limited geographic overlap between Loxam and Ramirent, we expect limited revenue synergies from our mutual client bases given the domestic market focus of our customers. However, we believe we may achieve cost synergies by improving our purchasing power and procurement efficiency, optimizing our network, consolidating headquarter functions and streamlining operations and management.

To plan Ramirent's integration and establish measurable objectives of success, our integration team estimated the potential synergies from the Acquisition and set a number of objectives in this respect. On this basis, our objective is to generate approximately €24 million of cumulative gross synergies over the first three years through the end of 2022, including approximately €4 million in 2020 in savings resulting from Ramirent's delisting from the Nasdaq Helsinki Ltd. and optimization of our combined organizations.

We are targeting "run-rate" annual synergies of approximately €12 million per year starting in 2022, from essentially the same sources as the synergies we are targeting for the first three years.

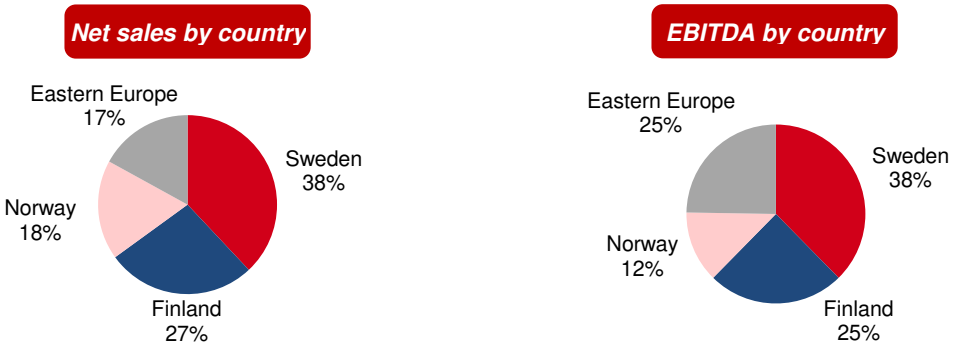
Our integration plan for the Acquisition will be designed to limit execution risk, maintain quality of services for clients and maintain staff motivation. With the benefit of our extensive knowledge of rental markets and robust experience integrating businesses, including large businesses, we will work together with Ramirent's management to conduct a thorough business review to establish an integration plan. In the next few months following the acquisition, we intend to define a plan that leverages the respective strengths of Loxam and Ramirent, including by identifying complementary skills and retaining key personnel. We intend to start implementing the integration plan in the course of 2020.

We currently do not expect to incur pre-tax integration costs as our operations do not overlap significantly with Ramirent's. However, this expectation may change as the integration process is developed.

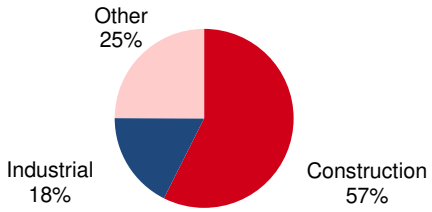
The actual synergies to be realized and integration costs to be incurred will depend on a number of factors, including general economic conditions, the overall conditions of the equipment rental industry, our ability to offer products and solutions that are attractive to Ramirent's customers, our ability to exploit Ramirent's relevant expertise, and the actual level of duplicative costs ultimately identified and eliminated as part of the integration process.

THE RAMIRENT GROUP

Ramirent Plc ("Ramirent") is a leading service company offering equipment rental for construction and other industries with €711.7 million in net sales in the year ended December 31, 2018 (€774 million combined net sales for the Stavdal Acquisition, which was calculated by Loxam by combining Ramirent IFRS net sales and Stavdal's Swedish GAAP net sales without impact of any GAAP and presentation alignments and as if the acquisition took place on January 1, 2018) and €707.2 million in the twelve months ended March 31, 2019. Ramirent operates in nine countries, including Sweden, Finland, Norway, Latvia, Lithuania, Estonia, Poland, the Czech Republic and Slovakia, and also has a 50% owned joint venture with operations in Russia. Ramirent holds the top market position in each of its geographic markets. In Sweden, it gained the top market position following acquisition of Stavdal in 2019. The charts below present the split of Ramirent's net sales and EBITDA across these four markets in the year ended December 31, 2018 (excluding the impact of unallocated items and eliminations).



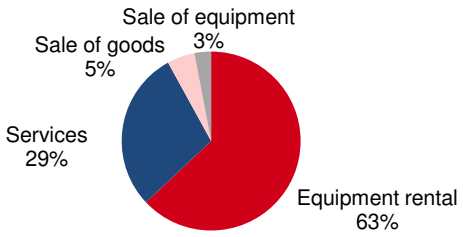
Ramirent has one of Europe's largest networks, with a team of 2,867 rental professionals fulfilling customers' local rental and service needs smoothly and cost efficiently from 292 branches as of March 31, 2019. Ramirent operates 78 branches in Sweden, 60 in Finland, 118 in Eastern Europe and 36 in Norway. Ramirent's approximately 150,000 customers represent a broad range of sectors, from households to the largest construction and industrial sites. The chart below presents the split of Ramirent's net sales by customer segment in the year ended December 31, 2018.



Ramirent's fleet of approximately 250,000 pieces of equipment as of December 31, 2018 has one of the widest ranges in Europe, with approximately 25,000 types of equipment. The fleet includes modules and containers, scaffolding and weather shelters, power and heating equipment, tower cranes and hoists, heavy machinery, safety and support equipment, lifts and light equipment. Ramirent also offers total solutions that simplify its customers' business, delivering value throughout the project lifecycle by helping customers move from several suppliers to one organization, reducing costs and lead times while improving safety and efficiency.

Customers benefit from Ramirent's knowledge and industry experience delivered with the goal of making construction sites of all sizes safer and more sustainable. Ramirent complements its equipment rental offering with related services, ranging from worksite planning to condition monitoring, on-site support, logistics and fuel services to safety planning and training.

The chart below presents the split of Ramirent's net sales by activity in the year ended December 31, 2018.



Results of Operations

	Year ended December 31,		Quarter ended March 31,	
	2017[a]	2018[b]	2018[b]	2019[c]
	in millions of euros			
Continuing operations:				
Net sales				
Sweden	260.3	272.2	68.6	58.1
Finland	191.5	194.1	44.7	49.1
Eastern Europe	111.0[d]	119.6	25.7	25.9
Norway	121.2	124.2	28.0	29.6
Other sales and elimination of sales between segments	1.5	1.6	0.5	0.3
Net sales	**685.5**	**711.7**	**167.5**	**163.0**
Cost of sales	(516.2)	(523.5)	(124.9)	(125.4)
Gross profit	**169.3**	**188.2**	**42.6**	**37.6**
Other operating income	2.1	0.8	0.2	0.9
Selling, general and administrative expenses	(81.7)	(90.2)	(21.5)	(21.8)
Losses on disposal of businesses	-	(32.3)	-	-
Share of result of associates and joint ventures	1.0	0.4	(0.1)	0.4
Operating result (EBIT)				
Sweden	36.4	35.2	11.7	6.1
Finland	25.3	23.5	5.1	4.8
Eastern Europe	23.5[d]	31.0	5.1	4.9
Norway	10.0	(10.1)	1.2	2.8
Unallocated items	(4.4)	(12.7)	(1.9)	(1.5)
Operating result (EBIT)	**90.7**	**66.9**	**21.2**	**17.1**
Financial income	0.7	0.6	0.2	0.1
Financial expenses	(13.0)	(11.1)	(2.7)	(2.3)
Total financial income and expenses	(12.3)	(10.5)	(2.5)	(2.2)
Earnings before taxes (EBT)	**78.4**	**56.4**	**18.7**	**14.9**
Income taxes	(13.6)	(11.5)	(4.0)	(3.0)
Result from continuing operations	64.8	44.9	14.7	11.9
Discontinued operations				
Result from discontinued operations	(1.3)	3.0	0.5	1.5
Result for the period	**63.5**	**47.8**	**15.2**	**13.4**

(a) As a result of the divestiture of the Danish operations, Ramirent changed its reporting segments as of January 1, 2018. The operations to be divested are reported as discontinued operations and are not included in the financial figures for the continuing operations the years ended December 31, 2017 and 2018. Unaudited and restated due to changed presentation of the income statement format. For more information, *see "Presentation of financial and other information – Ramirent Financial information."*

(b) Ramirent has adopted the new IFRS 15 Revenue from contracts with customers on 1 January 2018 using the full retrospective method. Implementation of IFRS 15 did not result in any material differences in the timing of the revenue recognition or in the amounts to be recognized, compared to the earlier principles. Adoption of the new standard did not result in a restatement of financial reporting. Ramirent adopted the new IFRS 9 Financial instruments and amendments to IFRS 2 Share-based payments standards on 1 January 2018. The impacts of the adoption of those standards have been recognized through opening equity on January 1, 2018, historical financial information has not

been restated. For additional information, refer to the notes to the audited consolidated financial statements of Ramirent for the year ended December 31, 2018 included elsewhere in this listing prospectus.

(c) Ramirent adopted the new IFRS 16 Leases standard on January 1, 2019. The unaudited interim condensed consolidated income statement for the quarter ended March 31, 2018 has not been restated for the impact of IFRS 16. For additional information, refer to the notes to the unaudited interim report of Ramirent for the quarter ended March 31, 2019 included elsewhere in this listing prospectus.

(d) As of January 1, 2018, Ramirent reported segments Baltics and Europe Central were joined together as one new segment called Eastern Europe and therefore the financial information for the year ended December 31, 2017 of Eastern Europe segment has been restated to reflect the new structure and is unaudited.

In the discussion that follows, Ramirent references the change from period to period on the basis of "comparable exchange rates." Additionally, the discussion below includes references to EBITDA, which is defined as operating result before depreciation, amortization and impairment charges and Comparable EBIT, which is defined as EBIT adjusted to exclude incomes, expenses, assets, equity and liabilities arising from activities that are incurred outside its normal course of business, such as restructuring costs, impairment losses, significant write-downs of assets and significant gains or losses on sale of assets and business.[1] However, other companies may present EBITDA and comparable EBIT differently. Ramirent presents EBITDA and comparable EBIT as additional information because they believe it is helpful to investors in highlighting trends in the business. EBITDA and comparable EBIT are not measures of financial performance under IFRS and should not be

[1] Reconciliation of non-IFRS measures :

	Year ended December 31,		Quarter ended March 31,	
	2017	2018	2018	2019
	in millions of euros			
Operating result (EBIT)	**90.7**	**66.9**(*)	**21.2**	**17.1**
Restructuring measures	-	5.9	-	-
Divestments and asset disposals	(1.3)	34.0	-	0.2
Total items affecting comparability in EBIT	(1.3)	39.9	-	0.2
Comparable EBIT	**89.4**	**106.8**	**21.2**	**17.3**

	Year ended December 31,		Quarter ended March 31,	
	2017	2018	2018	2019
	in millions of euros			
Operating result (EBIT)	**90.7**	**66.9**(*)	**21.2**	**17.1**
Depreciation, amortization and impairment charges	109.9	136.0(*)	25.6	32.0
Earnings before interests, taxes, depreciation and amortization (EBITDA)	**200.7**	**202.9**	**46.8**	**49.1**

	Year ended December 31,		Quarter ended March 31,	
	2017	2018	2018	2019
	in millions of euros			
Interest–bearing liabilities	344.8(*)	360.9(*)	359.0	433.3
Cash and cash equivalents	6.9(*)	10.3(*)	7.3	9.7
Net debt	**337.9**	**350.6**	**351.7**	**423.6**

(*) Audited

Definitions of non-IFRS measures :

- Net sales at comparable exchange rates is defined by Ramirent as net sales for the financial period converted to euros by using the currency exchange rates prevailing for the comparative financial period.
- EBITDA is defined by Ramirent as operating result before depreciation, amortization and impairment charges. Ramirent presents EBITDA as additional information because Ramirent believes it is helpful to investors in highlighting trends in their business. However, other companies may present EBITDA differently than Ramirent does. 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 Ramirent's operating performance or any other measures of performance derived in accordance with IFRS.
- EBITDA margin is defined by Ramirent as EBITDA divided by net sales.
- Net debt is defined by Ramirent as interest-bearing debt – cash and cash equivalents.
- Net debt excluding lease liabilities is defined by Ramirent as interest-bearing debt – cash and cash equivalents – lease liabilities.
- Net debt to EBITDA ratio is defined by Ramirent as net debt divided by EBITDA (rolling 12 months).
- Net debt to EBITDA ratio without the impact of IFRS 16 is defined by Ramirent as net debt – lease liabilities divided by EBITDA – lease expenses for the right-of-use assets.
- Gross capital expenditure is defined by Ramirent as purchases of tangible and intangible non-current assets and investments in associates and joint ventures.

Figures for the Last-twelve month period are unaudited and calculated by adding the relevant figures for the quarter ended March 31, 2019 and for the year ended December 31, 2018, to which are subtracted the figures for the quarter ended March 31, 2018.

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. For additional information about Ramirent's results of operations and related financial information, please refer to Ramirent's audited consolidated financial statements for the year ended December 31, 2018 and Ramirent's unaudited condensed consolidated interim report for the quarter ended March 31, 2019, each of which are included elsewhere in this listing prospectus.

Quarter ended March 31, 2019 compared to quarter ended March 31, 2018

Ramirent Group

Net sales decreased by 2.7% from €167.5 million for the quarter ended March 31, 2018 to €163.0 million in the quarter ended March 31, 2019 due to the decline of both rental and service sales. Net sales increased in Finland, Norway and in Eastern Europe, with the strongest growth in Finland. Net sales decreased in Sweden. At comparable exchange rates, Ramirent's first quarter 2019 net sales were approximately at the same level as first quarter 2018 net sales.

EBIT decreased by 19.4% from €21.2 million in the quarter ended March 31, 2018 to €17.1 million in the quarter ended March 31, 2019. EBIT improved in Norway and decreased in other segments. The decrease was strongest in Sweden mainly due to the divestment of Ramirent's Nordics-based temporary space business (the "Temporary Space Business") and strong comparison figures due to large non-residential building projects in the first quarter of 2018. Comparable EBIT decreased by 18.4% from €21.2 million in the quarter ended March 31, 2018 to €17.3 million in the quarter ended March 31, 2019.

Depreciation of tangible assets increased by 29.2% from €23.6 million in the quarter ended March 31, 2018 to €30.5 million in the quarter ended March 31, 2019 mainly due to the adoption of the IFRS 16 "Leases" accounting standard. Ramirent's amortization charges of intangible assets decreased from €2.0 million in the quarter ended March 31, 2018 to €1.5 million in the quarter ended March 31, 2019. Items not allocated to segments during the first quarter of 2019 include a profit of €0.7 million from the divestment of Ramirent's Denmark business and transaction costs related to M&A activities of €0.9 million, as well as other group-level costs and internal profit elimination of sales between segments.

EBITDA increased by 4.9% from €46.8 million in the quarter ended March 31, 2018 to €49.1 million in the quarter ended March 31, 2019, for the reasons discussed above and adoption of IFRS 16. EBITDA margin increased from 28.0% to 30.1% over the same period.

Sweden

In the first quarter of 2019, demand in the Swedish equipment rental market slowed down in the housing sector but remained solid in other sectors like road and traffic, infrastructure as well as industrial customers.

Net sales in the Sweden segment decreased by 15.3% from €68.6 million in the quarter ended March 31, 2018 to €58.1 million in the quarter ended March 31, 2019. At comparable exchange rates, net sales in the Sweden segment decreased by 11.5% during the same period. The decrease in net sales was mainly due to the divestment of the Temporary Space Business as well as large non-residential building projects, which had high net sales in the first quarter of 2018. In addition, Ramirent's underlying rental sales decreased by low single-digit percentages in the first quarter of 2019, mainly in Stockholm.

Reported and Comparable EBIT of the Sweden segment decreased by 47.9% from €11.7 million in the quarter ended March 31, 2018 to €6.1 million in the quarter ended March 31, 2019 due to the divestment of the Temporary Space Business and decline in sales.

Finland

Demand in the Finnish equipment rental market in the first quarter of 2019 was supported by solid demand in the construction and industrial sectors.

Net sales in the Finland segment increased by 9.8% from €44.7 million in the quarter ended March 31, 2018 to €49.1 million in the quarter ended March 31, 2019 due to good market activity as well as the acquisition of SRV Kalusto.

Comparable EBIT in the Finland segment decreased by 5.9% from €5.1 million in the quarter ended March 31, 2018 to €4.8 million in the quarter ended March 31, 2019 due to the favourable development of profitability in the general rental business, which was offset by a decline in the scaffolding business.

Eastern Europe

Net sales in the Eastern Europe segment remained stable, increasing slightly from €25.7 million in the for the quarter ended March 31, 2018 to €25.9 million in the first quarter of 2019. At comparable exchange rates, net sales in the Eastern Europe segment increased by 2.4% during the first quarter of 2019. These increases were due to demand in the equipment rental markets in Eastern Europe which was supported by growth in construction activity. Such activity was slow in many markets. Net sales increased in the Baltics relative to the first quarter of 2018 and remained stable in Central Europe. In the first quarter of 2019, Ramirent opened seven new branches in Eastern Europe.

The reported and Comparable EBIT of the Eastern Europe segment decreased by 3.9% from €5.1 million in the first quarter of 2018 to €4.9 million in the first quarter of 2019.

Norway

Net sales in the Norway segment increased by 5.7% from €28.0 million in the first quarter of 2018 to €29.6 million in the first quarter of 2019. At comparable exchange rates, net sales in Norway increased by 6.9% during the first quarter of 2019, despite the divestment of the Temporary Space Business. Sales growth was broadly distributed across all customer groups and regions.

The reported and Comparable EBIT of the Norway segment increased by 133.3% from €1.2 million in the first quarter of 2018 to €2.8 million in the first quarter of 2019. This increase is due to sales growth, a favorable product mix and continued internal efficiency improvements. The restructuring program announced in the fourth quarter of 2018 progressed as planned.

Other Operations

The net result of Ramirent's 50% owned joint venture company in Russia and Ukraine, the Fortrent Group, increased from a loss of €0.2 million in the quarter ended March 31, 2018 to a gain of €0.8 million in the quarter ended March 31, 2019. Ramirent's share of the net result increased from a loss of €0.1 million in the quarter ended March 31, of 2018 to €0.4 million in the quarter ended March 31, 2019.

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

Ramirent Group

Net sales increased by 3.8% from €685.5 million in the year ended December 31, 2017 to €711.7 million in the year ended December 31, 2018. Net sales increased by 6.9% at comparable exchange rates during the same period. Net sales increased in all segments, with the strongest growth in Eastern Europe and Sweden. Both rental and service sales contributed to the overall net sales growth, while sales of used equipment declined.

EBIT decreased by 26.3% from €90.7 million in the year ended December 31, 2017 to €66.9 million in the year ended December 31, 2018 mainly due to costs related to the divestment of Ramirent's Temporary Space Business and restructuring costs in Norway. Ramirent's Comparable EBIT increased by 19.4% from €89.4 million in the year ended December 31, 2017 to €106.8 million in the year ended December 31, 2018. Comparable EBIT increased in all segments. The improvement was particularly strong in Eastern Europe, Norway and Sweden.

Depreciation of tangible assets increased by 10.1% from €102.1 million in the year ended December 31, 2017 to €112.3 million in the year ended December 31, 2018 and Ramirent's amortization charges of intangible assets increased from €7.9 million to €23.7 million over the same period. These figures include €29.3 million of depreciation and amortization due to the divestment of the Temporary Space Business. Items not allocated to segments include divestments related costs and write-downs of €4.0 million as well as other group-level costs and internal profit elimination of sales between segments.

EBITDA increased by 1.1% from €200.7 million in the year ended December 31, 2017 to €202.9 million in the year ended December 31, 2018, for the reasons discussed above. EBITDA margin decreased slightly from 29.3% to 28.5% over the same period.

Sweden

Demand in the Swedish equipment rental market was supported by high activity in the construction sector.

Net sales in the Sweden segment increased by 4.6% from €260.3 million in the year ended December 31, 2017 to €272.2 million (38.3% of total net sales) in the year ended December 31, 2018. At comparable exchange rates, net sales in the Sweden segment increased by 11.3% during this period. The positive net sales development was due to growth in rental sales in all regions and strong growth in service sales due to large non-residential building projects.

EBIT in the Sweden segment decreased by 3.3% from €36.4 million in the year ended December 31, 2017 to €35.2 million in the year ended December 31, 2018 due to costs related to the divestment of Ramirent's Temporary Space Business. The Comparable EBIT in the Sweden segment increased by 20.5% from €36.4 million in the year ended December 31, 2017 to €43.9 million in the year ended December 31, 2018 due to good volume growth, improved operational efficiency and cost control measures.

EBITDA in the Sweden segment increased by 8.4% from €75.1 million in the year ended December 31, 2017 to €81.4 million in the year ended December 31, 2018 for the reasons discussed above. EBITDA margin in the Sweden segment increased from 28.8% to 29.9% over the same period.

Finland

Demand in the Finnish equipment rental market in the year ended December 31, 2018 was supported by solid demand in the construction and industrial sectors. Sales increased in all business areas and a positive trend in sales continued throughout the year.

Net sales in the Finland segment increased by 1.4% from €191.5 million in the year ended December 31, 2017 to €194.1 million (27.3% of total net sales) in the year ended December 31, 2018 due to good development in large projects both in construction and industry sectors.

EBIT in the Finland segment decreased by 7.2% from €25.3 million in the year ended December 31, 2017 to €23.5 million due to expenses related to the divestment of Ramirent's Temporary Space Business. Comparable EBIT in the Finland segment increased by 9.8% from €25.3 million in the year ended December 31, 2017 to €27.8 million in the year ended December 31, 2018 due to volume growth and cost efficiency.

EBITDA in the Finland segment increased by 0.4% from €54.1 million in the year ended December 31, 2017 to €54.3 million in the year ended December 31, 2018 for the reasons discussed above. EBITDA margin in the Finland segment decreased from 28.2% to 28.0% over the same period.

Eastern Europe

Overall good demand in the equipment rental markets in Eastern Europe continued to be supported by the growth in construction activity.

Net sales in the Eastern Europe segment increased by 7.8% from €111.0 million in the year ended December 31, 2017 to €119.6 million (16.8% of total net sales) in the year ended December 31, 2018. At constant exchange rates, net sales in the Eastern Europe segment increased by 7.6% during this period. Sales developed positively across all the segment's market areas, with the strongest growth present in the Baltic countries. In 2018, Ramirent opened four new branches in Eastern Europe.

EBIT in the Eastern Europe segment increased by 32.0% from €23.5 million in the year ended December 31, 2017 to €31.0 million in the year ended December 31, 2018. EBIT improved as a result of good sales volumes, favorable sales mix, improved price realization and cost efficiency measures. All of the Eastern Europe segment's market areas significantly improved their EBIT. Comparable EBIT in the Eastern Europe segment increased by 32.0% from €23.5 million in the year ended December 31, 2017 to €31.0 million in the year ended December 31, 2018.

EBITDA in the Eastern Europe segment increased by 20.0% from €44.4 million in the year ended December 31, 2017 to €53.3 million in the year ended December 31, 2018 for the reasons discussed above. EBITDA margin in the Eastern Europe segment increased from 40.0% to 44.6% over the same period.

Norway

Overall market conditions in the Norwegian equipment rental market were positive in 2018.

Net sales in the Norway segment increased by 2.5% from €121.2 million in the year ended December 31, 2017 to €124.2 million (17.5% of total net sales) in the year ended December 31, 2018. At comparable exchange rates, net sales in the Norway segment increased by 5.4% in the same period. Sales growth was broad-based across all customer groups and especially strong in the greater Oslo Area and among small and medium-sized customers.

EBIT in the Norway segment decreased by €20.0 million from €10.0 million in the year ended December 31, 2017 to negative €10.1 million in the year ended December 31, 2018 due to costs related to the divestment of Ramirent's Temporary Space Business and restructuring costs. Comparable EBIT in the Norway segment increased by 36.2% from €8.7 million in the year ended December 31, 2017 to €11.8 million in the year ended December 31, 2018 due to sales growth and continued internal efficiency improvements.

EBITDA in the Norway segment decreased by 19.5% from €30.7 million in the year ended December 31, 2017 to €24.8 million in the year ended December 31, 2018 for the reasons discussed above. EBITDA margin in the Norway segment decreased from 25.4% to 19.9% over the same period.

Other Operations

The Fortrent Group's (joint venture company in Russia and Ukraine) net result decreased to €1.0 million in the year ended December 31, 2018 from €2.0 million in the year ended December 31, 2017. Ramirent's share of the net result was €0.5 million in the year ended December 31, 2018.

Net Debt

Ramirent defines net debt as interest-bearing debt less cash and cash equivalents. Net debt is presented as additional information because Ramirent believes that netting cash against debt may be helpful to investors in understanding Ramirent's financial liability exposure. However, other companies may present net debt differently. 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.

Ramirent's net debt was €350.6 million as of December 31, 2018 (compared to €337.9 million as of December 31, 2017) and €423.6 million as of March 31, 2019 including the IFRS 16 impact of €94.8 million of lease liabilities (compared to €351.7 million as of March 31, 2018). The level of net debt corresponds to a gearing ratio of 119.7% as of December 31, 2018 (compared to 109.2% as of December 31, 2017) and 165.1% as of March 31, 2019 (compared to 129.9% as of March 31, 2018).

As of December 31, 2018, the ratio of net debt to EBITDA on a rolling 12 months' basis (pre-IFRS 16) was 1.7x (unchanged from December 31, 2017), remaining below Ramirent's financial target of a maximum of 2.5x at the end of each fiscal year. As of March 31, 2019, this ratio was 2.1x, reflecting the impact of IFRS 16. The ratio of net debt to EBITDA as of March 31, 2019 excluding the impact of IFRS 16 was 1.7x. For more information on items excluding IFRS 16 impact, see "Presentation of financial and other information – Ramirent Financial information."

Sources of Financing

As of March 31, 2019, Ramirent's gross debt was €433.3 million and net debt was €423.6 million, including the IFRS 16 impact of €94.8 million of lease liabilities.

On January 28, 2019, Ramirent increased its domestic commercial paper program from €250 million to €300 million. Within the program, Ramirent can issue commercial papers having maturity of less than one year to finance Ramirent's working capital and other short-term funding needs.

As of March 31, 2019, Ramirent had four principal sources of financing in addition to its commercial paper program. On February 7, 2019, Ramirent signed an agreement for a new €185 million syndicated revolving credit facility with an initial maturity in 2024 with two one-year extension options. In addition to this revolving credit facility, Ramirent has €175 million available under a multicurrency revolving credit facility with an initial maturity in 2021 with extension options. Ramirent also benefits from a €50 million term loan facility with the European Investment Bank.

The Stavdal acquisition was completed by Ramirent on July 1, 2019, with financings amounting to an aggregate of €86.0 million. We anticipate that the financings put in place to fund the Stavdal acquisition will be repaid in full and cancelled on or shortly after the Completion Date in connection with the Acquisition using the proceeds of the Notes offered hereby. According to Ramirent's public disclosure, €40 million of existing debt at the Stavdal level was rolled-over in connection with the acquisition of Stavdal by Ramirent and will remain in place following the Acquisition. See *"Capitalization."*

Divestments and Acquisitions

On July 30, 2018, Ramirent announced the divestment of its Temporary Space Business to Procuritas Capital Investors VI Holding AB for an enterprise value of approximately €53 million. The transaction was closed on November 1, 2018. With 18 employees in Sweden, Norway, Finland and Denmark, Ramirent's Temporary Space Business had sales of €30 million and an EBIT of €3.5 million in the year ended December 31, 2017.

Following the announcement, all assets and liabilities relating to the Temporary Space Business were classified as held for sale in accordance with IFRS 5. In accordance with the requirements of IFRS 5, the non-current assets were neither depreciated nor amortized after the divestment decision. Until the closing of the divestment on November 1, 2018, the Temporary Space Business was included in Ramirent's consolidated statement of income and balance sheet.

On December 3, 2018, Ramirent announced that it had signed an agreement to divest its Danish equipment rental business to G.S.V. Materieludlejning A/S, Denmark's largest equipment rental company. The transaction was closed on March 20, 2019 and Ramirent disclosed the preliminary impact of the disposal in its interim report for the quarter ended March 31, 2019. The divested operations have been reported as discontinued operations from the fourth quarter 2018 onwards, quarterly and annual financial information of 2017 and 2018 have been restated accordingly. Their result was reported under "Result from discontinued operations" and their capital employed under "Assets held for sale" and "Liabilities associated with assets held for sale" from the fourth quarter of 2018 until the closing of the transaction on March 20, 2019. For more information, *see "Presentation of financial and other information – Ramirent Financial information."*

On December 19, 2018, Ramirent announced that it had signed a long-term co-operation agreement with SRV Group Plc. As part of the arrangement, Ramirent acquired SRV's internal equipment rental company SRV Kalusto Oy's entire share capital. The enterprise value of the transaction was €21 million.

On December 20, 2018, Ramirent announced that it had completed the review of strategic options for Fortrent, a joint venture owned by Ramirent and Cramo. As an outcome of the analysis, Fortrent's strategic focus in the future will be on Russian operations, optimising cash flow generation and debt repayment to its owners. Consequently, Fortrent's Ukrainian operations will be closed during 2019. The restructuring costs are approximately €0.5 million. In 2018, Fortrent's total sales were €29.9 million, whereof the share of Ukrainian business was €2.4 million. The ownership of Fortrent will remain unchanged.

On March 29, 2019 Ramirent increased its ownership in Safety Solutions Jonsereds AB from 85.7% to 96.4%. As part of the purchase price of the minority stake, Ramirent Plc conveyed a total of 336,755 of Ramirent's treasury shares without consideration to the management of Safety Solutions Jonsereds AB. The directed share issue is based on an authorization given by the Annual General Meeting held on March 17, 2016.

On April 8, 2019, Ramirent announced that it had signed an agreement to acquire Stavdal AB, a general equipment rental company operating in 11 cities in Sweden and in the Oslo area in Norway. The enterprise value of the transaction is approximately €158 million. The Stavdal acquisition was completed by Ramirent on July 1, 2019, with financings amounting to an aggregate of €86.0 million.

On April 30, 2019, Ramirent announced that it had signed an agreement to acquire the site module rental business of Rocla Solutions Oy, one of the leading internal logistic companies in Finland. The deal includes the module fleet and existing rental contracts.

SELECTED CONSOLIDATED FINANCIAL INFORMATION – LOXAM

The following tables present our summary consolidated financial information as of and for the years ended December 31, 2016, 2017 and 2018 and as of March 31, 2019 and for the quarters ended March 31, 2018 and 2019. The summary consolidated financial information as of and for each of the years ended December 31, 2016, 2017 and 2018 was 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 independent auditors, KPMG Audit (a division of KPMG SA) and Constantin Associés (a member of Deloitte Touche Tohmatsu Limited). These consolidated financial statements were prepared in accordance with IFRS as adopted by the European Union. The summary consolidated financial information as of March 31, 2019 and for the quarter ended March 31, 2019, with comparable information for the quarter ended March 31, 2018, was derived from our unaudited condensed consolidated interim financial statements as of and for the quarter ended March 31, 2019 which were prepared in accordance with IAS 34 – standard of the IFRS as adopted by the European Union applicable to interim financial reporting. The unaudited condensed consolidated interim financial statements as of and for the quarter ended March 31, 2019 were reviewed by our statutory auditors. An English language translation of our unaudited condensed consolidated interim financial statements as of and for the quarter ended March 31, 2019 is included elsewhere in this listing prospectus, together with a free English language translation of the review report ("*examen limité*") thereon from our Auditors. This review report indicates that the corresponding figures relating to the period from January 1, 2018 to March 31, 2018 are not audited nor reviewed. This report also draws attention to the matter set out in Notes 3.3 and 24 to the consolidated condensed quarterly financial statements regarding the impacts of the application of IFRS 16.

We began applying IFRS 16 on January 1, 2019 using the modified retrospective method. Our results for the quarter ended March 31, 2019 presented in this listing prospectus include the impact of IFRS 16, and we provide a breakdown of this impact in certain financial tables. As a consequence of the first application of IFRS 16 as of January 1, 2019, financial information for the quarter ended March 31, 2019 is not comparable to the historical information for Loxam, including the financial information for the quarter ended March 31, 2018 as far as the financial information impacted by the application of IFRS 16 is concerned. See "*Management's Discussion and Analysis of Financial Condition and Results of Operation of Loxam—Results of Operations—Quarter ended March 31, 2019 compared to quarter ended March 31, 2018*" and the notes to our financial statements included elsewhere in this listing prospectus for further information.

The summary consolidated financial and other 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 Results of Operations of Loxam*."

Consolidated Income Statement Information

	Year ended December 31,			Quarter ended March 31,	
	2016	**2017**	**2018**	**2018**	**2019**
		***Pre-IFRS 16*[(a)]**		***Pre-IFRS 16*[(a)]**	***Post-IFRS 16*[(a)]**
			in millions of euros		
Revenue	926.8	1,367.7	1,482.6	343.9	367.3
Other income[(b)]	56.3	62.6	56.7	10.4	9.3
Operating income	**983.0**	**1,430.3**	**1,539.3**	**354.3**	**376.5**
Purchases consumed	(105.5)	(144.4)	(162.8)	(38.3)	(40.1)
Personnel expenses	(244.4)	(360.1)	(381.3)	(97.1)	(100.4)
Other current expenses	(311.7)	(443.3)	(475.3)	(114.4)	(103.0)
Taxes and duties	(16.6)	(18.5)	(19.3)	(6.1)	(6.9)
Depreciation and amortization	(143.7)	(238.4)	(287.8)	(64.3)	(90.9)
Profit from ordinary operations	**161.1**	**225.6**	**212.9**	**34.2**	**35.3**
Other operating income and expense	(19.9)	(4.5)	0.2	0.0	0.3
Operating profit	**141.2**	**221.2**	**213.2**	**34.2**	**35.6**
Interest and financing-related expenses	(63.1)	(93.3)	(97.2)	(24.5)	(25.9)
Other financial expenses	(31.8)	(26.9)	(7.7)	(1.7)	(0.7)
Financial income	6.8	3.5	2.8	0.9	1.7
Financial income (expense)	**(88.1)**	**(116.7)**	**(102.1)**	**(25.2)**	**(25.0)**
Profit before tax	**53.0**	**104.4**	**111.0**	**9.0**	**10.6**
Share of profit of associates	(1.0)	(1.3)	—	—	—
Income tax expense	(17.6)	(18.9)	(20.6)	(1.5)	(1.4)
Net profit	**34.4**	**84.3**	**90.4**	**7.5**	**9.2**
Non-controlling interests	0.1	(0.4)	(5.2)	(0.7)	(0.0)
Net profit, Group share	**34.3**	**84.6**	**95.7**	**8.2**	**9.3**

(a) The Group is applying IFRS 16 from January 1, 2019, using the modified retrospective approach. Under this approach, comparative information is not restated.

(b) 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 and €7.7 million, €6.7 million and €42.5 million for the quarter ended March 2018 and March 2019 and for the 12 months ended March 31, 2019, 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, and €1.4 million and €1.2 million for the quarter ended March 31, 2018 and March 31, 2019.

Loxam Consolidated Balance Sheet Information

	As of December 31,			As of March 31,
	2016	2017	2018	2019
		Pre-IFRS 16[(a)]		*Post-IFRS 16*[(a)]
		in millions of euros		
Intangible assets and goodwill	969.0	1,333.9	1,327.3	1,365.4
Property, plant and equipment	630.0	1,232.6	1,354.7	1,710.9
Financial assets	9.9	15.6	14.4	14.4
Financial derivatives	0.8	1.2	—	—
Investments in associates	9.7	—	—	—
Deferred tax assets	7.8	21.6	18.4	18.2
Non-current assets	**1,627.2**	**2,604.9**	**2,714.8**	**3,109.0**
Inventories	18.7	29.3	30.8	34.2
Trade and other receivables	224.6	370.8	388.5	405.6
Other current assets	26.1	64.7	56.2	57.7
Corporate income tax receivables	6.6	19.4	12.3	10.6
Cash and cash equivalents	155.9	117.5	143.8	93.0
Current assets	**431.9**	**601.8**	**631.5**	**601.0**
Total assets	**2,059.1**	**3,206.7**	**3,346.3**	**3,710.1**
Share capital	232.4	229.8	229.8	229.8
Additional paid-in capital	1.9	1.9	1.9	1.9
Consolidated reserves	211.3	212.0	292.5	406.5
Net profit for the year	34.3	84.6	95.7	9.3
Shareholders' equity (Group share)	**479.9**	**528.3**	**619.8**	**647.5**
Non-controlling interests	0.9	15.4	10.6	10.8
Total equity	**480.8**	**543.7**	**630.5**	**658.3**
Employee benefits	18.7	16.6	11.1	11.2
Deferred tax liabilities	25.4	62.1	70.4	70.8
Borrowings and financial debt	1,189.2	2,037.5	2,063.0	2,261.4
Financial derivatives	4.9	2.9	2.3	6.1
Non-current liabilities	**1,238.2**	**2,119.0**	**2,146.9**	**2,349.6**
Provisions	4.9	11.2	11.1	9.5
Borrowings and financial debt	107.4	201.2	216.5	264.3
Trade and other payables	123.1	188.2	202.2	289.1
Other liabilities	103.9	135.4	135.5	135.0
Corporate income tax liabilities	0.7	8.0	3.7	4.3
Current liabilities	**340.1**	**544.0**	**569.0**	**702.2**
Total shareholders' equity and liabilities	**2,059.1**	**3,206.7**	**3,346.3**	**3,710.1**

(a) The Group is applying IFRS 16 from January 1, 2019, using the modified retrospective approach. Under this approach, comparative information is not restated.

Loxam Condensed Consolidated Cash Flow Statement Information

	Year ended December 31,			Quarter ended March 31,	
	2016	**2017**	**2018**	**2018**	**2019**
		Pre-IFRS 16		***Pre-IFRS 16***	***Post-IFRS 16***
			in millions of euros		
Cash flow from operating activities.....	165.6	260.8	361.9	56.4	167.8
Cash flow from investing activities	(178.3)	(1,183.8)	(366.9)	(83.7)	(226.5)
Cash flow from financing activities.....	7.0	883.4	28.5	(20.4)	9.0
Change in cash and cash equivalents.....	**(5.7)**	**(39.5)**	**23.5**	**(47.7)**	**(49.7)**
Cash and cash equivalents[(a)] at end of period	155.7	116.6	141.4	70.7	92.4

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

SELECTED CONSOLIDATED FINANCIAL INFORMATION – RAMIRENT

The consolidated financial information for Ramirent as of and for each of the years ended December 31, 2017 and 2018 included herein was derived from Ramirent's audited consolidated annual financial statements, which were audited by Ramirent's auditors. Ramirent's audited consolidated financial statements as of and for the years ended December 31, 2017 and 2018 are included elsewhere in this listing prospectus, together with a free English language translation of the audit reports thereon from Ramirent's independent auditors, PricewaterhouseCoopers Oy, Authorized Public Accountants. The consolidated financial statements for Ramirent were prepared in accordance with IFRS as adopted in the European Union.

The summary unaudited consolidated financial information for Ramirent as of and for the quarter ended March 31, 2019, with comparative financial information as of and for the quarter ended March 31, 2018, in each case included herein, was derived from Ramirent's public interim report for the quarter ended March 31, 2019 prepared in accordance with IAS 34 Interim Financial Reporting, as published by Ramirent on April 30, 2019. Ramirent's statutory auditors have not audited, reviewed, compiled or performed any other procedures with respect to such quarterly consolidated financial information for the purpose of its inclusion herein and accordingly, they have not expressed an opinion or provided any form of assurance with respect thereto for the purpose of this listing prospectus.

For more information related to the financial information and on the comparability of the consolidated financial information for Ramirent as of and for each of the years ended December 31, 2017 and 2018 and as of and for the quarter ended March 31, 2019 and as of and for the quarter ended March 31, 2018, see *"Index to the financial statements–Ramirent—Consolidated Financial Statements as of and for the Year Ended December 31, 2018—Notes to the Consolidated Financial Statements—New and amended IFRS standards implemented in 2018", and "Ramirent—Consolidated Financial Statements as of and for the Year Ended December 31, 2018—Notes to the Consolidated Financial Statements—Segment information" and "Presentation of financial and other information – Ramirent Financial information."*

Ramirent Condensed Consolidated Income Statement

	Year ended December 31,		Quarter ended March 31,	
	2017[a] [b]	**2018[c]**	**2018[b][c]**	**2019[d]**
	Pre-IFRS 16		***Pre-IFRS 16***	***Post-IFRS 16***
	in millions of euros			
Continuing Operations				
Rental income	432.4	451.7	102.5	99.2
Service income	193.6	203.3	59.4[e]	57.8[e]
Sale of used rental machinery and equipment	29.0	22.1	5.6	5.9
Sale of goods	30.4	34.6	—	—
Net sales	**685.5**	**711.7**	**167.5**	**163.0**
Cost of sales	(516.2)	(523.5)	(124.9)	(125.4)
Gross profit	**169.3**	**188.2**	**42.6**	**37.6**
Other operating income	2.1	0.8	0.2	0.9
Selling, general and administrative expenses	(81.7)	(90.2)	(21.5)	(21.8)
Losses on disposal of businesses	—	(32.3)	—	—
Share of result of associates and joint ventures	1.0	0.4	(0.1)	0.4
Operating result (EBIT)	**90.7**	**66.9**	**21.2**	**17.1**
Financial income	0.7	0.6	0.2	0.1
Financial expenses	(13.0)	(11.1)	(2.7)	(2.3)
Total financial income and expenses	(12.3)	(10.5)	(2.5)	(2.2)
Earnings before taxes (EBT)	**78.4**	**56.4**	**18.7**	**14.9**
Income taxes	(13.6)	(11.5)	(4.0)	(3.0)
Result from continuing operations	64.8	44.9	14.7	11.9
Discontinued operations				
Result from discontinued operations	(1.3)	3.0	0.5	1.5
Result for the financial year	**63.5**	**47.8**	**15.2**	**13.4**

(a) Unaudited and restated due to changed presentation of the income statement format. For more information, see "Presentation of financial and other information – Ramirent Financial information"

(b) Unaudited and restated due to divestment of Danish equipment rental business. Following the divestment, the financial information for the Danish operations are reported as discontinued operations and are not included in the financial information for Ramirent's continuing operations for the year 2018 and 2017. For more information, see "Presentation of financial and other information – Ramirent Financial information"

(c) Ramirent adopted IFRS 15 on January 1, 2018 using the full retrospective approach. Ramirent adopted IFRS 9 and amendments on IFRS 2 on January 1, 2018 without restating the comparative financial information.

(d) Ramirent adopted IFRS 16 on January 1, 2019, using the modified retrospective approach. Under this approach, comparative financial information is not restated.

(e) Includes sale of goods

Ramirent Consolidated Statement of Financial Position

	As of December 31,		As of March 31,	
	2017 Pre-IFRS 16	2018[c] Pre-IFRS 16	2018[c] Pre-IFRS 16	2019[b] Post-IFRS 16
	in millions of euros			
Assets				
Non—current assets				
Property, plant and equipment	524.8	515.5	546.7	537.4
Right—of—use assets	—	—	—	94.8
Goodwill	134.7	126.5	132.3	126.4
Other intangible assets	23.8	13.3	21.8	11.8
Investments in associates and joint ventures	7.8	6.4	7.4	7.8
Non—current financial assets	10.3[a]	8.7	10.1	8.1
Available—for—sale financial assets	0.1	—	—	—
Other non—current assets	0.6[a]	0.4	0.7	0.4
Deferred tax assets	1.2	1.0	1.0	1.0
Total non—current assets	**703.1**	**671.8**	**720.0**	**787.7**
Current assets				
Inventories	12.7	14.7	13.2	17.7
Trade and other receivables	130.6	126.5	133.3	128.3
Current tax assets	2.6	1.3	2.6	2.0
Cash and cash equivalents	6.9	10.3	7.3	9.7
Total current assets	**152.8**	**152.8**	**156.5**	**157.7**
Assets held for sale	—	37.9[d]	—	—
Total current assets	**855.9**	**862.6**	**876.5**	**945.5**
Equity and liabilities				
Equity				
Share capital	25.0	25.0	25.0	25.0
Revaluation fund	(0.2)	(0.9)	(0.3)	(1.5)
Invested unrestricted equity fund	116.4	116.6	116.6	119.1
Retained earnings from previous years	104.9	104.3	114.4	100.6
Result for the period	63.5	47.8	15.2	13.4
Equity attributable to the parent company shareholders	309.5	292.8	270.8	256.5
Total Equity	**309.5**	**292.8**	**270.8**	**256.5**
Non—current liabilities				
Deferred tax liabilities	48.0	41.1	46.9	40.6
Pension obligations	22.4	24.2	21.7	24.2
Non—current provisions	2.6	2.6	2.5	4.8
Non—current interest—bearing liabilities	174.6	74.8	174.6	124.8
Non—current lease liabilities	—	—	—	68.3
Other non—current liabilities	5.0	6.6	5.8	6.7
Total non—current liabilities	**252.4**	**149.4**	**251.5**	**269.5**
Current liabilities				
Trade payables and other liabilities	116.6	116.1	165.3	172.2
Current provisions	2.6	3.2	1.1	0.2

	As of December 31,		As of March 31,	
	2017 Pre-IFRS 16	2018[c] Pre-IFRS 16	2018[c] Pre-IFRS 16	2019[b] Post-IFRS 16
Current tax liabilities	4.5	9.0	3.4	6.9
Current interest—bearing liabilities	170.3	286.1	184.4	213.7
Current lease liabilities	—	—	—	26.5
Total current liabilities	**294.0**	**414.4**	**354.2**	**419.5**
Liabilities associated with assets held for sale	—	6.0	—	—
Total liabilities	**546.4**	**569.8**	**605.7**	**688.9**
Total equity and liabilities	**855.9**	**862.6**	**876.5**	**945.5**

(a) The non-current financial assets and other non-current assets have been reclassified in 2018 and are therefore unaudited.

(b) Ramirent adopted IFRS 16 on January 1, 2019, using the modified retrospective approach. Under this approach, comparative information is not restated.

(c) Ramirent adopted IFRS 15 on January 1, 2018 using the full retrospective approach. Ramirent adopted IFRS 9 and amendments on IFRS 2 on January 1, 2018 without restating the comparative financial information.

(d) Assets held for sale relate to the sold Danish operations.

Ramirent Condensed Consolidated Statement of Cash Flow

	Year ended December 31,		Quarter ended March 31,	
	2017[a]	2018[a]	2018[a]	2019[a][b]
	in millions of euros			
Net cash flow from operating activities, total	199.8	188.5	33.1	35.9
Net cash flow from investing activities, total	(148.2)	(147.8)	(46.8)	(3.9)
Net cash flow from financing activities, total	(46.3)	(37.3)	14.1	(32.6)
Net change in cash and cash equivalents during the financial year	**5.3**	**3.4**	**0.4**	**(0.6)**
Cash and cash equivalents at the end of the period	6.9	10.3	7.3	9.7

(a) Includes the impact of the disposed Danish operations until March, 2019 and Temporary Space Business until November, 2018.

(b) Ramirent adopted IFRS 16 on January 1, 2019, using the modified retrospective approach. Under this approach, comparative information is not restated.

UNAUDITED PRO FORMA CONSOLIDATED CONDENSED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018

Basis of preparation

On June 10, 2019, we announced an all-cash offer (the "Tender Offer") to purchase all of the issued and outstanding shares of Ramirent Plc for €9.00 per share, a publicly listed company based in Finland with operations in Northern and Eastern Europe. Assuming consummation of the Acquisition, we expect to acquire Ramirent and its subsidiaries for total consideration of approximately €978 million. Once we acquire more than 90% of Ramirent's shares through acceptance of the Tender Offer, we will initiate squeeze-out proceedings (the "Squeeze-Out Proceedings") in order to acquire the remaining shares.

The Unaudited Pro Forma Consolidated Condensed Financial Information as of and for the twelve-month period ended December 31, 2018 (the "Unaudited Pro Forma Consolidated Condensed Financial Information") was prepared to reflect :

- the Acquisition as if it had occurred on January 1, 2018 (for income statement purposes) or December 31, 2018 (for statement of financial positions purposes).

- The Financing as if it had been in place on January 1, 2018 (for income statement purposes) or December 31, 2018 (for statement of financial positions purposes), based on the assumption that the Financing would include €1,150,000,000 aggregate principal amount of senior secured notes split into the 2025 Senior Secured Notes, the July 2026 Senior Secured Notes and €250,000,000 aggregate principal amount of the Senior Subordinated Notes.

The Unaudited Pro Forma Consolidated Condensed Financial Information was prepared based on the following historical information:

- Loxam's audited consolidated financial statements as of and for the year ended December 31, 2018 prepared under IFRS as adopted by the European Union, an English language translation of which is included elsewhere in this listing prospectus. These consolidated financial statements have been audited by our independent auditors, KPMG Audit (a division of KPMG SA) and Constantin Associés (a member of Deloitte Touche Tohmatsu Limited) and a free English language translation of their audit report is included elsewhere in this listing prospectus; and

- Ramirent's audited consolidated financial statements as of and for the year ended December 31, 2018 prepared under IFRS as adopted by the European Union which are included elsewhere in this listing prospectus. These consolidated financial statements have been audited by Ramirent's independent auditors, PricewaterhouseCoopers Oy, Authorised Public Accountants, and an English language translation of which is included elsewhere in this listing prospectus.

The Unaudited Pro Forma Consolidated Condensed Financial Information consists of Unaudited Pro Forma Consolidated Condensed income statement information, an Unaudited Pro Forma Consolidated Condensed Statement of Financial Position and explanatory notes.

The Unaudited Pro Forma Consolidated Condensed Financial Information is presented for illustrative purposes only and is not indicative of our results of operation or the financial condition that would have been achieved had the Acquisition and the Financing been completed as of January 1, 2018 or December 31, 2018, nor does the Unaudited Pro Forma Consolidated Condensed Financial Information purport to be indicative of our future results of operations or financial position. The Unaudited Pro Forma Consolidated Condensed Financial Information is based on available information (and, in particular, publicly available information published by Ramirent) and certain assumptions which we believe are reasonable and that are described in the accompanying notes which should be read in conjunction with the Unaudited Condensed Consolidated Pro Forma Financial Information. These adjustments give effect to events that are directly attributable to the Acquisition and are factually supportable. Specifically:

The Unaudited Condensed Consolidated Pro Forma Financial Information has been prepared in millions of euros, the euro being the functional currency of the parent company of Loxam. Ramirent also presents its historical consolidated financial statements in euro.

As a result of time constraints, the following adjustments were not made:

- Harmonization of the accounting principles of Ramirent to ensure consistency with those of Loxam except when mentioned in the notes below; and

- Measurement of identifiable assets acquired and liabilities assumed at fair value in accordance with revised IFRS 3. The following items were not taken into account in the Unaudited Condensed Consolidated Pro Forma Financial Information:

- Costs resulting from the integration of Ramirent Group; and

- Synergies.

The assumptions and estimates used in the preparation of the Unaudited Pro Forma Consolidated Condensed Financial Information may differ materially from the actual amounts that would have been achieved had the Acquisition and the Financing occurred on January 1, 2018 (for income statement purposes) or December 31, 2018 (for statement of financial positions purposes).

The Unaudited Pro Forma Consolidated Condensed Financial Information does not include all information required for financial statements under IFRS as adopted by the European Union, and should be read in conjunction with Loxam's consolidated audited financial statements and the notes thereto, an English language translation of which is included elsewhere in this listing prospectus and Ramirent's consolidated audited financial statements and the notes thereto an English language translation of which is included elsewhere in this listing prospectus. The Unaudited Pro Forma Consolidated Condensed Financial Information shall not be construed as prepared in accordance with the requirements of Regulation S-X of the U.S. Securities and Exchange Commission, the EU Prospectus Regulation or any generally accepted accounting principles. The Unaudited Pro Forma Consolidated Condensed Financial Information was prepared in accordance with the basis of preparation described herein.

All pro forma adjustments are directly attributable to the Acquisition. These pro forma adjustments were prepared and computed based on available information (and, in particular, publicly available information published by Ramirent) and estimates and assumptions that we believe to be reasonable.

The pro forma adjustments used for the purposes of preparing the Unaudited Pro Forma Consolidated Condensed Financial Information are described in footnotes below the tables.

Unaudited Pro Forma Consolidated Condensed Income Statement

	Year ended December 31, 2018							
				Pro Forma Adjustments				
				in millions of euros				
	Historical data of Loxam	**Reclassified historical data of Ramirent [3]**	**Combination of historical financial Data of Loxam, and Ramirent**	**Acquisition[1]**	**Financing[2]**	**Presentation Adjustment[3]**	**Combined adjustments**	**Total pro forma**
Revenue	1,482.6	711.7	2,194.3	-	-	-22.1	-22.1	2,172.1
Other income	56.7	0.8	57.5	-	-	16.8	16.8	74.3
Operating income	**1,539.3**	**712.5**	**2,251.8**	-	-	**-5.4**	**-5.4**	**2,246.4**
Purchases consumed	-162.8	0.0	-162.8	-	-	-26.6	-26.6	-189.4
Personnel expenses	-381.3	-173.5	-554.8	-	-	0.0	0.0	-554.8
Other current expenses	-475.3	-336.5	-811.8	-	-	32.0	32.0	-779.8
Taxes and duties	-19.3	0.0	-19.3	-	-	0.0	0.0	-19.3
Depreciation and amortization	-287.8	-136.0	-423.8	-	-	0.0	0.0	-423.8
Share of result of associates and joint ventures	0.0	0.4	0.4			-0.4	-0.4	0.0
Profit from ordinary operations	**212.9**	**66.9**	**279.8**	-	-	**-0.4**	**—0.4**	**279.4**
Other operating income	5.5	0.0	5.5			0.0	0.0	5.5
Other operating expenses	-5.3	0.0	-5.3	-10.5	-	0.0	-10.5	-15.8
Operating profit	**213.2**	**66.9**	**280.0**	**-10.5**	**0.0**	**-0.4**	**-10.9**	**269.1**
Interest and financing-related expenses	-97.2	-5.8	-103.0	-	-50.0	0.0	-50.0	-153.0
Other financial expenses	-7.7	-5.4	-13.1	-	0.0	0.0	0.0	-13.1
Financial income	2.8	0.6	3.4	-	0.0	0.0	0.0	3.4
Financial income (expense)	**-102.1**	**-10.5**	**-112.6**	-	**-50.0**	**0.0**	**-50.0**	**-162.7**
Profit before tax	**111.0**	**56.4**	**167.4**	**-10.5**	**-50.0**	**-0.4**	**-61.0**	**106.4**
Share of profit of associates	0.0	0.0	0.0	-	0.0	0.4	0.4	0.4
Income tax expense [*]	-20.6	-11.5	-32.1	3.4	15.2	0.0	18.5	-13.6
Net profit from continuing operations	**90.4**	**44.9**	**135.3**	**-7.1**	**-34.9**	**0.0**	**-42.0**	**93.3**
Net profit from discontinued operations	0.0	3.0	3.0			0.0	0.0	3.0
Net profit	**90.4**	**47.8**	**138.3**	**-7.1**	**-34.9**	**0.0**	**-42.2**	**96.3**
Non-controlling interests	-5.2	0.0	-5.2	-	0.0	0.0	0.0	-5.2
Net profit, Group share	**95.7**	**47.8**	**143.5**	**-7.1**	**-34.9**	**0.0**	**-42.2**	**101.5**

(*) The tax effect amount used for the adjustment for the pro forma information was calculated using a tax rate of 32.02% for Loxam and 20% for Ramirent.

Unaudited Pro Forma Consolidated Condensed Statement of Financial Positions

	As at December 31, 2018					
	Historical data of Loxam	Reclassified historical data of Ramirent[3]	Combination of historical financial Data of Loxam, and Ramirent	Acquisition[1]	Financing[2]	Total Pro Forma
	in millions of euros					
Intangible assets and goodwill	1,327.3	139.7	1,467.0	685.5	0.0	2,152.5
Property, plant and equipment	1,354.7	515.5	1,870.2	0.0	0.0	1,870.2
Financial assets	14.4	8.7	23.1	0.0	0.0	23.1
Financial derivatives	0.0	0.0	0.0	0.0	0.0	0.0
Investments in associates	0.0	6.4	6.4	0.0	0.0	6.4
Non-Current assets	0.0	0.4	0.4	0.0	0.0	0.4
Deferred tax assets	18.4	1.0	19.4	0.0	0.0	19.4
Non-current assets	**2,714.8**	**671.8**	**3,386.6**	**685.5**	**0.0**	**4,072.1**
Inventories	30.8	14.7	45.5	0.0	0.0	45.5
Trade and other receivables	388.5	126.5	515.0	0.0	0.0	515.0
Other current assets	56.2	0.0	56.2	0.0	0.0	56.2
Corporate income tax receivables	12.3	1.3	13.6	3.4	0.0	16.9
Cash management assets	0.0	0.0	0.0	0.0	0.0	0.0
Cash and cash equivalents	143.8	10.3	154.1	-988.8	1,018.8	184.1
Current assets	**631.5**	**152.8**	**784.4**	**-985.4**	**1,018.8**	**817.7**
Assets held for sale	0.0	37.9	37.9	0.0	0.0	37.9
Total assets	**3,346.3**	**862.6**	**4,208.9**	**-299.9**	**1,018.8**	**4,927.7**
Share capital	229.8	25.0	254.8	0.0	0.0	254.8
Additional paid-in capital	1.9	0.0	1.9	0.0	0.0	1.9
Consolidated reserves	388.1	267.8	655.9	-299.9	0.0	356.0
Shareholders' equity (Group share)	**619.8**	**292.8**	**912.6**	**-299.9**	**0.0**	**612.7**
Non-controlling interests	10.6	0.0	10.6	0.0	0.0	10.6
Total equity	**630.5**	**292.8**	**923.3**	**-299.9**	**0.0**	**623.3**
Employee benefits	11.1	24.2	35.3	0.0	0.0	35.3
Non-current provisions	0.0	2.6	2.6	0.0	0.0	2.6
Deferred tax liabilities	70.4	41.1	111.5	0.0	0.0	111.5
Borrowings and financial debt	2,063.0	74.8	2,137.9	0.0	1,304.8	3,442.7
Financial derivatives	2.3	0.0	2.3	0.0	0.0	2.3
Other non-current liabilities	0.0	6.6	6.6	0.0	0.0	6.6
Non-current liabilities	**2,146.9**	**149.4**	**2,296.3**	**0.0**	**1,304.8**	**3,601.1**
Provisions	11.1	3.2	14.3	0.0	0.0	14.3
Borrowings and financial debt	216.5	286.1	502.6	0.0	-286.1	216.5
Trade and other payables	202.2	116.1	318.3	0.0	0.0	318.3
Other liabilities	135.5	0.0	135.5	0.0	0.0	135.5
Corporate income tax liabilities	3.7	9.0	12.7	0.0	0.0	12.7
Current liabilities	**569.0**	**414.4**	**983.3**	**0.0**	**-286.1**	**697.3**
Liabilities associated with assets held for sale	0.0	6.0	6.0	0.0	0.0	6.0
Total shareholders' equity and liabilities	**3,346.3**	**862.6**	**4,208.9**	**-299.9**	**1,018.8**	**4,927.7**

(1) Acquisition

Statement of Financial Positions Adjustments

The acquisition of Ramirent should be accounted in accordance with IFRS 3 revised (Business combination), and would also imply that goodwill should be determined as the difference between the fair value of the consideration transferred and the fair value of the amount of the identifiable assets acquired and liabilities assumed. However, in the context of the Unaudited Pro Forma Condensed Consolidated Financial Information and with no available information about the fair value of the identifiable assets acquired and liabilities assumed, goodwill is determined as the difference between the consideration transferred as determined in accordance with the methods below and the net carrying value of the assets and liabilities, recognized in the consolidated statement of financial positions of Ramirent as of December 31, 2018.

For purposes of the Unaudited Pro Forma Condensed Consolidated Financial Information, the consideration transferred has been determined based on the number of outstanding shares of Ramirent Plc as of December 31, 2018 at the Tender Offer price of €9.00 per share. The final consideration that will be transferred upon completion of the Acquisition will be higher, with a corresponding decrease in cash and cash equivalents, as the final consideration transferred will reflect the acquisition of additional shares of

Ramirent Plc issued in connection with Ramirent's acquisition of Stavdal AB, which closed on July 1, 2019, as described under "*Summary—Recent Developments—Stavdal Acquisition*". See "*Use of Proceeds*".

As a result, the so-called "preliminary" goodwill determined below is not the goodwill that will be recognized in the consolidated financial statements of the Combined Group that will be prepared for the year ended December 31, 2019. The preliminary goodwill is determined as follows:

in millions of euros	
Net Equity of Ramirent at December 31, 2018 (a)	292.8
Elimination of existing goodwill at Ramirent (b)	(126.5)
Consideration transferred (c)	978.3
Preliminary goodwill (d)	**812.0**
Pro forma adjustment for goodwill (e) = (d) + (b)	685.5

The preliminary goodwill is determined as the difference between the consideration transferred as defined above and the net carrying value of the assets and liabilities recognized in the consolidated statement of financial positions of Ramirent as at December 31, 2018. The final valuations of the assets and liabilities and the accounting of the acquisition will be finalized in the coming months, based on evaluation reports and other studies performed by external valuation specialists. The preliminary calculation is only for the purposes of preparing the Unaudited Condensed Consolidated Pro Forma Financial Information and is therefore hypothetical and subject to change. The determination of the fair value of the assets acquired and liabilities assumed may lead to the booking of some identifiable acquired assets that have limited lifetime and will therefore be depreciated or amortized. Consequently, the future results of the group could be materially impacted by the depreciation or amortization expenses related to such identifiable acquired assets.

Cash and cash equivalents adjustments

Correspond to the contribution transferred of €978.3 million and the acquisition costs of €10.5 million.

Consolidated equity

Impact on the consolidated equity is as follows:

- Elimination of net equity of Ramirent: €(292.8) million
- Acquisition costs of €7.1 million, net of tax effect of €3.4 million

Total impact on the consolidated equity: €(299.9) million

Income Statement Adjustments

In relation to the aggregation of the historical financial data of Ramirent and Loxam as if the acquisitions had occurred at January 1, 2018, the impact of the business combination adjustments on the Unaudited Condensed Consolidated Pro Forma Financial Information is as follows:

- Loxam: The transaction costs incurred by Loxam amount to €10.5 million mainly composed of fees for professional services, and tax effect of €3.4 million
- Ramirent: No transactions costs were assumed to be incurred by Ramirent.

(2) Financing

The Unaudited Pro Forma Consolidated Condensed Statement of Financial Position reflects the replacement of the "existing financing arrangement" that existed in Ramirent as at December 31, 2018, with the "new financing arrangement" for the combined purposes of the two groups.

- Existing financing arrangements included Listed bond, loans from financial institutions and commercial paper.
- New financing arrangements include the €1,400 million issue of Notes offered hereby, net of €(20.3) million capitalized debt issuance costs.

The rate and the amount of the breakdown of the nominal value are estimated at the time of the preparation of the pro-forma financial information.

Statement of Financial Position Adjustments

The tables below present the pro forma adjustments on borrowings and financial debt and on cash and cash equivalents as of December 31, 2018.

	Loxam	**Ramirent**	**Total Refinancing**
	in millions of euros		
Existing financing arrangements (non-current)	-	(74.8)	(74.8)
Cash from Notes offered hereby	1,400.0	-	1,400.0
Costs of the offering of Notes	(20.3)	-	(20.3)
Borrowings and financial debt adjustments (non-current)	**1,379.7**	**(74.8)**	**1,304.9**
Existing financing arrangements (current)	**-**	**(286.1)**	**(286.1)**
Borrowings and financial debt adjustments	**1,379.7**	**(360.9)**	**1,018.8**

	Loxam	**Ramirent**	**Total Refinancing**
	(in millions of euros)		
Existing financing arrangements (current and non-current)	-	(360.9)	(360.9)
Cash from offered hereby	1,400.0	-	1,400.0
Costs of the offering of Notes	(20.3)	-	(20.3)
Cash and cash equivalent adjustments	**1,379.7**	**(360.9)**	**1,018.8**

Income Statement Adjustments

The adjustments in the Unaudited Pro Forma Consolidated Condensed Income Statement consist of:

- Adjustments on interests and financing of €(50.0) million relate to:
  - Interest paid on the Notes offered for an amount of €(51.1) million were recorded.
  - Amortisation over 12 months of the issuance costs for Loxam's €650 million of 2025 senior secured notes for an amount of €(2.7) million.
  - Amortisation over 12 months of the issuance costs for Loxam's €500 million of July 2026 senior secured notes for an amount of €(1.4) million.
  - Amortisation over 12 months of the issuance costs for Loxam's €250 million of 2027 senior subordinated notes for an amount of €(0.6) million.
  - Interest for the 2018 year on the debt of Ramirent repaid, of €5.8 million was cancelled.

Tax Effect: the tax effect amount of the adjustments for the Unaudited Pro Forma Consolidated Condensed Income Statement was calculated using a standard rate of 32.02% for Loxam, 20% for Ramirent.

(3) Presentation Adjustments

For purposes of presenting the income statement and the statement of financial position of Ramirent in a manner similar to the one of Loxam, several preliminary adjustments were made, including:

(a) Ramirent presents the sale of ex-rental equipment in the revenue. Loxam presents the capital gains on fleet disposals in other income. The sale of equipment for €22.1 million (proceeds on sale) has been removed from Ramirent's revenue and the capital gains on fleet and non-fleet disposals of €16.8 million have been presented in other income;

(b) Reclassification from other current expenses to purchase consumed for €32.0 million (mainly consisting in cost of goods and rental equipment sold);

(c) Reclassification of intangible assets and goodwill combined into one line together with other reclassifications required in order to be consistent with the format of Loxam's presentation of financial information.

SUPPLEMENTAL UNAUDITED PRO FORMA CONSOLIDATED CONDENSED FINANCIAL INFORMATION FOR THE QUARTER ENDED MARCH 31, 2019

Basis of preparation

The Supplemental Unaudited Pro Forma Consolidated Condensed Financial Information as of and for the quarter ended March 31, 2019 (the "Supplemental Unaudited Pro Forma Consolidated Condensed Financial Information") was prepared to reflect:

- The Acquisition as if it had occurred on January 1, 2019 (for income statement purposes) or March 31, 2019 (for statement of financial positions purposes).

- The Financing as if it had been in place on January 1, 2019 (for income statement purposes) or March 31, 2019 (for statement of financial positions purposes), based on the assumption that the Financing would include €1,150,000,000 aggregate principal amount of senior secured notes split into the 2025 Senior Secured Notes and the July 2026 Senior Secured Notes and €250,000,000 aggregate principal amount of the Senior Subordinated Notes.

The Supplemental Unaudited Pro Forma Consolidated Condensed Financial Information was prepared based on the following historical information:

- Loxam's unaudited condensed consolidated interim financial statements as of and for the quarter ended March 31, 2019, which were prepared in accordance with IAS 34 – standard of the IFRSs as adopted by the European Union applicable to interim financial reporting. These unaudited condensed consolidated interim financial statements as of and for the quarter ended March 31, 2019 were reviewed by our statutory auditors.

- Ramirent's condensed consolidated interim financial statements as of and for the quarter ended March 31, 2019 were not audited, reviewed or subject to any other procedures by Ramirent's auditors or any other auditors.

The Supplemental Unaudited Pro Forma Consolidated Condensed Financial Information consists of a Supplemental Unaudited Pro Forma Consolidated Condensed Income Statement, a Supplemental Unaudited Pro Forma Consolidated Condensed Statement of Financial Position and explanatory notes.

The Supplemental Unaudited Pro Forma Consolidated Condensed Financial Information is presented for illustrative purposes only and is not indicative of our results of operation or the financial condition that would have been achieved had the Acquisition and the Financing been completed as of January 1, 2019 or March 31, 2019, nor does the Supplemental Unaudited Pro Forma Consolidated Condensed Financial Information purport to be indicative of our future results of operations or financial position. The Supplemental Unaudited Pro Forma Consolidated Condensed Financial Information is based on available information (and, in particular, publicly available information published by Ramirent) and certain assumptions which we believe are reasonable and that are described in the accompanying notes which should be read in conjunction with the Supplemental Unaudited Condensed Consolidated Pro Forma Financial Information.

Supplemental Unaudited Pro Forma Consolidated Condensed Income Statement

	Quarter ended March 31, 2019							
				Pro Forma Adjustments				
				in millions of euros				
	Historical data of Loxam	**Reclassified historical data of Ramirent[3]**	**Combination of historical financial Data of Loxam, and Ramirent**	**Acquisition[1]**	**Financing[2]**	**Presentation Adjustment[3]**	**Combined adjustments**	**Total pro forma**
Revenue	367.3	163.0	530.3	-	-	-5.9	-5.9	524.4
Other income	9.3	0.9	10.2	-	-	5.9	5.9	16.1
Operating income	**376.5**	**163.9**	**540.4**	**-**	**-**	**0.0**	**0.0**	**540.4**
Purchases consumed	-40.1	0.0	-40.1	-	-			-40.1
Personnel expenses	-100.4	-41.7	-142.1	-	-			-142.1
Other current expenses	-103.0	-73.5	-176.4	-	-			-176.4
Taxes and duties	-6.9	0.0	-6.9	-	-			-6.9
Depreciation and amortization	-90.9	-32.0	-123.0	-	-			-123.0
Share of result of associates and joint ventures	0.0	0.4	0.4			-0.4	-0.4	0.1
Profit from ordinary operations	**35.3**	**17.1**	**52.4**	**-**	**-**	**-0.4**	**-0.4**	**52.0**
Other operating income	0.7	0.0	0.7					0.7
Other operating expenses	-0.5	0.0	-0.5	-10.5			10.5	-11.0
Operating profit	**35.6**	**17.1**	**52.7**	**-10.5**		**-0.4**	**-10.9**	**41.7**
Interest and financing-related expenses	-25.9	-2.3	-28.2		-12.5		-12.5	-40.7
Other financial expenses	-0.7	0.0	-0.7					-0.7
Financial income	1.7	0.1	1.7					1.7
Financial income (expense)	**-25.0**	**-2.2**	**-27.2**		**-12.5**		**-12.5**	**-39.7**
Profit before tax	**10.6**	**14.9**	**25.5**	**-10.5**	**-12.5**	**-0.4**	**-23.5**	**2.0**
Share of profit of associates	0.0	0.0	0.0			0.4	0.4	0.4
Income tax expense [*]	-1.4	-3.0	-4.4	3.0	3.5		6.5	2.1
Net profit from continuing operations	**9.2**	**11.8**	**21.1**	**-7.5**	**-9.0**	**0.0**	**-16.5**	**4.5**
Net profit from discontinued operations	0.0	1.5	1.5					1.5
Net profit	**9.2**	**13.4**	**22.6**	**-7.5**	**-9.0**	**0.0**	**-16.5**	**6.1**
Non-controlling interests	0.0	0.0	0.0					0.0
Net profit, Group share	**9.3**	**13.4**	**22.6**	**-7.5**	**-9.0**	**0.0**	**-16.5**	**6.1**

(*) The tax effect amount used for the adjustment for the pro forma information was calculated using a tax rate of 28.92% for Loxam and 20% for Ramirent.

Note: The above Unaudited Pro Forma Consolidated Condensed Income Statement includes the impact of IFRS 16.

Supplemental Unaudited Pro Forma Consolidated Condensed Statement of Financial Positions

	As at March 31, 2019					
	Historical data of Loxam	**Reclassified historical data of Ramirent**	**Combination of historical financial Data of Loxam, and Ramirent**	**Acquisition[1]**	**Financing[2]**	**Total Pro Forma**
	in millions of euros					
Intangible assets and goodwill	1,365.4	138.2	1503.6	721.7		2,225.4
Property, plant and equipment	1,710.9	632.2	2,343.1			2,343.1
Financial assets	14.4	8.1	22.5			22.5
Financial derivatives	0.0	0.0	0.0			0.0
Investments in associates	0.0	7.8	7.8			7.8
Non-Current assets	0.0	0.4	0.4			0.4
Deferred tax assets	18.2	1.0	19.3			19.3
Non-current assets	**3,109.0**	**787.7**	**3,896.7**	**721.7**		**4,618.5**
Inventories	34.2	17.7	51.9			51.9
Trade and other receivables	405.6	128.3	533.9			533.9
Other current assets	57.7	0.0	57.7			57.7
Corporate income tax receivables	10.6	2.0	12.6	3.0		15.7
Cash management assets	0.0	0.0	0.0			0.0
Cash and cash equivalents	93.0	9.7	102.7	-988.8	1,041.1	155.0
Current assets	**601.0**	**157.7**	**758.8**	**-985.7**	**1,041.1**	**814.2**
Assets held for sale	0.0	0.0	0.0			0.0
Total assets	**3,710.1**	**945.5**	**4,655.5**	**-264.0**	**1,041.1**	**5,432.6**
Share capital	229.8	25.0	254.8			254.8
Additional paid-in capital	1.9	0.0	1.9			1.9
Consolidated reserves	415.8	231.5	647.3	-264.0		383.3
Shareholders' equity (Group share)	**647.5**	**256.5**	**904.0**	**-264.0**		**640.0**
Non-controlling interests	10.8	0.0	10.8			10.8
Total equity	**658.3**	**256.5**	**914.8**	**-264.0**		**650.8**
Employee benefits	11.2	24.2	35.5			35.5
Non-current provisions	0.0	4.8	4.8			4.8
Deferred tax liabilities	70.8	40.6	111.4			111.4
Borrowings and financial debt	2,261.4	193.1	2,454.6		1,254.8	3,709.4
Financial derivatives	6.1	0.0	6.1			6.1
Other non-current liabilities	0.0	6.7	6.7			6.7
Non-current liabilities	**2,349.6**	**269.5**	**2,619.1**		**1,254.8**	**3,873.9**
Provisions	9.5	0.2	9.7			9.7
Borrowings and financial debt	264.3	240.2	504.4		-213.7	290.7
Trade and other payables	289.1	172.2	461.3			461.3
Other liabilities	135.0	0.0	135.0			135.0
Corporate income tax liabilities	4.3	6.9	11.2			11.2
Current liabilities	**702.2**	**419.5**	**1,121.6**		**-213.7**	**907.9**
Liabilities associated with assets held for sale	0.0	**0.0**	**0.0**			**0.0**
Total shareholders' equity and liabilities	**3,710.1**	**945.5**	**4,655,5**	**-264.0**	**1,041.1**	**5,432.6**

Note: The above Unaudited Pro Forma Consolidated Condensed Statement of Financial Positions includes the impact of IFRS 16.

(1) Acquisition

Statement of Financial Positions Adjustments

The acquisition of Ramirent should be accounted in accordance with IFRS 3 revised (Business combination), and would also imply that goodwill should be determined as the difference between the fair value of the consideration transferred and the fair value of the amount of the identifiable assets acquired and liabilities assumed. However, in the context of the Unaudited Pro Forma Condensed Consolidated Financial Information and with no available information about the fair value of the identifiable assets acquired and liabilities assumed, goodwill is determined as the difference between the consideration transferred as determined in accordance with the methods below and the net carrying value of the assets and liabilities, recognized in the consolidated statement of financial positions of Ramirent as of March 31, 2019.

For purposes of the Unaudited Pro Forma Condensed Consolidated Financial Information, the consideration transferred has been determined based on the number of outstanding shares of Ramirent Plc as of March 31, 2019 at the Tender Offer price of €9.00 per share. The final consideration that will be transferred upon completion of the Acquisition will be higher, with a corresponding decrease in cash and cash equivalents, as the final consideration transferred will reflect the acquisition of additional shares of

Ramirent Plc issued in connection with Ramirent's acquisition of Stavdal AB, which closed on July 1, 2019, as described under "*Summary—Recent Developments—Stavdal Acquisition*". See "*Use of Proceeds*".

As a result, the so-called "preliminary" goodwill determined below is not the goodwill that will be recognized in the consolidated financial statements of the Combined Group that will be prepared for the year ended December 31, 2019. The preliminary goodwill is determined as follows:

in millions of euros	
Net Equity at Ramirent at March 31, 2019 (a)	256.5
Elimination of existing goodwill at Ramirent (b)	(126.4)
Consideration transferred (c)	978.3
Preliminary goodwill (d)	**848.1**
Pro forma adjustment for goodwill (e) = (d) + (b)	721.7

The preliminary goodwill is determined as the difference between the consideration transferred as defined above and the net carrying value of the assets and liabilities recognized in the consolidated statement of financial positions of Ramirent as at March 31, 2019. The final valuations of the assets and liabilities and the accounting of the acquisition will be finalized in the coming months, based on evaluation reports and other studies performed by external valuation specialists. The preliminary calculation is only for the purposes of preparing the Unaudited Condensed Consolidated Pro Forma Financial Information and is therefore hypothetical and subject to change. The determination of the fair value of the assets acquired and liabilities assumed may lead to the booking of some identifiable acquired assets that have limited lifetime and will therefore be depreciated or amortized. Consequently, the future results of the group could be materially impacted by the depreciation or amortization expenses related to such identifiable acquired assets.

Cash and cash equivalents adjustments

Correspond to the contribution transferred of €978.3 million and the acquisition costs of €10.5 million.

Consolidated equity

Impact on the consolidated equity is as follows:

- Elimination of net equity of Ramirent: €(256.5) million
- Acquisition costs of €7.5 million, net of tax effect of €3.0 million

Total impact on the consolidated equity: €(264.0) million

Income Statement Adjustments

In relation to the aggregation of the historical financial data of Ramirent and Loxam as if the acquisitions had occurred at January 1, 2019, the impact of the business combination adjustments on the Unaudited Condensed Consolidated Pro Forma Financial Information is as follows:

- Loxam: The transaction costs incurred by Loxam amount to €10.5 million mainly composed of fees for professional services, and tax effect of €3.4 million
- Ramirent: No transactions costs were assumed to be incurred by Ramirent.

(2) Financing

The Unaudited Pro Forma Consolidated Condensed Statement of Financial Position reflects the replacement of the "existing financing arrangement" that existed in Ramirent as at March 31, 2019, with the "new financing arrangement" for the combined purposes of the two groups.

- Existing financing arrangements included Listed bond, loans from financial institutions and commercial paper.
- New financing arrangements include the €1,400 million issue of Notes offered hereby, net of €(20.3) million capitalized debt issuance costs.

The rate and the amount of the breakdown of the nominal value are estimated at the time of the preparation of the pro-forma financial information.

Statement of Financial Positions Adjustments

The tables below present the pro forma adjustments on borrowings and financial debt and on cash and cash equivalents as of March 31, 2019.

	Loxam	**Ramirent**	**Total Refinancing**
		in millions of euros	
Existing financing arrangements (non-current)	-	(124.8)	(124.8)
Cash from Notes offered hereby	1,400.0	-	1,400.0
Costs of the offering of Notes	(20.3)	-	(20.3)
Borrowings and financial debt adjustments (non-current)	**1,379.7**	**(124.8)**	**1,254.8**
Existing financing arrangements (current)	**-**	**(213.7)**	**(213.7)**
Borrowings and financial debt adjustments	**1,379.7**	**(338.5)**	**1,041.1**

	Loxam	**Ramirent**	**Total Refinancing**
		in millions of euros	
Existing financing arrangements (current and non-current)	-	(338.5)	(338.5)
Cash from offered hereby	1,400.0	-	1,400.0
Costs of the offering of Notes	(20.3)	-	(20.3)
Cash and cash equivalent adjustments	**1,379.7**	**(338.5)**	**1,041.1**

Income Statement Adjustments

The adjustments in the Unaudited Pro Forma Consolidated Condensed Income Statement consist of:

- Adjustments on interests and financing of €(12.5) million include:
  - Interest paid on the Notes offered for an amount of €(12.8) million were recorded in the quarter.
  - Amortisation over 3 months of the issuance costs for Loxam's €650 million of 2025 senior secured notes for an amount of €(0.7) million.
  - Amortisation over 3 months of the issuance costs for Loxam's €500 million of July 2026 senior secured notes for an amount of €(0.4) million.
  - Amortisation over 3 months of the issuance costs for Loxam's €250 million of 2027 senior subordinated notes for an amount of €(0.1) million.
  - Interest for the quarter ended March 31, 2019 on the debt of Ramirent repaid, of €1.5 million was cancelled.

Tax Effect: the tax effect amount of the adjustments for the Unaudited Pro Forma Consolidated Condensed Income Statement was calculated using a standard rate of 28.9% for Loxam, 20% for Ramirent.

(3) Presentation Adjustments

For purposes of presenting the income statement and the statement of financial position of Ramirent in a manner similar to the one of Loxam, several preliminary adjustments were made, including:

(a) Ramirent presents the sale of ex-rental equipment in the revenue. The sale of ex-rental equipment for €5.9 million (proceeds on sale) has been removed from Ramirent's revenue and presented in other income. Loxam presents the capital gains on fleet disposals in other income; however no information is available on capital gains on fleet and non-fleet disposals at March 31, 2019;

(b) Reclassification of intangible assets and goodwill combined into one line together with other reclassifications required in order to be consistent with the format of Loxam's presentation of financial information.

The information included in the Summary section is presented excluding IFRS 16. The IFRS 16 impact on the income statement consists in cancelling lease expenses from other current expenses for all lease contracts included in the scope of the IFRS 16 standard, and in recording a right of use asset amortization and the interest cost of the IFRS 16 financial liability.

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

*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 leading equipment rental company in Europe based on 2018 revenue of €1,482.6 million and the fifth-largest equipment rental group in the world for the construction, industry, public works, services and events sectors based on 2018 revenue with a large international presence outside of Europe through operations in Morocco, the Middle East, Brazil and Colombia.

On June 10, 2019, we announced an all-cash offer (the "Tender Offer") for Ramirent Plc, a publicly listed company based in Finland with operations in Northern and Eastern Europe and revenue of €711.7 million in the year ended December 31, 2018 (€707.2 million in the twelve months ended March 31, 2019). Assuming acceptance of our offer of €9.00 per share, we expect to acquire Ramirent and its subsidiaries for total consideration of approximately €978 million. The purpose of the offering of the Notes made hereby is to finance the Acquisition, to refinance certain of Ramirent's gross debt, to refinance certain of the debt related to the acquisition of Stavdal and to pay the fees and expenses related to the offering and the Acquisition. The Tender Offer will expire on or about July 18, 2019 unless otherwise extended by us. Once we acquire more than 90% of Ramirent's shares through acceptance of the Tender Offer, we will initiate squeeze-out proceedings (the "Squeeze-Out Proceedings") in order to acquire the remaining shares.

The Pro Forma Revenue of Loxam and Ramirent (the "Combined Group") for the year ended December 31, 2018 would have been €2,172.1 million, which is three times larger than that of the nearest European competitor, and the Combined Group's Pro Forma EBITDA would have been €703.1 million, representing a margin of 32.4%. In the twelve months ended March 31, 2019, the Combined Group's Pro Forma Revenue would have been €2,190.6 million and the Combined Group's Pro Forma EBITDA would have been €708.9 million, representing a margin of 32.4%.

We expect the Combined Group to become the undisputed leader in the European equipment rental industry and the third largest equipment rental group in the world based on 2018 revenue, with operations in 30 countries (excluding Ramirent's joint venture activity).

In addition, we believe that the Acquisition has a strong strategic rationale, including:

- Positioning us as the clear pan-European leader in equipment rental by providing us with leading market positions in the Northern and Eastern European rental markets and expanding Loxam's existing network from 22 countries to 30 across the Combined Group;
- Growing our fleet, from Loxam's approximately 290,000 pieces of equipment as of December 31, 2018 to a Combined Group fleet of approximately 540,000 pieces of equipment with an estimated gross book value of €4.1 billion as of the same date;
- Diversifying our sources of revenue through adding approximately 150,000 new and complementary clients while expanding our range of end markets served and products, services and specialty knowledge offered; and
- Combining two groups with solid EBITDA performance, which for the year ended December 31, 2018 was 33.8% for Loxam and would have been 32.4% for the Combined Group.

For additional detail about the expected benefits of the Acquisition, see "*The Acquisition*."

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.

In the quarter ended March 31, 2019, revenue increased by 6.8% to €367.3 million from €343.9 million in the quarter ended March 31, 2018, primarily driven by a dynamic construction environment, mild weather conditions and the early delivery of new machines in the Generalist France division along with an increase in the International division revenue driven by the contribution of UK Platforms. Revenue of our Generalist France, Specialist France and International divisions represented approximately 44.1%, 14.9% and 41.0% of revenue, respectively, in the quarter ended March 31, of 2019. We generated EBITDA excluding IFRS 16 impact of €109.3 million in the quarter ended March 31, 2019, representing an increase of 11.0% compared to €98.5 million in the quarter ended March 31, 2018. EBITDA margin improved from 28.6% in the in the quarter ended March 31, 2018 to 29.8% in the quarter ended March 31, 2019 (the first quarter of the year is our low season).

We generated revenue of €1,505.8 million for the 12 months ended March 31, 2019. EBITDA for the same 12-month period was €511.5 million, representing an Adjusted EBITDA margin of 34.0%.

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 the quarter ended March 31, 2019 we increased our fleet capital expenditures to €172.3 million from €87.8 million for the same period the previous year.

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. Acquisitions result in the addition of new branches and also the closing of existing ones as we consolidate our operations. Both of these can have a significant impact on our revenue from one period to the next. See "*—Factors Affecting Comparability of Results*" below for an explanation of how acquisitions during the periods under review have affected the comparability of our results across these periods.

Factors Affecting Comparability of Results

The change in the scale of our rental network as a result of acquiring new branches and closing existing ones affects the comparability of our results during those periods by increasing both revenue and expenses.

Recent Acquisitions

During the periods under review, we made the following acquisitions:

2019

- On January 14, 2019, Nationwide Platforms acquired UK Platforms Limited ("UK Platforms"). UK Platforms is specialized in renting powered access equipment from its branch network throughout the United Kingdom.

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.

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.

Impact of Recent Acquisitions on Financial Statements

Our consolidated financial statements for the quarter ended March 31, 2019 include:

- 3 months of activity of UK Platforms, acquired on January 14, 2019, and

- 3 months of activity of Nove, acquired on June 21, 2018 and merged into Loxam Access SRL on December 21, 2018.

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.

Constant Perimeter Information

In order to adjust for the changes in our rental network as a result of these acquisitions, we present certain information at constant perimeter in this listing prospectus.

The information provided at constant perimeter for the quarter ended March 31, 2019 compared to the quarter ended March 31, 2018 eliminates the financial information of UK Platforms for the quarter ended March 31, 2019 while adding 3 months of results for Nove for the quarter ended March 31, 2018.

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.

For the fourth quarter of 2018, the Degraus depreciation rules have been harmonized to the Loxam rules. This harmonization has not been done for the quarter ended March 31, 2018 and accounts have not been restated for this period.

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.

Since January 1, 2019, following the application of the new IFRS 16 standard, the rent expenses related to lease contracts for real estate, heavy vehicles and light vehicles are cancelled (for lease contracts in the scope of the standard).

Taxes and duties relates mainly to property 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, Hune and Loxam Access SRL 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.

As per IFRS 16, as a lessee, the Group is accounting for the right-of-use assets and is recognizing its amortization on a straight-line basis over the lease term.

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 and the interest cost related to the lease liability generated by the application of the IFRS 16 standard as of January 1, 2019.

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 and the quarters ended March 31, 2018 and 2019.

	Year ended December 31,			Quarter ended March 31,	
	2016	**2017**	**2018**	**2018**	**2019**
	Pre-IFRS 16			***Pre-IFRS 16***	***Post-IFRS 16***
	in millions of euros				
Revenue	926.8	1,367.7	1,482.6	343.9	367.3
Other income[(1)]	56.3	62.6	56.7	10.4	9.3
Operating income	**983.0**	**1,430.3**	**1,539.3**	**354.3**	**376.5**
Purchases consumed	(105.5)	(144.4)	(162.8)	(38.3)	(40.1)
Personnel expenses	(244.4)	(360.1)	(381.3)	(97.1)	(100.4)
Other current expenses	(311.7)	(443.3)	(475.3)	(114.4)	(103.0)
Taxes and duties	(16.6)	(18.5)	(19.3)	(6.1)	(6.9)
Depreciation and amortization	(143.7)	(238.4)	(287.8)	(64.3)	(90.9)
Profit from ordinary operations	**161.1**	**225.6**	**212.9**	**34.2**	**35.3**
Other operating income and expense[(2)]	(19.9)	(4.5)	0.2	—	0.3
Operating profit	**141.2**	**221.2**	**213.2**	**34.2**	**35.6**
Interest and financing-related expenses	(63.1)	(93.3)	(97.2)	**(24.5)**	**(25.9)**
Other financial expenses	(31.8)	(26.9)	(7.7)	**(1.7)**	**(0.7)**
Financial income	6.8	3.5	2.8	**0.9**	**1.7**
Financial income (expense)	**(88.1)**	**(116.7)**	**(102.1)**	**(25.2)**	**(25.0)**
Profit before tax	**53.0**	**104.4**	**111.0**	**9.0**	**10.6**
Share of profit of associates	(1.0)	(1.3)	—	—	—
Income tax expense	(17.6)	(18.9)	(20.6)	(1.5)	(1.4)
Net profit	**34.4**	**84.3**	**90.4**	**7.5**	**9.2**
Non-controlling interests	0.1	(0.4)	(5.2)	(0.7)	—
Net profit, Group share	**34.3**	**84.6**	**95.7**	**8.2**	**9.3**

(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 and €7.7 million and €6.7 million for the quarter ended March 31, 2018 and March 31, 2019, 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, and €1.4 million and €1.2 million for the quarter ended March 31, 2018 and March 31, 2019.

(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. In the quarter ended March 31, 2019, other operating income and expense are related to the UK Platforms acquisition costs of €(0.2) million , an impairment loss on fleet of €(0.3) million and an exceptional profit related to a tax relief program in Brazil of €0.7 million.

Consolidated Condensed Income Statement Data

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 March 31, 2019 we had 423 branches in Generalist France, 79 in Specialist France and 264 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 and for the quarters ended March 31, 2018 and 2019.

	Year ended December 31,			Quarter ended March 31,	
	2016	2017	2018	2018	2019
	Pre-IFRS 16			*Pre-IFRS 16*	*Post-IFRS 16*
	in millions of euros				
Revenue					
Generalist France[(1)]	573.3	622.6	658.7	151.1	162.1
Specialist France[(1)]	163.6	212.8	225.6	52.9	54.6
France	**736.9**	**835.4**	**884.3**	**204.0**	**216.8**
International	189.9	532.3	598.3	140.0	150.5
Total revenue	**926.8**	**1.367.7**	**1,482.6**	**343.9**	**367.3**
EBITDA					
Generalist France[(2)]	198.0	213.4	225.4	42.1	59.8
Specialist France[(2)]	50.8	68.3	76.9	16.8	17.1
France	**248.8**	**281.8**	**302.3**	**58.9**	**77.0**
International	50.9	177.0	192.4	38.7	46.0
Real Estate[(3)]	5.1	5.2	6.0	0.9	3.3
Total EBITDA	**304.8**	**464.0**	**500.7**	**98.5**	**126.2**
EBITDA margin	***32.9%***	***33.9%***	***33.8%***	***28.6%***	***34.4%***

(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.

Quarter ended March 31, 2019 compared to quarter ended March 31, 2018

The table below sets out our results of operations for the quarters ended March 31, 2019 and 2018 detailing the impact of IFRS 16 on the results of operations for the quarter ended March 31, 2019.

	Quarter ended March 31,	
	2018	**2019**
	Pre-IFRS 16	***Post-IFRS 16***
	in millions of euros	
Revenue	343.9	367.3
Other income[(1)]	10.4	9.3
Operating income	**354.3**	**376.6**
Purchases consumed	(38.3)	(40.1)
Personnel expenses	(97.1)	(100.4)
Other current expenses	(114.4)	(103.0)
Taxes and duties	(6.1)	(6.9)
Depreciation and amortization – Property, plant and equipment	(61.4)	(87.9)
Depreciation and amortization – Intangibles assets	(2.9)	(3.1)
Depreciation and amortization	**(64.3)**	**(90.9)**
Profit from ordinary operations	**34.2**	**35.3**
Other operating income and expense[(2)]	—	0.3
Operating profit	**34.2**	**35.6**
Interest and financing-related expenses	**(24.5)**	**(24.0)**
Other financial expenses	**(1.7)**	**(0.7)**
Financial income	**0.9**	**1.7**
Financial Interest – IFRS 16	—	**(1.9)**
Financial income (expense)	(25.2)	**(25.0)**
Profit before tax	9.0	**10.6**
Share of profit of associates		
Income tax expense	(1.5)	(1.4)
Net profit	**7.5**	**9.2**
Non-controlling interests	(0.7)	0.0
Net profit, Group share	**8.2**	**9.3**

(1) Other income includes capital gains on fleet disposals of €6.7 million and €7.7 million for the quarter ended March 31, 2019 and for the quarter ended March 31, 2018 respectively.

(2) Other operating income and expense for the quarter ended March 31, 2019 included non-recurring costs relating to the UK Platforms acquisition of €(0.2) million, an impairment loss on fleet of €0.3 million, an exceptional profit related to a tax relief program in Brazil of €0.7 million.

	Quarter ended March 31,			
	2018	**2019 (excl. IFRS 16 impact)**	**IFRS 16 impact**	**2019 (incl. IFRS 16 impact)**
	(in millions of euros)			
EBITDA	**98.5**	**109.3**	**17.0**	**126.2**
Depreciation of Property, plant and equipment	(61.4)	(71.9)	—	(71.9)
Depreciation of intangible assets	(2.9)	(3.1)	—	(3.1)
Depreciation of right-of-use assets	—	—	(15.9)	(15.9)
Other operating income and expense	0.0	0.3	—	0.3
Operating profit	**34.2**	**34.5**	**1.0**	**35.6**
Financial income and expense	(25.2)	(23.1)	(1.9)	(25.0)
Share of profit of associates	—	—	—	—
Income tax expense	(1.5)	(1.6)	0.2	(1.4)
Net income	**7.5**	**9.8**	**(0.6)**	**9.2**

Revenue

Our revenue increased by 6.8% to €367.3 million for the quarter ended March 31, 2019 from €343.9 million for the quarter ended March 31, 2018. At constant perimeter and at constant exchange rates, revenue increased by 3.4% for the quarter ended March 31, 2019.

Revenue from our Generalist France division increased by 7.3% for the quarter ended March 31, 2019 to €162.1 million compared to €151.1 million for the quarter ended March 31, 2018 as we benefitted from a dynamic construction environment, mild weather conditions and the early delivery of new machines.

Revenue from our Specialist France division increased by 3.3% to €54.6 million for the quarter ended March 31, 2019 compared to €52.9 million for the quarter ended March 31, 2018.

International revenue increased by 7.5% to €150.5 million for the quarter ended March 31, 2019 compared to €140.0 million for the quarter ended March 31, 2018, thanks to the contribution of UK Platforms. At constant perimeter and at constant exchange rates, the revenue of the division decreased by 0.6%, as our Middle East operations continued to face challenging market conditions.

Other income

Other income decreased by 10.6% to €9.3 million for the quarter ended March 31, 2019 from €10.4 million for the quarter ended March 31, 2018. The decrease is due to lower capital gains on fleet disposals in the International division.

EBITDA

EBITDA amounted to €126.2 million for the quarter ended March 31, 2019 compared to €98.5 million for the quarter ended March 31, 2018. Excluding the IFRS 16 impact of €17.0 million, EBITDA increased by 11.0% to €109.3 million for the quarter ended March 31, 2019. At constant perimeter, the EBITDA margin increased from 28.9% for the quarter ended March 31, 2018 to 29.8% for the quarter ended March 31, 2019.

Excluding the impact of IFRS 16, EBITDA from our Generalist France division amounted to €51.8 million for the quarter ended March 31, 2019, compared to €42.1 million for the quarter ended March 31, 2018. Our EBITDA margin for Generalist France was 31.9% for the quarter ended March 31, 2019 compared to 27.8% for the quarter ended March 31, 2018, as the division benefited from the combination of organic growth and good control on its operating expenses.

Excluding the impact of IFRS 16, EBITDA from our Specialist France division amounted to €15.6 million for the quarter ended March 31, 2019, compared to €16.8 million for the quarter ended March 31, 2018. Our EBITDA margin for Specialist France decreased from 31.8% for the quarter ended March 31, 2018 to 28.6% for the quarter ended March 31, 2019, due to a high comparison basis for the quarter ended March 31, 2018 and certain cost overruns.

Excluding the impact of IFRS 16, EBITDA from our International division amounted to €39.5 million for the quarter ended March 31, 2019, compared to €38.7 million for the quarter ended March 31, 2018, due to the UK Platforms contribution. At constant perimeter and exchange rates, EBITDA decreased by 8.9%. Our EBITDA margin for International was 26.3% for the quarter ended March 31, 2019 compared to 27.7% for the quarter ended March 31, 2018 due to lower capital gains on fleet disposals.

Operating Expenses

Purchases consumed

Purchases consumed increased by 4.7% to €40.1 million for the quarter ended March 31, 2019 compared to €38.3 million for the quarter ended March 31, 2018. At constant perimeter, purchases consumed increased by 3.2% due to higher fuel costs and the higher activity of the quarter ended March 31, 2019.

Personnel expenses

Personnel expenses increased by 3.4% to €100.4 million for the quarter ended March 31, 2019 from €97.1 million for the quarter ended March 31, 2018. At constant perimeter, personnel expenses increased by 1.4%

partly due to the increase by 0.5% of the average headcount in for the quarter ended March 31, 2019 compared to for the quarter ended March 31, 2018.

Other current expenses

Other current expenses decreased by 10.0% to €103.0 million for the quarter ended March 31, 2019 from €114.4 million in the quarter ended March 31, 2018, as the application of IFRS 16 decreased the level of lease expenses.

Excluding the IFRS 16 impact (neutralization of €17.0 million of lease expenses), recurring external charges increased by 1.9% at constant perimeter for the quarter ended March 31, 2019 compared for the quarter ended March 31, 2018 mainly due to haulage and maintenance related to the growth in activity.

Depreciation and amortization

Depreciation and amortization for property, plant and equipment amounted to €71.9 million for the quarter ended March 31, 2019 compared to €61.4 million for the quarter ended March 31, 2018. At constant perimeter, the fleet depreciation expense increased by 14.6% as a result of the capex made in 2018.

Depreciation of intangible assets amounted to €3.1 million for the quarter ended March 31, 2019 compared to €2.9 million for the quarter ended March 31, 2018 and is related to the depreciation of software, trademarks and customer relationships.

With the application of IFRS 16, as a lessee, the Group recognised the right-of-use assets and amortized them on a straight-line basis over the lease term of each contract.

For the quarter ended March 31, 2019 the amortization related to the right-of-use amounted to €15.9 million.

Operating profit

Operating profit amounted to an income of €0.3 million for the quarter ended March 31, 2019 and is related to non-recurring costs relating to the UK Platforms acquisition for €0.2 million, an impairment loss on fleet of €0.3 million and an exceptional profit related to a tax relief program in Brazil of €0.7 million.

Financial income and expense

Net financial expense decreased by €0.2 million to €25.0 million for the quarter ended March 31, 2019, compared to €25.2 million for the quarter ended March 31, 2018. Excluding the interest cost related to IFRS 16 lease liability, the net financial expense decreased by €2.2 million, thanks to the savings achieved following the partial redemption on bonds in July 2018 and positive exchange differences on intercompany loans.

Income tax

Our profit before tax amounted to €10.6 million for the quarter ended March 31, 2019 versus a profit before tax of €9.0 million for the quarter ended March 31, 2018.

Income tax was an expense of €1.4 million for the quarter ended March 31, 2019, compared to an expense of €1.5 million for the quarter ended March 31, 2018.

Net profit, group share

We recorded a net profit, group share of €9.3 million for the quarter ended March 31, 2019 compared to a net profit of €8.2 million for the quarter ended March 31, 2018. The net profit of for the quarter ended March 31, 2019 was impacted by a charge of €0.6 million as a consequence of the first application of IFRS 16.

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,			Quarter ended March 31,	
	2016	**2017**	**2018**	**2018**	**2019[a]**
	Pre-IFRS 16			***Pre-IFRS 16***	***Post-IFRS 16***
	in millions of euros				
EBITDA	**304.8**	**464.0**	**500.7**	**98.5**	**126.2**
Depreciation and amortization[b]	(143.7)	(238.4)	(287.8)	(64.3)	(90.9)
Profit from ordinary operations	**161.1**	**225.6**	**212.9**	**34.2**	**35.3**
Other operating income and expense	(19.9)	(4.5)	0.2	—	0.3
Financial income and expense	(88.1)	(116.7)	(102.1)	(25.2)	(25.0)
Share of profit of associates	(1.0)	(1.3)	—	—	—
Income tax expense	(17.6)	(18.9)	(20.6)	(1.5)	(1.4)
Net profit	**34.4**	**84.3**	**90.4**	**7.5**	**9.8**

(a) The unaudited interim condensed consolidated income statement for the quarter ended March 31, 2019 includes the impact of IFRS 16, an increase of €17.0 million on EBITDA, a decrease of €15.9 million in depreciation and amortization and a decrease of €1.9 million in financial income and expense. For additional information, refer to the notes to our unaudited interim condensed consolidated financial statements for the quarter ended March 31, 2019 included elsewhere in this listing prospectus.

(b) For a breakdown of the depreciation and amortization for the quarters ended March 31, 2018 and 2019 see "—Quarter ended March 31, 2019 compared to quarter ended March 31, 2018."

Quarter ended March 31, 2019 compared to quarter ended March 31, 2018

For the quarter ended March 31, 2019 EBITDA excluding IFRS 16 impact increased to €109.3 million from €98.5 million in 2018, with corresponding EBITDA margins of 28.6% for the period ended March 31, 2018 and 29.8% for the period ended March 31, 2019.

For the quarter ended March 31, 2019 and excluding the IFRS 16 impact, EBITDA from our Generalist France division increased to €51.8 million from €42.1 million for the same period in 2018, with corresponding EBITDA margins of 27.8% for the period ended March 31, 2018 and 31.9% for the period ended March 31, 2019.

For the quarter ended March 31, 2019 and excluding the IFRS 16 impact, EBITDA from our Specialist France division increased to €15.6 million from €16.8 million for the same period in 2018, with corresponding EBITDA margins of 31.8% for the period ended March 31, 2018 and 28.6% for the period ended March 31, 2019.

For the quarter ended March 31, 2019 and excluding the IFRS 16 impact, EBITDA from our International division increased to €39.5 million from €38.7 million for the same period in 2018, with corresponding EBITDA margins of 27.7% for the period ended March 31, 2018 and 26.3% for the period ended March 31, 2019.

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 quarter ended March 31, 2019 and 2018 and 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.

Quarter ended March 31, 2019 compared to quarter ended March 31, 2018

The following table presents a summary of our cash flow for the quarter ended March 31, 2019 as compared to the quarter ended March 31, 2018:

	Quarter ended March 31,		
	2018	**2019**	**2019**
	Pre-IFRS 16	***Post-IFRS 16***	***Excluding IFRS 16 impact***
		in millions of euros	
Cash flow from operations	56.4	167.8	152.7
Cash flow from investing activities	(83.7)	(226.5)	(226.5)
Cash flow from financing activities	(20.4)	9.0	24.1
Change in cash and cash equivalents	**(47.7)**	**(49.7)**	**(49.7)**
Cash and cash equivalents at the end of the period [(1)]	**70.7**	**92.4**	**92.4**

(1) Including bank overdrafts.

Cash flow from operations

Net cash provided by operations increased by 171.0% from €56.4 million for the quarter ended March 31, 2018 to €152.7 million for the quarter ended March 31, 2019. 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 23.9% from €63.5 million for the quarter ended March 31, 2018 to €78.7 million for the quarter ended March 31, 2019, due to a higher EBITDA for the quarter ended March 31, 2018 and lower financial expenses. Changes in working capital rose from a negative impact of €10.0 million for the quarter ended March 31, 2018 to a positive impact of €71.3 million for the quarter ended March 31, 2019. The improvement in working capital in the quarter ended March 31, 2019 compared to the quarter ended March 31, 2018 was primarily due to the increase in capital expenditures for the quarter ended March 31, 2019 due to the final eligibility of equipment delivered early in the year benefiting from tax incentives in France.

Cash flow from investing activities

Net cash used in investing activities increased from €83.7 million for the quarter ended March 31, 2018 to €226.5 million for the quarter ended March 31, 2019, primarily due to the capital expenditures for the quarter ended 2019 and the UK Platforms acquisition. Purchases of fixed assets increased for the quarter ended March 31, 2019 from €96.9 million for the quarter ended March 31, 2018, of which our rental fleet accounted for €87.8 million, to €179.0 million in the quarter ended March 31, 2019, of which our rental fleet accounted for €172.3 million. Cash from fixed asset disposals, most of which related to our rental fleet, decreased from €13.2 million for the quarter ended March 31, 2018 to €12.7 million for the quarter ended March 31, 2019. Cash used for UK Platforms acquisitions amounted to €60.1 million for the quarter ended March 31, 2019.

Cash flow from financing activities

Net cash provided by financing activities increased significantly from a negative €20.4 million for the quarter ended March 31, 2018 to €24.1 million for the quarter ended March 31, 2019. In the quarter ended March 31, 2018, we issued €40,0 million of debt, composed of new finance leases. We repaid €60.4 million of debt, including €40.4 million of bilateral facilities and €19.9 million of finance leases. In the quarter ended March 31, 2019, we issued €66.4 million of debt, composed of €18.3 million of bilateral facilities and €48.1 million of new finance leases. We repaid €42.3 million of debt, including €17.8 million of bilateral facilities and €24.5 million of finance leases.

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**
	Pre-IFRS 16	***Pre-IFRS 16***
	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**
	Pre-IFRS 16	***Pre-IFRS 16***
	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 quarter ended March 31, 2017, 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,			Quarter ended March 31,	
	2016	**2017**	**2018**	**2018**	**2019**
			in millions of euros		
Purchases of rental equipment	197.6	399.6	373.4	87.8	172.3
Purchases of non-rental equipment[(1)]	33.2	33.3	39.1	9.1	6.7
Gross capital expenditures	**230.9**	**432.8**	**412.5**	**96.9**	**179.0**
Proceeds from disposals of rental equipment	50.0	62.7	56.2	12.2	12.2
Proceeds from disposals of non-rental equipment	4.6	3.9	6.5	0.9	0.5
Proceeds from disposals of fixed assets	**54.6**	**66.6**	**62.8**	**13.2**	**12.7**
Net fleet capital expenditures[(2)]	**147.6**	**336.9**	**317.2**	75.5	160.1
Net capital expenditures[(3)]	**176.3**	**366.2**	**349.7**	**83.7**	**166.3**

(1) Non-rental equipment principally includes equipment used in our workshops, equipment used to outfit or maintain our branches, and information technology. It excludes the increase of right-of use of leased assets (IFRS 16).

(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 (excluding right-of used of leased assets).

Our gross capital expenditures for the quarter ended March 31, 2019 amounted to €179.0 million, of which €172.3 million were fleet capital expenditures compared to €96.9 million, of which €87.8 million were fleet capital expenditures for the quarter ended March 31, 2018. The capital expenditures spend in the quarter ended March 31, 2019 increased due to the final eligibility of equipment delivered early in the year to benefit from a tax incentive in France.

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.

For the quarter ended March 31, 2019, we recorded a negative recurring free cash flow of €24.0 million compared to a negative recurring free cash flow of €31.7 million for the quarter ended March 31, 2018. The increase in the recurring free cash flow between the quarter ended March 31, 2019 and the quarter ended March 31, 2018 is mainly explained by the higher EBITDA before capital gains on fleet disposals, lower financial expense and a positive change in working capital requirement despite an increase in gross capital expenditure.

For the quarter ended March 31, 2019, non-recurring cash items amounted to €7.6 million and related to the decrease of the deposit paid to fixed assets suppliers of €7.9 million and to the UK Platforms acquisition costs of €0.2 million. In the quarter ended March 31, 2018, non-recurring cash items amounted to €1.5 million and related to the decrease of the deposit paid to fixed assets suppliers.

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.

	Quarter ended March 31, 2019		
	Total	**Non-recurring items [6]**	**Recurring items**
	in millions of euros		
EBITDA [1]	**109.3**	—	**109.3**
Capital gains on fleet disposals	(6.7)	—	(6.7)
EBITDA before capital gains on fleet disposals	**102.6**	—	**102.6**
Proceeds from disposal of fixed assets	12.7	—	12.7
Gross capital expenditure	(179.0)	—	(179.0)
Operating income and expense	(0.2)	0.2	—

Financial income and expense[2]	(22.2)	—	(22.2)
Income taxes[3]	(1.5)	—	(1.5)
Change in working capital requirements[4]	71.3	(7.9)	63.4
Miscellaneous[5]	(0.1)	—	(0.1)
Free cash flow[7] [8]	**(16.4)**	**(7.6)**	**(24.0)**
Acquisition[9]	(60.1)		
Share capital decrease	—		
Dividends	—		
Issue costs, amortization and currency variations	(5.4)		
Change in net debt[10]	**(81.9)**		

	Quarter ended March 31, 2018		
	Total	**Non-recurring items [6]**	**Recurring items**
	in millions of euros		
EBITDA [1]	**98.5**	—	**98.5**
Capital gains on fleet disposals	(7.5)	—	(7.5)
EBITDA before capital gains on fleet disposals	**91.0**	—	**91.0**
Proceeds from disposal of fixed assets	13.2	—	13.2
Gross capital expenditure	(96.9)	—	(96.9)
Operating income and expense	—	—	—
Financial income and expense[2]	(24.6)	—	(24.6)
Income taxes[3]	(2.1)	—	(2.1)
Change in working capital requirements[4]	(10.0)	(1.5)	(11.5)
Miscellaneous[5]	(0.7)	—	(0.7)
Free cash flow[7][8]	**(30.2)**	(1.5)	**(31.7)**
Acquisition[9]	—		
Share capital decrease	—		
Dividends	—		
Issue costs, amortization and currency variations	0.6		
Change in net debt[10]	**(29.6)**		

(1) EBITDA excluding IFRS 16 impact of €17.0 million for the quarter ended March 31, 2019.

(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 €2.8 million for the quarter ended March 31, 2019 compared to a decrease of €2.9 million for the quarter ended March 31, 2018.

(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 the quarter ended March 31, 2019 include: €7.9 million of deposit payments on future capital expenditures and €(0.2) million of UK Platforms acquisition costs. Non-recurring items in the quarter ended March 31, 2018 include: €1.5 million of deposit payments on future capital expenditures.

(7) For the quarter ended March 31, 2019, non-recurring cash items amounted to €7.6 million and are related to the decrease of the deposit paid to fixed assets suppliers of €7.9 million and to the UK Platforms acquisition costs of €0.2 million.

For the quarter ended March 31, 2018, non-recurring cash items amounted to €1.5 million and are related to the decrease of the deposit paid to fixed assets suppliers.

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

(9) For the quarter ended March 31, 2019, corresponds to the UK Platforms acquisition.

(10) Excluding change in derivatives instruments and lease liabilities under IFRS 16.

	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)
Free cash flow[7]	**10.8**	**8.5**	**2.4**
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)
Free cash flow[7]	**(121.1)**	**(70.6)**	**(50.6)**
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)
Free cash flow[7]	**(5.4)**	**14.0**	**8.6**
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 (excluding IFRS 16 impact) to amounts included in the consolidated balance sheet as of the dates indicated.

	As of December 31,			As of March 31,
	2016	2017	2018	2019
	in millions of euros			
2021 Senior Secured Notes	410.0	299.3	239.3	239.3
2022 Senior Subordinated Notes	250.0	250.0	225.0	225.0
2023 Senior Secured Notes	250.0	250.0	250.0	250.0
2022 Senior Secured Notes	—	300.0	300.0	300.0
2024 Senior Secured Notes	—	300.0	300.0	300.0
2025 Senior Subordinated Notes	—	250.0	250.0	250.0
Issuance costs related to notes	(8.0)	(17.9)	(12.1)	(10.7)
Bank loans on bilateral credit facilities	244.7	364.4	409.1	414.2
Accrued interest on debt securities and loans	5.0	18.6	18.2	20.9
Lease debt	143.7	218.7	293.3	317.0
Other financial debt	1.1	4.4	4.4	4.5
Bank overdrafts	0.2	1.0	2.4	0.5
Loans and financial debt (gross debt)	**1,296.6**	**2,238.7**	**2,279.5**	**2,310.7**
Cash	(90.6)	(117.5)	(143.4)	(92.1)
Marketable investment securities	(65.3)	(0.1)	(0.4)	(0.9)
Cash and cash equivalents	**(155.9)**	**(117.5)**	**(143.8)**	**(93.0)**
Net debt	**1,140.8**	**2,121.2**	**2,135.7**	**2,217.7**

Net debt increased by €81.9 million to €2,217.7 million as of March 31, 2019 from €2,135.7 million as of December 31, 2018, primarily as a result of a negative free cash flow of €16.4 million, a €60.1 million negative effect of change in the scope of consolidation related to the acquisition of UK Platforms and negative impact of currency variations. Taking into account the IFRS 16 impact, the net debt amounts to 2,432.7 million as of March 31, 2019 including lease liabilities of 215.0 million.

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 March 31, 2019, our gross financial debt (excluding derivatives and lease liabilities under IFRS 16) amounted to €2,310.7 million, compared to €2,279.5 million as of December 31, 2018. Our net financial debt (excluding derivatives and lease liabilities under IFRS 16) as of March 31, 2019 amounted to €2,217.7 million, an increase of €81.9 million compared to December 31, 2018.

As March 31, 2019, we had €1,553.6 million of outstanding bond debt, after deduction of €10.7 million of issuance costs. Our bond debt of €1,564.3 million comprised €239.3 million of senior secured notes due in July

2021, €225.0 million of senior subordinated notes due in July 2022, €300.0 million of senior secured notes due in April 2022, €250.0 million of senior secured notes due in May 2023, €300.0 million of senior secured notes due in April 2024, and €250.0 million of senior subordinated notes due in April 2025. We also had €414.2 million outstanding debt under bilateral facilities from banks, and €317.0 million of finance leases.

Cash and cash equivalents net of bank overdrafts on our balance sheet amounted to €92.4 million as of March 31, 2019.

We also have a 5-year €75.0 million revolving credit facility which may be used for general corporate purposes. As of March 31, 2019, this revolving credit facility was not drawn.

We expect to finance future capital expenditures through cash flow from operations, finance leases or bilateral credit facilities. In the quarter ended March 31, 2019, new bilateral credit facilities and finance leases were entered into for €18.3 million and €48.1 million, respectively. See "Description of Certain Financing Arrangements."

For a presentation of our liquidity and capital resources following the Acquisition, see *"Capitalization."*

Debt maturity profile

The table below provides the maturity profile of our outstanding indebtedness, as of March 31, 2019.

(in millions of euros)	**Total**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026 and later**
Bilateral loans	414.2	75.1	76.0	82.9	40.4	136.5	3.0	0.1	0.2
Lease debt	317.0	71.4	89.1	75.6	51.5	26.5	2.9	0.0	-
Loans and financial debt owed to credit institutions	**731.2**	**146.5**	**165.0**	**158.5**	**91.9**	**163.0**	**5.9**	**0.1**	**0.2**
Other financial debt	4.5	4.5	-	-	-	-	-	-	
2021 Senior Secured Notes	239.1	-	-	239.1	-	-	-	-	-
2022 Senior Subordinated Notes	224.2	-	-	-	224.2	-	-	-	-
2023 Senior Secured Notes	248.7	-	-	-	-	248.7	-	-	-
2022 Senior Secured Notes	298.1	-	-	-	298.1		-	-	-
2024 Senior Secured Notes	296.6	-	-	-	-	-	296.6	-	-
2025 Senior Subordinated Notes	246.8	-	-	-	-	-	-	246.8	-
Total debt (1)	**2,289.2**	**151.0**	**165.0**	**397.6**	**614.2**	**411.7**	**302.6**	**246.9**	**0.2**

(1) Total debt figures exclude accrued interests, bank overdrafts and lease liabilities under IFRS 16 and are presented net of issuance costs.

On April 11, 2019, Loxam issued €500 million of new bonds, split into two tranches:

- a senior secured bond of €300 million due in 2026 and
- a senior subordinated bond of €200 million due in 2027.

On the same date, Loxam redeemed its senior secured notes due 2021 and the senior subordinated notes due 2022 for a total principal amount of €464.3 million.

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 and note 23 to our IFRS consolidated financial statements for the quarter ended March 31, 2019, 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.

We still own a portfolio of derivative financial instruments hedging interest rate variations for a notional amount of €21.4 million as of March 31, 2019 for a maximum term in July 2022. These derivatives are recognised in financial liabilities for an amount of €1.3 million as of March 31, 2019. As of March 31, 2019, 83% of our financial debt has a fixed interest rate, stable compared to the end of 2018.

The majority of our revenue (76% as of March 31, 2019), expenses and obligations are denominated in euros. However, we are exposed to foreign exchange rate risk, primarily in respect of British pounds. Our foreign exchange rate derivative financial instruments as of March 31, 2019 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 adopted by the European Union as the accounting standard for its financial statements for the year ended December 31, 2015. Loxam's statutory auditors have audited the financial accounts for the years ended December 31, 2016, 2017 and 2018 prepared under IFRS as adopted by the European Union.

Loxam has prepared its consolidated financial statements in accordance with IAS 34 – standard of the IFRSs as adopted by the European Union applicable to interim financial reporting as of March 31, 2019 with comparative information presented for 2018. The unaudited condensed consolidated interim financial statements as of and for the quarter ended March 31, 2019 have been reviewed by our statutory auditors.

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).

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

The group began applying IFRS 16 on January 1, 2019 based on the modified retrospective method. IFRS 16 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. Leases previously classified as finance leases under IAS 17 have not been restated.

For these leases, the accounting values of the "right-of-use" asset and the financial debt as at January 1, 2019 were determined as those of the underlying leased assets and of the lease liabilities that had been calculated based on IAS 17 just before January 1, 2019.

The lease contracts restated in accordance with IFRS 16 mainly concern real estate assets and, to a lesser extent, heavy vehicles and light transportation vehicles.

As a result of the implementation of IFRS 16 as of January 1, 2019, rental expenses for eligible contracts (in "other current expenses") have been replaced by amortization expenses of the right-of-use assets and by financial expenses (related to the IFRS 16 related-financial debt).

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 31 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.

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 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 (60% including Ramirent and pro forma for Loxam's acquisition of UK Platforms and Ramirent's acquisition of Stavdal). We have also developed a strong offering for the rental services segment through addressing the needs of both construction and non-construction end users (such as local authorities and companies managing events) requiring services such as risk protection, business support, planning, logistics and onsite support, training and merchandise

sales in addition to equipment rentals. Although the different industries and customer sectors we address are exposed to cyclical fluctuations, our diversified geographic and end-market exposure allows us to benefit from 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 that are covered by the European Rental Association ("ERA") is expected to be 2.8% in 2019, 1.7% in 2020 and 1.4% in 2021, with a compound annual growth rate ("CAGR") of 1.5% over the period from 2018 to 2021, based on Euroconstruct data as of June 2019. Growth is expected to slow slightly through 2020 as EU-funded infrastructure projects reach completion ahead of the next EU budgetary period beginning in 2021. In addition other macroeconomic drivers, such as geopolitical risks, rising protectionism, slowing emerging economies (including China) as well as an excess in production capacities, may have an impact on construction sector growth outlook.

According to Euroconstruct, the residential construction end market grew on average by 5.5% in 2017 for the 15 European countries covered by the ERA and is expected to grow by 0.9% in 2019, 0.8% in 2020 and 0.6% in 2021, with a CAGR of 0.7% over 2018-2021, while the non-residential construction end market is expected to grow by 1.3% in 2019, 1.2% in 2020 and 1.4% in 2021, with a CAGR of 1.3% over 2018-2021. The civil engineering end market is expected to grow by 4.1% in 2019, 3.0% in 2020 and 2.9% in 2021, with a CAGR of 3.3% over 2018-2021.

The table below presents the expected growth rates of construction markets from Euroconstruct covering the largest 15 equipment rental markets in Europe (in descending order based on equipment rental market size for 2018):

Country	Market size (€bn)	Market growth
	217	0.2%, 0.7%, 2.2%, 2.6%
	352	1.9%, 0.2%, (0.7%), (0.8%)
	223	3.1%, 0.8%, 1.2%, (0.5%)
	171	2.2%, 1.9%, 2.0%, 1.7%
	110	6.3%, 5.0%, 4.0%, 2.5%
	43	(0.7%), (3.2%), (2.9%), 1.2%
	83	6.4%, 4.9%, 4.3%, 2.6%
	48	(0.2%), 4.7%, 1.9%, 3.2%
	47	3.3%, 2.6%, 2.3%, 4.7%
	56	12.9%, 8.9%, 4.2%, 5.4%
	35	2.0%, (1.9%), (2.6%), (1.6%)
	36	4.3%, 1.9%, 1.6%, 1.6%
	43	2.8%, 1.8%, 1.2%, 1.1%
	61	1.3%, 0.4%, 1.1%, 1.4%
	22	13.2%, 4.1%, 3.1%, 6.0%

Growth 2018/2019/2020/2021

Our Primary Geographic Markets

Following the acquisition of Ramirent, we will operate equipment rental branches in 31 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 (defined as total rental turnover, including rental-related revenue, merchandise and sale of used equipment) was estimated at €26.7 billion in 2018. The largest equipment rental markets in Europe in 2018 were the United Kingdom (€6.8 billion), Germany (€4.6 billion) and France (€4.4 billion).

The ERA estimates the European rental market grew by 3.7% in 2018 and will grow by 3.4% in 2019. The strongest growth in our key European markets during 2018 was estimated to take place in Poland (7.5%), the Czech Republic (6.7%), France (5.7%), the Netherlands (5.2%), Spain (5.1%) and Finland (4.9%).

The table and graphs below present the revenue, construction rental penetration rate (as of 2018) as well as projected market growth rates for the 15 European countries covered by the ERA. Construction rental penetration rate is defined by the share of total rental market divided by the total construction market.

Country	Rental turnover (€m) (2018)	Market growth	Construction rental penetration (2018)
	6,782	2.1% 1.7% 3.0%	2.7%
	4,613	3.7% 3.9% 3.6%	1.7%
	4,376	5.7% 3.5% 3.9%	1.7%
	1,564	4.1% 4.0% 3.5%	0.8%
	1,510	5.1% 4.8% 4.7%	0.9%
	1,504	0.5% 4.1% 4.1%	3.5%
	1,095	5.2% 3.7% 3.8%	1.1%
	798	2.8% 4.5% 5.4%	1.7%
	699	2.7% 3.4% 4.1%	1.0%
	663	7.5% 6.3% 6.2%	0.8%
	561	4.9% 4.0% 4.9%	1.7%
	540	4.2% 3.1% 2.7%	1.8%
	401	5.2% 5.1% 4.8%	0.9%
	350	2.7% 3.0% 3.2%	0.5%
	179	6.7% 5.5% 6.4%	0.6%

Construction rental penetration is expected to increase throughout Europe as users recognize the advantages of equipment rental. The rental penetration rate 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 attitudes towards equipment rental.

In 2018, the average construction rental penetration rate for the 15 European countries covered by the ERA was expected to be at 1.4%. For 2018, France's construction rental penetration rate was estimated to be 1.7%, slightly higher than the European average.

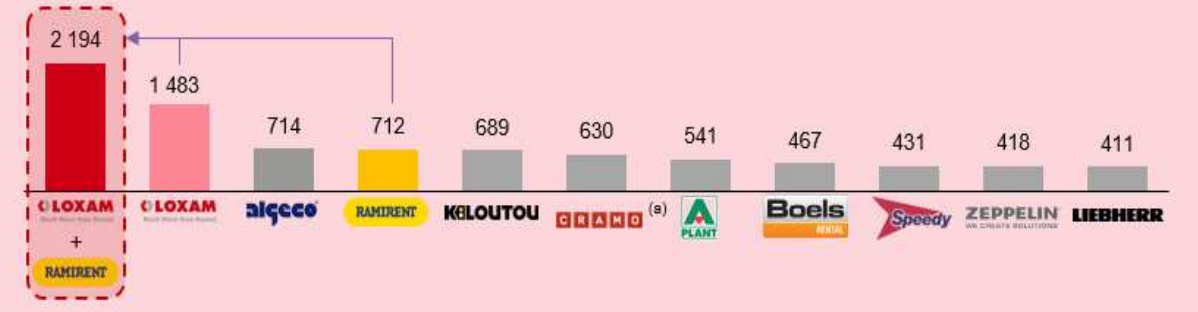
European Competitive Landscape

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 have 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 and Adapteo 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 2018 are Loxam (5.7% market share), Cramo (2.9% market share), Ramirent (2.9% market share) and Algeco Scotsman (2.9% market share). Loxam and Ramirent combined (and pro forma for the addition of UK Platforms to the Loxam network and Stavdal to Ramirent's) had 8.6% of the European market share in 2018. Together, these Loxam, Ramirent, Cramo and Algeco Scotsman had a 14.2% combined market share in Europe in 2018.

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, according to ERA data and public reports, Loxam had an estimated market share of 21% in the French equipment rental market in 2018 assuming a total market size of €4.4 billion. The chart below presents the top 10 European equipment rental players by 2018 revenue.

European players by 2018 revenue (€m)



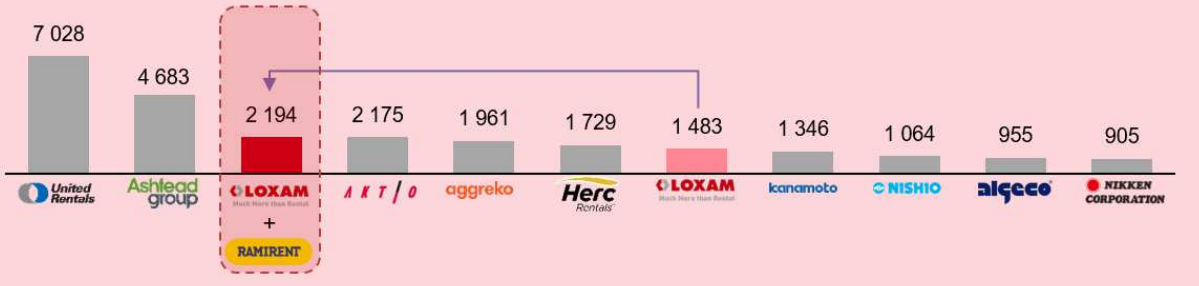
Competition in the equipment rental market tends to be based primarily on geographic proximity and equipment availability, as well as equipment quality, price, quality of sales relationships, delivery times, quality of service and, for our largest clients, possession of relevant health and safety certifications.

The equipment rental market is characterized by substantial capital requirements, a 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.

Global Competitive Landscape

Following the acquisition of Ramirent, Loxam will enhance its global market position from #6 to #3, behind US-focused United Rentals and Ashtead Group in terms of combined revenue as of 2018.

Global players by 2018 revenue (€m)



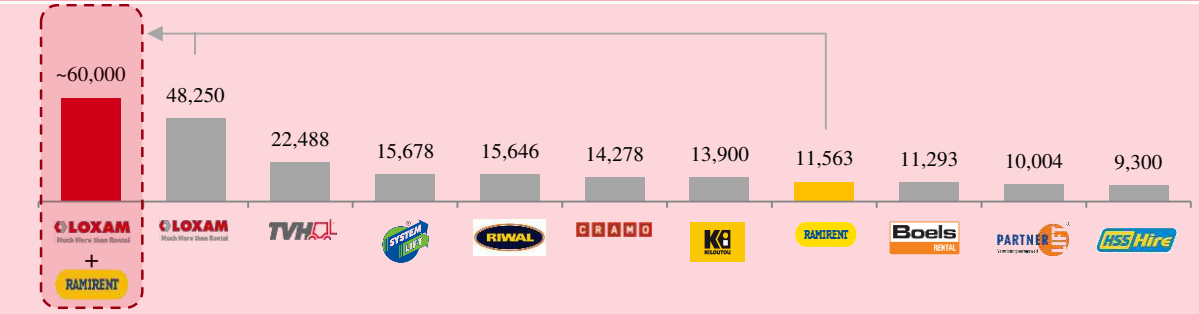
European Powered Access Equipment Rental Market

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.

Following the acquisitions of Lavendon and Ramirent, Loxam has solidified its market leading position as the largest MEWP rental operator in Europe. Loxam's fleet size of around 60,000 pieces of powered access equipment is almost three times the size of the fleet of the next largest operator, TVH.

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

2018 AWP fleet size in units



French Equipment Rental Market

Based on ERA data, the French equipment rental market is expected to be the third largest market in Europe, behind the United Kingdom and Germany, with an estimated size of €4.4 billion in 2018.

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, primarily due to good economic conditions, strong technical level of local specialists and high degree of market concentration amongst two players. According to the ERA, the French rental market is estimated to grow at a CAGR of 4.4% from 2017 through 2020 compared to an estimated CAGR of 1.7% in the French construction market over the same period.

Loxam and Kiloutou are the two largest players in the French equipment rental market and together account for more than one third of the total market (35%) in terms of their 2018 revenue in France, with Loxam being the #1 player in the French market with an estimated 21% market share and Kiloutou in second place with an estimated 14% market share. Both companies have contributed to the consolidation of the market. Kiloutou has focused more on opening new branches in areas with rental potential, while Loxam has focused on acquisitions to supplement organic growth.

The table below presents revenue and revenue growth data from the ERA for 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
% growth	*1.9%*	*7.8%*	*5.7%*	*3.5%*	*3.9%*

Swedish Equipment Rental Market

The Swedish equipment rental market is the sixth largest market in Europe, with an estimated size of €1.5 billion in 2018 according to the ERA.

The construction sector is expected to be relatively weak in the short-term, with the new non-residential construction market experiencing a decline in building activity for offices and educational buildings becoming a key contributor to the weakness. An increase in supply of residential stock as well as new financial restrictions on households' ability to take on new debt have deteriorated growth prospects for new residential construction market, particularly in Stockholm.

However, equipment rental sector prospects are positive, driven in particular by rental demand from the construction sector. The Swedish market is experiencing an increasing demand of rental solutions covering equipment rental and related services to construction companies, including traffic on site, waste management, or safety solutions.

The equipment rental market in Sweden is expected to display stronger growth than the Swedish construction market, primarily due to additional revenue from rental services and increased investments on the back of robust sector demand for safe and environmentally-friendly equipment.

The Swedish equipment rental market is estimated to grow at a CAGR of 2.9% from 2017 through 2020 compared to an estimated CAGR of (2.3)% in the Swedish construction market over the same period, according to the ERA.

Following the acquisition of Ramirent, Loxam and Cramo are the two largest players in the Swedish equipment rental market, with a combined market share of 43%. Both companies have contributed to consolidation of the market, with Ramirent gaining a #1 market position following acquisition of Stavdal, with a market share of approximately 23%. Based on its 2018 revenue, we estimate that Cramo has a market share of approximately 20%.

The table below presents revenue and revenue growth data from the ERA for the equipment rental market in Sweden.

	2016 (actual)	**2017** (estimated)	**2018** (estimated)	**2019** (forecast)	**2020** (forecast)
Revenue (€ million)	1,401	1,496	1,504	1,565	1,629
% growth	*9.8%*	*6.8%*	*0.5%*	*4.1%*	*4.1%*

Norwegian Equipment Rental Market

The Norwegian equipment rental market is the eighth largest market in Europe, with an estimated size of €798 million in 2018 according to the ERA.

Despite moderate macroeconomic development in recent years and following a decline in energy investments, the construction industry in Norway has experienced high output growth. The growth is expected to

remain strong and stable over the next years, though further growth is unlikely due to lower residential construction and rising interest rates that are expected to hinder refurbishment activity.

The equipment rental market in Norway is well diversified where non-construction related sectors contribute around 40% to sector output, with the oil and gas sector making the biggest contributions. The Norwegian equipment rental market is relatively consolidated with companies of fewer than 50 employees accounting for less than 30% of the total market. Following the recovery in the oil and gas sector since 2018, the market is expected to allow further consolidation opportunities. According to the ERA, the Norwegian rental market is estimated to grow at a CAGR of 4.2% from 2017 through 2020 compared to an estimated CAGR of 2.1% in the Norwegian construction market over the same period.

Following the acquisition of Ramirent, Loxam and UCO will be the largest players in the Norwegian equipment rental market. After giving effect to the acquisition of Stavdal by Ramirent, Ramirent has an estimated market share of 20% based on its 2018 revenue, while UCO has an estimated 17% market share. We believe that Cramo, another major Nordic competitor, is the third-largest player in the country.

The table below presents revenue and revenue growth data from the ERA for the equipment rental market in Norway.

	2016 (actual)	**2017** (estimated)	**2018** (estimated)	**2019** (forecast)	**2020** (forecast)
Revenue (€ million)	754	777	798	834	879
% growth	*2.1%*	*2.9%*	*2.8%*	*4.5%*	*5.4%*

Finnish Equipment Rental Market

The Finnish equipment rental market is the eleventh largest market in Europe, with an estimated size of €561 million in 2018 according to the ERA.

Following years of strong growth in the Finnish construction market in 2015-2018, in 2019 construction is expected to see a downward trend due to slowdown in new housing starts since mid-2018, lower number of new projects in civil engineering segments and slowdown in housing renovation activity, Finland's largest construction sector. However, construction market trends are expected to be positively supported by increased investment in energy sector, office construction growing volumes and government programs of public investment.

The equipment rental market in Finland is expected to display stronger growth than the Finnish construction market, primarily due to good economic conditions, high concentration of rental activity in the Helsinki region and increased investments in the sector from the largest two players following the entry of new competitors.

According to the ERA, the Finnish rental market is estimated to grow at a CAGR of 4.6% from 2017 through 2020 compared to an estimated CAGR of (0.8)% in the Finnish construction market over the same period.

Following the acquisition of Ramirent, Loxam and Cramo are the largest players in the Finnish equipment rental market, with Ramirent having a leading market share of approximately 36% and Cramo in second place with an estimated market share of 20%.

The table below presents revenue and revenue growth data from the ERA for the equipment rental market in Finland.

	2016 (actual)	**2017** (estimated)	**2018** (estimated)	**2019** (forecast)	**2020** (forecast)
Revenue (€ million)	514	535	561	583	611
% growth	*9.6%*	*4.1%*	*4.9%*	*4.0%*	*4.9%*

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, Belgium, Switzerland, Poland, the Baltics, Czech Republic and Slovakia. The total value of the equipment rental market in these countries based on 2018 estimates by the ERA was €18.3 billion. The United Kingdom is the largest equipment rental market in Europe,

with an estimated revenue of €6.8 billion in 2018 according to the ERA, and Germany is the second largest, with an estimated revenue of €4.6 billion in the same year.

The equipment rental markets in 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, 2.7% in Belgium, 2.7% in Switzerland, 6.7% in Czech Republic and 7.5% in Poland. The ERA estimates that the equipment rental markets in these countries will grow by an average of 4.0% and 4.2% in 2019 and 2020, respectively.

Based on our 2018 revenue and after giving effect to our acquisition of UK Platforms, we believe that we had the number one position in the U.K. powered access market with an estimated market share of 27%, with AFI being the second largest with an estimated market share of 11% (after giving effect to its UK Platform acquisition). In Spain, which is another important market for us, based on our 2018 revenue, we believe we are the leading equipment rental player with a market share of approximately 7%, with GAM being the second largest with an estimated market share of 6%.

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 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 leading equipment rental company in Europe based on 2018 revenue of €1,482.6 million and the fifth-largest equipment rental group in the world for the construction, industry, public works, services and events sectors based on 2018 revenue with a large international presence outside of Europe through operations in Morocco, the Middle East, Brazil and Colombia.

On June 10, 2019, we announced an all-cash offer (the "Tender Offer") for Ramirent Plc, a publicly listed company based in Finland with operations in Northern and Eastern Europe and revenue of €711.7 million in the year ended December 31, 2018 (€707.2 million in the twelve months ended March 31, 2019). Assuming acceptance of our offer of €9.00 per share, we expect to acquire Ramirent and its subsidiaries for total consideration of approximately €978 million. The purpose of the offering of the Notes made hereby is to finance certain of the Acquisition, to refinance certain of Ramirent's gross debt, to refinance the debt related to the acquisition of Stavdal and to pay the fees and expenses related to the offering and the Acquisition. The Tender Offer will expire on or about July 18, 2019 unless otherwise extended by us. Once we acquire more than 90% of Ramirent's shares through acceptance of the Tender Offer, we will initiate squeeze-out proceedings (the "Squeeze-Out Proceedings") in order to acquire the remaining shares.

The Pro Forma Revenue of Loxam and Ramirent (the "Combined Group") for the year ended December 31, 2018 would have been €2,172.1 million, which is three times larger than that of the nearest European competitor, and the Combined Group's Pro Forma EBITDA would have been €703.1 million, representing a margin of 32.4%. In the twelve months ended March 31, 2019, the Combined Group's Pro Forma Revenue would have been €2,190.6 million and the Combined Group's Pro Forma EBITDA would have been €708.9 million, representing a margin of 32.4%.

We expect the Combined Group to become the undisputed leader in the European equipment rental industry and the third largest equipment rental group in the world based on 2018 revenue, with operations in 30 countries (excluding Ramirent's joint venture activity).

In addition, we believe that the Acquisition has a strong strategic rationale, including:

- Positioning us as the clear pan-European leader in equipment rental by providing us with leading market positions in the Northern and Eastern European rental markets and expanding Loxam's existing network from 22 countries to 30 across the Combined Group;
- Growing our fleet, from Loxam's approximately 290,000 pieces of equipment as of December 31, 2018 to a Combined Group fleet of approximately 540,000 pieces of equipment with an estimated gross book value of €4.1 billion as of the same date;
- Diversifying our sources of revenue through adding approximately 150,000 new and complementary clients while expanding our range of end markets served and products, services and specialty knowledge offered; and
- Combining two groups with solid EBITDA performance, which for the year ended December 31, 2018 was 33.8% for Loxam and would have been 32.4% for the Combined Group.

For additional detail about the expected benefits of the Acquisition, see "*The Acquisition*."

Competitive Strengths

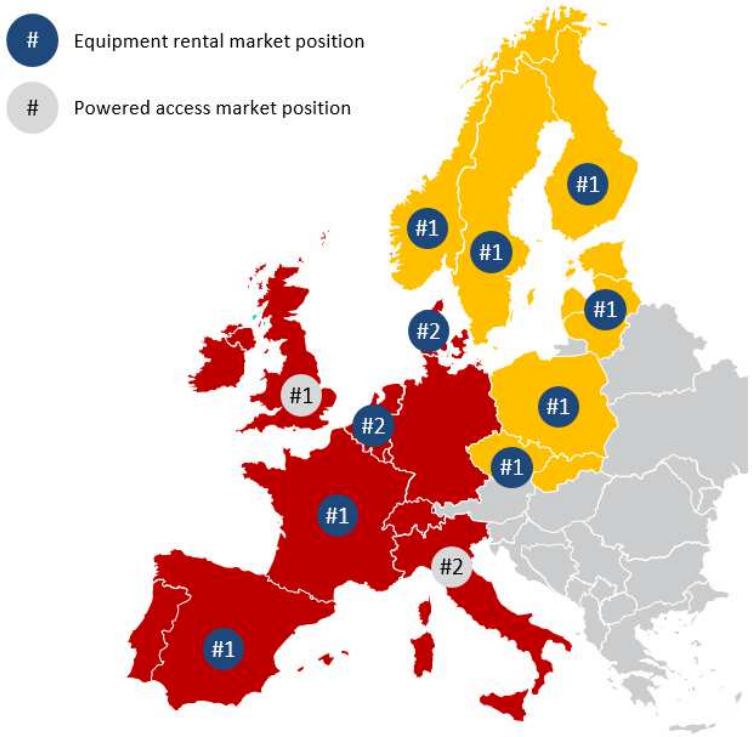
We believe that the following competitive strengths have been instrumental in our success and will drive our future growth:

Undisputed leader in pan-European equipment rental market with positive growth outlook

The Combined Group will be the undisputed leader in the European equipment rental market, with Pro Forma Revenue in 2018 approximately three times greater than that of the nearest European competitor and over 1,000 branches across 22 European countries. Based on 2018 revenue, the Combined Group will have market leading positions in eight key European markets (France, Spain, Norway, Sweden, Finland, the Baltics, Poland

and the Czech Republic) and top three market positions in each of the UK (where Loxam is the leader in the powered access market), Denmark (number two), the Netherlands, Belgium (number two) and Italy (number two). In France, Loxam operated 502 branches as of March 31, 2019 and had a market share of approximately 21% in 2018. We believe that we are consistently one of the two largest players in most of the French regions where we are active.

The map below presents the expected European leadership positions of the Combined Group.



We have established Loxam's leadership in the European market through developing and expanding our network, both organically and through a series of successful acquisitions, while cultivating a brand recognized for our strong market and technical expertise and our large, high quality fleet. We believe Loxam's fleet of approximately 300,000 pieces of equipment at group level is the largest in the European market based on its gross book value of €3.2 billion and estimated replacement value of €3.7 billion as of March 31, 2019. Following the Acquisition, the Combined Group will have a significantly larger fleet with an estimated gross book value of over €4.3 billion and over 550,000 pieces of equipment.

We operated 230 Loxam branches in Europe outside of France as of March 31, 2019 and have leveraged the best practices cultivated from our extensive experience in France to build a strong presence in our other markets. We have been able to broaden our geographic coverage significantly in recent years due to our opportunistic, value-accretive M&A strategy, through which we have extended Loxam's operations into Italy, Portugal, the Middle East, Brazil and Colombia while also expanding our existing presence in the UK, Spain, Belgium, the Netherlands, Germany and Ireland. For further details about our recent acquisitions, see "*Business—History and Development.*" Through the Acquisition, we will further enlarge the Loxam network to include Sweden, Finland, Poland, the Czech Republic, Slovakia, Latvia, Lithuania and Estonia. The Combined Group's broader geographic coverage in Europe will further contribute to the depth of our market knowledge and ability to leverage this expertise as part of our responsive business strategy driven by the evolving needs of our markets and customers.

In addition to these benefits, we expect to benefit from the positive medium-term outlook of the European equipment rental and construction markets, particularly in France, which accounted for 60% of Loxam revenue in 2018. The equipment rental market in France and in the United Kingdom had an estimated value in 2018 of €4.4 billion and £6.0, respectively, according to the European Rental Association. Due in part to government-supported infrastructure and construction initiatives, the market in France is expected to grow at an average growth rate of 3.7% from 2018 through 2020, supported by the expected growth of the construction market by an average growth rate of 1.3% from 2018 through 2021, according to Euroconstruct.

For additional information about the expected benefits of the Acquisition, see "*The Acquisition*."

Dense commercial footprint serving diversified geographic and customer end markets through an expansive fleet and high-quality customer service

Loxam operated a fleet of approximately 300,000 pieces of equipment serving over 200,000 customers in 22 countries as of March 31, 2019. Following the Acquisition, the Combined Group will have a fleet of over 550,000 pieces of equipment serving over 350,000 customers through more than 1,000 branches in 30 countries (excluding Ramirent's joint venture operation). Historically, the diverse coverage of Loxam's fleet of generalist and specialist equipment and the density of Loxam's branches (particularly in France) have provided us with the flexibility needed to meet our clients' changing needs, while our focus on customer service has further strengthened our brand and enhanced our ability to attract and retain customers across our broad geographic coverage. We believe that the Acquisition will reinforce the diversity of our footprint, the range of our fleet and our excellent customer service that are described below.

Our portfolio of clients mostly includes construction and industrial customers, from small businesses and craftsmen to large international groups, and our customers operate within different economic cycles. The construction end markets represent the largest portion of our business and accounted for approximately 63% of Loxam's 2018 revenue. In recent years, we have diversified our revenue across industries and in particular are now increasingly supporting the day-to-day activities or occasional needs of customers engaged in municipal projects and in events and media. As a result of these efforts, we have increased the percentage of Loxam's revenue generated by non-construction end markets from 30% in 2013 to 37% in 2018. Out of 37% of non-construction revenue, approximately 10% is related to industrial clients. We expect the Acquisition to reinforce this end market diversification as the Combined Group's percentage of revenue from outside the construction market would have been 39% in 2018. Loxam also decreased the percentage of total revenue generated by its top 10 customers (all of whom operate in the construction, civil engineering and utilities end markets) to less than 12% in 2018 and we expect the Acquisition to further decrease this figure for the Combined Group given the lack of overlap with Ramirent's existing customer base.

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 as well as respond quickly to their changing requirements. 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. Ramirent has a similarly strong commitment to customer service which we expect will reinforce our existing reputation in this area.

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

Loxam's successful, customer-oriented business model centers on the smart management of our rental equipment fleet and our broad network of branches, which is guided by our superior knowledge of the end markets,

customers and geographic regions we serve. Ramirent's business model is similarly driven by local management and expertise as well as customer-oriented decision-making and therefore we expect the Acquisition to reinforce the proven success of our approach.

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, the large number of our customers across diverse end markets and our experience of more than 50 years 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 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 has contributed to Loxam's 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 the Loxam business model and our ability to manage growth. This profitability exists at the level of each of our three business divisions and is consistently higher than that of Loxam's three closest European competitors. We believe that we will continue to achieve EBITDA margins above 30% following the Acquisition based on the Combined Group's Pro Forma EBITDA margin of 32.4% for the year ended December 31, 2018.

The EBITDA margin of our 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 successful 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 expenditure 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 can rapidly reduce capital expenditures, streamline our network 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. The contra-cyclical nature of our cash flow generation driven by discretionary capital expenditure requirements contributes to the overall resilience of our business model throughout cycles.

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

Loxam's senior management team is led by Mr. Gérard Déprez, our president, CEO and controlling shareholder who has over 30 years of experience with us. 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 local branch managers while keeping 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 deliver strong financial performance and protect cash flow generation. In recent years, our management team has also earned distinction for its skill at expanding our business through acquisitions. Since 2012, we have successfully integrated 18 acquired companies representing approximately 300 branches. These acquisitions have played a particularly important role in expanding our geographic presence beyond France: Loxam now operates 264 branches in 21 countries outside of France compared to 88 branches outside of France as of December 31, 2012, and our International revenue has grown to represent 40.4% of our revenue for the year ended December 31, 2018 compared to 14.4% in the year ended December 31, 2012. For further details about Loxam's recent acquisitions, see "*Business—History and Development.*"

In particular, we believe that our management team's successful integration in 2017 of the Lavendon Group, by which Loxam established a footprint in six countries in the Middle East while also significantly increasing our existing network in the United Kingdom, has positioned us for a smooth integration of Ramirent and a successful entry into eight new markets in the Nordics and eastern Europe. We believe that the management teams of Loxam and Ramirent share similar approaches and priorities, as evidenced by, for example, our common focus on improving safety and diversifying our customer end markets.

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*."

The discussion that follows below relates to the business of Loxam SAS and does not take into account the Acquisition.

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 March 31, 2019, our Generalist network in France consisted of 423 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 March 31, 2019, we had 79 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 March 31, 2019, we had 264 generalist and specialist branches in our International network, which generated 41% of our consolidated revenue, out of which approximately 34% was generated in Europe (excluding France).

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 300,000 pieces of equipment (excluding accessories) as of March 31, 2019, with approximately 170,000 pieces of equipment in our Generalist France division, approximately 30,000 in our Specialist France division and approximately 100,000 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 March 31, 2019, our fleet had a gross book value of €3.2 billion, of which the Generalist France division accounted for €1,223 million, the Specialist France division accounted for €575 million and the International division accounted for €1,424 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 March 31, 2019, we had a network of 766 branches, primarily located in Western Europe. The table below shows the number of branches we operate in each country or region:

Country	Branches
France	502
The Netherlands	43
Spain	42
United Kingdom	42
Denmark	29
Germany	21
Brazil[(1)]	19
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	**766**

(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 502 branches in France as of March 31, 2019, 423 were Generalist branches and 79 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 (44 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 10 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.

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.

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 two individuals, 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 twice 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.

On May 21, 2019 we authorized the contemplated lease agreement between the Company and SCI Ellipse, a wholly owned subsidiary of DPZ Partners. On July 4, 2019, SCI Ellipse acquired Le Cap, an office building based in La Défense. The Company would then enter into a ten-year lease agreement with SCI Ellipse starting in the spring of 2020, according to which the Company would rent the entirety of the building (approximately 9515 sqm) for a yearly rent of €4.1 million and related taxes. The Company will support the costs related to the renovation of the building before moving in, which should not exceed €6 million.

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

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 other Existing Senior Secured Notes) and (i) are guaranteed by Nationwide Platforms Limited and Loxam Module SAS; (ii) are secured by a first-priority security interest in the Existing Senior Secured Collateral and, upon the issue of the Senior Secured Notes offered hereby and the taking of security over the Post-Completion Collateral with respect to the Senior Secured Notes, will be secured by a first priority security interest in the Post-Completion Collateral; (iii) 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 the Senior Secured Notes offered hereby and indebtedness incurred under the other Existing Senior Secured Notes and the Revolving Credit Facility; (iv) are structurally subordinated to all indebtedness and other liabilities (including trade payables) of our subsidiaries; and (v) 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 Existing Senior Secured Collateral and, when granted, the Post-Completion 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 guaranteed by Nationwide Platforms Limited and Loxam Module SAS; (ii) are secured by a first-priority security interest in the Existing Senior Secured Collateral and, upon the issue of the Senior Secured Notes offered hereby and the taking of security over the Post-Completion Collateral with respect to the Senior Secured Notes, will be secured by a first priority security interest in the Post-Completion Collateral; (iii) 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 the Senior Secured Notes offered hereby and indebtedness incurred under the other Existing Senior Secured Notes and the Revolving Credit Facility; (iv) are structurally subordinated to all indebtedness and other liabilities (including trade payables) of our subsidiaries; and (v) 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 Existing Senior Secured Collateral and, when granted, the Post-Completion 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 guaranteed by Nationwide Platforms Limited and Loxam Module SAS; (ii) are secured by a first-priority security interest in the Existing Senior Secured Collateral and, upon the issue of the Senior Secured Notes offered hereby and the taking of security over the Post-Completion Collateral with respect to the Senior Secured Notes, will be secured by a first priority security interest in the Post-Completion Collateral; (iii) 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 the Senior Secured Notes offered hereby and indebtedness incurred under the other Existing Senior Secured Notes and the Revolving Credit Facility; (iv) are structurally subordinated to all indebtedness and other liabilities (including trade payables) of our subsidiaries; and (v) 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 Existing Senior Secured Collateral and, when granted, the Post-Completion 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 April 2026 Senior Secured Notes

On April 11, 2019, we issued €300,000,000 aggregate principal amount of 2.875% senior secured notes due 2026 (the "April 2026 Senior Secured Notes"). Terms capitalized and otherwise not defined in this section have the meanings given to them in the April 2026 Senior Secured Notes Indenture (as defined below).

The April 2026 Senior Secured Notes

The April 2026 Senior Secured Notes mature on April 15, 2026. We pay interest on the April 2026 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 April 2026 Senior Secured Notes are our general senior secured obligations (together with the other Existing Senior Secured Notes) and (i) are guaranteed by Nationwide Platforms Limited and Loxam Module SAS; (ii) are secured by a first-priority security interest in the Existing Senior Secured Collateral and, upon the issue of the Senior Secured Notes offered hereby and the taking of security over the Post-Completion Collateral with respect to the Senior Secured Notes, will be secured by a first priority security interest in the Post-Completion Collateral; (iii) 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 April 2026 Senior Secured Notes, including the Senior Secured Notes offered hereby and indebtedness incurred under the other Existing Senior Secured Notes

and the Revolving Credit Facility; (iv) are structurally subordinated to all indebtedness and other liabilities (including trade payables) of our subsidiaries; and (v) 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 April 2026 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 April 2026 Senior Secured Notes Indenture to be incurred and secured by assets other than the property and assets securing the April 2026 Senior Secured Notes. The April 2026 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 April 2026 Senior Secured Notes at any time on or after April 15, 2022 at redemption prices specified as percentages of the principal amount of April 2026 Senior Secured Notes so redeemed. At any time prior to April 15, 2022 we may redeem all or part of the April 2026 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, 2022 (being 101.438% of the principal amount of the note) plus 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 (y) the outstanding principal amount of the applicable note.

Additionally, at any time and from time to time prior to April 15, 2022, during each 12-month period commencing on the issue date of the April 2026 Senior Secured Notes, we may redeem up to 10% of the original aggregate principal amount of the April 2026 Senior Secured Notes, at our option, at a redemption price of 103% of the principal amount of the April 2026 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, 2022, we may redeem up to 45% of the aggregate principal amount of the April 2026 Senior Secured Notes with the net proceeds from certain equity offerings at a redemption price equal to 102.875% 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 April 2026 Senior Secured Notes remains outstanding after the redemption and the redemption occurs within 120 days after the closing of such equity offering. Further, we may redeem all of the April 2026 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 April 2026 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 April 2026 Senior Secured Notes at specified redemption prices.

The April 2026 Senior Secured Notes Indenture

The indenture governing the April 2026 Senior Secured Notes (the "April 2026 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 Existing Senior Secured Collateral and, when granted, the Post-Completion Collateral. In order to incur additional indebtedness (other than specified permitted indebtedness) under the April 2026 Senior Secured Notes Indenture, our Fixed Charge Coverage Ratio (as defined in the April 2026 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 April 2026 Senior Secured Notes Indenture), our Consolidated Senior Secured Leverage Ratio (as defined in the April 2026 Senior Secured Notes Indenture) must be less than 4.00 to 1.00, in each case on a *pro forma* basis.

The April 2026 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 April 2026 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 April 2026 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 €35.0 million or more.

The April 2026 Senior Secured Notes Indenture and the April 2026 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 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.

The 2027 Senior Subordinated Notes

On April 11, 2019, we issued €200,000,000 aggregate principal amount of 4.500% senior subordinated notes due 2027 (the "2027 Senior Subordinated Notes"). Terms capitalized and otherwise not defined in this section have the meanings given to them in the 2027 Senior Subordinated Notes Indenture (as defined below).

The 2027 Senior Subordinated Notes

The 2027 Senior Subordinated Notes mature on April 15, 2027. We pay interest on the 2027 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 2027 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 2027 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 Collateral and the Revolving Credit Facility Collateral). The 2027 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 2027 Senior Subordinated Notes at any time on or after April 15, 2022 at redemption prices specified as percentages of the principal amount of 2027 Senior Subordinated Notes so redeemed. At any time prior to April 15, 2022 we may redeem all or part of the 2027 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, 2022 (being 102.250% of the principal amount of the note) plus 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 (y) the outstanding principal amount of the applicable note, if greater. In addition, at any time prior to April 15, 2022, we may also redeem up to 45% of the aggregate principal amount of the 2027 Senior Subordinated Notes with the net proceeds from certain equity offerings at a redemption price equal to 104.500% 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 original aggregate principal amount of the 2027 Senior Subordinated Notes remains outstanding after the redemption and the redemption occurs within 120 days after the closing of such equity offering. Further, we may redeem all of the 2027 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 2027 Senior Subordinated Notes at specified redemption prices.

The 2027 Senior Subordinated Notes Indenture

The indenture governing the 2027 Senior Subordinated Notes (the "2027 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 2027 Senior Subordinated Notes Indenture, our Fixed Charge Coverage Ratio (as defined in the 2027 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 2027 Senior Subordinated Notes Indenture), our Consolidated Priority Debt Leverage Ratio (as defined in the 2027 Senior Subordinated Notes Indenture) must be less than 4.00 to 1.00, in each case on a *pro forma* basis.

The 2027 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 2027 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 2027 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 €35 million or more.

The 2027 Senior Subordinated Notes Indenture and the 2027 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 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 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 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 Liabilities" and which are permitted under the terms of the Senior Secured Finance Documents, the Senior Lender Finance Documents and the Senior Subordinated 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.

"**Additional Senior Subordinated Creditor Representative**" means, in relation to any Additional Senior Subordinated Liabilities, the person (if any) which has acceded to the Intercreditor Agreement as the Creditor Representative of those Additional Senior Subordinated Liabilities pursuant to the requirements of the Intercreditor Agreement.

"**Additional Senior Subordinated Creditors**" means:

(a) in the case of Additional Senior Subordinated Liabilities taking the form of or evidenced by a loan, credit or debt facility, each lender or other creditor thereof and in the case of Additional

Senior Subordinated Liabilities taking the form of any note(s), an indenture or a security, each holder or other creditor thereof; and

(b) any Additional Senior Subordinated Creditor Representative.

"**Additional Senior Subordinated Finance Documents**" means each document or instrument entered into between any Debtor and one or more Additional Senior Subordinated Creditors setting out the terms of any loan, credit or debt facility, notes, indenture or security which creates or evidences any Additional Senior Subordinated Liabilities, or setting out the terms of any guarantee or indemnification for, or grants or evidences any Security for, any Additional Senior Subordinated Liabilities.

"**Additional Senior Subordinated Liabilities**" means the 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 Subordinated Liabilities; and

(b) that are designated by the Company to the Senior Secured Security Agent as "Additional Senior Subordinated Liabilities" (which designation may not be revoked) and which are permitted or not prohibited, as the case may be, under the terms of the Senior Secured Finance Documents, the Senior Lender Finance Documents and the Senior Subordinated Finance Documents to rank *pari passu* in right of payment, guarantees, Security and proceeds of the Senior Secured Security with the other Senior Subordinated Liabilities including at the time of such designation; and

(c) for which the relevant Additional Senior Subordinated Creditors under paragraph (a) of the definition thereof (or the applicable Additional Senior Subordinated Creditor Representative on their behalf) have acceded to the Intercreditor Agreement.

"**Additional Senior Subordinated Liabilities Commitment/Outstandings**" means in relation to any Additional Senior Subordinated Liabilities in form of loan, credit or debt facility, notes, indenture or a security, the meaning given to the term "Commitment" or "Outstanding" under the relevant Additional Senior Subordinated Finance Documents.

"**Arranger**" means any Arranger as defined in the Revolving Credit Facility.

"**Creditor Representative Amounts**" mean certain amounts due to the Senior Secured Notes Trustees, the Senior Subordinated Notes Trustees, 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 Liabilities, or the enforcement of any related transaction security, as the context requires.

"**Relevant Senior Subordinated Default**" means a Senior Subordinated Default.

"**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 Creditors**" means the Senior Subordinated Noteholders, the Additional Senior Subordinated Creditors and each Senior Subordinated Creditor Representative.

"**Senior Subordinated Creditor Representative**" means any Creditor Representative under the Senior Subordinated Finance Documents for any Senior Subordinated Creditors.

"**Senior Subordinated Finance Documents**" means the Senior Subordinated Notes Finance Documents and the Additional Senior Subordinated Finance Documents.

"**Senior Subordinated Guarantee**" means each guarantee by a Senior Subordinated Guarantor of the obligations of the Company under the Senior Subordinated Finance Documents which contains provisions in relation to payment blockage, subordination and turnover that substantially replicate those provisions of this Agreement relating to each Senior Subordinated Guarantee or shall be made expressly subject to the provisions of this Agreement in a legally binding manner.

"**Senior Subordinated Liabilities**" means the Senior Subordinated Notes Liabilities and the Additional Senior Subordinated Liabilities.

"**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 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, any future Additional Senior Subordinated Liabilities Commitment/Outstandings and future Senior Subordinated 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 Indentures and related security documents will also provide that the holders of the Senior Secured Notes will benefit from a pledge of the Collateral, which includes a security interest in the Collateral ranking after any then-existing security interest in the Collateral which shall be deemed a first-priority security interest therein by virtue of the Intercreditor Agreement. See "*Description of the 2025 Senior Secured Notes—Security*" and "*Description of the July 2026 Senior Secured Notes—Security.*" The 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 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 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 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 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 Creditor Representative, 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 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 Liabilities in cash or in kind or apply any such money or property in or towards discharge of any Senior Subordinated Liabilities except as permitted by the provisions set out below under the caption "—*Permitted Senior Subordinated 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 Liabilities as permitted by the Intercreditor Agreement;

(ii) exercise any set-off against any Senior Subordinated Liabilities, except as permitted by the provisions set out in the caption "—*Permitted Senior Subordinated 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 Creditor Representative 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 Liabilities other than Senior Subordinated Guarantees.

Permitted Senior Subordinated Payments

Prior to the Senior Discharge Date, the Debtors may make payments in respect of the Senior Subordinated Liabilities then due in accordance with the terms of the relevant documents that govern them (the "Senior Subordinated Finance Documents") if:

(i) the payment is not principal or capitalized interest, or is made after the maturity date of the Senior Subordinated Liabilities, or is otherwise expressly permitted by the documents governing the Senior Lender Liabilities;

(ii) no Senior Subordinated 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 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 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 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 Liabilities in accordance with the Senior Subordinated 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 Liabilities (other than certain amounts due to the Senior Subordinated Creditor Representative) 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 Creditor Representative until the earliest of:
  - the date falling 179 days after delivery of that payment stop notice;
  - in relation to payments of Senior Subordinated Liabilities, if a Senior Subordinated 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 Creditor Representative(s) 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 a Senior Subordinated Creditor Representative takes Enforcement Action (as defined below) permitted under the Intercreditor Agreement against a Debtor.

Unless the Senior Subordinated Creditor Representative(s) waive 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 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 Finance Documents) as a consequence of that failure to make a payment in relation to the relevant Senior Subordinated 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 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 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 Liabilities (the "Senior Subordinated Creditors") 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 Creditor 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 Creditors ordinarily would not be able to do, since security for the Senior Subordinated 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 Creditor shall take or require the taking of any Enforcement Action in relation to the Senior Subordinated 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 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 Relevant Senior Subordinated Default specifying the event or circumstance in relation to such Senior Subordinated Default from the Senior Subordinated Creditor Representative;

(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 Creditor Representative 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 Creditor 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 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 Creditor may take Enforcement Action under the provisions set out above in relation to a Relevant Senior Subordinated Default even if, at the end of any relevant Senior Subordinated Standstill Period or at any later time, a further Senior Subordinated Standstill Period has begun as a result of any other Relevant Senior Subordinated Default.

Option to Purchase: Senior Subordinated Creditors

Upon the occurrence of a Distress Event, the Senior Subordinated Creditor Representative(s) 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 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 Liabilities); and

(ii) second, after the discharge in full of the Senior Lender Liabilities and the Senior Secured Liabilities, the Senior Subordinated 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 Guarantor will be released pursuant to the Intercreditor Agreement, it is a further condition to the release that either:

- the Senior Subordinated Creditor Representative has approved the release; or
- where shares or assets of a Senior Subordinated 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 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 Liabilities may, to the extent permitted by the relevant financing documents, be refinanced with the proceeds or utilisation of (without limitation) the issuance or borrowing of new senior subordinated liabilities 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 Creditor Representative, 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 Creditors, 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) the Additional Senior Subordinated Creditors (to the extent that the amendment or waiver would materially and adversely affect such creditors);

(vii) each hedge counterparty (to the extent that the amendment or waiver would adversely affect the hedge counterparty); and

(viii) each Security Agent.

The Intercreditor Agreement may be amended by the Senior Agent, the Senior Secured Notes Trustee, the Trustee, the Senior Subordinated Creditor Representative, the Additional Senior Subordinated Creditor Representative(s), 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 2025 SENIOR SECURED NOTES

The Issuer will issue €700,000,000 aggregate principal amount of 3.25% senior secured notes due 2025 (the "2025 Senior Secured Notes") under an indenture (the "2025 Senior Secured Indenture"), dated as of July 22, 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 2025 Senior Secured Notes include those stated in the 2025 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 2025 Senior Secured Indenture, including the 2025 Senior Secured Notes. It does not restate the 2025 Senior Secured Indenture in its entirety. We urge you to read the 2025 Senior Secured Indenture because it, and not this description, defines your rights as holders of the 2025 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 2025 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 2025 Senior Secured Notes on the Official List of the Luxembourg Stock Exchange and to admit the 2025 Senior Secured Notes to trading on the Euro MTF Market. The Issuer can provide no assurance that the 2025 Senior Secured Notes will be so listed or admitted to trading.

The registered Holder of a 2025 Senior Secured Note will be treated as the owner of it for all purposes. Only registered Holders will have rights under the 2025 Senior Secured Indenture.

Pending consummation of the Acquisition and the satisfaction of certain other conditions as described below, the Initial Purchasers will, concurrently with the closing of the offering of the 2025 Senior Secured Notes on the Issue Date, deposit the gross proceeds of this offering of the 2025 Senior Secured Notes into an escrow account (the "Escrow Account") pursuant to the terms of an escrow deed (the "Escrow Agreement") dated as of the Issue Date among the Issuer, the Trustee and Deutsche Bank AG, London Branch, as the escrow agent (the "Escrow Agent"). If the Acquisition is not consummated on or prior to December 31, 2019 (the "Escrow Longstop Date"), the 2025 Senior Secured Notes will be redeemed at a price equal to 100% of the initial issue price of the 2025 Senior Secured Notes plus accrued and unpaid interest and Additional Amounts, if any, from the Issue Date to, but excluding, the Special Mandatory Redemption Date (as defined below). See "*—Escrow of Proceeds; Special Mandatory Redemption.*"

Upon the initial issuance of the 2025 Senior Secured Notes, the 2025 Senior Secured Notes will only be obligations of the Issuer and will not be guaranteed by any of its Subsidiaries. Assuming the Completion Date occurs on or prior to the Escrow Longstop Date and the escrowed funds are released from the Escrow Account, Nationwide Platforms Limited and Loxam Module S.A.S., which will guarantee the 2025 Senior Secured Notes, will, within 120 days of the Completion Date, each enter into a supplemental indenture as Guarantor of the 2025 Senior Secured Notes and accede to the Intercreditor Agreement. See "*Risk Factors—The Collateral will not initially secure the Notes*."

Brief Description of the 2025 Senior Secured Notes

The 2025 Senior Secured Notes

The 2025 Senior Secured Notes will:

- be general senior secured obligations of the Issuer;
- within 120 days of the Completion Date, be guaranteed 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 2025 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 2025 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 2025 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 2025 Senior Secured Notes and over the bank account on which such pledged receivables are payable, and additional indebtedness permitted under the 2025 Senior Secured Indenture to be Incurred and secured by assets other than the Collateral.

As of March 31, 2019, on an as adjusted basis after giving effect to the Acquisition and the offering of the April 2026 Senior Secured Notes, the April 2027 Senior Subordinated Notes, the 2025 Senior Secured Notes, the July 2026 Senior Secured Notes and the Senior Subordinated Notes and the use of the gross proceeds thereof, the Issuer would have had approximately €3,461.3 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 April 2026 Senior Secured Notes, €700.0 million would have been secured indebtedness represented by the 2025 Senior Secured Notes offered hereby, €450.0 million would have been secured indebtedness represented by the July 2026 Senior Secured Notes offered hereby, €245.8 million would have been unsecured indebtedness represented by the bilateral credit facilities extended to the Issuer, €215.7 million would have been indebtedness represented by financial leases, €250.0 million would have been unsecured indebtedness represented by the 2025 Senior Subordinated Notes, €200.0 million would have been unsecured indebtedness represented by the April 2027 Senior Subordinated Notes and €250.0 million would have been unsecured indebtedness represented by the 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—Loxam Other Financial and Operating Data*" and "*Capitalization*." The 2025 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 2025 Senior Secured Notes. None of the Issuer's Subsidiaries will guarantee the 2025 Senior Secured Notes on the date of the 2025 Senior Secured Indenture, although one or more of the Issuer's Subsidiaries may be required to guarantee the 2025 Senior Secured Notes in certain future circumstances. The 2025 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 2025 Senior Secured Notes. Any right of the Issuer to receive assets of any of its Subsidiaries that do not guarantee the 2025 Senior Secured Notes upon that Subsidiary's liquidation or reorganization (and the consequent right of the Holders of the 2025 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 March 31, 2019, on an as adjusted basis after giving effect to the Acquisition and the offering of the April 2026 Senior Secured Notes, the April 2027 Senior Subordinated Notes, the 2025 Senior Secured Notes, the July 2026 Senior Secured Notes and the Senior Subordinated Notes and the use of the gross proceeds thereof (see "*Capitalization*"), the Issuer's Subsidiaries would have had approximately €292.2 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 Notes, and to use debt to fund future capital needs*."

As of the date of the 2025 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 2025 Senior Secured Indentures.

We estimate that, as of March 31, 2019, we would have had approximately €61.8 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 2025 Senior Secured Notes will be guaranteed by Nationwide Platforms Limited and Loxam Module S.A.S. (each a "Guarantor") within 120 days of the Completion 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 2025 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 2025 Senior Secured Notes, including the Guarantors' guarantees of the 2022 Senior Secured Notes, the 2023 Senior Secured Notes, the 2024 Senior Secured Notes and the April 2026 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 2025 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 €700,000,000 in aggregate principal amount of 2025 Senior Secured Notes in this offering. The 2025 Senior Secured Indenture governing the 2025 Senior Secured Notes will provide for the issuance of additional 2025 Senior Secured Notes having terms and conditions identical in all respects to the 2025 Senior Secured Notes offered in this offering (the "Additional 2025 Senior Secured Notes"). Any issuance of Additional 2025 Senior Secured Notes is subject to all of the covenants in the 2025 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 2025 Senior Secured Notes and any Additional 2025 Senior Secured Notes subsequently issued under the 2025 Senior Secured Indenture will be treated as a single class for all purposes under the 2025 Senior Secured Indenture, including, without limitation, waivers, amendments, redemptions and offers to purchase. The Issuer will issue Notes in minimum denominations of €100,000 and integral multiples of €1,000 above €100,000. The 2025 Senior Secured Notes will mature on January 14, 2025. Unless the context otherwise requires, in this "*Description of the 2025 Senior Secured Notes*" references to the 2025 Senior Secured Notes include the 2025 Senior Secured Notes and any Additional 2025 Senior Secured Notes that are issued from time to time.

Interest on the 2025 Senior Secured Notes will accrue at the rate of 3.25% per annum and will be payable semi-annually in arrears on March 15 and September 15 commencing on September 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 2025 Senior Secured Notes. The Issuer will make each interest payment to the Holders of record on the immediately preceding March 1 and September 1 (each, a "Record Date").

Interest on the 2025 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 2025 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 2025 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 2025 Senior Secured Notes

The Issuer will maintain one or more paying agents for the 2025 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 2025 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

2025 Senior Secured Notes sold within the United States to qualified institutional buyers pursuant to Rule 144A under the U.S. Securities Act (if any) will initially be represented by one or more global notes in registered form without interest coupons attached (collectively, the "144A Global Notes"). 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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 2025 Senior Secured Indenture) to the effect that such transfer will comply with the transfer restrictions applicable to such 2025 Senior Secured Notes.

Subject to the restrictions on transfer referred to above, the 2025 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 2025 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 2025 Senior Secured Notes;
- for a period of 15 calendar days immediately prior to the date fixed for selection of 2025 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

The 2025 Senior Secured 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 or elect to provide a Note Guarantee in the future. The Note Guarantees will be joint and several obligations of each Guarantor.

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 within 120 days of the Completion 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 2025 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 and the Collateral*."

Not all of the Issuer's Subsidiaries will guarantee the 2025 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 and for the year ended March 31, 2019, the Issuer and the Guarantors accounted for 67.0% of the Issuer's consolidated revenue, 68.3% of the Issuer's consolidated EBITDA and 66.5% of the Issuer's consolidated total assets, respectively.

The 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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 2025 Senior Secured Indenture and the 2025 Senior Secured Notes, whether for payment of principal of, or interest on or in respect of, the 2025 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 2025 Senior Secured Indenture and this "*Description of the 2025 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.

Escrow of Proceeds; Special Mandatory Redemption

Concurrently with the issuance of the 2025 Senior Secured Notes on the Issue Date, the Issuer will enter into the Escrow Agreement with the Trustee and the Escrow Agent, pursuant to which the Issuer will procure that the initial purchasers of the 2025 Senior Secured Notes will deposit with the Escrow Agent an amount equal to the gross proceeds of the offering of the 2025 Senior Secured Notes sold on the Issue Date into the Escrow Account. The Issuer will assign and charge its beneficial and any other right to and interest in the Escrowed Property (as defined below) to the Trustee for the benefit of itself and the holders of the 2025 Senior Secured Notes as secured parties under an escrow charge dated the Issue Date between the Issuer and the Trustee (the "Escrow Charge"). The initial funds deposited in the Escrow Account and any additional amounts deposited pursuant to the Escrow Agreement and the proceeds (including income) of any such deposits, less any amounts released pursuant to the terms thereof shall constitute and are referred to, collectively, as the "Escrowed Property."

In order to cause the Escrow Agent to release the Escrowed Property held in the Escrow Account to the Issuer (the "Release"), the Escrow Agent and the Trustee shall have received from the Issuer, at a time that is on or before the Escrow Longstop Date, an Officer's Certificate, upon which both the Escrow Agent and the Trustee shall rely conclusively, without further investigation, to the effect that:

- concurrently with or promptly after the release of the Escrowed Property, the Acquisition will be consummated on the terms as described in the Offering Memorandum, except for any changes or other modifications or waivers that will not, individually or when taken as a whole, have a materially adverse effect on the holders of the 2025 Senior Secured Notes;

- the Escrowed Property will be applied in the manner described under the caption "*Use of Proceeds*" in the Offering Memorandum;

- after consummation of the Acquisition, the Issuer will own, directly or indirectly, at least 90% of the issued share capital of Ramirent Plc free and clear from any encumbrance or any other third party right; and

- as of the date of the Release, no Default or Event of Default shall have occurred and in any case be continuing.

The Release shall occur promptly upon the satisfaction of the conditions set forth above. Upon the Release, the Escrow Account shall be reduced to zero, and the Escrowed Property shall be released in accordance with the Escrow Agreement.

In the event that (a) the Completion Date does not take place on or prior to the Escrow Longstop Date, (b) in the reasonable judgment of the Issuer, the Acquisition will not be consummated by the Escrow Longstop Date, (c) the Combination Agreement terminates at any time prior to the Escrow Longstop Date, or (d) a Default or Event of Default of the Issuer occurs on or prior to the Escrow Longstop Date (the date of any such event being the "Special Termination Date"), the Issuer will redeem all of the 2025 Senior Secured Notes (the "Special Mandatory Redemption") at a price (the "Special Mandatory Redemption Price") equal to 100% of the aggregate issue price of the 2025 Senior Secured Notes, plus, in each case, accrued but unpaid interest and Additional Amounts, if any, from the Issue Date to, but excluding, the Special Mandatory Redemption Date (as defined below) (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date).

Notice of the Special Mandatory Redemption will be delivered by the Issuer, no later than one Business Day following the Special Termination Date, to the Holders, the Trustee and the Escrow Agent, and will provide that the 2025 Senior Secured Notes shall be redeemed on a date that is no later than five and no fewer than two Business Days after such notice is given by the Issuer in accordance with the terms of the Escrow Agreement (the "Special Mandatory Redemption Date"). On the Special Mandatory Redemption Date provided the Escrow Account is sufficiently funded, the Escrow Agent shall pay firstly to the Paying Agent for payment to each Holder the Special Mandatory Redemption Price for such Holder's 2025 Senior Secured Notes and, secondly deliver any excess Escrowed Property (if any) to the Issuer (or as directed by the Issuer).

In the event that the Special Mandatory Redemption Price payable upon such Special Mandatory Redemption exceeds the amount of the Escrowed Property, the Issuer will be required to fund any additional amount due, including but not limited to, the accrued and unpaid interest, and Additional Amounts, if any, to, but excluding the Special Mandatory Redemption Date, owing to the holders of the 2025 Senior Secured Notes. See "*Risk Factors—Risks related to the Acquisition—If the conditions to the release of the proceeds of the offering of the Notes from escrow in the Escrow Agreement are not satisfied, the Notes will be redeemed and you may not get the return you expect on the Notes*." To secure the payment of the Special Mandatory Redemption Price, the Issuer will grant to the Trustee for the benefit of the Holders of the 2025 Senior Secured Notes a security interest over the Escrow Account. Receipt by the Trustee of either an Officer's Certificate for the release or a notice of Special Mandatory Redemption (provided funds sufficient to pay the Special Mandatory Redemption Price are in the Escrow Account) shall constitute deemed consent by the Trustee for the release of the Escrowed Property from the Escrow Charge.

If at the time of such Special Mandatory Redemption the 2025 Senior Secured Notes are listed on the Official List of the Luxembourg Exchange and the rules of the Luxembourg Stock Exchange so require, the Issuer will notify the Luxembourg Stock Exchange that the Special Mandatory Redemption has occurred and any relevant details relating to such Special Mandatory Redemption.

Security

On the Issue Date, the 2025 Senior Secured Notes will be secured by a security interest over the Escrow Account and the funds and investments (including escrowed funds) held in the Escrow Account (the "Escrow Collateral"). On the Completion Date, the 2025 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"). As soon as practicable after the completion of the Acquisition, the 2025 Senior Secured Notes will also be secured by a first priority security interest over the Post-Completion Collateral. Any additional assets or property over which security interests may in the future be created to secure the 2025 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 2025 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 2025 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 2025 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 2025 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 2025 Senior Secured Notes, any Note Guarantees and the 2025 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 2025 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 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 2025 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 2025 Senior Secured Indenture and the Security Documents. See "*Description of Certain Financing Arrangements—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 2025 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 2025 Senior Secured Notes and the 2025 Senior Secured Indenture may not be sufficient to satisfy the Issuer's obligations under the 2025 Senior Secured Notes and the Collateral securing the 2025 Senior Secured Notes and the 2025 Senior Secured Indenture may be reduced or diluted under certain circumstances, including the issuance of Additional 2025 Senior Secured Notes and the disposition of assets comprising the Collateral, subject to the terms of the 2025 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 2025 Senior Secured Indenture and the Security Documents, would be sufficient to satisfy amounts due on the 2025 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 Related to the Senior Secured Notes—The Collateral may not be sufficient to secure the obligations under the Senior Secured Notes*."

The Intercreditor Agreement

The 2025 Senior Secured Notes will be subject to the restrictions contained in the Intercreditor Agreement. The 2025 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 Financing Arrangements—Intercreditor Agreement*."

Additional Intercreditor Agreements

The 2025 Senior Secured Indenture will provide that, at the request of the Issuer, without the consent of Holders of the 2025 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 2025 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 2025 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 2025 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 2025 Senior Secured Indenture, the Intercreditor Agreement, any Additional Intercreditor Agreement or any Security Document.

The 2025 Senior Secured Indenture also will provide that, at the direction of the Issuer and without the consent of Holders of the 2025 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 2025 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 2025 Senior Secured Notes (including Additional 2025 Senior Secured Notes), (5) make provision for equal and ratable pledges of the Collateral to secure Additional 2025 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 2025 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 2025 Senior Secured Notes then outstanding, except as otherwise permitted below under "*—Amendment, Supplement and Waiver*," 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 2025 Senior Secured Indenture or the Intercreditor Agreement, any Additional Intercreditor Agreement or any Security Document.

The 2025 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 2025 Senior Secured Notes to the payment, repayment, purchase, repurchase, defeasance, acquisition, retirement or redemption of any obligations subordinated to the 2025 Senior Secured Notes thereby; *provided*, *however*, that such transaction would comply with the covenant described under "*—Restricted Payments.*"

The 2025 Senior Secured Indenture also will provide that each Holder of the 2025 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 2025 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 July 15, 2021, the Issuer may redeem up to 45% of the aggregate principal amount of 2025 Senior Secured Notes issued under the 2025 Senior Secured Indenture at a redemption price of 103.250% of the principal amount, plus accrued and unpaid interest and Additional Amounts, if any, to, but excluding, 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 2025 Senior Secured Notes issued under the 2025 Senior Secured Indenture (excluding the 2025 Senior Secured Notes held by the Issuer and its Affiliates, but including any Additional 2025 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 July 15, 2021, the Issuer may also redeem all or a part of the 2025 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 2025 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 2025 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 July 15, 2021, 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 2025 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 2025 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 2025 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 2025 Senior Secured Notes will not be redeemable at the Issuer's option prior to July 15, 2021.

On or after July 15, 2021, the Issuer may redeem all or a part of the 2025 Senior Secured Notes in the minimum 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 2025 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 2025 Senior Secured Notes on the relevant Record Date to receive interest on the relevant interest payment date:

Year	Percentage
July 15, 2021	101.6250%
July 15, 2022	100.8125%
July 15, 2023 and thereafter	100.000%

Unless the Issuer defaults in the payment of the redemption price, interest will cease to accrue on the 2025 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 2025 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 2025 Senior Secured Notes have concurred in any direction, waiver or consent, 2025 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 2025 Senior Secured Notes are to be redeemed at any time, the Paying Agent or the Registrar will select the 2025 Senior Secured Notes for redemption in compliance with the requirements of the principal securities exchange, if any, on which the 2025 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 2025 Senior Secured Notes are not so listed or such exchange prescribes no method of selection and the 2025 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 2025 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 2025 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 2025 Senior Secured Notes or a satisfaction and discharge of the 2025 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 2025 Senior Secured Note is to be redeemed in part only, the notice of redemption that relates to that 2025 Senior Secured Note will state the portion of the principal amount of that note that is to be redeemed. A new 2025 Senior Secured Note in principal amount equal to the unredeemed portion of the original 2025 Senior Secured Note will be issued in the name of the Holder of the original 2025 Senior Secured Note upon cancellation of the original note. 2025 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 2025 Senior Secured Notes or portions of 2025 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 2025 Senior Secured Notes, if holders of not less than 90% in the aggregate principal amount of the outstanding 2025 Senior Secured Notes of such series validly tender and do not withdraw such 2025 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 2025 Senior Secured Notes of such series validly tendered and not withdrawn by such holders, all of the holders of 2025 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 2025 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 2025 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 2025 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 2025 Senior Secured Note is registered at the close of business on such record date and no additional interest will be payable to holders whose 2025 Senior Secured Notes will be subject to redemption.

If it chooses to exercise its optional right to redeem the 2025 Senior Secured Notes pursuant to the provisions summarized above, the Issuer may in its discretion redeem one or more series of 2025 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 2025 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 2025 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, but excluding, 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 2025 Senior Secured Notes or any Note Guarantee, the Issuer under or with respect to the 2025 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 2025 Senior Secured Indenture (or, if the relevant Tax Jurisdiction has changed since the date of the 2025 Senior Secured Indenture, the date on which the then current Tax Jurisdiction became an applicable Tax Jurisdiction under the 2025 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 2025 Senior Secured Indenture (or, if the relevant Tax Jurisdiction has changed since the date of the 2025 Senior Secured Indenture, the date on which the then current Tax Jurisdiction became an applicable Tax Jurisdiction under the 2025 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 2025 Senior Secured Notes were then due. Notwithstanding the foregoing, the Issuer may not redeem the 2025 Senior Secured Notes under this provision if the relevant Tax Jurisdiction changes under the 2025 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 2025 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 2025 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 2025 Senior Secured Indenture, with respect to a Change in Tax Law occurring after the time such successor Person becomes a party to the 2025 Senior Secured Indenture.

Additional Amounts

All payments made by or on behalf of the Issuer under or with respect to the 2025 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 2025 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 2025 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 2025 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 2025 Senior Secured Notes or beneficial owner of the 2025 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 2025 Senior Secured Note presented for payment (where 2025 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 2025 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 2025 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 2025 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 2025 Senior Secured Notes or any Note Guarantee (other than on or in connection with a transfer of the 2025 Senior Secured Notes after the Issue Date), the 2025 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 2025 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 2025 Senior Secured Indenture or in this "*Description of the 2025 Senior Secured Notes*" there is mentioned, in any context, the payment of amounts based upon the principal amount of the 2025 Senior Secured Notes or of principal, interest or of any other amount payable under, or with respect to, any of the 2025 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 2025 Senior Secured Indenture, any transfer by a Holder or beneficial owner of its 2025 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 2025 Senior Secured Notes (or any Note Guarantee) and any department or political subdivision thereof or therein.

Mandatory Redemption

Except pursuant to "*—Escrow of Proceeds; Special Mandatory Redemption*," the Issuer is not required to make mandatory redemption or sinking fund payments with respect to the 2025 Senior Secured Notes. However, under certain circumstances, the Issuer may be required to offer to purchase the 2025 Senior Secured Notes as described under the captions "*—Repurchase at the Option of Holders—Change of Control Triggering Event*" 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' 2025 Senior Secured Notes pursuant to a Change of Control Offer on the terms set forth in the 2025 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 2025 Senior Secured Notes repurchased plus accrued and unpaid interest and Additional Amounts, if any, on the 2025 Senior Secured Notes repurchased to the date of

purchase, subject to the rights of Holders of 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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 2025 Senior Secured Notes or portions of 2025 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 2025 Senior Secured Notes or portions of 2025 Senior Secured Notes properly tendered; and

(3) deliver or cause to be delivered to the Paying Agent and the Registrar the 2025 Senior Secured Notes properly accepted together with an officers' certificate (with a copy to the Trustee) stating the aggregate principal amount of 2025 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 2025 Senior Secured Notes properly tendered the Change of Control Payment for such 2025 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 2025 Senior Secured Notes equal in principal amount to any unpurchased portion of the 2025 Senior Secured Notes surrendered, if any; *provided* that such new 2025 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 2025 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 2025 Senior Secured Indenture are applicable. Except as described above with respect to a Change of Control Triggering Event, the 2025 Senior Secured Indenture does not contain provisions that permit the Holders of the 2025 Senior Secured Notes to require that the Issuer repurchase or redeem the 2025 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 2025 Senior Secured Indenture applicable to a Change of Control Offer made by the Issuer and purchases all 2025 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 2025 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 2025 Senior Secured Notes to require the Issuer to repurchase its 2025 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 2025 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 2025 Senior Secured Indenture relating to the Issuer's obligation to make an offer to repurchase the 2025 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 2025 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 2025 Senior Secured Notes of their right to require the Issuer to repurchase the 2025 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 2025 Senior Secured Notes on the Issuer. Finally, the Issuer's ability to repurchase 2025 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 2025 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:

(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 2025 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;

(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)(d), (1)(e) or (1)(f) 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 2025 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:

(i) (i) to make an offer to purchase the 2025 Senior Secured Notes on a *pro rata* basis to all of the Holders of 2025 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;

(ii) to prepay, repay or repurchase the Revolving Credit Facility or any other Indebtedness that is permitted by the 2025 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;

(iii) 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;

(iv) 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;

(v) to make a capital expenditure;

(vi) to acquire other assets that are not classified as current assets under IFRS and that are used or useful in a Permitted Business; or

(vii) 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 2025 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 2025 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 2025 Senior Secured Notes and (at the Issuer's election) to holders of Pari Passu Indebtedness containing provisions similar to those set forth in the 2025 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 2025 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 2025 Senior Secured Notes will not be less than 100% of the principal amount of the 2025 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 2025 Senior Secured Notes in the Asset Sale Offer, plus, in each case, accrued and unpaid interest, and in the case of the 2025 Senior Secured Notes, Additional Amounts, if any, to the date of purchase in accordance with the 2025 Senior Secured Indenture or the agreements governing such Pari Passu Indebtedness, as applicable, and in the case of the 2025 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 2025 Senior Secured Indenture. If the aggregate principal amount of 2025 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 2025 Senior Secured Notes and such other Pari Passu Indebtedness to be repaid on a *pro rata* basis based on the principal amount of 2025 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 2025 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 2025 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 2025 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 2025 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 2025 Senior Secured Notes pursuant to an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with the 2025 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 2025 Senior Secured Indenture by virtue of such compliance.

Certain Covenants

Changes in Covenants When 2025 Senior Secured Notes Rated Investment Grade

If on any date following the date of the 2025 Senior Secured Indenture:

(1) the 2025 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 2025 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:

(i) "*—Repurchase at the Option of the Holders—Asset Sales*;"

(ii) "*—Restricted Payments*;"

(iii) "*—Incurrence of Indebtedness and Issuance of Preferred Stock*;"

(iv) "*—Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries*;"

(v) "*—Designation of Restricted and Unrestricted Subsidiaries*;"

(vi) "*—Transactions with Affiliates*;"

(vii) clause (4) of the covenant described below under the caption "*—Merger, Consolidation or Sale of Assets*;" and

(viii) "*—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 2025 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 2025 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 2025 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:

(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 2025 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 2025 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 2025 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:

(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 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

(ii) 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 and the Guarantors, as applicable, of Indebtedness represented by the 2025 Senior Secured Notes (and related Note Guarantees), the July 2026 Senior Secured Notes (and related Note Guarantees) and the 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 2025 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:

(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 2025 Senior Secured 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 2025 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 2025 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 2025 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 April 2026 Senior Secured Notes 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 2025 Senior Secured Indenture will be calculated based on the relevant currency exchange rate in effect on the date of the 2025 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 2025 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 2025 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 2025 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:

(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 2025 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 2025 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 2025 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 2025 Senior Secured Notes) or a Guarantor (other than a Guarantee of the 2025 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 2025 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:

(1) execute and deliver to the Trustee a supplemental indenture in the form attached to the 2025 Senior Secured Indenture pursuant to which such Restricted Subsidiary will provide a Note Guarantee; and

(2) 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 2025 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 2025 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 2025 Senior Secured Indenture;

(4) upon repayment in full of the 2025 Senior Secured Notes;

(5) upon legal defeasance or satisfaction and discharge of the 2025 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 2025 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 2025 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 2025 Senior Secured Indenture, the 2025 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 2025 Senior Secured Notes or any Note Guarantees (as the case may be), prior or senior thereto with the same relative priority as the 2025 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 2025 Senior Secured Notes on a first-priority basis and (if the 2025 Senior Secured Notes are so secured) other Permitted Collateral Liens.

Any Lien created for the benefit of the Holders of 2025 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 2025 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 2025 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 2025 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 2025 Senior Secured Notes;

(7) in accordance with the captions below entitled "—Certain Covenants—Impairment of Security Interest" and "—Amendment, Supplement and Waiver"; and

(8) with respect to the Escrow Charge only, automatically in accordance with the terms of the Escrow Agreement and the Escrow Charge.

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 2025 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 2025 Senior Secured Notes or (b) comply with the respective obligations of the Issuer under the 2025 Senior Secured Notes, the 2025 Senior Secured Indenture or the Escrow Agreement (as, in each case, determined in good faith by a responsible accounting or financial officer of the Issuer);

(2) the 2025 Senior Secured Notes, the July 2026 Senior Secured Notes, the 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 2025 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 2025 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 2025 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 2025 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 2025 Senior Secured Notes, the 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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:

(i) nothing in this provision shall restrict the discharge or release of the Collateral in accordance with the 2025 Senior Secured Indenture, the Security Documents, the Intercreditor Agreement and any Additional Intercreditor Agreement, and

(ii) 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 2025 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 2025 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 2025 Senior Secured Notes Indenture, the 2025 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 2025 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 2025 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 2025 Senior Secured Notes

The Issuer will use its commercially reasonable efforts to list and maintain the listing of the 2025 Senior Secured Notes on the Luxembourg Stock Exchange and to admit the 2025 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 2025 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 2025 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 2025 Senior Secured Notes are outstanding, the Issuer will furnish to the Trustee and make available to the Holders of 2025 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 June 30, 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 at the offices of the listing agent in Luxembourg.

In addition, so long as any 2025 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 2025 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 2025 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 2025 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 2025 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 written notice to the Issuer by the Trustee or Holders of at least 30 % in aggregate principal amount of the 2025 Senior Secured Notes then outstanding voting as a single class to comply with any of the other agreements in the 2025 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:

(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, 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 2025 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 2025 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 2025 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 2025 Senior Secured Indenture or the release of any such security interest in accordance with the terms of the 2025 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 2025 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 2025 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 2025 Senior Secured Notes may declare all the 2025 Senior Secured Notes to be due and payable immediately by notice in writing to the Issuer and, in case of a notice by Holders, also to the Trustee. In the event of a declaration of acceleration of the 2025 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 2025 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 2025 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 2025 Senior Secured Notes that became due solely because of the acceleration of the 2025 Senior Secured Notes, have been cured or waived.

Subject to certain limitations, Holders of a majority in aggregate principal amount of the then outstanding 2025 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 2025 Senior Secured Indenture or the 2025 Senior Secured Notes, or that may involve the Trustee in personal liability or that the Trustee determines is unduly prejudicial to the rights of other Holders (it being understood that the Trustee does not have an affirmative duty to ascertain whether or not any actions are unduly prejudicial to such Holders). Furthermore, the Trustee may withhold from Holders of the 2025 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 2025 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 2025 Senior Secured Indenture at the request or direction of any Holders of 2025 Senior Secured Notes unless such Holders have offered and, if requested, provided 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 2025 Senior Secured Notes may pursue any remedy with respect to the 2025 Senior Secured Indenture or the 2025 Senior Secured Notes unless:

(1) such Holder has previously given the Trustee written notice that an Event of Default is continuing;

(2) Holders of at least 30% in aggregate principal amount of the then outstanding 2025 Senior Secured Notes have requested the Trustee in writing to pursue the remedy;

(3) such Holders have offered and, if requested, provided 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 2025 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 2025 Senior Secured Notes by written notice to the Trustee may, on behalf of the Holders of all of the 2025 Senior Secured Notes, rescind an acceleration or waive any past or existing Default or Event of Default and its consequences under the 2025 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 2025 Senior Secured Notes (including in connection with an offer to purchase) and rescind any such acceleration with respect to such 2025 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 2025 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 2025 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 2025 Senior Secured Notes, the 2025 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 2025 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 2025 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 2025 Senior Secured Notes and the 2025 Senior Secured Indenture ("Legal Defeasance") and cure all then existing Defaults and Events of Default except for:

(1) the rights of Holders of outstanding 2025 Senior Secured Notes to receive payments in respect of the principal of, or interest or premium and Additional Amounts, if any, on, such 2025 Senior Secured Notes when such payments are due from the trust referred to below;

(2) the Issuer's obligations with respect to the 2025 Senior Secured Notes concerning issuing temporary 2025 Senior Secured Notes, registration of 2025 Senior Secured Notes, mutilated, destroyed, lost or stolen 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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 2025 Senior Secured Indenture, the

2025 Senior Secured Notes, the Intercreditor Agreement, the Security Documents, the Escrow Agreement or the Escrow Charge may be amended or supplemented with the consent of the Holders of at least a majority in aggregate principal amount of the 2025 Senior Secured Notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, 2025 Senior Secured Notes), and, subject to certain exemptions, any existing Default or Event of Default or compliance with any provision of the 2025 Senior Secured Indenture, the 2025 Senior Secured Notes, the Intercreditor Agreement, the Security Documents, the Escrow Agreement or the Escrow Charge may be waived with the consent of the Holders of a majority in aggregate principal amount of the then outstanding 2025 Senior Secured Notes (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, 2025 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 2025 Senior Secured Notes affected thereby, an amendment, supplement or waiver may not (with respect to any 2025 Senior Secured Notes held by a non-consenting Holder):

(1) reduce the principal amount of 2025 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 2025 Senior Secured Note or reduce the premium payable upon the redemption of any 2025 Senior Secured Note or change the time at which any such 2025 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 2025 Senior Secured Notes (except a rescission of acceleration of the 2025 Senior Secured Notes by the Holders of at least a majority in aggregate principal amount of the then outstanding 2025 Senior Secured Notes and a waiver of the payment default that resulted from such acceleration);

(5) make any 2025 Senior Secured Note payable in money other than that stated in the 2025 Senior Secured Notes;

(6) make any change in the provisions of the 2025 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 2025 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 2025 Senior Secured Indenture or any supplemental indenture thereto except as otherwise permitted by the terms of the 2025 Senior Secured Indenture, the Intercreditor Agreement or any Additional Intercreditor Agreement;

(10) make any change in the preceding amendment and waiver provisions; or

(11) change any provision relating to the redemption of the 2025 Senior Secured Notes described under "—Escrow *of Proceeds; Special Mandatory Redemption*."

Notwithstanding the preceding, without the consent of any Holder of 2025 Senior Secured Notes, the Issuer and the Trustee may amend or supplement the 2025 Senior Secured Indenture, the 2025 Senior Secured Notes, the Intercreditor Agreement, the Security Documents, the Escrow Agreement or the Escrow Charge:

(1) to cure any ambiguity, mistake, omission, defect, manifest error or inconsistency;

(2) to provide for uncertificated 2025 Senior Secured Notes in addition to or in place of certificated 2025 Senior Secured Notes (provided, that any such uncertificated 2025 Senior Secured Notes are issued in registered form for purposes of Section 163(f) of the Code);

(3) to provide for the assumption of by successor Person of the obligations of the Issuer or any Guarantor under the 2025 Senior Secured Indenture, the 2025 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 2025 Senior Secured Notes or that does not adversely affect the legal rights under the 2025 Senior Secured Indenture of any such Holder in any material respect;

(5) to conform the text of the 2025 Senior Secured Indenture, the 2025 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 2025 Senior Secured Notes" or under the heading "Description of Certain Financing Arrangements—Intercreditor Agreement" of the Offering Memorandum to the extent that such provision in this "Description of the 2025 Senior Secured Notes" or under the heading "Description of Certain Financing Arrangements—Intercreditor Agreement" of the Offering Memorandum was intended to be a verbatim recitation of a provision of the 2025 Senior Secured Indenture, the 2025 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" to add Note Guarantees, to add security to or for the benefit of the 2025 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 2025 Senior Secured Notes when such release, termination, discharge or retaking is provided for under the 2025 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 2025 Senior Secured Indenture as of the date of the 2025 Senior Secured Indenture;

(8) to allow any Guarantor to execute a supplemental 2025 Senior Secured Indenture and/or a Guarantee with respect to the 2025 Senior Secured Notes;

(9) to evidence and provide for the acceptance of the appointment under the 2025 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 2025 Senior Secured Indenture relating to the transfer and legending of 2025 Senior Secured Notes as permitted by the 2025 Senior Secured Indenture, including, without limitation, to facilitate the issuance and administration of the 2025 Senior Secured Notes; provided, however, that (i) compliance with the 2025 Senior Secured Indenture as so amended would not result in 2025 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 2025 Senior Secured Indenture of Holders to transfer 2025 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 2025 Senior Secured Notes as security for the payment and performance of the Issuer's or any Guarantor's obligations under the 2025 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 2025 Senior Secured Indenture or otherwise (any such additional security shall be deemed to be Collateral for all purposes under the 2025 Senior Secured Indenture); or

(12) to comply with the rules of any applicable securities depositary.

The consent of the Holders of 2025 Senior Secured Notes is not necessary under the 2025 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 2025 Senior Secured Notes under the caption "*—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 2025 Senior Secured Notes have concurred in any direction, waiver or consent, the 2025 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 2025 Senior Secured Indenture, the 2025 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 2025 Senior Secured Notes, as expressly provided for in the 2025 Senior Secured Indenture) as to all outstanding 2025 Senior Secured Notes issued thereunder when:

(1) either:

(i) all 2025 Senior Secured Notes that have been authenticated and delivered, except lost, stolen or destroyed 2025 Senior Secured Notes that have been replaced or paid and 2025 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

(ii) all 2025 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 2025 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 2025 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 2025 Senior Secured Indenture to apply the deposited money toward the payment of the 2025 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 2025 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 2025 Senior Secured Indenture or the 2025 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 2025 Senior Secured Indenture, the 2025 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 2025 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 2025 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 2025 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 2025 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 2025 Senior Secured Indenture.

The Holders of a majority in aggregate principal amount of the then outstanding 2025 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 2025 Senior Secured Indenture will provide

that in case an Event of Default occurs, of which a responsible officer of the Trustee has actual knowledge thereof or 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 2025 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 2025 Senior Secured Indenture at the request of any Holder of 2025 Senior Secured Notes, unless such Holder has offered and, if requested, provided 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) that may be caused by taking or not taking such action.

The 2025 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 2025 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 2025 Senior Secured Notes who has been a *bona fide* Holder of 2025 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 2025 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 2025 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 2025 Senior Secured Indenture, the 2025 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 2025 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 2025 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 2025 Senior Secured Indenture (including the form of 2025 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 "*—Reports*" may be obtained, free of charge, during normal business hours at the offices of the listing agent in Luxembourg.

Governing Law

The 2025 Senior Secured Indenture and the 2025 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 2025 Senior Secured Indenture. Reference is made to the 2025 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.

"Acquisition" means the proposed acquisition by the Issuer of Ramirent Plc and its subsidiaries. "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 July 15, 2021 (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 July 15, 2021 (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.

"April 2026 Senior Secured Notes" means the 2.875% Senior Secured Notes due 2026 issued on April 11, 2019.

"April 2027 Senior Subordinated Notes" means the 4.500% Senior Subordinated Notes due 2027 issued on April 11, 2019.

"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 2025 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 2025 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 2025 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:

(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 July 15 , 2021 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 2025 Senior Secured Notes and of a maturity most nearly equal to July 15, 2021, *provided, however*, that, if the period from such redemption date to July 15, 2021 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 2025 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 2025 Senior Secured Indenture governing the 2025 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 2025 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 2025 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 2025 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.

"Combination Agreement" means the combination agreement dated June 9, 2019, by and between Ramirent Plc and the Issuer.

"Completion Date" means the date on which the Issuer will purchase 90% or more of the shares of Ramirent Plc validly tendered.

"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 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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, the April 2026 Senior Secured Notes and any Indebtedness outstanding under the Revolving Credit Facility as of the Issue Date) in existence on the date of the 2025 Senior Secured Indenture, after giving effect to the net proceeds of the issuance of the 2025 Senior Secured Notes, the July 2026 Senior Secured Notes and the Senior Subordinated Notes, until such amounts are repaid (including, without limitation the 2025 Senior Subordinated Notes and the April 2027 Senior Subordinated Notes).

"Existing Notes" means, collectively, the 2022 Senior Secured Notes, the 2023 Senior Secured Notes, the 2024 Senior Secured Notes, the April 2026 Senior Secured Notes, the 2025 Senior Subordinated Notes and the April 2027 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 2025 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 2025 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 2025 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 2025 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 2025 Senior Secured Indenture.

"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 2025 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 July 22, 2019.

"July 2026 Senior Secured Notes" means the €450.0 million Senior Secured Notes due 2026 expected to be issued on or about the Issue Date.

"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.

"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 2025 Senior Secured Indenture and the 2025 Senior Secured Notes, executed pursuant to the provisions of the 2025 Senior Secured Indenture.

"Obligations" means any principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Indebtedness.

"Offering Memorandum" means the offering memorandum relating to the 2025 Senior Secured Notes, the July 2026 Senior Secured Notes and the Senior Subordinated Notes dated July 17, 2019.

"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 2025 Senior Secured Notes and that is not subordinated in right of payment to the 2025 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, the 2024 Senior Secured Notes and the April 2026 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 2025 Senior Secured Indenture, and any business incidental, reasonably related, complementary or ancillary thereto, or which is a reasonable extension thereof.

"Permitted Collateral Liens" means (other than any Escrow Collateral):

(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), the April 2026 Senior Secured Notes (or any guarantee thereof, as the case may be), the 2025 Senior Secured Notes (or any guarantee thereof, as the case may be) and the July 2026 Senior Secured Notes (or any guarantee thereof, as the case may be) (but, in each case, not any additional notes (or any 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), the April 2026 Senior Secured Notes (or any guarantee thereof, as the case may be), the 2025 Senior Secured Notes (or any guarantee thereof, as the case may be) and the July 2026 Senior Secured Notes (or any guarantee thereof, as the case may be) on a senior or *pari passu* basis;

(2) Liens on the Collateral to secure:

(i) 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 2025 Senior Secured Notes and the Note Guarantees on a *pari passu* or senior basis;

(ii) 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 definitions 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 2025 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 2025 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, the 2024 Senior Secured Notes, the April 2026 Senior Secured Notes and the July 2026 Senior Secured Notes and that ranks pari passu in right of payment with the 2025 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 2025 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 2025 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:

  (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 2025 Senior Secured Notes, including any Additional 2025 Senior Secured Notes issued pursuant to the 2025 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 2025 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 2025 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 2025 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 2025 Senior Secured Indenture or (b) as otherwise permitted under the 2025 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 2025 Senior Secured Indenture or provided for under written arrangements existing on the date of the 2025 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 2025 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 2025 Senior Secured 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 the July 2026 Senior Secured Notes and the 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 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 (24).

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 2025 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 2025 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 2025 Senior Secured Notes;

(3) if the Indebtedness being extended, renewed, refunded, refinanced, replaced, defeased or discharged is subordinated in right of payment to the 2025 Senior Secured Notes, such Permitted Refinancing Indebtedness is subordinated in right of payment to the 2025 Senior Secured Notes on terms at least as favorable to the Holders of 2025 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.

"Post-Completion Collateral" means the shares of Ramirent Plc to be acquired by the Issuer upon consummation of the Acquisition.

"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 2025 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 2025 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 2025 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, the 2025 Senior Secured Notes and the July 2026 Senior Secured Notes) and any Indebtedness of any Restricted Subsidiary that is not a Guarantor permitted to be Incurred under the terms of the 2025 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;

(5) the April 2027 Senior Subordinated Notes; and

(6) the Senior Subordinated Notes.

"Senior Subordinated Notes" means the €250 million Senior Subordinated Notes due 2027 expected to be issued on or about the Issue Date.

"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 2025 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 2025 Senior Secured Indenture or thereafter Incurred) that is subordinated or junior in right of payment to the 2025 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 2025 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 2025 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 2025 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 2025 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 2025 Senior Secured Notes or the Note Guarantees or compliance by the Issuer with its obligations under the 2025 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 2025 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 JULY 2026 SENIOR SECURED NOTES

The Issuer will issue €450,000,000 aggregate principal amount of 3.75% senior secured notes due 2026 (the "July 2026 Senior Secured Notes") under an indenture (the "July 2026 Senior Secured Indenture"), dated as of July 22, 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 July 2026 Senior Secured Notes include those stated in the July 2026 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 July 2026 Senior Secured Indenture, including the July 2026 Senior Secured Notes. It does not restate the July 2026 Senior Secured Indenture in its entirety. We urge you to read the July 2026 Senior Secured Indenture because it, and not this description, defines your rights as holders of the July 2026 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 July 2026 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 July 2026 Senior Secured Notes on the Official List of the Luxembourg Stock Exchange and to admit the July 2026 Senior Secured Notes to trading on the Euro MTF Market. The Issuer can provide no assurance that the July 2026 Senior Secured Notes will be so listed or admitted to trading.

The registered Holder of a July 2026 Senior Secured Note will be treated as the owner of it for all purposes. Only registered Holders will have rights under the July 2026 Senior Secured Indenture.

Pending consummation of the Acquisition and the satisfaction of certain other conditions as described below, the Initial Purchasers will, concurrently with the closing of the offering of the July 2026 Senior Secured Notes on the Issue Date, deposit the gross proceeds of this offering of the July 2026 Senior Secured Notes into an escrow account (the "Escrow Account") pursuant to the terms of an escrow deed (the "Escrow Agreement") dated as of the Issue Date among the Issuer, the Trustee and Deutsche Bank AG, London Branch, as the escrow agent (the "Escrow Agent"). If the Acquisition is not consummated on or prior to December 31, 2019 (the "Escrow Longstop Date"), the July 2026 Senior Secured Notes will be redeemed at a price equal to 100% of the initial issue price of the July 2026 Senior Secured Notes plus accrued and unpaid interest and Additional Amounts, if any, from the Issue Date to, but excluding, the Special Mandatory Redemption Date (as defined below). See "*—Escrow of Proceeds; Special Mandatory Redemption.*"

Upon the initial issuance of the July 2026 Senior Secured Notes, the July 2026 Senior Secured Notes will only be obligations of the Issuer and will not be guaranteed by any of its Subsidiaries. Assuming the Completion Date occurs on or prior to the Escrow Longstop Date and the escrowed funds are released from the Escrow Account Nationwide Platforms Limited and Loxam Module S.A.S., which will guarantee the July 2026 Senior Secured Notes, will, within 120 days of the Completion Date, each enter into a supplemental indenture as Guarantor of the July 2026 Senior Secured Notes and accede to the Intercreditor Agreement. See "*Risk Factors—The Collateral will not initially secure the Notes*."

Brief Description of the July 2026 Senior Secured Notes

The July 2026 Senior Secured Notes

The July 2026 Senior Secured Notes will:

- be general senior secured obligations of the Issuer;
- within 120 days of the Completion Date, be guaranteed 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 July 2026 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 July 2026 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 July 2026 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 July 2026 Senior Secured Notes and over the bank account on which such pledged receivables are payable, and additional indebtedness permitted under the July 2026 Senior Secured Indenture to be Incurred and secured by assets other than the Collateral.

As of March 31, 2019, on an as adjusted basis, after giving effect to the Acquisition and the offering of the April 2026 Senior Secured Notes, the April 2027 Senior Subordinated Notes, the 2025 Senior Secured Notes, the July 2026 Senior Secured Notes and the Senior Subordinated Notes and the use of the gross proceeds thereof, the Issuer would have had approximately €3,461.3 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 April 2026 Senior Secured Notes, €700.0 million would have been secured indebtedness represented by the 2025 Senior Secured Notes offered hereby, €450.0 million would have been secured indebtedness represented by the July 2026 Senior Secured Notes offered hereby, €245.8 million would have been unsecured indebtedness represented by the bilateral credit facilities extended to the Issuer, €215.7 million would have been indebtedness represented by financial leases, €250.0 million would have been unsecured indebtedness represented by the 2025 Senior Subordinated Notes, €200.0 million would have been unsecured indebtedness represented by the April 2027 Senior Subordinated Notes and €250.0 million would have been unsecured indebtedness represented by the 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—Loxam Other Financial and Operating Data*" and "*Capitalization*." The July 2026 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 July 2026 Senior Secured Notes. None of the Issuer's Subsidiaries will guarantee the July 2026 Senior Secured Notes on the date of the July 2026 Senior Secured Indenture, although one or more of the Issuer's Subsidiaries may be required to guarantee the July 2026 Senior Secured Notes in certain future circumstances. The July 2026 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 July 2026 Senior Secured Notes. Any right of the Issuer to receive assets of any of its Subsidiaries that do not guarantee the July 2026 Senior Secured Notes upon that Subsidiary's liquidation or reorganization (and the consequent right of the Holders of the July 2026 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 March 31, 2019, on an as adjusted basis after giving effect to the Acquisition and the offering of the April 2026 Senior Secured Notes, the April 2027 Senior Subordinated Notes, the 2025 Senior Secured Notes, the July 2026 Senior Secured Notes and the Senior Subordinated Notes and the use of the gross proceeds thereof (see "*Capitalization*"), the Issuer's Subsidiaries would have had approximately €292.2 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 Notes, and to use debt to fund future capital needs*."

As of the date of the July 2026 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 July 2026 Senior Secured Indentures.

We estimate that, as of March 31, 2019, we would have had approximately €61.8 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 July 2026 Senior Secured Notes will be guaranteed by Nationwide Platforms Limited and Loxam Module S.A.S. (each a "Guarantor") within 120 days of the Completion 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 July 2026 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 July 2026 Senior Secured Notes, including the Guarantors' guarantees of the 2022 Senior Secured Notes, the 2023 Senior Secured Notes, the 2024 Senior Secured Notes and the April 2026 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 July 2026 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 €450,000,000 in aggregate principal amount of July 2026 Senior Secured Notes in this offering. The July 2026 Senior Secured Indenture governing the July 2026 Senior Secured Notes will provide for the issuance of additional July 2026 Senior Secured Notes having terms and conditions identical in all respects to the July 2026 Senior Secured Notes offered in this offering (the "Additional July 2026 Senior Secured Notes"). Any issuance of Additional July 2026 Senior Secured Notes is subject to all of the covenants in the July 2026 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 July 2026 Senior Secured Notes and any Additional July 2026 Senior Secured Notes subsequently issued under the July 2026 Senior Secured Indenture will be treated as a single class for all purposes under the July 2026 Senior Secured Indenture, including, without limitation, waivers, amendments, redemptions and offers to purchase. The Issuer will issue Notes in minimum denominations of €100,000 and integral multiples of €1,000 above €100,000. The July 2026 Senior Secured Notes will mature on July 15, 2026. Unless the context otherwise requires, in this "*Description of the July 2026 Senior Secured Notes*" references to the July 2026 Senior Secured Notes

include the July 2026 Senior Secured Notes and any Additional July 2026 Senior Secured Notes that are issued from time to time.

Interest on the July 2026 Senior Secured Notes will accrue at the rate of 3.75% 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 Senior Secured Notes

The Issuer will maintain one or more paying agents for the July 2026 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 July 2026 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

2026 Senior Secured Notes sold within the United States to qualified institutional buyers pursuant to Rule 144A under the U.S. Securities Act (if any) will initially be represented by one or more global notes in registered form without interest coupons attached (collectively, the "144A Global Notes"). 2026 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 2026 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 2026 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 2026 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 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 Senior Secured Indenture) to the effect that such transfer will comply with the transfer restrictions applicable to such July 2026 Senior Secured Notes.

Subject to the restrictions on transfer referred to above, the July 2026 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 July 2026 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 July 2026 Senior Secured Notes;
- for a period of 15 calendar days immediately prior to the date fixed for selection of July 2026 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

The July 2026 Senior Secured 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 or elect to provide a Note Guarantee in the future. The Note Guarantees will be joint and several obligations of each Guarantor.

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 within 120 days of the Completion 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 July 2026 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 and the Collateral*."

Not all of the Issuer's Subsidiaries will guarantee the July 2026 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 and for the year ended March 31, 2019, the Issuer and the Guarantors accounted for 67.0% of the Issuer's consolidated revenue, 68.3% of the Issuer's consolidated EBITDA and 66.5% of the Issuer's consolidated total assets, respectively.

The July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 Senior Secured Indenture and the July 2026 Senior Secured Notes, whether for payment of principal of, or interest on or in respect

of, the July 2026 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 July 2026 Senior Secured Indenture and this "*Description of the July 2026 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.

Escrow of Proceeds; Special Mandatory Redemption

Concurrently with the issuance of the July 2026 Senior Secured Notes on the Issue Date, the Issuer will enter into the Escrow Agreement with the Trustee and the Escrow Agent, pursuant to which the Issuer will procure that the initial purchasers of the July 2026 Senior Secured Notes will deposit with the Escrow Agent an amount equal to the gross proceeds of the offering of the July 2026 Senior Secured Notes sold on the Issue Date into the Escrow Account. The Issuer will assign and charge its beneficial and any other right to and interest in the Escrowed Property (as defined below) to the Trustee for the benefit of itself and the holders of the July 2026 Senior Secured Notes as secured parties under an escrow charge dated the Issue Date between the Issuer and the Trustee (the "Escrow Charge"). The initial funds deposited in the Escrow Account and any additional amounts deposited pursuant to the Escrow Agreement and the proceeds (including income) of any such deposits, less any amounts released pursuant to the terms thereof shall constitute and are referred to, collectively, as the "Escrowed Property."

In order to cause the Escrow Agent to release the Escrowed Property held in the Escrow Account to the Issuer (the "Release"), the Escrow Agent and the Trustee shall have received from the Issuer, at a time that is on or before the Escrow Longstop Date, an Officer's Certificate, upon which both the Escrow Agent and the Trustee shall rely conclusively, without further investigation, to the effect that:

- concurrently with or promptly after the release of the Escrowed Property, the Acquisition will be consummated on the terms as described in the Offering Memorandum, except for any changes or other modifications or waivers that will not, individually or when taken as a whole, have a materially adverse effect on the holders of the July 2026 Senior Secured Notes;

- the Escrowed Property will be applied in the manner described under the caption "*Use of Proceeds*" in the Offering Memorandum;

- after consummation of the Acquisition, the Issuer will own, directly or indirectly, at least 90% of the issued share capital of Ramirent Plc free and clear from any encumbrance or any other third party right; and

- as of the date of the Release, no Default or Event of Default shall have occurred and in any case be continuing.

The Release shall occur promptly upon the satisfaction of the conditions set forth above. Upon the Release, the Escrow Account shall be reduced to zero, and the Escrowed Property shall be released in accordance with the Escrow Agreement.

In the event that (a) the Completion Date does not take place on or prior to the Escrow Longstop Date, (b) in the reasonable judgment of the Issuer, the Acquisition will not be consummated by the Escrow Longstop Date, (c) the Combination Agreement terminates at any time prior to the Escrow Longstop Date, or (d) a Default or Event of Default of the Issuer occurs on or prior to the Escrow Longstop Date (the date of any such event being the "Special Termination Date"), the Issuer will redeem all of the July 2026 Senior Secured Notes (the "Special Mandatory Redemption") at a price (the "Special Mandatory Redemption Price") equal to 100% of the aggregate issue price of the July 2026 Senior Secured Notes, plus accrued but unpaid interest and Additional Amounts, if any, from the Issue Date to, but excluding, the Special Mandatory Redemption Date (as defined below) (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date).

Notice of the Special Mandatory Redemption will be delivered by the Issuer, no later than one Business Day following the Special Termination Date, to the Holders, the Trustee and the Escrow Agent, and will provide that the July 2026 Senior Secured Notes shall be redeemed on a date that is no later than five and no fewer than two Business Days after such notice is given by the Issuer in accordance with the terms of the Escrow Agreement (the "Special Mandatory Redemption Date"). On the Special Mandatory Redemption Date provided the Escrow Account is sufficiently funded, the Escrow Agent shall pay firstly to the Paying Agent for payment to each Holder

the Special Mandatory Redemption Price for such Holder's July 2026 Senior Secured Notes and, secondly deliver any excess Escrowed Property (if any) to the Issuer (or as directed by the Issuer).

In the event that the Special Mandatory Redemption Price payable upon such Special Mandatory Redemption exceeds the amount of the Escrowed Property, the Issuer will be required to fund any additional amount due, including but not limited to, the accrued and unpaid interest, and Additional Amounts, if any, to, but excluding the Special Mandatory Redemption Date, owing to the holders of the July 2026 Senior Secured Notes. See "*Risk Factors—Risks related to the Acquisition—If the conditions to the release of the proceeds of the offering of the Notes from escrow in the Escrow Agreement are not satisfied, the Notes will be redeemed and you may not get the return you expect on the Notes*." To secure the payment of the Special Mandatory Redemption Price, the Issuer will grant to the Trustee for the benefit of the Holders of the July 2026 Senior Secured Notes a security interest over the Escrow Account. Receipt by the Trustee of either an Officer's Certificate for the release or a notice of Special Mandatory Redemption (provided funds sufficient to pay the Special Mandatory Redemption Price are in the Escrow Account) shall constitute deemed consent by the Trustee for the release of the Escrowed Property from the Escrow Charge.

If at the time of such Special Mandatory Redemption the July 2026 Senior Secured Notes are listed on the Official List of the Luxembourg Exchange and the rules of the Luxembourg Stock Exchange so require, the Issuer will notify the Luxembourg Stock Exchange that the Special Mandatory Redemption has occurred and any relevant details relating to such Special Mandatory Redemption.

Security

On the Issue Date, the July 2026 Senior Secured Notes will be secured by a security interest over the Escrow Account and the funds and investments (including escrowed funds) held in the Escrow Account (the "Escrow Collateral"). On the Completion Date, the July 2026 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"). As soon as practicable after the completion of the Acquisition, the July 2026 Senior Secured Notes will also be secured by a first priority security interest over the Post-Completion Collateral. Any additional assets or property over which security interests may in the future be created to secure the July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 Senior Secured Notes, any Note Guarantees and the July 2026 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 July 2026 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 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 July 2026 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 July 2026 Senior Secured Indenture and the Security Documents. See "*Description of Certain Financing Arrangements—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 July 2026 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 July 2026 Senior Secured Notes and the July 2026 Senior Secured Indenture may not be sufficient to satisfy the Issuer's obligations under the July 2026 Senior Secured Notes and the Collateral securing the July 2026 Senior Secured Notes and the July 2026 Senior Secured Indenture may be reduced or diluted under certain circumstances, including the issuance of Additional July 2026 Senior Secured Notes and the disposition of assets comprising the Collateral, subject to the terms of the July 2026 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 July 2026 Senior Secured Indenture and the Security Documents, would be sufficient to satisfy amounts due on the July 2026 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 Related to the Senior Secured Notes—The Collateral may not be sufficient to secure the obligations under the Senior Secured Notes*."

The Intercreditor Agreement

The July 2026 Senior Secured Notes will be subject to the restrictions contained in the Intercreditor Agreement. The July 2026 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 Financing Arrangements—Intercreditor Agreement*."

Additional Intercreditor Agreements

The July 2026 Senior Secured Indenture will provide that, at the request of the Issuer, without the consent of Holders of the July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 Senior Secured Indenture, the Intercreditor Agreement, any Additional Intercreditor Agreement or any Security Document.

The July 2026 Senior Secured Indenture also will provide that, at the direction of the Issuer and without the consent of Holders of the July 2026 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 July 2026 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 July 2026 Senior Secured Notes (including Additional July 2026 Senior Secured Notes), (5) make provision for equal and ratable pledges of the Collateral to secure Additional July 2026 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 July 2026 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 July 2026 Senior Secured Notes then outstanding, except as otherwise permitted below under "*—Amendment, Supplement and Waiver*," 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 July 2026 Senior Secured Indenture or the Intercreditor Agreement, any Additional Intercreditor Agreement or any Security Document.

The July 2026 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 July 2026 Senior Secured Notes to the payment, repayment, purchase, repurchase, defeasance, acquisition, retirement or redemption of any obligations subordinated to the July 2026 Senior Secured Notes thereby; *provided*, *however*, that such transaction would comply with the covenant described under "*—Restricted Payments.*"

The July 2026 Senior Secured Indenture also will provide that each Holder of the July 2026 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 July 2026 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 July 15, 2022, the Issuer may redeem up to 45% of the aggregate principal amount of July 2026 Senior Secured Notes issued under the July 2026 Senior Secured Indenture at a redemption price of 103.750% of the principal amount, plus accrued and unpaid interest and Additional Amounts, if any, to, but excluding, 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 July 2026 Senior Secured Notes issued under the July 2026 Senior Secured Indenture (excluding the July 2026 Senior Secured Notes held by

the Issuer and its Affiliates, but including any Additional July 2026 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 July 15, 2022, the Issuer may also redeem all or a part of the July 2026 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 July 2026 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 July 2026 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 July 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 July 2026 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 July 2026 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 July 2026 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 July 2026 Senior Secured Notes will not be redeemable at the Issuer's option prior to July 15, 2022.

On or after July 15, 2022, the Issuer may redeem all or a part of the July 2026 Senior Secured Notes in the minimum 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 July 2026 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 July 2026 Senior Secured Notes on the relevant Record Date to receive interest on the relevant interest payment date:

Year	Percentage
July 15, 2022	101.8750%
July 15, 2023	100.9375%
July 15, 2024 and thereafter	100.000%

Unless the Issuer defaults in the payment of the redemption price, interest will cease to accrue on the July 2026 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 July 2026 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 July 2026 Senior Secured Notes have concurred in any direction, waiver or consent, July 2026 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 July 2026 Senior Secured Notes are to be redeemed at any time, the Paying Agent or the Registrar will select the July 2026 Senior Secured Notes for redemption in compliance with the requirements of the principal securities exchange, if any, on which the July 2026 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 July 2026 Senior Secured Notes are not so listed or such exchange prescribes no method of selection and the July 2026 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 July 2026 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 July 2026 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 July 2026 Senior Secured Notes or a satisfaction and discharge of the July 2026 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 July 2026 Senior Secured Note is to be redeemed in part only, the notice of redemption that relates to that July 2026 Senior Secured Note will state the portion of the principal amount of that note that is to be redeemed. A new July 2026 Senior Secured Note in principal amount equal to the unredeemed portion of the original July 2026 Senior Secured Note will be issued in the name of the Holder of the original July 2026 Senior Secured Note upon cancellation of the original note. July 2026 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 July 2026 Senior Secured Notes or portions of July 2026 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 July 2026 Senior Secured Notes, if holders of not less than 90% in the aggregate principal amount of the outstanding July 2026 Senior Secured Notes of such series validly tender and do not withdraw such July 2026 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 July 2026 Senior Secured Notes of such series validly tendered and not withdrawn by such holders, all of the holders of July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 Senior Secured Note is registered at the close of business on such record date and no additional interest will be payable to holders whose July 2026 Senior Secured Notes will be subject to redemption.

If it chooses to exercise its optional right to redeem the July 2026 Senior Secured Notes pursuant to the provisions summarized above, the Issuer may in its discretion redeem one or more series of July 2026 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 July 2026 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 July 2026 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, but excluding, 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 July 2026 Senior Secured Notes or any Note Guarantee, the Issuer under or with respect to the July 2026 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 July 2026 Senior Secured Indenture (or, if the relevant Tax Jurisdiction has changed since the date of the July 2026 Senior Secured Indenture, the date on which the then current Tax Jurisdiction became an applicable Tax Jurisdiction under the July 2026 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 July 2026 Senior Secured Indenture (or, if the relevant Tax Jurisdiction has changed since the date of the July 2026 Senior Secured Indenture, the date on which the then current Tax Jurisdiction became an applicable Tax Jurisdiction under the July 2026 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 July 2026 Senior Secured Notes were then due. Notwithstanding the foregoing, the Issuer may not redeem the July 2026 Senior Secured Notes under this provision if the relevant Tax Jurisdiction changes under the July 2026 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 July 2026 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 July 2026 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 July 2026 Senior Secured Indenture, with respect to a Change in Tax Law occurring after the time such successor Person becomes a party to the July 2026 Senior Secured Indenture.

Additional Amounts

All payments made by or on behalf of the Issuer under or with respect to the July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 Senior Secured Notes or beneficial owner of the July 2026 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 July 2026 Senior Secured Note presented for payment (where July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 Senior Secured Notes or any Note Guarantee (other than on or in connection with a transfer of the July 2026 Senior Secured Notes after the Issue Date), the July 2026 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 July 2026 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 July 2026 Senior Secured Indenture or in this "*Description of the July 2026 Senior Secured Notes*" there is mentioned, in any context, the payment of amounts based upon the principal amount of the July 2026 Senior Secured Notes or of principal, interest or of any other amount payable under, or with respect to, any of the July 2026 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 July 2026 Senior Secured Indenture, any transfer by a Holder or beneficial owner of its July 2026 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 July 2026 Senior Secured Notes (or any Note Guarantee) and any department or political subdivision thereof or therein.

Mandatory Redemption

Except pursuant to "*—Escrow of Proceeds; Special Mandatory Redemption*," the Issuer is not required to make mandatory redemption or sinking fund payments with respect to the July 2026 Senior Secured Notes. However, under certain circumstances, the Issuer may be required to offer to purchase the July 2026 Senior Secured Notes as described under the captions "*—Repurchase at the Option of Holders—Change of Control Triggering Event*" 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' July 2026 Senior Secured Notes pursuant to a Change of Control Offer on the terms set forth in the July 2026 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 July 2026 Senior Secured Notes repurchased plus accrued and unpaid interest and Additional Amounts, if any, on the July 2026 Senior Secured Notes repurchased to the date of purchase, subject to the rights of Holders of July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 Senior Secured Notes or portions of July 2026 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 July 2026 Senior Secured Notes or portions of July 2026 Senior Secured Notes properly tendered; and

(3) deliver or cause to be delivered to the Paying Agent and the Registrar the July 2026 Senior Secured Notes properly accepted together with an officers' certificate (with a copy to the Trustee) stating the aggregate principal amount of July 2026 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 July 2026 Senior Secured Notes properly tendered the Change of Control Payment for such July 2026 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 July 2026 Senior Secured Notes equal in principal amount to any unpurchased portion of the July 2026 Senior Secured Notes surrendered, if any; *provided* that such new July 2026 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 July 2026 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 July 2026 Senior Secured Indenture are applicable. Except as described above with respect to a Change of Control Triggering Event, the July 2026 Senior Secured Indenture does not contain provisions that permit the Holders of the July 2026 Senior Secured Notes to require that the Issuer repurchase or redeem the July 2026 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 July 2026 Senior Secured Indenture applicable to a Change of Control Offer made by the Issuer and purchases all July 2026 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 July 2026 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 July 2026 Senior Secured Notes to require the Issuer to repurchase its July 2026 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 July 2026 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 July 2026 Senior Secured Indenture relating to the Issuer's obligation to make an offer to repurchase the July 2026 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 July 2026 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 July 2026 Senior Secured Notes of their right to require the Issuer to repurchase the July 2026 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 July 2026 Senior Secured Notes on the Issuer. Finally, the Issuer's ability to repurchase July 2026 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 July 2026 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:

(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 July 2026 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;

(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)(d), (1)(e) or (1)(f) 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 July 2026 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:

(i) (i) to make an offer to purchase the July 2026 Senior Secured Notes on a *pro rata* basis to all of the Holders of July 2026 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;

(ii) to prepay, repay or repurchase the Revolving Credit Facility or any other Indebtedness that is permitted by the July 2026 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;

(iii) 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;

(iv) 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;

(v) to make a capital expenditure;

(vi) to acquire other assets that are not classified as current assets under IFRS and that are used or useful in a Permitted Business; or

(vii) 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 July 2026 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 July 2026 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 July 2026 Senior Secured Notes and (at the Issuer's election) to holders of Pari Passu Indebtedness containing provisions similar to those set forth in the July 2026 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 July 2026 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 July 2026 Senior Secured Notes will not be less than 100% of the principal amount of the July 2026 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 July 2026 Senior Secured Notes in the Asset Sale Offer, plus, in each case, accrued and unpaid interest, and in the case of the July 2026 Senior Secured Notes, Additional Amounts, if any, to the date of purchase in accordance with the July 2026 Senior Secured Indenture or the agreements governing such Pari Passu Indebtedness, as applicable, and in the case of the July 2026 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 July 2026 Senior Secured Indenture. If the aggregate principal amount of July 2026 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 July 2026 Senior Secured Notes and such other Pari Passu Indebtedness to be repaid on a *pro rata* basis based on the principal amount of July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 Senior Secured Notes pursuant to an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with the July 2026 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 July 2026 Senior Secured Indenture by virtue of such compliance.

Certain Covenants

Changes in Covenants When July 2026 Senior Secured Notes Rated Investment Grade

If on any date following the date of the July 2026 Senior Secured Indenture:

(1) the July 2026 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 July 2026 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:

(i) "*—Repurchase at the Option of the Holders—Asset Sales*;"

(ii) "*—Restricted Payments*;"

(iii) "*—Incurrence of Indebtedness and Issuance of Preferred Stock*;"

(iv) "*—Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries*;"

(v) "*—Designation of Restricted and Unrestricted Subsidiaries*;"

(vi) "—Transactions with Affiliates;"

(vii) clause (4) of the covenant described below under the caption "*—Merger, Consolidation or Sale of Assets*;" and

(viii) "*—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 July 2026 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 July 2026 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 July 2026 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:

(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 July 2026 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 July 2026 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 July 2026 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:

(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 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

(ii) 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 and the Guarantors, as applicable, of Indebtedness represented by the July 2026 Senior Secured Notes (and related Note Guarantees), the 2025 Senior Secured Notes (and related Note Guarantees) and the 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 July 2026 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:

(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 July 2026 Senior Secured 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 July 2026 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 July 2026 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 July 2026 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 April 2026 Senior Secured Notes 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 July 2026 Senior Secured Indenture will be calculated based on the relevant currency exchange rate in effect on the date of the July 2026 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 July 2026 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 July 2026 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 July 2026 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:

  (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 July 2026 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 July 2026 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 July 2026 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 July 2026 Senior Secured Notes) or a Guarantor (other than a Guarantee of the July 2026 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 July 2026 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:

(1) execute and deliver to the Trustee a supplemental indenture in the form attached to the July 2026 Senior Secured Indenture pursuant to which such Restricted Subsidiary will provide a Note Guarantee; and

(2) 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 July 2026 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 July 2026 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 July 2026 Senior Secured Indenture;

(4) upon repayment in full of the July 2026 Senior Secured Notes;

(5) upon legal defeasance or satisfaction and discharge of the July 2026 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 July 2026 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 July 2026 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 July 2026 Senior Secured Indenture, the July 2026 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 July 2026 Senior Secured Notes or any Note Guarantees (as the case may be), prior or senior thereto with the same relative priority as the July 2026 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 July 2026 Senior Secured Notes on a first-priority basis and (if the July 2026 Senior Secured Notes are so secured) other Permitted Collateral Liens.

Any Lien created for the benefit of the Holders of July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 Senior Secured Notes;

(7) in accordance with the captions below entitled "—Certain Covenants—Impairment of Security Interest" and "—Amendment, Supplement and Waiver"; and

(8) with respect to the Escrow Charge only, automatically in accordance with the terms of the Escrow Agreement and the Escrow Charge.

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 July 2026 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 July 2026 Senior Secured Notes or (b) comply with the respective obligations of the Issuer under the July 2026 Senior Secured Notes, the July 2026 Senior Secured Indenture or the Escrow Agreement (as, in each case, determined in good faith by a responsible accounting or financial officer of the Issuer);

(2) the 2025 Senior Secured Notes, the July 2026 Senior Secured Notes, the 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 Senior Secured Notes, the July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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:

(i) nothing in this provision shall restrict the discharge or release of the Collateral in accordance with the July 2026 Senior Secured Indenture, the Security Documents, the Intercreditor Agreement and any Additional Intercreditor Agreement, and

(ii) 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 July 2026 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 July 2026 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 July 2026 Senior Secured Notes Indenture, the July 2026 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 July 2026 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 July 2026 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 July 2026 Senior Secured Notes

The Issuer will use its commercially reasonable efforts to list and maintain the listing of the July 2026 Senior Secured Notes on the Luxembourg Stock Exchange and to admit the July 2026 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 July 2026 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 July 2026 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 July 2026 Senior Secured Notes are outstanding, the Issuer will furnish to the Trustee and make available to the Holders of July 2026 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 June 30, 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 at the offices of the listing agent in Luxembourg.

In addition, so long as any 2026 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 2026 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 July 2026 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 July 2026 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 July 2026 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 written notice to the Issuer by the Trustee or Holders of at least 30 % in aggregate principal amount of the July 2026 Senior Secured Notes then outstanding voting as a single class to comply with any of the other agreements in the July 2026 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:

(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, 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 July 2026 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 July 2026 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 July 2026 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 July 2026 Senior Secured Indenture or the release of

any such security interest in accordance with the terms of the July 2026 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 July 2026 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 July 2026 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 July 2026 Senior Secured Notes may declare all the July 2026 Senior Secured Notes to be due and payable immediately by notice in writing to the Issuer and, in case of a notice by Holders, also to the Trustee. In the event of a declaration of acceleration of the July 2026 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 July 2026 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 July 2026 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 July 2026 Senior Secured Notes that became due solely because of the acceleration of the July 2026 Senior Secured Notes, have been cured or waived.

Subject to certain limitations, Holders of a majority in aggregate principal amount of the then outstanding July 2026 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 July 2026 Senior Secured Indenture or the July 2026 Senior Secured Notes, or that may involve the Trustee in personal liability or that the Trustee determines is unduly prejudicial to the rights of other Holders (it being understood that the Trustee does not have an affirmative duty to ascertain whether or not any actions are unduly prejudicial to such Holders). Furthermore, the Trustee may withhold from Holders of the July 2026 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 July 2026 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 July 2026 Senior Secured Indenture at the request or direction of any Holders of July 2026 Senior Secured Notes unless such Holders have offered and, if requested, provided 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 July 2026 Senior Secured Notes may pursue any remedy with respect to the July 2026 Senior Secured Indenture or the July 2026 Senior Secured Notes unless:

(1) such Holder has previously given the Trustee written notice that an Event of Default is continuing;

(2) Holders of at least 30% in aggregate principal amount of the then outstanding July 2026 Senior Secured Notes have requested the Trustee in writing to pursue the remedy;

(3) such Holders have offered and, if requested, provided 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 July 2026 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 July 2026 Senior Secured Notes by written notice to the Trustee may, on behalf of the Holders of all of the July 2026 Senior Secured Notes, rescind an acceleration or waive any past or existing Default or Event of Default and its consequences under the July 2026 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 July 2026 Senior Secured Notes (including in connection with an offer to purchase) and rescind any such acceleration with respect to such July 2026 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 July 2026 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 July 2026 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 July 2026 Senior Secured Notes, the July 2026 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 July 2026 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 July 2026 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 July 2026 Senior Secured Notes and the July 2026 Senior Secured Indenture ("Legal Defeasance") and cure all then existing Defaults and Events of Default except for:

(1) the rights of Holders of outstanding July 2026 Senior Secured Notes to receive payments in respect of the principal of, or interest or premium and Additional Amounts, if any, on, such July 2026 Senior Secured Notes when such payments are due from the trust referred to below;

(2) the Issuer's obligations with respect to the July 2026 Senior Secured Notes concerning issuing temporary July 2026 Senior Secured Notes, registration of July 2026 Senior Secured Notes, mutilated, destroyed, lost or stolen July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 Senior Secured Indenture, the July 2026 Senior Secured Notes, the Intercreditor Agreement, the Security Documents, the Escrow Agreement or the Escrow Charge may be amended or supplemented with the consent of the Holders of at least a majority in aggregate principal amount of the July 2026 Senior Secured Notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, July 2026 Senior Secured Notes), and, subject to certain exemptions, any existing Default or Event of Default or compliance with any provision of the July 2026 Senior Secured Indenture, the July 2026 Senior Secured Notes, the Intercreditor Agreement, the Security Documents, the Escrow Agreement or the Escrow Charge may be waived with the consent of the Holders of a majority in aggregate principal amount of the then outstanding July 2026 Senior Secured Notes (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, July 2026 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 July 2026 Senior Secured Notes affected thereby, an amendment, supplement or waiver may not (with respect to any July 2026 Senior Secured Notes held by a non-consenting Holder):

(1) reduce the principal amount of July 2026 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 July 2026 Senior Secured Note or reduce the premium payable upon the redemption of any July 2026 Senior Secured Note or change the time at which any such July 2026 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 July 2026 Senior Secured Notes (except a rescission of acceleration of the July 2026 Senior Secured Notes by the Holders of at least a majority in aggregate principal amount of the then outstanding July 2026 Senior Secured Notes and a waiver of the payment default that resulted from such acceleration);

(5) make any July 2026 Senior Secured Note payable in money other than that stated in the July 2026 Senior Secured Notes;

(6) make any change in the provisions of the July 2026 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 July 2026 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 July 2026 Senior Secured Indenture or any supplemental indenture thereto except as otherwise permitted by the terms of the July 2026 Senior Secured Indenture, the Intercreditor Agreement or any Additional Intercreditor Agreement;

(10) make any change in the preceding amendment and waiver provisions; or

(11) change any provision relating to the redemption of the July 2026 Senior Secured Notes described under "*—Escrow of Proceeds; Special Mandatory Redemption*."

Notwithstanding the preceding, without the consent of any Holder of July 2026 Senior Secured Notes, the Issuer and the Trustee may amend or supplement the July 2026 Senior Secured Indenture, the July 2026 Senior Secured Notes, the Intercreditor Agreement, the Security Documents, the Escrow Agreement or the Escrow Charge:

(1) to cure any ambiguity, mistake, omission, defect, manifest error or inconsistency;

(2) to provide for uncertificated July 2026 Senior Secured Notes in addition to or in place of certificated July 2026 Senior Secured Notes (provided, that any such uncertificated July 2026 Senior Secured Notes are issued in registered form for purposes of Section 163(f) of the Code);

(3) to provide for the assumption of by successor Person of the obligations of the Issuer or any Guarantor under the July 2026 Senior Secured Indenture, the July 2026 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 July 2026 Senior Secured Notes or that does not adversely affect the legal rights under the July 2026 Senior Secured Indenture of any such Holder in any material respect;

(5) to conform the text of the July 2026 Senior Secured Indenture, the July 2026 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 July 2026 Senior Secured Notes*" or under the heading "*Description of Certain Financing Arrangements—Intercreditor Agreement*" of the Offering Memorandum to the extent that such provision in this "*Description of the July 2026 Senior Secured Notes*" or under the heading "*Description of Certain Financing Arrangements—Intercreditor Agreement*" of the Offering Memorandum was intended to be a verbatim recitation of a provision of the July 2026 Senior Secured Indenture, the July 2026 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*" to add Note Guarantees, to add security to or for the benefit of the July 2026 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 July 2026 Senior Secured Notes when such release, termination, discharge or retaking is provided for under the July 2026 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 July 2026 Senior Secured Indenture as of the date of the July 2026 Senior Secured Indenture;

(8) to allow any Guarantor to execute a supplemental July 2026 Senior Secured Indenture and/or a Guarantee with respect to the July 2026 Senior Secured Notes;

(9) to evidence and provide for the acceptance of the appointment under the July 2026 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 July 2026 Senior Secured Indenture relating to the transfer and legending of July 2026 Senior Secured Notes as permitted

by the July 2026 Senior Secured Indenture, including, without limitation, to facilitate the issuance and administration of the July 2026 Senior Secured Notes; *provided*, *however*, that (i) compliance with the July 2026 Senior Secured Indenture as so amended would not result in July 2026 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 July 2026 Senior Secured Indenture of Holders to transfer July 2026 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 July 2026 Senior Secured Notes as security for the payment and performance of the Issuer's or any Guarantor's obligations under the July 2026 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 July 2026 Senior Secured Indenture or otherwise (any such additional security shall be deemed to be Collateral for all purposes under the July 2026 Senior Secured Indenture); or

(12) to comply with the rules of any applicable securities depositary.

The consent of the Holders of July 2026 Senior Secured Notes is not necessary under the July 2026 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 July 2026 Senior Secured Notes under the caption "*—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 July 2026 Senior Secured Notes have concurred in any direction, waiver or consent, the July 2026 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 July 2026 Senior Secured Indenture, the July 2026 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 July 2026 Senior Secured Notes, as expressly provided for in the July 2026 Senior Secured Indenture) as to all outstanding July 2026 Senior Secured Notes issued thereunder when:

(1) either:

(i) all July 2026 Senior Secured Notes that have been authenticated and delivered, except lost, stolen or destroyed July 2026 Senior Secured Notes that have been replaced or paid and July 2026 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

(ii) all July 2026 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 July 2026 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 July 2026 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 July 2026 Senior Secured Indenture to apply the deposited money toward the payment of the July 2026 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 July 2026 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 July 2026 Senior Secured Indenture or the July 2026 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 July 2026 Senior Secured Indenture, the July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 Senior Secured Indenture.

The Holders of a majority in aggregate principal amount of the then outstanding July 2026 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 July 2026 Senior Secured Indenture will provide that in case an Event of Default occurs, of which a responsible officer of the Trustee has actual knowledge thereof or 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 July 2026 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 July 2026 Senior Secured Indenture at the request of any Holder of July 2026 Senior Secured Notes, unless such Holder has offered and, if requested, provided 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) that may be caused by taking or not taking such action.

The July 2026 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 July 2026 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 July 2026 Senior Secured Notes who has been a *bona fide* Holder of July 2026 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 July 2026 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 July 2026 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 July 2026 Senior Secured Indenture, the July 2026 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 July 2026 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 July 2026 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 July 2026 Senior Secured Indenture (including the form of July 2026 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 "*—Reports*" may be obtained, free of charge, during normal business hours at the offices of the listing agent in Luxembourg.

Governing Law

The July 2026 Senior Secured Indenture and the July 2026 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 July 2026 Senior Secured Indenture. Reference is made to the July 2026 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 Secured Notes" means the €700.0 million Senior Secured Notes due 2025 expected to be issued on or about the Issue Date.

"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.

"Acquisition" means the proposed acquisition by the Issuer of Ramirent Plc and its subsidiaries.

"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 July 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 July 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.

"April 2026 Senior Secured Notes" means the 2.875% Senior Secured Notes due 2026 issued on April 11, 2019.

"April 2027 Senior Subordinated Notes" means the 4.500% Senior Subordinated Notes due 2027 issued on April 11, 2019.

"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 July 2026 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 July 2026 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 July 2026 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:

(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 July 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 July 2026 Senior Secured Notes and of a maturity most nearly equal to July 15, 2022, *provided, however*, that, if the period from such redemption date to July 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 July 2026 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 July 2026 Senior Secured Indenture governing the July 2026 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 July 2026 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 July 2026 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 July 2026 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.

"Combination Agreement" means the combination agreement dated June 9, 2019, by and between Ramirent Plc and the Issuer.

"Completion Date" means the date on which the Issuer will purchase 90% or more of the shares of Ramirent Plc validly tendered.

"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 July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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, the April 2026 Senior Secured Notes and any Indebtedness outstanding under the Revolving Credit Facility as of the Issue Date) in existence on the date of the July 2026 Senior Secured Indenture, after giving effect to the net proceeds of the issuance of the 2025 Senior Secured Notes, the July 2026 Senior Secured Notes and the Senior Subordinated Notes, until such amounts are repaid (including, without limitation the 2025 Senior Subordinated Notes and the April 2027 Senior Subordinated Notes).

"Existing Notes" means, collectively, the 2022 Senior Secured Notes, the 2023 Senior Secured Notes, the 2024 Senior Secured Notes, the April 2026 Senior Secured Notes, the 2025 Senior Subordinated Notes and the April 2027 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 Senior Secured Indenture.

"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 July 2026 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 July 22, 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.

"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 July 2026 Senior Secured Indenture and the July 2026 Senior Secured Notes, executed pursuant to the provisions of the July 2026 Senior Secured Indenture.

"Obligations" means any principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Indebtedness.

"Offering Memorandum" means the offering memorandum relating to the 2025 Senior Secured Notes, the July 2026 Senior Secured Notes and the Senior Subordinated Notes dated July 17, 2019.

"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 July 2026 Senior Secured Notes and that is not subordinated in right of payment to the July 2026 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, the 2024 Senior Secured Notes and the April 2026 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 July 2026 Senior Secured Indenture, and any business incidental, reasonably related, complementary or ancillary thereto, or which is a reasonable extension thereof.

"Permitted Collateral Liens" means (other than any Escrow Collateral):

(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), the April 2026 Senior Secured Notes (or any guarantee thereof, as the

case may be), the 2025 Senior Secured Notes (or any guarantee thereof, as of the case may be) and the July 2026 Senior Secured Notes (or any guarantee thereof, as the case may be) (but, in each case, not any additional notes (or any 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), the April 2026 Senior Secured Notes (or any guarantee thereof, as the case may be), the 2025 Senior Secured Notes (or any guarantee thereof, as the case may be) and the July 2026 Senior Secured Notes (or any guarantee thereof, as the case may be) on a senior or *pari passu* basis;

(2) Liens on the Collateral to secure:

(i) 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 July 2026 Senior Secured Notes and the Note Guarantees on a *pari passu* or senior basis;

(ii) 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 definitions 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 July 2026 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 July 2026 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, the 2024 Senior Secured Notes, the 2025 Senior Secured Notes and the April 2026 Senior Secured Notes and that ranks *pari passu* in right of payment with the July 2026 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 July 2026 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 July 2026 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:

(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 July 2026 Senior Secured Notes, including any Additional July 2026 Senior Secured Notes issued pursuant to the July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 Senior Secured Indenture or (b) as otherwise permitted under the July 2026 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 July 2026 Senior Secured Indenture or provided for under written arrangements existing on the date of the July 2026 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 July 2026 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 July 2026 Senior Secured 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 the 2025 Senior Secured Notes and the 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 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 (24).

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 July 2026 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 July 2026 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 July 2026 Senior Secured Notes;

(3) if the Indebtedness being extended, renewed, refunded, refinanced, replaced, defeased or discharged is subordinated in right of payment to the July 2026 Senior Secured Notes, such Permitted Refinancing Indebtedness is subordinated in right of payment to the July 2026 Senior Secured Notes on terms at least as favorable to the Holders of July 2026 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.

"Post-Completion Collateral" means the shares of Ramirent Plc to be acquired by the Issuer upon consummation of the Acquisition.

"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 July 2026 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 July 2026 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 July 2026 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, the 2025 Senior Secured Notes and the July 2026 Senior Secured Notes) and any Indebtedness of any Restricted Subsidiary that is not a Guarantor permitted to be Incurred under the terms of the July 2026 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;

(5) the April 2027 Senior Subordinated Notes; and

(6) the Senior Subordinated Notes.

"Senior Subordinated Notes" means the €250 million Senior Subordinated Notes due 2027 expected to be issued on or about the Issue Date.

"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 July 2026 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 July 2026 Senior Secured Indenture or thereafter Incurred) that is subordinated or junior in right of payment to the July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 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 July 2026 Senior Secured Notes or the Note Guarantees or compliance by the Issuer with its obligations under the July 2026 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 July 2026 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 €250,000,000 aggregate principal amount of 5.75% senior subordinated notes due 2027 (the "Senior Subordinated Notes") under an indenture (the "Senior Subordinated Indenture"), dated as of July 22, 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.

Pending consummation of the Acquisition and the satisfaction of certain other conditions as described below, the Initial Purchasers will, concurrently with the closing of the offering of the Senior Subordinated Notes on the Issue Date, deposit the gross proceeds of this offering of the Senior Subordinated Notes into an escrow account (the "Escrow Account") pursuant to the terms of an escrow deed (the "Escrow Agreement") dated as of the Issue Date among the Issuer, the Trustee and Deutsche Bank AG, London Branch, as the escrow agent (the "Escrow Agent"). If the Acquisition is not consummated on or prior to December 31, 2019 (the "Escrow Longstop Date"), the Senior Subordinated Notes will be redeemed at a price equal to 100% of the initial issue price of the Senior Subordinated Notes plus accrued and unpaid interest and Additional Amounts, if any, from the Issue Date to, but excluding, the Special Mandatory Redemption Date (as defined below). See "*—Escrow of Proceeds; Special Mandatory Redemption.*"

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 2025 Senior Secured Notes, the April 2026 Senior Secured Notes, the July 2026 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 and the April 2027 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 2025 Senior Secured Notes, the April 2026 Senior Secured Notes, the July 2026 Senior Secured Notes and any indebtedness under the Revolving Credit Facility to the extent of the value of the collateral securing such debt.

As of March 31, 2019, on an as adjusted basis, after giving effect to the Acquisition and the offering of the April 2026 Senior Secured Notes, the April 2027 Senior Subordinated Notes, the Senior Subordinated Notes, the 2025 Senior Secured Notes, the July 2026 Senior Secured Notes and the use of the gross proceeds thereof, the Issuer and its Subsidiaries would have had approximately €3,753.4 million of indebtedness outstanding, of which €2,825.4 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 March 31, 2019, on an as adjusted basis after giving effect to the Acquisition and the offering of the April 2026 Senior Secured Notes, the April 2027 Senior Subordinated Notes, the Senior Subordinated Notes, the 2025 Senior Secured Notes, the July 2026 Senior Secured Notes and the use of the gross proceeds thereof, the Issuer's Subsidiaries would have had approximately €292.2 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 March 31, 2019, we would have had approximately €61.8 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 €250,000,000 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 minimum denominations of €100,000 and integral multiples of €1,000 above €100,000. The Senior Subordinated Notes will mature on July 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 5.75% 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 (if any) 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 and the Collateral*."

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 2025 Senior Secured Notes, the April 2026 Senior Secured Notes, the July 2026 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.

Escrow of Proceeds; Special Mandatory Redemption

Concurrently with the issuance of the Senior Subordinated Notes on the Issue Date, the Issuer will enter into the Escrow Agreement with the Trustee and the Escrow Agent, pursuant to which the Issuer will procure that the initial purchasers of the Senior Subordinated Notes will deposit with the Escrow Agent an amount equal to the gross proceeds of the offering of the Senior Subordinated Notes sold on the Issue Date into the Escrow Account. The Issuer will assign and charge its beneficial and any other right to and interest in the Escrowed Property (as defined below) to the Trustee for the benefit of itself and the holders of the Senior Subordinated Notes as secured parties under an escrow charge dated the Issue Date between the Issuer and the Trustee (the "Escrow Charge"). The initial funds deposited in the Escrow Account and any additional amounts deposited pursuant to the Escrow Agreement and the proceeds (including income) of any such deposits, less any amounts released pursuant to the terms thereof shall constitute and are referred to, collectively, as the "Escrowed Property."

In order to cause the Escrow Agent to release the Escrowed Property held in the Escrow Account to the Issuer (the "Release"), the Escrow Agent and the Trustee shall have received from the Issuer, at a time that is on or before the Escrow Longstop Date, an Officer's Certificate, upon which both the Escrow Agent and the Trustee shall rely conclusively, without further investigation, to the effect that:

- concurrently with or promptly after the release of the Escrowed Property, the Acquisition will be consummated on the terms as described in the Offering Memorandum, except for any changes or other modifications or waivers that will not, individually or when taken as a whole, have a materially adverse effect on the holders of the Senior Subordinated Notes;
- the Escrowed Property will be applied in the manner described under the caption "*Use of Proceeds*" in the Offering Memorandum;

- after consummation of the Acquisition, the Issuer will own, directly or indirectly, at least 90% of the issued share capital of Ramirent Plc free and clear from any encumbrance or any other third party right; and

- as of the date of the Release, no Default or Event of Default shall have occurred and in any case be continuing.

The Release shall occur promptly upon the satisfaction of the conditions set forth above. Upon the Release, the Escrow Account shall be reduced to zero, and the Escrowed Property shall be released in accordance with the Escrow Agreement.

In the event that (a) the Completion Date does not take place on or prior to the Escrow Longstop Date, (b) in the reasonable judgment of the Issuer, the Acquisition will not be consummated by the Escrow Longstop Date, (c) the Combination Agreement terminates at any time prior to the Escrow Longstop Date, or (d) a Default or Event of Default of the Issuer occurs on or prior to the Escrow Longstop Date (the date of any such event being the "Special Termination Date"), the Issuer will redeem all of the Senior Subordinated Notes (the "Special Mandatory Redemption") at a price (the "Special Mandatory Redemption Price") equal to 100% of the aggregate issue price of the Senior Subordinated Notes, plus, in each case, accrued but unpaid interest and Additional Amounts, if any, from the Issue Date to, but excluding, the Special Mandatory Redemption Date (as defined below) (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date).

Notice of the Special Mandatory Redemption will be delivered by the Issuer, no later than one Business Day following the Special Termination Date, to the Holders, the Trustee and the Escrow Agent, and will provide that the Senior Subordinated Notes shall be redeemed on a date that is no later than five and no fewer than two Business Days after such notice is given by the Issuer in accordance with the terms of the Escrow Agreement (the "Special Mandatory Redemption Date"). On the Special Mandatory Redemption Date provided the Escrow Account is fully funded, the Escrow Agent shall pay firstly to the Paying Agent for payment to each Holder the Special Mandatory Redemption Price for such Holder's Senior Subordinated Notes and, secondly deliver any excess Escrowed Property (if any) to the Issuer (or as directed by the Issuer).

In the event that the Special Mandatory Redemption Price payable upon such Special Mandatory Redemption exceeds the amount of the Escrowed Property, the Issuer will be required to fund any additional amounts due, including but not limited to, the accrued and unpaid interest, and Additional Amounts, if any, to, but excluding the Special Mandatory Redemption Date, owing to the holders of the Senior Subordinated Notes. See "*Risk Factors—Risks related to the Acquisition—If the conditions to the release of the proceeds of the offering of the Notes from escrow in the Escrow Agreement are not satisfied, the Notes will be redeemed and you may not get the return you expect on the Notes*." To secure the payment of the Special Mandatory Redemption Price, the Issuer will grant to the Trustee for the benefit of the Holders of the Senior Subordinated Notes a security interest over the Escrow Account. Receipt by the Trustee of either an Officer's Certificate for the release or a notice of Special Mandatory Redemption (provided funds sufficient to pay the Special Mandatory Redemption Price are in the Escrow Account) shall constitute deemed consent by the Trustee for the release of the Escrowed Property from the Escrow Charge.

If at the time of such Special Mandatory Redemption the Senior Subordinated Notes are listed on the Official List of the Luxembourg Exchange and the rules of the Luxembourg Stock Exchange so require, the Issuer will notify the Luxembourg Stock Exchange that the Special Mandatory Redemption has occurred and any relevant details relating to such Special Mandatory Redemption.

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 2025 Senior Secured, the April 2026 Senior Secured Notes, the July 2026 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 April 2027 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 Waiver*," 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 July 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 105.750% of the principal amount, plus accrued and unpaid interest and Additional Amounts, if any, to, but excluding, 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 July 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 July 15, 2022.

On or after July 15, 2022, the Issuer may redeem all or a part of the Senior Subordinated Notes in the minimum 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
July 15, 2022	102.8750%
July 15, 2023	101.4375%
July 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, but excluding, 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

Except pursuant to "*—Escrow of Proceeds; Special 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 Triggering Event*" 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, the 2025 Senior Secured Notes and the July 2026 Senior Secured Notes to repurchase the Existing Notes, the 2025 Senior Secured Notes and the July 2026 Senior Secured Notes on the terms set forth in the respective indentures of the Existing Notes, the 2025 Senior Secured Notes and the July 2026 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, the April 2027 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:

(i) "—Repurchase at the Option of the Holders—Asset Sales;"

(ii) "—Restricted Payments;"

(iii) "—Incurrence of Indebtedness and Issuance of Preferred Stock;"

(iv) "—Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries;"

(v) "—Designation of Restricted and Unrestricted Subsidiaries;"

(vi) "—Transactions with Affiliates;"

(vii) clause (4) of the covenant described below under the caption "—Merger, Consolidation or Sale of Assets;" and

(viii) "—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 Senior Subordinated Notes, the 2025 Senior Secured Notes (and the related Note Guarantees) and the July 2026 Senior Secured Notes (and the related Note Guarantees) 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, the April 2026 Senior Secured Notes and the July 2026 Senior Secured Notes 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*."

(8) 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;

(7) in accordance with the captions below entitled "—Certain Covenants—Impairment of Security Interest" and "—Amendment, Supplement and Waiver"; and

(8) with respect to the Escrow Charge only, automatically in accordance with the terms of the Escrow Agreement and the Escrow Charge.

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 2025 Senior Secured Notes, the July 2026 Senior Secured 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 June 30, 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 written 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 by notice in writing to the Issuer and, in case of a notice by Holders, also to the Trustee. 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 the Senior Subordinated Notes, or that may involve the Trustee in personal liability or that the Trustee determines is unduly prejudicial to the rights of other Holders (it being understood that the Trustee does not have an affirmative duty to ascertain whether or not any actions are unduly prejudicial to such Holders). 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 and, if requested, provided 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 written 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 in writing to pursue the remedy;

(3) such Holders have offered and, if requested, provided 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, the Senior Subordinated Notes, the Intercreditor Agreement, the Escrow Agreement or the Escrow Charge 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, the Senior Subordinated Notes, the Intercreditor Agreement, the Escrow Agreement or the Escrow Charge 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; or

(11) change any provision relating to the redemption of the Senior Subordinated Notes described under "*—Escrow of Proceeds; Special Mandatory Redemption*."

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, the Senior Subordinated Notes, the Intercreditor Agreement, the Escrow Agreement or the Escrow Charge:

(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 (provided, that any such uncertificated Senior Subordinated Notes are issued in registered form for purposes of Section 163(f) of the Code);

(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 Certain Financing Arrangements—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 Certain Financing Arrangements—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*" 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 "*—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 actual knowledge thereof or 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 and, if requested, provided 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) that may be caused by taking or not taking such action.

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 "— *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 Secured Notes" means the € million Senior Secured Notes due 2025 expected to be issued on or about the Issue Date.

"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.

"Acquisition" means the proposed acquisition by the Issuer of Ramirent Plc and its subsidiaries.

"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 July 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 July 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.

"April 2026 Senior Secured Notes" means the 2.875% Senior Secured Notes due 2026 issued on April 11, 2019.

"April 2027 Senior Subordinated Notes" means the 4.500% Senior Subordinated Notes due 2027 issued on April 11, 2019.

"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 July 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 July 15, 2022, *provided, however*, that, if the period from such redemption date to July 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.

"Combination Agreement" means the combination agreement dated June 9, 2019, by and between Ramirent Plc and the Issuer.

"Completion Date" means the date on which the Issuer will purchase 90% or more of the shares of Ramirent Plc validly tendered.

"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, the April 2026 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 2025 Senior Secured Notes, the July 2026 Senior Secured Notes and the Senior Subordinated Notes, until such amounts are repaid (including, without limitation the 2025 Senior Subordinated Notes and the April 2027 Senior Subordinated Notes).

"Existing Notes" means, collectively, the 2022 Senior Secured Notes, the 2023 Senior Secured Notes, the 2024 Senior Secured Notes, the April 2026 Senior Secured Notes, the 2025 Senior Subordinated Notes and the April 2027 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.

"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 July 22, 2019.

"July 2026 Senior Secured Notes" means the €450.0 million Senior Secured Notes due 2026 expected to be issued on or about the Issue Date.

"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.

"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.

"Offering Memorandum" means the offering memorandum relating to the 2025 Senior Secured Notes, the July 2026 Senior Secured Notes and the Senior Subordinated Notes dated July 17, 2019.

"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 and the April 2027 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, the 2025 Senior Secured Notes or the July 2026 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, 2025 Senior Secured Notes and the July 2026 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 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 (24).

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, the 2025 Senior Secured Notes, the April 2026 Senior Secured Notes and the July 2026 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 to non-U.S. persons in reliance on Regulation S under the U.S. Securities Act will be represented by a global note in registered form without interest coupons attached (the "Global Notes"). The Global Notes will be deposited, on the closing date, with a common depositary and registered in the name of the nominee of the common depositary for the accounts of Euroclear and Clearstream.

Ownership of interests in the Global Notes (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 of the holders 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 Trustees' 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 2025 Senior Secured Notes—Additional Amounts,*" "*Description of the July 2026 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*."

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 2025 Senior Secured Notes—Transfer and Exchange,*" "*Description of the July 2026 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.

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 revenue with respect to the Notes

Payments of interest and assimilated revenue 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 revenue 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 revenue 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 revenue 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 revenue 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 revenue 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 revenue 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 revenue 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 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 on or 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 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 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 Collateral and the value of any consideration that holders of the Notes received with respect to the Notes or the security interests in the 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 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.

Finland

Applicable Insolvency Law

Ramirent and certain of its subsidiaries are incorporated and have their centre of main interests in Finland. In the event of insolvency of a Finnish company, insolvency proceedings may be initiated in Finland. Such proceedings would be governed by Finnish law. In case of insolvency proceedings connected to another EU member state within the meaning of regulation (EU) 2015/848 of the European Parliament and of the Council on Insolvency Proceedings, and provided that said regulation is applied to such EU member state, the regulation shall apply.

The following is a brief description of certain aspects of Finnish insolvency law.

The provisions of the Finnish Bankruptcy Act (Konkurssilaki, 120/2004, as amended), the Finnish Restructuring Act (Laki yrityksen saneerauksesta, 47/1993, as amended) and the Finnish Act on the Recovery of Assets to the Bankruptcy Estate (the "Recovery Act") (Laki takaisinsaannista konkurssipesään, 758/1991, as amended) are particularly relevant to this discussion.

Under Finnish law, if a company is insolvent or is at risk of becoming insolvent, the company may be the subject of two alternative types of proceedings: company restructuring (Finnish: yrityssaneeraus) and bankruptcy (Finnish: konkurssi). Liquidation proceedings (Finnish: selvitystila) under the Companies Act (Osakeyhtiölaki, 624/2006, as amended) generally concern only solvent companies as there is an obligation to conclude liquidation proceedings and file for bankruptcy if the full settlement of all of the company's debts is not possible in liquidation.

Company Restructuring

If a company is insolvent or is at risk of becoming insolvent, and it is probable that company restructuring proceedings would remedy the insolvency or prevent its recurrence otherwise than temporarily, an application for company restructuring can be submitted to a court by the debtor or by one or more creditors in accordance with the Finnish Restructuring of Enterprises Act. Further, the initiation of company restructuring proceedings is possible—in theory, irrespective of the company's solvency situation—when at least two creditors whose total claims represent at least one-fifth of the debtor's known debts and who are not related to the debtor file a joint application with the debtor or declare that they support the debtor's application for company restructuring.

If there are no specific barriers to restructuring under the Finnish Restructuring Act and, consequently, the court approves the application and opens restructuring proceedings, the court will simultaneously appoint a restructuring administrator (Finnish: selvittäjä). The purpose of a company restructuring is to investigate whether the business has a reasonable chance to continue and, if so, to rehabilitate the company's viable business, ensure its continued viability and make debt arrangements with creditors and execute other measures. The Board of Directors and the Managing Director continue to act on behalf of the company during the restructuring proceedings. The restructuring administrator is entitled to review the company's books and business documents and obtain any information on the company's business activities, as well as to participate in meetings of the debtor's corporate bodies. The restructuring administrator's consent is required to certain legal acts of a significant nature of the debtor company specified in the Restructuring Act.

The commencement of restructuring proceedings, as a general rule, has no effect on the debtor's existing contracts. However, there are some exceptions set forth in the Finnish Restructuring Act regarding premature termination of certain contracts, such as lease agreements, unfulfilled contracts not deemed to be a regular part of the activities of the debtor and employment relationships.

Moratorium

Subject to certain exceptions, all existing claims against the company that have arisen before the filing of the restructuring application are suspended as of the commencement of the company restructuring. The suspension prohibits the enforcement and placing of security, the repayment and enforcement of the restructuring debts (although debts arising after the filing of the restructuring application must be repaid and can be enforced), and the seizure of assets. The court may order, on the request of the applicant or the debtor, that such prohibitions are in effect on an interim basis as of a date even prior to the commencement of restructuring proceedings (i.e., shortly after the filing of the application for the restructuring proceedings). The

suspensions are in force until the restructuring program has been verified by the district court or the proceedings have been, for reasons specified in the Restructuring Act, dismissed or interrupted.

Debts arising after the filing of the application must be repaid as they become due. The same applies to fees, charges and other running expenses (e.g., lease payments) based on a continuous contractual relationship or on a continuous contract on use or possession, to the extent as these relate to the period subsequent to the filing of the application.

Debt Arrangements

Creditors with equal ranking have an equal status in the arrangements of the restructuring debts (i.e., debts that have arisen before the filing of the application) within the restructuring program.

Subject to certain restrictions set forth in the Finnish Restructuring Act, the following measures may be taken with respect to unsecured debts in the restructuring program: (i) changing the repayment schedule; (ii) ordering that debt payments be considered as payments against principal first, and as payments of interest and other credit costs only second; (iii) reducing the obligation to pay interest and other credit costs with respect to the remaining term of a debt; and (iv) reducing the outstanding principal balance of unpaid debt. The restructuring program may also include the full or partial refinancing of debt, either as a lump sum funded by the issuance of new debt or with payments in lieu of performance that are considered reasonable having regard to the creditor's position and field of business.

Secured debt means restructuring debt where the creditor holds an effective (against third parties) security interest to property that belongs to or is in the possession of the debtor, in so far as the value of the security at the commencement of the proceedings would have been enough to cover the amount of the creditor's claim after the deduction of liquidation costs and claims with a higher priority. The part of the claim that is not covered by the value of the security is regarded as unsecured debt for the purposes of the restructuring proceedings. Regarding business mortgages, only 50% of the value of the mortgaged property will be considered as secured debt. The value of the property will be determined by the restructuring program.

The following debt arrangements may be applied to secured debt: (i) changing the repayment schedule; (ii) ordering that debt payments be applied as payments against principal first and as payments of interest and other credit costs second; or (iii) reducing the obligation to pay interest and other credit costs with respect to the remaining term of the debt. The restructuring program may also include the full or partial refinancing of secured debt as a lump sum payment funded by the issuance of new debt.

Even if the debt arrangement does not affect the existence or content of a creditor's security right, the security arrangements relating to the debt may be altered by replacing the security with other fully adequate security.

Payments on a secured debt shall be set so that at least the present value of the secured debt will be repaid within a reasonable period, not to materially exceed the remainder of the credit period without the consent of the creditor or, if the debt has become due in full, not to materially exceed half of the original credit period. As for reducing interest and other credit costs, the length of the remaining credit period should be taken into consideration in the restructuring program, so that the longer the remaining credit period, the smaller the reduction in interest and credit costs.

Approval of the Restructuring Program

The draft of the restructuring program will be drawn up by the restructuring administrator, and the court will ratify it subject to the approval of all the creditors or with the acceptance of the majority in the groups of creditors. However, there are some specific limitations under the Finnish Restructuring Act which apply even if the restructuring program is approved by all creditors or the majority in all groups of creditors. Furthermore, even if the majority does not exist in one or several groups of creditors, the restructuring program may nonetheless be approved at the request of the person who has prepared the draft, the administrator or the debtor, subject to the terms specified in the Restructuring Act. In such a case the restructuring claims of the creditors in favor of the program must represent at minimum one-fifth of all restructuring claims of the debtor company taken into consideration in the voting procedure in accordance with the Restructuring Act and at least one group of creditors must have voted for approval of the program by majority. The debtor may also submit a proposal to the court with respect to the restructuring program, which the court may consider in its discretion.

Bankruptcy

A debtor or a qualifying creditor may apply for bankruptcy from a court of competent jurisdiction when the debtor is unable to pay its debts and the inability to pay is not temporary, i.e. considered to be insolvent. If the application is approved, an estate administrator (or several estate administrators) (pesänhoitaja) will be appointed by the court.

A bankruptcy covers all the liabilities of the debtor, and its objective is to liquidate the assets of the debtor and use the proceeds received in payment of the creditors' claims. The bankruptcy estate may (in exceptional situations) continue the company's business operations and the disposal of property should be realized as soon as it is reasonably possible. The debtor's assets are, from the beginning of the bankruptcy, subject to the authority of the estate administrator. The creditors are represented through the meeting of creditors. The estate administrator must act for the common benefit of all creditors and shall comply with the decisions and guidelines of the creditors in matters falling within the decision-making powers of the creditors.

Notices to the Bankruptcy Estate with regard to Claims

As a main rule, in order to be entitled to a disbursement, a creditor must file a claim in bankruptcy in writing (a "lodgment of claim") with the estate administrator, by a deadline set by the estate administrator. Information concerning the deadline is sent to all known creditors and published in local newspaper as well as in the official gazette of Finland (Virallinen lehti). The obligation to notify the bankruptcy estate of a claim is binding even on a creditor with a secured claim. A creditor who holds assets belonging to the debtor as security for the debt of a third party must, at the request of, and within a time limit set by, the estate administrator, provide the same information on the receivables and collateral as should be provided in a claim letter. A creditor who holds a business mortgage over the assets of the debtor, as referred to in the Finnish Business Mortgages Act (Yrityskiinnityslaki 634/1984, as amended), as security for a claim shall file the claim as provided in the Finnish Bankruptcy Act. If a claim is denominated in a currency other than euro, the value in euro for the purposes of the bankruptcy proceedings is determined using the exchange rate of the date of commencement of the bankruptcy proceedings.

A creditor who wishes to use his or her claim for set-off against a debt owed to the debtor must, when giving notice of the set-off, provide the estate administrator with the same information that would be provided in a claim letter.

Disbursements

The estate administrator draws up a list of how the proceeds of the estate are to be divided among the creditors ("draft disbursement list"). The court verifies that the estate administrator's disbursement list meets the statutory requirements and that the procedural provisions relating to the draft disbursement list have been observed.

The entitlement of creditors to payment out of the proceeds of the bankruptcy estate is proportionate to the amount of their claims, unless otherwise provided by law. However, according to the Finnish Act on Order of Payment of the Creditors (1572/1992, Laki velkojien maksusaantijärjestyksestä), the following creditors have priority over unsecured creditors in the following order: (i) creditors of secured claims (excluding claims secured by business mortgage) and holders of retention rights, with priority over the proceeds from the respective security asset; (ii) the administrative expenses of the bankruptcy estate, claims on the basis of contracts that the bankruptcy estate (rather than the debtor) has entered into, any liabilities for which the bankruptcy estate is responsible by operation of law and a debt that has arisen between the commencement and discontinuation of restructuring proceedings; (iii) if the company has undergone restructuring proceedings before the bankruptcy, (A) fees and expenses of the restructuring administrator with penal interest incurred until the time of payment of the fees and expenses and after satisfaction of said payment and (B) creditors of a debt that has arisen between the commencement and discontinuation of restructuring proceedings and (iv) claims that are secured by a business mortgage will receive prior to other unsecured claims 50% of the value of the mortgaged assets.

Under Finnish law, certain claims are settled after all other claims. In practice, the most significant of such claims are the interest accruing on the claim during the period subsequent to the commencement of the bankruptcy and a loan or a bond which pursuant to its terms is subordinated to ordinary debt. The Finnish state has no preferential rights regarding taxes and other fiscal charges.

The assets of the bankruptcy estate are to be disposed of in the most advantageous manner so as to maximize the aggregate net proceeds, including by way of auctions, through advertising and direct solicitation of potential buyers. However, creditors that have an interest in collateral may exercise their right of liquidation of collateral regardless of the bankruptcy proceedings. The bankruptcy estate may at its own discretion prohibit the sale of pledged property for a maximum of two months. The bankruptcy estate may sell collateral belonging to the estate only if the creditor protected by the collateral consents to the same or if the court grants a specific permission. At the request of the bankruptcy estate, assets of the bankruptcy estate may also be sold in accordance with the provisions of the Finnish Enforcement Code (Ulosottokaari, 705/2007, as amended) if the bailiff consents to the same.

Recovery of Assets

Pursuant to the Recovery Act 758/1991, laki takasinsaannista konkurssipesään, certain acts carried out by a debtor can be revoked if the rights of creditors have been prejudiced by those acts. According to the Finnish Restructuring Act and the Finnish Enforcement Code (705/2007, Ulosottokaari), the grounds for recovery set forth in the Recovery Act are also to be applied in company reorganization and enforcement proceedings.

The bankruptcy estate administrator, the administrator in the company restructuring and certain creditors may seek to recover assets of the debtor in connection with bankruptcy, company restructuring or enforcement proceedings. The administrator or the creditors may, within a specified time, either file an action for recovery against the debtor's counterparty in a separate court proceeding or file an objection. In bankruptcy, this period to file an action is one year from the commencement of the bankruptcy proceedings or three months from the moment that the bankruptcy estate has discovered or should have discovered grounds for recovery. In the case of a company restructuring program, the administrator must file an action within six months from the commencement of the restructuring proceedings or within three months from the moment that the administrator has discovered or should have discovered grounds for recovery.

Certain general rules for recovery apply to all transactions between an insolvent debtor (including a debtor who becomes insolvent partially due to the transaction) and the counterparty of the debtor. A transaction concluded within five years prior to the date when the petition for bankruptcy, company restructuring or enforcement is filed with the court or relevant authority (as well as transactions performed after such date) may be recovered if: (i) the transaction, either by itself or together with other transactions, improperly (a) favors a creditor at the expense of other creditors, (b) places property beyond the reach of creditors, or (c) increases debts to the detriment of the creditors; (ii) the debtor, at the time of the transaction, was, or partly due to the transaction became, insolvent or, in case of a transaction considered to be a gift or a contract with the characteristics of a gift, over-indebted; (iii) the counterparty knew or should have known of the insolvency or over-indebtedness, or the relevance of the transaction to the debtor's economic situation; and (iv) the counterparty knew or should have known the facts mentioned above in clause (i), on the basis of which the transaction is considered improper. The grounds for recovery under Section 5 of the Recovery Act, which covers all transactions concluded between the debtor and a counterparty, are thus applicable only if the counterparty had qualified or should have had qualified knowledge of all the issues described above in (i) and (ii). Transactions between the debtor and certain (natural or legal) persons within the debtor's sphere of interest (as defined in the Recovery Act) may be recovered regardless of the date of the transaction.

Pursuant to the Recovery Act, certain transactions can, in certain circumstances, be recovered regardless of the good faith of the counterparty and regardless of the solvency of the debtor at the time of the transaction. Such transactions include, among other things: (i) payments received through enforcement; (ii) the payment of debts; and (iii) the granting of security. Any debt paid later than three months prior to the date when the petition for bankruptcy, company restructuring or enforcement is filed with the court or relevant authority (or, in the event that the beneficiary is a person within the debtor's sphere of interest, within two years) may be recovered if: (i) unusual means of payment have been used; (ii) the payment was premature; or (iii) the amount of payment was considerable in comparison to the assets of the debtor. However, a payment may not be recovered if it, when all circumstances are taken into consideration, may be held as customary. Security given later than three months prior to the date when the petition for bankruptcy, company restructuring or enforcement is filed with the court or the relevant authority (or, in the event that the beneficiary is a person within the debtor's sphere of interest, within two years) may be recovered if: (i) the parties had not agreed upon the security in connection with the granting of the credit; or (ii) the possession of the security had not been transferred, or any similar act perfecting the security had not been taken without unjustified delay after the granting of the credit.

When a transaction is recovered, the property that has been received from the debtor is returned to the debtor bankruptcy estate if the debtor is in bankruptcy. The bankruptcy estate or the debtor also returns the compensation that had been paid for the property. If the compensation has been placed beyond the reach of the creditors and the party that paid the compensation knew or should have known that this was the intention of the debtor, there is no obligation to return the compensation. If the property to be returned no longer exists, or is otherwise not returnable, compensation for the value of the property must be made. In addition, should the return of certain property cause inconvenience to the party under such obligation, a court may entitle such party to pay compensation equal to the value of the property instead of returning the property. The Recovery Act also sets forth an obligation to compensate for any decrease in value of the returnable property.

PLAN OF DISTRIBUTION

We and Deutsche Bank AG, London Branch, BNP Paribas, Crédit Agricole Corporate and Investment Bank, Natixis and Société Générale as initial purchasers, will enter into a purchase agreement dated July 17, 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.

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.

Deutsche Bank (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, Natixis and Société Générale are original lenders under the Revolving Credit Facility Agreement. Deutsche Bank AG, London Branch will act as Paying Agent for the Notes offered hereby. Natixis is also an agent and security agent under the Revolving Credit Facility. The Initial Purchasers are party to other commitments to fund the Acquisition.

We expect that delivery of the Notes will be made to investors on or about July 22, 2019, which will be three business days following the date of this listing prospectus (such settlement being referred to as "T+3"). Under Rule 15c6-1 under the Exchange Act of 1934, trades in the secondary market are required to settle in two business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish

to trade Notes prior to the delivery of the Notes hereunder will be required, by virtue of the fact that the Notes initially settle T+3, to specify an alternate settlement arrangement at the time of any such trade to prevent a failed settlement. Purchasers of the Notes who wish to trade the Notes prior to their date of delivery hereunder should consult their advisors.

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 outside the United States only in "offshore transactions" as defined in, and in accordance with, Regulation S. Any person who subscribes or acquires Notes 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.

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 Regulation;

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

(c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

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 Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

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 Regulation in that Member State and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129 (and amendments thereto), 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 offering memorandum 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 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 the Notes, by its acceptance of this listing prospectus, will be deemed to have acknowledged, represented to, and agreed with us and the Initial Purchasers as follows:

(1) The purchaser understands and acknowledges that the Notes have not been registered under the Securities Act or any other applicable securities law, the Notes are being offered for resale in offshore transactions not requiring registration under the Securities Act or any other securities laws in reliance on Regulation S under the Securities Act, and none of the Notes may be offered, sold or otherwise transferred except in compliance with the registration requirements of the Securities Act or any other applicable securities laws, pursuant to an exemption from such laws or in a transaction not subject to such laws, and in each case, in compliance with the conditions for transfer set forth in paragraphs (3), (4) and (5) below.

(2) The purchaser is not a U.S. person (and is not purchasing for the account or benefit of a U.S. person) within the meaning of Regulation S under the Securities Act and is purchasing Notes in an offshore transaction in accordance with Regulation S.

(3) The purchaser 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 of the Notes in violation of the Securities Act or the securities laws of any other jurisdiction, 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 Regulation S or any exemption from registration available under the Securities Act.

(4) The purchaser agrees on its own behalf and on behalf of any investor account for which it is purchasing the Notes and each subsequent holder of the Notes, by its acceptance of the Notes, to offer, sell or otherwise transfer such Notes prior to the end of the resale restriction periods described below only (a) to the Issuer, a Guarantor or any subsidiary thereof, (b) pursuant to a registration statement which has been declared effective under the Securities Act, (c) pursuant to offers and sales to non-U.S. persons that occur in offshore transactions outside the United States in reliance on Regulation S under the Securities Act or (d) pursuant to any other available exemption from the registration requirements of the Securities Act, subject in each of the foregoing cases 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 in compliance with any applicable state securities laws and any other applicable local laws and regulations. The purchaser will, and each subsequent purchaser is required to, notify any subsequent purchaser of the Notes from the purchaser or it of the resale restrictions referred to in the legend below. The foregoing restrictions on resale will apply from the closing date until the date that is 40 days after the later of the commencement of this offering and the Issue Date and will not apply after the applicable resale restriction period ends. Each purchaser acknowledges that we and the Trustee reserve the right prior to any offer, sale or other transfer pursuant to clauses (c) and (d) prior to the end of the applicable resale restriction period to require the delivery of an opinion of counsel, certifications and/or other information satisfactory to us and the Trustee.

(5) The purchaser understands that the Notes will be represented by Global Notes and that transfers of such Notes are restricted as described in this section and in the section entitled "*Book-Entry, Delivery and Form.*"

(6) The purchaser acknowledges that each certificate representing a Note will contain a legend substantially to the following effect:

> THE SECURITY EVIDENCED HEREBY WAS ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THE SECURITY EVIDENCED HEREBY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.
>
> THE HOLDER OF THIS NOTE BY ITS ACCEPTANCE HEREOF (1) REPRESENTS THAT IT IS NOT A U.S. PERSON AND IS ACQUIRING THIS NOTE IN AN "OFFSHORE TRANSACTION" IN RELIANCE ON REGULATION S UNDER THE SECURITIES ACT, AND (2) AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE DATE (THE "RESALE RESTRICTION TERMINATION DATE") THAT IS 40 DAYS AFTER THE LATER OF THE COMMENCEMENT OF THE OFFERING OF THE NOTES AND THE ISSUE DATE HEREOF, ONLY (A) TO THE ISSUER, THE GUARANTORS OR SUBSIDIARIES THEREOF, (B) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) PURSUANT TO OFFERS AND SALES THAT OCCUR IN OFFSHORE TRANSACTIONS OUTSIDE THE UNITED STATES IN RELIANCE ON REGULATION S UNDER THE SECURITIES ACT, OR (D) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES 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 IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS AND FURTHER SUBJECT TO THE ISSUER'S AND THE TRUSTEE'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER (I) PURSUANT TO CLAUSES (C) OR (D) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM, (II) IN EACH OF THE FOREGOING CASES, TO REQUIRE THAT A CERTIFICATE OF TRANSFER IN THE FORM APPEARING ON THE OTHER SIDE OF THIS NOTE IS COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE TRUSTEE AND (III) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS NOTE IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.
>
> THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE.

(7) If you purchase Notes, you will also be deemed to acknowledge that the foregoing restrictions apply to holders of beneficial interests in these Notes as well as to holders of these Notes.

(8) You acknowledge that until 40 days after the commencement of the offering, any offer or sale of the Notes within the United States by a dealer (whether or not participating in the Offering) may violate the registration requirements of the Securities Act. The purchaser acknowledges that the Trustee will not be required to accept for registration of transfer of any Notes acquired by them, except upon presentation of evidence satisfactory to us and the Trustee that the restrictions set forth herein have been complied with.

(9) The purchaser agrees that it will deliver to each person to whom it transfers Notes notice of any restrictions on the transfer of such securities.

(10) The purchaser acknowledges that the Issuer, the Initial Purchasers and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations, warranties and agreements and agrees that if any of the acknowledgments, representations, warranties and agreements deemed to have been made by its purchase of the Notes are no longer accurate, it shall promptly notify us and the Initial Purchasers. If it is acquiring any Notes as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such investor account and that it has full power to make the foregoing acknowledgments, representations and agreements on behalf of each such investor account.

(11) The purchaser understands that no action has been taken in any jurisdiction (including the United States) by the Issuer or the Initial Purchasers that would permit a public offering of the Notes or the possession, circulation or distribution of this listing prospectus or any other material relating to the Issuer or the Notes in any jurisdiction where action for the purpose is required. Consequently, any transfer of the Notes will be subject to the selling restrictions set forth herein.

(12) The purchaser acknowledges that neither the Issuer nor the Initial Purchasers, nor any person representing any of them, has made any representation to such purchaser with respect to us or the offer or sale of any of the Notes, other than the information contained in this listing prospectus, which listing prospectus has been delivered to such purchaser and upon which such purchaser is relying in making its investment decision with respect to the Notes.

(13) The purchaser acknowledges that neither the Initial Purchasers nor any person representing the initial purchasers make any representation or warranty as to the accuracy or completeness of this listing prospectus. The purchaser has had access to such financial and other information concerning us and the Notes as it has deemed necessary in connection with its decision to purchase any of the Notes, including an opportunity to ask questions of, and request information from, us and the Initial Purchasers.

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 the free English translation of their reports appearing therein. The unaudited condensed consolidated interim financial statements as of and for the quarter ended March 31, 2019, an English translation of which is included in this listing prospectus, have been reviewed by our statutory auditors, as stated in the free English translation of their reports appearing therein.

The consolidated financial statements for Ramirent as of and for the years ended December 31, 2017 and 2018, an English translation of which is included in this listing prospectus, have been audited by PricewaterhouseCoopers Oy, Authorised Public Accountants, statutory auditors, as stated in their reports appearing therein. Ramirent's statutory auditors have not audited, reviewed, compiled or performed any other procedures with respect to quarterly consolidated financial information for the purpose of its inclusion herein and accordingly, they have not expressed an opinion or provided any form of assurance with respect thereto for the purpose of this listing prospectus.

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.

Finland

There is no treaty on the reciprocal recognition and enforcement of judgments (other than arbitration awards) in civil and commercial matters between the United States and Finland. Courts in Finland will not automatically recognize and enforce a final judgment rendered by a U.S. court. Under Finnish law, a Finnish title for execution (i.e., a Finnish court judgment) is required for such recognition and enforcement; in seeking a Finnish court judgment or order to such effect, a judgment of a U.S. court will constitute circumstantial evidence of the questions of fact in the case concerned and evidence of the governing law as applied to the matter in dispute. The application by a Finnish court of foreign law in a matter brought before it is subject to (a) the foreign law not being contrary to such mandatory rules of Finnish law that due to their public nature or general interest would be considered applicable irrespective of the agreed choice of law; and (b) the application of the foreign law not resulting in an outcome contrary to the public policy (ordre public) of the Finnish legal system.

As to types of damages awarded, punitive or exemplary damages are unenforceable under Finnish law and a Finnish court may only award damages to the extent that they form compensation for actual losses and damages as proven by the claimant. A feature of the Finnish civil procedure is that the burden of proof with respect to any claims presented lies with the claimant. A party to legal proceedings in Finland is also ordinarily expected to plead its case primarily on the basis of the evidence in its own possession. U.S. notions of discovery, including the expectation that broadly defined categories of documents and information in the possession of third parties will be readily accessible for use as evidence, are not recognized under Finnish law. The availability of documentation in the possession of counterparties or third parties is very limited. Depositions are also a form of taking evidence unknown to Finnish law. In Finland, witness testimony is usually only taken at a separate oral main hearing (comparable to a U.S. trial) after the preparatory phase of the proceedings.

GENERAL INFORMATION

Listing

Application will be made to the Exchange for the listing of and permission to deal in the Notes on the Official List of the Exchange.

We will maintain a listing agent in Luxembourg for as long as any of the Notes are listed on the Official List of the 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 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. Our LEI code is 969500BNA2YRNE1R5K91.

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 July 15, 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. 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 purposes of Nationwide Platforms are the objects listed therein in paragraph 3.

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 its articles of association, the corporate purpose of Loxam Module are the objects listed therein in article 4.

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 2025 Senior Secured Notes sold pursuant to Regulation S will have a Common Code of 203187092. The ISIN for the 2025 Senior Secured Notes sold pursuant to Regulation S is XS2031870921.

The July 2026 Senior Secured Notes sold pursuant to Regulation S will have a Common Code of 203187106. The ISIN for the July 2026 Senior Secured Notes sold pursuant to Regulation S is XS2031871069.

The Senior Subordinated Notes sold pursuant to Regulation S will have a Common Code of 203187114. The ISIN for the Senior Subordinated Notes sold pursuant to Regulation S is XS2031871143.

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Loxam S.A.S. (Simplified Joint Stock Company)

Statutory auditors' Review Report on the consolidated condensed quarterly financial statements

Period from January 1, 2019 to March 31, 2019
Loxam S.A.S. (Simplified Joint Stock Company)
256 rue Nicolas Coatanlem - 56850 Caudan

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This is a free translation into English of the statutory auditor's review report on the consolidated condensed quarterly financial statements issued in French and is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and is construed in accordance with, French law and professional standards applicable in France.

Loxam S.A.S. (Simplified Joint Stock Company)

Registered office: 256 rue Nicolas Coatanlem - 56850 Caudan
Share capital: €.229,818,150

Statutory auditors' Review Report on the consolidated condensed quarterly financial statements

Period from January 1, 2019 to March 31, 2019

To the President,,

In our capacity as statutory auditors of Loxam SAS and at your request, we have reviewed the accompanying consolidated condensed quarterly financial statements for the period from January 1, 2019 to March 31, 2019, ("the financial statements"), as attached to this report.

We highlight that the information regarding the period from January 1, 2018 to March 31st 2018 that is shown for comparative purposes has not been subject to an audit or a review.

These consolidated condensed quarterly financial statements are your responsibility. Our role is to express a conclusion on these consolidated condensed quarterly financial statements based on our review.

We conducted our review in accordance with professional standards applicable in France and the professional doctrine of French Institute of statutory auditors (Compagnie nationale des commissaires aux comptes) related to this engagement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated condensed quarterly financial statements are not prepared in conformity with IAS 34 – standard of the IFRSs as adopted by the European Union applicable to interim financial information.

Without qualifying our conclusion, we draw your attention to the matter set out in Notes 3.3 and 24 to the consolidated condensed quarterly financial statements regarding the impacts of the application of IFRS 16.

Rennes, 9 July, 2019

KPMG Audit
A division of KPMG S.A.

Vincent Broyé
Partner

Paris la Défense, 9 July, 2019

Constantin Associés
Member of Deloitte Touche Tohmatsu Limited

Jean Paul Séguret
Partner

LOXAM GROUP

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

31 March 2019

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2019

Condensed statement of financial position

ASSETS (€'000)	Notes	31.12.18 (a)	31.03.19
Intangible assets and goodwill	5	1,327,286	1,365,419
Property, plant and equipment	6	1,354,701	1,710,920
Financial assets	7	14,381	14,441
Deferred tax assets	21	18,394	18,235
Non-current assets		**2,714,762**	**3,109,015**
Inventories	8	30,782	34,165
Trade and other receivables	9	388,497	405,614
Other current assets	10	56,215	57,679
Corporate income tax receivables	10	12,256	10,588
Cash and cash equivalents	11	143,789	92,991
Current assets		**631,539**	**601,037**
Total assets		**3,346,301**	**3,710,052**

LIABILITIES (€'000)	Notes	31.12.18 (a)	31.03.19
Share capital		229,818	229,818
Additional paid-in capital		1,882	1,882
Consolidated reserves		292,489	406,503
Net profit for the year		95,658	9,253
Shareholders' equity (Group share)		**619,847**	**647,455**
Non-controlling interests		10,621	10,813
Total equity	12	**630,468**	**658,268**
Employee benefits	15	11,111	11,235
Deferred tax liabilities	21	70,400	70,834
Borrowings and financial debt	14	2,063,029	2,261,440
Financial derivatives	13	2,313	6,124
Non-current liabilities		**2,146,853**	**2,349,633**
Provisions	16	11,098	9,461
Borrowings and financial debt	14	216,504	264,255
Trade and other payables	17	202,210	289,147
Other liabilities	17	135,462	134,954
Corporate income tax liabilities	17	3,706	4,334
Current liabilities		**568,980**	**702,152**
Total shareholders' equity and liabilities		**3,346,301**	**3,710,052**

(a) The group has applied IFRS 16 for the first time on January 1, 2019, using the modified retrospective approach. According to this approach, the comparative information has not been restated.

Condensed consolidated income statement and statement of comprehensive income

€'000	Notes	31.03.18 (a)	31.03.19
Revenue		**343,950**	**367,269**
Other income		10,360	9,267
Operating income		**354,310**	**376,536**
Purchases consumed		(38,274)	(40,083)
Personnel expenses	18	(97,079)	(100,361)
Other current expenses		(114,448)	(102,979)
Taxes and duties		(6,053)	(6,871)
Depreciation and amortization – Property, plant and equipment		(61,384)	(87,852)
Depreciation and amortization – Intangibles assets		(2,905)	(3,060)
Profit from ordinary operations		**34,167**	**35,330**
Other operating incomes	19	-	735
Other operating expenses	19	42	(471)
Operating profit		**34,209**	**35,595**
Interest and financing-related expenses		(24,497)	(25 878)
Other financial expenses		(1,658)	(737)
Financial income		934	1,664
Financial income (expense)	20	**(25,220)**	**(24,950)**
Profit before tax		**8,989**	**10,644**
Income tax expense	21	(1,489)	(1,417)
Net profit		**7,500**	**9,227**
Non-controlling interests		(707)	(25)
Net profit, Group share		**8,207**	**9,253**

	31.03.18	31.03.19
Net profit	**7,500**	**9,227**
Exchange gains or losses	1,837	18 573
Value adjustments linked to hedging derivatives	602	-
Tax		
Items recycled to profit or loss	***2,439***	***18,573***
Remeasurement of liabilities for defined benefit retirement plans		
Tax		
Items not recycled to profit or loss	-	-
Other comprehensive income	**2,439**	**18,573**
Comprehensive income	**9,939**	**27,800**

(a) The group has applied IFRS 16 for the first time on January 1, 2019, using the modified retrospective approach. According to this approach, the comparative information has not been restated.

Condensed consolidated cash-flow statement

€'000	Notes		31.03.18 (a)	31.12.18 (a)	31.03.19
Net profit			**7,500**	**90,446**	**9,227**
Income tax expense (including deferred tax)	21		1,489	20,571	1,417
Net finance costs	20		25,220	102,135	24,950
Other operating income and expense			(42)	(2,416)	(472)
Depreciation and provisions, net of reversals			63,782	289,585	91,134
Capital gains on asset disposals			(7,727)	(44,079)	(6,934)
Cash flow from operations (before cost of financing and tax)			**90,221**	**456,241**	**119,323**
Income tax paid			(2,108)	(8,927)	(1,456)
Financial interest paid			(22,227)	(95,476)	(21,560)
Financial interest received			476	1,299	228
Change in working capital requirements			(10,007)	8,734	71,273
Cash flow from operating activities		**A**	**56,355**	**361,872**	**167,808**
Impact of changes in scope				(17,128)	(60,112)
Acquisitions of fixed assets			(96,897)	(412,497)	(179,045)
Disposals of fixed assets			13,185	62,752	12,708
Cash flow from investing activities		**B**	**(83,711)**	**(366,873)**	**(226,450)**
Dividends paid			-	(6,895)	-
Capital variation			-	-	-
Proceeds from loans and borrowings	14		40,012	492,270	66,399
Repayment of loans and borrowings	14		(60,378)	(456,843)	(57,413)
Cash flow from financing activities		**C**	**(20,366)**	**28,532**	**8,986**
Change in cash and cash equivalents		**A+B+C**	**(47,723)**	**23,531**	**(49,656)**
Cash and cash equivalents at beginning of period			116,583	116,583	141,418
Cash and cash equivalents at end of period			70,737	141,418	92,447
Impact of exchange rate fluctuations			(1,876)	(1,303)	(685)
Change in cash and cash equivalents			**(47,723)**	**23,531**	**(49,656)**

Other marketable securities	234	352	931
Cash at bank and on hand	70,764	143,437	92,060

Current bank borrowings	(261)	(2,371)	(545)
Cash and cash equivalents	**70,737**	**141,418**	**92,447**

(a) The group has applied IFRS 16 for the first time on January 1, 2019, using the modified retrospective approach. According to this approach, the comparative information has not been restated.

Condensed consolidated statement of changes in equity

€'000	Share capital	Additional paid-in capital	Other consolidated reserves	Reserves to be recycled (OCI)	Shareholders' equity (Group share)	Non-controlling interests	Total equity
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				1,607	1,607	(9)	1,597
Net Investment hedge				601	601		601
Exchange gains or losses				1,438	1,438	(289)	1,149
Comprehensive income			**95,658**	**3,645**	**99,304**	**(5,510)**	**93,793**
IFRS 9			(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**
Net profit for the period			9,253		9,253	(25)	9,227
Employee benefits							
Net Investment hedge							
Exchange gains or losses				18,356	18,356	217	18,573
Comprehensive income			**9,253**	**18,356**	**27,609**	**191**	**27,800**
IFRS 9							
Capital movements							
Dividends							
Changes in scope							
Other movements							
At 31 March 2019	**229,818**	**1,882**	**418,198**	**(2,442)**	**647,455**	**10,813**	**658,268**

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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 March 31, 2019, 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. Basis of preparation

The interim consolidated financial statements (the "interim financial statements") for the three-month period ended March 31, 2019 include Loxam SAS and its subsidiaries (together "the Group" or "Loxam Group"), including the Group's share in equity affiliates and joint ventures.

These interim financial statements have been prepared by the Group in a voluntary and non-mandatory basis. They have been prepared in accordance with IAS 34 "Interim financial reporting" and should be read in addition to the latest annual consolidated financial statements of the Group for financial year 2018 ("the latest annual financial statements"). They do not include all the mandatory information for a complete financial report according to IFRS. However, they include a selection of notes explaining significant events and major operations to understand the change in statement of financial position and the Group's performance since the latest annual financial statements.

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

Highlights of the period ended March 31, 2019

On January 14, 2019, Nationwide Platforms acquired UK Platforms Limited ("UK Platforms") from HSS Hire Group Plc. UK Platforms is specialized in renting power access equipment from its branch network throughout the United Kingdom.

Post quarter events

On April 11, 2019, Loxam issued €500 million of new bonds, split into two tranches:

- A senior secured bond of €300 million due in 2026, paying a coupon of 2.875%
- A subordinated secured bond of €200 million due in 2027, paying a coupon of 4.50%

The proceeds of the issuance were used to redeem the Senior Secured Notes due 2021 and Senior Subordinated Notes due 2022, for a total amount of €464.3 million.

Note 3 – Accounting principles

3.1. Presentation of the financial statements

The Group's consolidated financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union. This standard is composed of IFRS, IAS (International Accounting Standards) and their interpretations that were adopted by the European Union as of March 31, 2019.
The 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 the entire Group's subsidiaries and entities is December 31.

3.2. 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.

3.3. Change in accounting policy

IFRS 16 - Leases: this standard is applied by the Group since the January 1, 2019 and replaces the IAS 17 and the associated IFRIC and SIC interpretations.
It removes the distinction previously made between simple leases and financial leases. According to IFRS 16, a lessee employs a right-of-use asset and a lease liability representing the rental obligation.

At the transition date, the Group chose to apply the modified method which consists in keeping the analyses performed for the identification of leases and to apply IFRS 16 only to contracts previously classified as leases. Contracts that were not identified as leases in accordance with IAS 17 and IFRIC 4

have not been re-analysed. As a result, the definition of a lease as defined by IFRS 16 only applies to contracts entered into or modified as from January 1st, 2019.
Leases previously classified as financial leases under IAS 17 have not been analyzed at the transition date and have not been restated. The corresponding leased assets are accounted for as "Tangible assets" in accordance with prior year classification.
The Group has identified its lease contracts previously classified as operating leases within the scope of IFRS 16 and applied the following exemptions and transition options provided by the standard:

- Exemption for contracts with a duration of less than one year (at the date of transition, exemption of old lease contracts with a remaining term of less than 12 months);
- Exemption for lease contracts of low-value assets (USD 5,000);
- Use of the modified retrospective method at the transition date, recording the transition impacts in the opening balance sheet without restating previous comparative data;
- The rental obligation and the right-of-use are initially measured at the discounted value of rental payments over the remaining lease term at transition date, using the incremental borrowing rate for Loxam and its subsidiaries (taking into account the borrowing conditions and the credit risk specific to each entity and reflecting the duration of lease contracts);
- The right-of-use assets are amortized on a straight-line basis over the lease term, which corresponds to the non-cancellable period of each contract (taking into consideration the position of the ANC-Autorité des Normes Comptables from February 2018).

The lease contracts restated in accordance with IFRS 16 mainly relate to real estate and, to a lesser extent, heavy and light transport vehicles.
The implementation of the standard as of January 1, 2019 has led to the cancellation of lease expenses (in "Other current expenses") for lease contracts listed in the scope of the new standard, the amortization of the right-of-use and the recognition of financial expenses (interest cost of the lease liability).
The Group presents the "right-of-use" within "Property, plant and equipment" on the same line as the underlying assets of same nature of which it has full ownership (Note 6).
The Group presents the lease liabilities within "Borrowings and financial debts" in the statement of financial position.

3.4. Comparability of the financial statements

Considering the acquisitions of companies and businesses completed in 2018 and 2019, Loxam's consolidated financial statements for the quarter ended March 31, 2019 include:

- 3 months of activity of UK Platforms, acquired on January 14, 2019
- 3 months of activity of Nove, acquired on June 21, 2018 and merged into Loxam Access SRL on December 21, 2018.

In Q4 2018, the Degraus depreciation rules have been harmonised to the Loxam rules. This harmonization has not been done in Q1 2018 and Q1 2018 accounts have not been restated for this.

The acquisition of UK Platforms does not have a material impact on the group's main financial indicators therefore pro forma accounts were not prepared.

3.5. 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.

Significant judgments made by management to apply the Group's accounting policies and the main sources of uncertainty in estimates are identical to those described in the most recent annual financial statements, with the exception of significant new judgments related to the accounting treatment of subsidiaries lease agreements in application of IFRS 16, described in Note 3.3.

3.6. 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.

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.

3.7. 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 March 31, 2019 (euro vs. currency):

1 EUR =	GBP	CHF	DKK	MAD	NOK	BRL
Closing period rate	0.8606	1.1164	7.4652	10.8470	9.6776	4.4006
Average rate	0.8717	1.1321	7.4632	10.6588	9.7408	4.2754
Opening period rate	0.8990	1.1255	7.4663	10.9579	9.9034	4.4465

1 EUR =	AED	SAR	QAR	BHD	OMR	COP
Closing period rate	4.1452	4.2118	4.0906	0.4228	0.4319	3,578.0900
Average rate	4.1680	4.2555	4.0396	0.4259	0.4362	3,528.8772
Opening period rate	4.2116	4.3021	4.1917	0.4323	0.4415	3,726.2700

3.8. 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.

3.9. 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 3.17 (Cash and cash equivalents), and Note 3.18 (Derivative financial instruments – relating to the interest rate risk).

3.10. 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 3.6.

b) Trademarks and customer 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 could be 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.

3.11. 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.

3.12. Leases

As stated in Note 3.3 Changes in Accounting Policies, as of January 1, 2019, leases contracts are governed by IFRS 16 which modifies the accounting treatment of leases. The standard removes the distinction previously made between simple leases and finance leases for the lessee; the lessee recognizes a right-of-use asset and a financial debt representing the rental obligation.

3.13. Impairment of intangible assets and property, plant and equipment

Assets (including right of use assets created following the first application of IFRS 16 as of January 1, 2019, see note 3.3 and note 6) 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 first quarter of 2019, the Group has not identified any indication of impairment.

3.14. 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 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.

3.15. 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.

3.16. 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.
The Group has also adopted an expected credit loss impairment model from January 1, 2018 following the simplified method allowed by the IFRS 9 standard.

3.17. 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.

3.18. 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 3.9. Since the hedging relationship is not documented, changes in fair value are recognised in profit or loss.

3.19. 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.

3.20. Net investment hedge (NIH)

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 recognised in the income statement.

3.21. 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.
For the interim financial statements, the Group uses the projections made by actuaries for 2019 and keeps a pro rata portion for the period. Variations are accounted for only in profit or loss.

3.22. 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.

3.23. 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.

3.24. Trade payables and related

Trade and other payables are recorded at their nominal value, which corresponds to their fair value.

3.25. Tax

Income tax includes both current and deferred tax.
Current tax is calculated on the basis of the 2018 tax result, adjusted with exceptional events from 2018 and updated with new 2019 tax rules.

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.

3.26. 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 recognised 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 recognised at the end of the service completion. Revenue linked to fuel consumption is recognised upon the equipment return.

Retail revenue and sale of equipment
Revenue from retail activities and sale of equipment is recognised upon delivery to the customer.

3.27. Other income

Other income primarily concerns net capital gains on disposals of assets in connection with the Group's normal operating cycle.

3.28. Other current expenses

Other current expenses primarily include external services (particularly subcontracted maintenance and transportation costs, property and real estate rentals that are not in the scope of the new IFRS 16 standard, and general administrative costs), in addition to losses on receivables net of changes in provisions.

3.29. 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.

3.30. 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. It also includes the interest cost related to the lease liability since the first time application IFRS 16 as of January 1, 2019.
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 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	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
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
UK 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
BLUESKY TOPCO LTD	United Kingdom	100%	100%	Full
BLUESKY SOLUTIONS LTD	United Kingdom	100%	100%	Full
RAPID JERSEY (N°2) LTD	*United Kingdom*	-	-	*Liquidated*
ZOOOM STERLING LTD	*Jersey*	-	-	*Liquidated*
ZOOOM EURO LTD	*Jersey*	-	-	*Liquidated*
ZOOOM DOLLAR LTD	*Jersey*	-	-	*Liquidated*
DK RENTAL NV	Belgium	100%	100%	Full
RAPID ACCESS BV	Netherland	100%	100%	Full

RAPID ACCESS LLC	United Arab Emirates	100%	49%	Full
RAPID ACCESS Holdings S.P.C	Bahrain	100%	100%	Full
RAPID Saudi Arabia Ltd	Saudi Arabia	100%	100%	Full
RAPID ACCESS LLC	Oman	100%	70%	Full
RAPID ACCESS MIDDLE EAST LLC	United Arab Emirates	100%	100%	Full
RAPID ACCESS TRADING BAHRAIN WLL	Bahrain	100%	49%	Full
LOXAM ACCESS SRL	Italia	100%	80%	Full
SWAN PLANT HIRE	Ireland	100%	100%	Full
LIR HOLDINGS LTD	Ireland	100%	100%	Full

Note 5 – Intangible assets and goodwill

Changes in intangible assets and goodwill in 2019

€'000	Intangible assets	Goodwill	Total
Net book value at beginning of year	**75,009**	**1,252,277**	**1,327,286**
Changes in scope (a)	0	26,024	**26,024**
Increase	891	0	**891**
Amortization and depreciation of the year	(3,060)	0	**(3,060)**
Decrease / disposals	0	0	**0**
Reclassification	662	0	**662**
Exchange gains or losses (b)	2,655	10,962	**13,617**
Net book value at end of the period	**76,156**	**1,289,263**	**1,365,419**

(a) Preliminary goodwill relating to the UK Platforms acquisition before the PPA allocation.

(b) Exchange variations mainly concern the Lavendon group.

The preliminary goodwill arising from the acquisition of UK Platforms has been calculated as following :

€'000	
Consideration transferred	50 056
Net identifiable assets	(24 032)
Goodwill	**26 024**

Changes in intangible assets and goodwill in 2018

€'000	Intangible assets	Goodwill	Total
Net book value at beginning of year	**81,255**	**1,252,634**	**1,333,889**
Changes in scope (a)	11	4,680	**4,691**
Increase	4,107	275	**4,382**
Amortization and depreciation of the year (b)	(12,051)	(608)	**(12,659)**
PPA allocation (Loxam Access SRL)	2,500	(2,000)	**500**
Decrease / disposals (c)	(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 the year	**75,009**	**1,252,277**	**1,327,286**

(a) The change 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.

(b) The impairment of goodwill relates to Hune Pronto Rental for €608k.

(c) The liquidation of Workx Sloop-en Graafdiensten BV resulted in the write-off of its goodwill for €138k.

Trademarks and customer relationships in 2019

The purchase price for the following acquisitions was allocated to intangible assets and valued as follows at March 31, 2019:

€'000	Trademarks	Customer Relationships	Total
Lavendon Group	13,770	44,046	57,816
Hune Group	1,564	4,744	6,309
Loxam Access SRL	688	1,336	2,023
Net value at end of period ended March 31, 2019	**16,022**	**50,125**	**66,148**

Note 6 – Property, plant and equipment

As stated in Note 3.3 Change in accounting policy and 3.12 Leases, the Group presents the "right-of-use" assets within "Property, plant and equipment" on the same line as the underlying assets of same nature of which it has full ownership.

Change in property, plant and equipment in 2019

€'000	Rental equipment	Other	Total
Net value at beginning of year	**1,247,992**	**106,709**	**1,354,701**
Changes in scope	30,270	(804)	**29,466**
Increase	172,338	5,706	**178,044**
Impact of first time application IFRS 16 (a)	-	230,104	**230,104**
Amortization and depreciation of the year	(66,187)	(21,665)	**(87,852)**
Decrease / disposals	(5,395)	5	**(5,390)**
Reclassification	(190)	(514)	**(703)**
Exchange gains or losses	12,163	390	**12,552**
Net value at end of the period (b)	**1,390,993**	**319,929**	**1,710,920**

(a) The group has applied IFRS16 for the first time on January 1, 2019, using the modified retrospective approach.

The breakdown by assets' category is the following as at January 1, 2019:

€'000	Real Estate	Heavy vehicles	Light vehicles	Total
	182,827	29,923	17,354	**230,104**

(b) Property acquired under finance leases and historically accounted for in accordance with IAS 17 are almost entirely included in the "Rental Equipment" column and amount to €389,988k of net book value.

Change in property, plant and equipment in 2018

€'000	Rental equipment	Other	Total
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**

Note 7 – Financial assets

Change of Financial assets in 2019

This heading primarily concerns security deposits paid, mainly in connection with branch real estate leases.

€'000	Loans and other borrowings	Other non-current financial assets	Total
Gross and net value at beginning of year	**14,369**	**12**	**14,381**
Changes in scope			**-**
Increase	110		**110**
Decrease	(76)		**(76)**
Exchange gains or losses	27		**27**
Gross and net value at end of the period	**14,429**	**12**	**14,441**

Change of Financial assets in 2018

€'000	Loans and other borrowings	Other non-current financial assets	Total
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**

Note 8 – Inventories

€'000 - Net value	31.12.18	31.03.19
Parts and consumables	18,759	19,759
Trade	12,024	14,406
Total	**30,782**	**34,165**

Note 9 – Trade and other receivables

€'000	31.12.18	31.03.19
Gross value	474,295	493,735
Impairment	(85,798)	(88,121)
Total trade and other receivables	**388,497**	**405,614**

Note 10 – Income tax receivables and other current assets

€'000	31.12.18	31.03.19
Income tax receivables	12,256	10,588
Prepaid expenses	15,371	21,059
Other receivables	40,843	36,620
Other current assets	56,215	57,679
Total income tax receivables and other current assets	**68,470**	**68,267**

Note 11 – Cash management assets, cash and cash equivalents

€'000	31.12.18	31.03.19
Other marketable securities	352	931
Cash	143,437	92,060
Total	**143,789**	**92,991**

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 3.17).

Note 12 – 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.

Note 13 – Financial risk management - Financial instruments

Financial instruments relating to interest rate risk:
As indicated in Note 3.18, the interest rate swaps entered into by the Group are classified as derivative financial instruments. No new contracts were entered into in 2019.

At March 31, 2019, these agreements relate to a notional amount of €21.4 million against the 3 month Euribor, with a maximum maturity date of July 2022.
At March 31, 2019, the fair value of these derivative instruments amounts to €1,314k, compared to €1,400k at December 31, 2018. Fair value adjustments are accounted for in financial income for an amount of €86k in Q1 2019.
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 3.9.

Financial instruments relating to foreign exchange risk:

As indicated in Note 3.19, 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 and in US dollars for USD 7,000k at March 31, 2019, unchanged from December 31, 2018.
The fair value of these financial instruments is a liability of €4,810 k at March 31, 2019, compared to a liability of €913k at December 31, 2018. The change in fair value between December 31, 2018 and March 31, 2019 is accounted as a financial loss for an amount of €3,897k.
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 3.9.

Change in the valuation of financial instruments in 2019:

€'000	Interest Rate swaps	Exchange rate hedging	Financial instruments
Fair value level	Level 2	Level 2	
Value at beginning of year	**1,400**	**913**	**2,313**
Acquisition			
Value adjustment	(86)	3,897	**3,811**
Value at end of the period	**1,314**	**4,810**	**6,124**

Derivatives instruments included in the assets	**-**
Derivatives instruments included in the liabilities	**6,124**

Change in the valuation of financial instruments in 2018:

€'000	Interest Rate swaps	Exchange rate hedging	Financial instruments
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**

Net investment hedge

As indicated in Note 3.20, the net investment hedge applied by the Group was stopped as at March 31, 2018.
From this date, exchange differences are recognised 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 March 31, 2019, 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 14 – Borrowings and financial debt

Following the application of IFRS 16 standard, as explained in note 3.3 Changes in accounting policy and note 3.12 Leases, the Group is presenting separately the "lease debt" related to finance leasing and the "lease liability" related to operating lease contracts.

Breakdown of current and non-current financial debt:

€'000	31.12.18	31.03.19
Bond (a)	1,552,170	1,553,568
Bilateral and bridge loans net of issuance costs	305,570	329,601
Lease debt	205,289	223,189
Lease liability	-	155,082
Non-current financial debt	**2,063,029**	**2,261,440**
Short-term bilateral loans	103,523	84,569
Short-term lease debt	88,043	93,794
Lease liability	-	59,949
Other financial debt	22,567	25,399
Current bank borrowings	2,371	545

Current financial debt	**216,504**	**264,255**
Financial debt	**2,279,533**	**2,525,695**

(a) Net of bond issue costs.

Breakdown of financial debt by interest rate

€'000	31.12.18	31.03.19
Variable-rate debt	379,967	387,290
Fixed-rate debt	1,896,900	2,137,565
Bank overdrafts	2,371	545
Other	295	295
TOTAL	**2,279,533**	**2,525,695**

Breakdown of financial debt by maturity

€'000	31.12.18	31.03.19
< 1 year	216,504	727,537
1 to 5 years	1,518,329	1,253,128
> 5 years	544,700	545,030
TOTAL	**2,279,533**	**2,525,695**

Change in borrowings and financial debt

Changes in 2019

€'000	Beginning of year	Change in scope	Increase	Decrease	Other (a)	Exchange gains or losses	31.03.19
Bond issues	1,552,170	-	-	-	1,398	-	**1,553,568**
Bilateral loans	409,093	-	18,340	(17,814)	77	4,475	**414,170**
Lease debt	293,332	-	48,059	(24,526)	-	117	**316,983**
Lease liability	-	-	-	(15,073)	230,104	-	**215,031**
Other financial debt	24,938	-	-	-	966	40	**25,944**
TOTAL	**2,279,533**	**-**	**66,399**	**(57,413)**	**232,545**	**4,632**	**2,525,695**

(a) including the impact of first application of IFRS 16 as of January 1, 2019 amounted to 230,104 K€

Changes in 2018

€'000	Beginning of year	Change in scope	Increase	Decrease	Other	31.12.18

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**

Note 15 – Employee benefits

€'000	31.12.18	31.03.19
Net Defined Benefit Obligation	**11,111**	**11,235**
Reconciliation of the commitment and the provision		
Commitment	13,271	13,396
Plan assets	(2,160)	(2,160)
Net Defined Benefit Obligation at year-end / period	**11,111**	**11,235**
Movement in Defined Benefit Liability		
Net Defined Benefit Liability at beginning of year	**16,608**	**11,111**
Expense for the financial year	(3,378)	242
Recognition of actuarial gains or losses through OCI	(2,269)	-
Benefits or contributions paid by the employer	(906)	(121)
Exchange gains or losses	58	4
Changes in scope	997	-
Net Defined Benefit Obligation at year-end / period	**11,111**	**11,235**
Breakdown of the expense for the financial year		
Current service cost	1,046	188
Other	(41)	5
Interest cost	202	49
Gain related to contract amendment (a)	(4,585)	-
Expense for the year / period	**(3,378)**	**242**

(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 €10,347k at March 31, 2019 compared to €10,220k at December 31, 2018, and jubilee awards for €888k at March 31, 2019 compared to €891k at December 31, 2018.

Note 16 – Provisions

Change in provisions in 2019:

€'000	Provisions for contingencies	Provisions for charges	Total
Balance at beginning of year	**6,959**	**4,139**	**11,098**
Changes in scope	-	-	**-**
Allocations	520	703	**1,223**
Reversals	(463)	(610)	**(1,073)**
Reclassifications	(31)	(1,755)	**(1,786)**
Balance at end of year / period	**6,984**	**2,477**	**9,461**

Change in provisions in 2018:

€'000	Provisions for contingencies	Provisions for charges	Total
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) Related to exchange differences (mainly Degraus) and a provision for the refurbishment work amounted to €(1,106)k.

Note 17 – Trade payables and other current liabilities

€'000	31.12.18	31.03.19
Trade payables	132,547	141,115
Payables to fixed asset suppliers	69,663	148,032
Trade payables and related	**202,210**	**289,147**
Corporate income tax liabilities	**3,706**	**4,334**
Tax and social security liabilities	115,035	114,527
Other liabilities	19,094	19,165
Accrued income	1,333	1,262
Other liabilities and accruals	**135,462**	**134,954**
Total current liabilities	**341,378**	**428,435**

Note 18 – Personnel expenses

€'000	31.03.18	31.03.19
Salaries	72,380	75,645
Payroll taxes	22,257	22,407
Employee profit-sharing	2,443	2,310
Total personnel expenses	**97,079**	**100,361**

Average headcount	7,865	8,064

Until year 2018 the French tax credit, "Crédit d'Impôt Compétitivité Emploi (C.I.C.E.)", was deducted from payroll taxes. From January 1, 2019 the C.I.C.E has been replaced by a relief of employer's social contribution on the lowest salaries.

Note 19 – Other operating income and expenses

At March 31, 2019 other operating income and expense for Q1 2019 included non-recurring costs relating to the UK Platforms acquisition for €(207)k, an impairment loss on fleet of €(264)k, an exceptional profit related to a tax relief program in Brazil of €735k.

Note 20 – Financial income (expense)

€'000	31.03.18	31.03.19
Interest and financing-related expenses (a)	(24,497)	(25,878)
Net finance costs	**(24,497)**	**(25,878)**
Fair value adjustments for financial instruments	(1,808)	(3,811)
Foreign exchange gains or losses	1,027	4,621
Other financial expenses	(116)	(107)
Other financial income	174	224
Financial income (expense)	**(25,220)**	**(24,950)**

(a) Includes expenses related to lease financial debt (€ 1,333) k and interest related to lease liabilities (€ 1,885) k, as presented in Note 14.

Note 21 – Corporate income tax

Analysis of tax expense

€'000	31.03.18	31.03.19
Current tax	(2,108)	(1,456)
Deferred tax	619	39
Total	**(1,489)**	**(1,417)**

Reconciliation between actual tax and theoretical tax expense

€'000	31.03.18	31.03.19
Consolidated income before tax and "CICE" French tax credit	7,456	10,644
Tax rate (parent)	32,02%	28,92%
Theoretical tax expense	**(2,387)**	**(3,078)**
Difference in parent / subsidiary rates	1,697	3,924
Unused tax losses for the year	(870)	(1,624)
Use of previously unused losses	309	-
Permanent differences	(195)	(697)
Tax credits and other	(42)	59
Actual tax expense	**(1,489)**	**(1,417)**

Deferred tax assets and liabilities

€'000	31.12.18	31.03.19
Opening balance	**(40,432)**	**(52,006)**
Income (expense)	(11,644)	39
Change in scope	300	-
Own funds allocation	(441)	-
Other changes	211	(632)
Closing balance	**(52,006)**	**(52,599)**
Deferred tax assets	18,394	18,235
Deferred tax liabilities	(70,400)	(70,834)

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 22 – Off-balance sheet commitments

€'000	31.12.18	31.03.19
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**

Other commitments given to guarantee bank borrowings recorded on the balance sheet:

- Guarantees from Loxam SAS on subsidiaries' borrowings (bilateral loans and finance leases) for €35,723k at March 31, 2019.
- 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.

In addition, following the application of IFRS 16, as stated in note 3.3 Changes in accounting methods, the Group applies the exemptions provided by the standard (low-value equipment and short-term contracts) and therefore keeps contractual operating lease commitments.

Note 23 – Related-party transactions

There is no significant change in related-party transactions compared with the information given in the financial statements as at December 31, 2018.

The Group does not have any significant transactions with related parties that have not been entered into under normal market conditions.

Note 24 – Impact of the first application of IFRS 16 on financial statements

Reconciliation between lease commitments considered under IAS 17 to lease liabilities recognized following the first time application of IFRS 16

€'000	
Total lease commitments (undiscounted) as at 31.12.2018	**246,517**
Exclusion of low value equipments	(9,489)
Short-term contracts out of scope	(3,752)
Total retained commitments (undiscounted)	**233,276**
Discounting impact	(3,172)
Lease liabilities recognized as at 01.01.19	**230,104**

In accordance with Notes 3.3 Changes in Accounting Policies and 3.12 Leases, the Group presents the right-of-use assets within "Property, Plant and Equipment", on the same line as the underlying assets of the same nature of which it has full ownership and lease liabilities within “Borrowings and financial debts" in the statement of financial position.
The impact of the application of IFRS 16 on the interim financial statements as of March 31, 2019 is presented below, in order to detail the restatement of operating leases as from January 1, 2019, since finance leases are already accounted for in accordance with IAS 17.

Statement of financial position

ASSETS (€’000)	31.03.19 (excluding IFRS 16)	IFRS 16 Impact*	31.03.19
Intangible assets and goodwill	1,365,419		1,365,419
Property, plant and equipment	1,496,760	214,160	1,710,920
Financial assets	14,441		14,441
Deferred tax assets	18,235		18,235
Non-current assets	**2,894,855**	**214,160**	**3,109,015**
Inventories	34,165		34,165
Trade and other receivables	405,614		405,614
Other current assets	57,679		57,679
Corporate income tax receivables	10,588		10,588
Cash and cash equivalents	92,991		92,991
Current assets	**601,037**		**601,037**
Total assets	**3,495,892**	**214,160**	**3,710,052**

LIABILITIES (€’000)	31.03.19 (excluding IFRS 16)	IFRS 16 Impact*	31.03.19
Share capital	229,818		229,818
Additional paid-in capital	1,882		1,882
Consolidated reserves	406,503		406,503
Net profit for the year	9,883	(630)	9,253
Shareholders’ equity (Group share)	**648,085**	**(630)**	**647,455**
Non-controlling interests	10,823	(10)	10,813
Total equity	**658,908**	**(640)**	**658,268**
Employee benefits	11,235		11,235
Deferred tax liabilities	71,064	(231)	70,834
Borrowings and financial debt	2,106,358	155,082	2,261,440
Financial derivatives	6,124		6,124
Non-current liabilities	**2,194,782**	**154,851**	**2,349,633**
Provisions	9,461		9,461
Borrowings and financial debt	204,306	59,949	264,255
Trade and other payables	289,147		289,147
Other liabilities	134,954		134,954
Corporate income tax liabilities	4,334		4,334
Current liabilities	**642,203**	**59,949**	**702,152**
Total shareholders’ equity and liabilities	**3,495,892**	**214,160**	**3,710,052**

* impact of restatement of operating leases

Consolidated income statement

€'000	31.03.19 (excl. IFRS 16)	IFRS 16 Impact*	31.03.19
Revenue	**367,269**		**367,269**
Other income	9,267		9,267
Operating income	**376,536**	**-**	**376,536**
Purchases consumed	(40,083)		(40,083)
Personnel expenses	(100,361)		(100,361)
Other current expenses	(119,937)	16,958	(102,979)
Taxes and duties	(6,871)		(6,871)
Depreciation and amortization – Property, plant and equipment	(71,908)	(15,944)	(87,852)
Depreciation and amortization – Intangibles assets	(3,060)		(3,060)
Profit from ordinary operations	**34,315**	**1,014**	**35,330**
Other operating incomes	735		735
Other operating expenses	(471)		(471)
Operating profit	**34,580**	**1,014**	**35,595**
Interest and financing-related expenses	(23,993)	(1,885)	(25,878)
Other financial expenses	(737)		(737)
Financial income	1,664		1,664
Financial income (expense)	**(23,065)**	**(1,885)**	**(24,950)**
Profit before tax	**11,515**	**(871)**	**10,644**
Income tax expense	(1,648)	231	(1,417)
Net profit	**9,868**	**(640)**	**9,227**
Non-controlling interests	(15)	(10)	(25)
Net profit, Group share	**9,883**	**(630)**	**9,253**

* impact of restatement of operating leases

Consolidated cash-flow statement

€'000	31.03.19 (excl. IFRS 16)	IFRS 16 impact*	31.03.19
Net profit	**9,868**	**(640)**	**9,227**
Income tax expense (including deferred tax)	1,648	(231)	1,417
Net finance costs	24,950		24,950
Other operating income and expense	(472)		(472)
Depreciation and provisions, net of reversals	75,190	15,944	91,134

Capital gains on asset disposals	(6,934)		(6,934)
Cash flow from operations (before cost of financing and tax)	**104,250**	**15,073**	**119,323**
Income tax paid	(1,456)		(1,456)
Financial interest paid	(21,560)		(21,560)
Financial interest received	228		228
Change in working capital requirements	71,273		71,273
Cash flow from operating activities	**152,735**	**15,073**	**167,808**
Impact of changes in scope	(60,112)		(60,112)
Acquisitions of fixed assets	(179,045)		(179,045)
Disposals of fixed assets	12,708		12,708
Cash flow from investing activities	**(226,450)**	**0**	**(226,450)**
Dividends paid	-		-
Capital variation	-		-
Proceeds from loans and borrowings	66,399		66,399
Repayment of loans and borrowings	(42,340)	(15,073)	(57,413)
Cash flow from financing activities	**24,059**	**(15,073)**	**8,986**
Change in cash and cash equivalents	**(49,656)**	**0**	**(49,656)**
Cash and cash equivalents at beginning of period	141,418		141,418
Cash and cash equivalents at end of period	92,447		92,447
Impact of exchange rate fluctuations	(685)		(685)
Change in cash and cash equivalents	**(49,656)**	**0**	**(49,656)**

Other marketable securities	931		931
Cash at bank and on hand	92,060		92,060
Current bank borrowings	(545)		(545)
Cash and cash equivalents	**92,447**	**0**	**92,447**

* impact of restatement of operating leases

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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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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

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
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

Standards, amendments or interpretations	Adoption in Europe	IASB application dates: financial year starting on or after
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
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
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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

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STATUTORY AUDITOR'S REPORT
ON THE CONSOLIDATED FINANCIAL STATEMENTS
Year ended December 31, 2016

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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**

Auditor's report

(Translation from the Finnish original)
To the Annual General Meeting of Ramirent Plc

Report on the Audit of the Financial Statements

Opinion

In our opinion
- the consolidated financial statements give a true and fair view of the group's financial position and financial performance and cash flows in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU
- the financial statements give a true and fair view of the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of the financial statements in Finland and comply with statutory requirements.

Our opinion is consistent with the additional report to the Working Committee.

What we have audited

We have audited the financial statements of Ramirent Oyj (Business ID: 0977135-4)) for the year ended 31 December 2018. The financial statements comprise:
- the consolidated statement of income, statement of comprehensive income, statement of financial position, cash flow statement, statement of changes in equity and notes to the consolidated financial statements, including a summary of significant accounting principles.
- the parent company's income statement, balance sheet, cash flow statement and notes to the parent company financial statements.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, the non-audit services that we have provided to the parent company and to the group companies are in accordance with the applicable law and regulations in Finland and we have not provided non-audit services that are prohibited under Article 5(1) of Regulation (EU) No 537/2014. The non-audit services that we have provided are disclosed in note 2.8 to the consolidated financial statements.

Our Audit Approach

Overview

Materiality
- Overall group materiality: EUR 4.5 million.

Group scoping
- The group audit scope includes all significant companies in Finland, Sweden, Norway, Denmark and Poland, covering the vast majority of revenues, assets and liabilities.

Key audit matters
- Net sales recognition
- Valuation of goodwill
- Valuation and existence of fleet assets
- Divestment of Temporary Space business and Danish equipment rental business

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements on the financial statements as a whole.

Overall group materiality	EUR 4.5 million
How we determined it	Net sales and profit before tax for 2018
Rationale for the materiality benchmark applied	We chose the combination of net sales and profit before taxes as the benchmark because, in our view, the performance of the Group is most commonly measured by using these criteria, and it is a generally accepted benchmark.

How we tailored our group audit scope

We tailored the scope of our audit, taking into account the structure of the group, the accounting processes and controls and the size, complexity and risk of individual subsidiaries. The group audit scope was focused on the most significant companies in Finland, Sweden, Norway, Denmark and Poland. In addition, we performed analytical procedures at group level over the remaining companies.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key audit matter in the audit of the group

Net sales recognition

Refer to note 2.2 in the consolidated financial statements.

In 2018, the Group's net sales amounted to EUR 712 (2017: 685) million.

The Group's net sales consist of rental sales, service sales, sales of equipment and sales of inventories.

The Group adopted a new standard, IFRS 15 Revenue from contracts with customers, from 1 January 2018. The standard did not result in any material changes in the Group's net sales recognition.

Net sales, which is a key financial metric, has been a focus area in our audit. Net sales recognition includes a risk that revenue is not recorded in the correct period or that recorded sales transactions have not occurred.

How our audit addressed the key audit matter

Our audit work included reviewing management's key controls and reporting processes around net sales and adoption of new IFRS 15 Revenue from contracts with customers.

We performed substantive testing of sales transactions including, among other, the following:

- We used sales data auditing techniques to check sales transactions. This enabled us to focus our testing on higher risk transactions.
- We selected sales invoices recorded during the financial period on a sample basis and matched incoming cash to recorded sales transactions.
- We tested a sample of sales transactions recorded in December 2018 and January 2019 to evaluate that sales had been recognized in the right period.
- We tested credit invoices issued in January 2019 to ensure that they were recorded in the right financial period.
- We tested a sample of accrued income and deferred sales balances by reference to supporting documentation.

Valuation of goodwill

Refer to note 3.2 in the consolidated financial statements.

As at 31 December 2018 the Group's goodwill balance amounted to EUR 126 (2017: 135) million.

The Group tests goodwill for potential impairment annually and whenever there is an indication that the carrying value may be impaired by comparing the recoverable amount against the carrying value of the goodwill. The recoverable amounts are determined using value in use model.

Valuation of goodwill is a focus area due to the size of the goodwill balance and the high level of management judgement involved in relation to estimates of future cash flows.

Our audit of goodwill valuation focused on management's judgement and estimates used. We have assessed the appropriateness of these through the following procedures:

- We tested the methodology applied in the value in use calculation by comparing it to the requirements of IAS 36, Impairment of Assets, and we tested the mathematical accuracy of the calculations.
- We evaluated the process by which the future cash flow forecasts were drawn up.
- We tested the key underlying assumptions for the cash flow forecasts, including sales and profitability forecasts, discount rates used and the implied growth rate beyond the forecasted period, e.g. by comparing sales forecasts to budget and long-term financial targets approved by the Board of Directors.
- We compared the current year actual results included in the prior year impairment model to corroborate the reliability of management's estimates.
- We considered whether the sensitivity analysis performed by management around key drivers of the cash flow forecast was appropriate.

We also considered the appropriateness of the related disclosures provided in note 3.2 in the Group financial statements.

Valuation and existence of fleet assets

Refer to note 3.1 in the consolidated financial statements.

As at 31 December 2018 the Group's rental fleet assets amounted to EUR 488 (2017: 501) million.

The Group's primary income source is fleet rental. The rental fleet consists of equipment, machinery, scaffolding, weather protection and other. At a certain point, used rental fleet is transferred to inventories for resale, generating additional income source.

Carrying value of the fleet is significantly impacted by management judgments on fleet assets' useful lives, residual values and fleet condition. Also, fleet assets have a high frequency of movement in individual assets, through asset purchases, rentals, disposals and transfers in the customer centres, which emphasizes the importance of appropriate fleet management.

Fleet assets is a focus area in our audit as it is a major asset class in the balance sheet and the key source generating income and cash flow to the Group. Fleet assets balance sheet value involves significant management judgments and require appropriate processes and controls over fleet existence.

Our audit work included reviewing management's key controls around valuation and existence of fleet. Such controls include authorization of asset purchases, disposals and scrapings, evaluation of useful lives, stock taking routines and reconciliation of fleet assets registers to the accounting records.

In addition, our audit procedures included, among other, the following:

- We attended a number of the fleet counts and performed independent test counts to validate the existence of fleet and accuracy of the counting performed. We tested that the records from the counts had been used to update both the fixed asset register and the accounting ledgers.
- We selected a sample of assets acquired in the year and agreed the amounts recorded on the fixed assets registers to invoices.

- We tested the depreciation of the fixed assets through a combination of detailed testing and analytical audit procedures.

Divestment of Temporary Space business and Danish equipment rental business

Refer to note 7.4 in the consolidated financial statements.

In July, the Group announced the divestment of its Temporary Space business. The transaction was completed in November 2018.

In December, the Group announced the divestment of its Danish equipment rental business. The divestment is estimated to be completed in the beginning of 2019. The Danish equipment rental business formed a majority of the Danish reporting segment and is presented as a discontinued operation in the Group's financial statements.

Given the nature and impact, the accounting of those transactions is significant for the financial statements and is a focus area of our audit.

Our audit procedures included, among other things, the following:

- We read and reviewed the transaction agreements to evaluate and determine the appropriate accounting treatment of the transactions.
- We inquired of the entity's responsible persons to obtain an understanding of the disposal process and the key terms and contingencies of the agreements.
- We tested the results of the disposals by reviewing the calculation principles, reconciling consideration and other inputs in the calculation to the agreement, reconciling the consideration to bank accounts and by verifying the net assets disposed to underlying accounting records.
- We assessed whether the divested businesses met IFRS 5 held for sale and discontinued operations criterions.
- We evaluated the adequacy of the presentation and disclosure of the disposals in the Group's financial statements.

We have no key audit matters to report with respect to our audit of the parent company financial statements.

There are no significant risks of material misstatement referred to in Article 10(2c) of Regulation (EU) No 537/2014 with respect to the consolidated financial statements or the parent company financial statements.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, and of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or to cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice 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 financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our 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.
- Obtain 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 parent company's or the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director'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 parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the parent company or the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Obtain 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. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter

should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Reporting Requirements

Appointment

We were first appointed as auditors by the annual general meeting on 7 April 2011. Our appointment represents a total period of uninterrupted engagement of 8 years.

Other Information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises information included in the report of the Board of Directors and in the Annual Report, but does not include the financial statements and our auditor's report thereon. We obtained the report of the Board of Directors prior to the date of this auditor's report and the Annual Report is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. With respect to the report of the Board of Directors, our responsibility also includes considering whether the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

In our opinion

- the information in the report of the Board of Directors is consistent with the information in the financial statements
- the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Helsinki 7 February 2019
PricewaterhouseCoopers Oy
Authorised Public Accountants

Enel Sintonen
Authorised Public Accountant (KHT)

Consolidated financial statements

Consolidated statement of income (EUR 1,000)	Note	Jan–Dec 2018	Jan–Dec 2017
Continuing operations			
Net sales	2.2.	**711,669**	**685,495**
Cost of sales		-523,495	-516,203
Gross profit		**188,174**	**169,292**
Other operating income	2.3.	791	2,108
Selling, general and administrative expenses		-90,231	-81,655
Losses on disposal of businesses	7.4.	-32,284	
Share of result of associates and joint ventures	7.3.	438	994
Operating result (EBIT)		**66,888**	**90,739**
Financial income	4.3.	648	660
Financial expenses	4.3.	-11,139	-13,005
Total financial income and expenses		-10,491	-12,345
Earnings before taxes (EBT)		**56,397**	**78,393**
Income taxes	6.1.	-11,530	-13,597
Result from continuing operations		44,867	64,796
Discontinued operations			
Result from discontinued operations		2,966	-1,344
Result for the financial year		**47,833**	**63,452**
Result for the financial year attributable to:			
Shareholders of the parent company		47,833	63,452
Total		**47,833**	**63,452**
Earnings per share (EPS) on parent company shareholders' share of result	2.10.		
Earnings per share (EPS), basic, continuing operations, EUR		0.42	0.60
Earnings per share (EPS), diluted, continuing operations, EUR		0.41	0.60
Earnings per share (EPS), basic, discontinued operations, EUR		0.03	-0.01
Earnings per share (EPS), diluted, discontinued operations, EUR		0.03	-0.01
Earnings per share (EPS), basic, EUR		0.44	0.59
Earnings per share (EPS), diluted, EUR		0.44	0.58

Consolidated statement of comprehensive income (EUR 1,000)	Note	Jan–Dec 2018	Jan–Dec 2017
Result for the financial year		**47,833**	**63,452**
Items that will not be reclassified to profit or loss:			
Remeasurement of defined benefit obligation, net of tax	6.1.	–1,218	–1,312
Items that may be reclassified to profit or loss in subsequent periods:			
Translation differences		–9,327	–8,643
Cash flow hedges, net of tax	6.1.	–657	219
Portion of cash flow hedges transferred to profit or loss, net of tax	6.1.	68	–
Share of other comprehensive income of associates and joint ventures	7.3.	–1,778	–1,290
Total		**–11,694**	**–9,714**
Other comprehensive income for the financial year		**–12,912**	**–11,026**
Total comprehensive income for the financial year		**34,921**	**52,426**
Total comprehensive income for the financial year attributable to:			
Shareholders of the parent company		34,921	52,426
Total		**34,921**	52,426

Consolidated statement of financial position (EUR 1,000)	Note	Dec 31, 2018	Dec 31, 2017
Assets			
Non-current assets			
Property, plant and equipment	3.1.	515,535	524,768
Goodwill	3.2.	126,451	134,660
Other intangible assets	3.2.	13,290	23,800
Investments in associates and joint ventures	7.3.	6,444	7,785
Non-current financial assets	4.1.	8,694	10,341
Available-for-sale financial assets	4.1.	–	89
Other non-current assets	4.1.	385	550
Deferred tax assets	6.2.	1,038	1,154
Total non-current assets		**671,837**	**703,148**
Current assets			
Inventories	3.3.	14,705	12,718
Trade and other receivables	4.1.	126,508	130,585
Current tax assets		1,312	2,572
Cash and cash equivalents	4.1.	10,292	6,896
Total current assets		**152,817**	**152,772**
Assets held for sale	7.4.	37,933	–
Total assets		**862,587**	**855,920**
Equity and liabilities			
Equity			
Share capital	4.2.	25,000	25,000
Revaluation fund		-910	-231
Invested unrestricted equity fund		116,565	116,428
Retained earnings from previous years		104,308	104,871
Result for the period		47,833	63,452
Equity attributable to the parent company shareholders		292,796	309,520
Total equity		**292,796**	**309,520**
Non-current liabilities			
Deferred tax liabilities	6.2.	41,133	47,987
Pension obligations	2.6.	24,226	22,357
Non–current provisions	3.4.	2,626	2,563
Non–current interest–bearing liabilities	4.4.	74,827	174,559
Other non–current liabilities		6,626	4,968
Total non-current liabilities		**149,437**	**252,434**
Current liabilities			
Trade payables and other liabilities	3.5.	116,116	116,557
Current provisions	3.4.	3,186	2,634
Current tax liabilities		9,002	4,501
Current interest–bearing liabilities	4.4.	286,052	170,273
Total current liabilities		**414,356**	**293,965**
Liabilities associated with assets held for sale	7.4.	5,998	–
Total liabilities		**569,791**	**546,400**
Total equity and liabilities		**862,587**	**855,920**

Consolidated statement of cash flow (EUR 1,000)	Note	Jan–Dec 2018	Jan–Dec 2017
Cash flow from operating activities			
Earnings before taxes (EBT), continuing operations		56,397	78,393
Adjustments			
Depreciation, amortization and impairment charges	2.9.	135,999	109,944
Adjustment for proceeds from sale of used rental equipment		5,129	11,170
Financial income and expenses	4.3.	10,491	12,345
Adjustment for proceeds from disposals of subsidiaries		–	–1,269
Other adjustments		–5,134	4,630
Cash flow from operating activities before change in working capital		**202,882**	**215,214**
Change in working capital			
Change in trade and other receivables		1,727	–11,523
Change in inventories		–2,244	–1,745
Change in non-interest-bearing liabilities		4,840	14,142
Cash flow from operating activities before interest and taxes		**207,206**	**216,087**
Interest paid		–8,923	–9,831
Interest received		568	572
Income tax paid		–13,631	–6,193
Net cash flow from operating activities, continuing operations		185,219	200,637
Net cash flow from operating activities, discontinued operations		3,261	–797
Net cash flow from operating activities, total		**188,480**	**199,840**
Cash flow from investing activities			
Acquisition of businesses and subsidiaries, net of cash		–21,128	–1,001
Investment in tangible non-current assets (rental machinery)		–161,354	–140,962
Investment in other tangible non-current assets		–8,342	–10,064
Investment in intangible non-current assets		–672	–2,759
Proceeds from sale of tangible and intangible non-current assets (excluding used rental equipment)		374	356
Proceeds from sales of businesses and subsidiaries		48,361	15,114
Decrease of loan receivables		1,459	2,773
Received dividends		91	121
Net cash flow from investing activities, continuing operations		–141,211	–136,423
Net cash flow from investing activities, discontinued operations		–6,581	–11,783
Net cash flow from investing activities, total		**–147,792**	**–148,205**
Cash flow from financing activities			
Paid dividends		–47,463	–43,228
Purchase of treasury shares		–5,648	–
Changes in ownership interests in subsidiaries		–	–911
Borrowings and repayments of short-term debt (net)	4.6.	15,817	9,847
Repayments of non-current debt	4.6.	–	–12,015
Net cash flow from financing activities, continuing operations		–37,293	–46,308
Net cash flow from financing activities, total		**–37,293**	**–46,308**
Net change in cash and cash equivalents during the financial year		**3,395**	**5,327**
Cash at the beginning of the period		6,896	1,570
Change in cash		3,395	5,327
Cash at the end of the period		10,292	6,896

Consolidated statement of changes in equity (EUR 1,000)	Share capital	Revaluation fund	Invested unrestricted equity fund	Translation differences	Retained earnings	Equity attributable to shareholders of the parent company	Non-controlling interests	Total equity
Equity Jan 1, 2017	25,000	-443	113,951	-38,457	197,517	297,568	-	297,568
Translation differences	-	-7	-	-8,636	-	-8,643	-	-8,643
Remeasurement of defined benefit obligation	-	-	-	-	-1,312	-1,312	-	-1,312
Cash flow hedges	-	219	-	-	-	219	-	219
Share of other comprehensive income of associates and joint ventures	-	-	-	-1,290	-	-1,290	-	-1,290
Result for the period, continuing operations	-	-	-	-	63,452	63,452	-	63,452
Total comprehensive income for the period	**-**	**211**	**-**	**-9,926**	**62,140**	**52,426**	**-**	**52,426**
Share based payments	-	-	-	-	277	277	-	277
Issue of treasury shares	-	-	2,477	-	-	2,477	-	2,477
Dividend distribution	-	-	-	-	-43,228	-43,228	-	-43,228
Total transactions with shareholders	**-**	**-**	**2,477**	**-**	**-42,951**	**-40,474**	**-**	**-40,474**
Equity Dec 31, 2017	**25,000**	**-231**	**116,428**	**-48,383**	**216,706**	**309,520**	**-**	**309,520**
Adoption of IFRS 9 and amended IFRS 2		-88			982	894	-	894
Equity Jan 1, 2018	**25,000**	**-319**	**116,428**	**-48,383**	**217,688**	**310,414**	**-**	**310,414**
Translation differences	-	-1	-	-9,326	-	-9,327	-	-9,327
Remeasurement of defined benefit obligation	-	-	-	-	-1,218	-1,218	-	-1,218
Cash flow hedges	-	-590	-	-	-	-590	-	-590
Share of other comprehensive income of associates and joint ventures	-	-	-	-1,778	-	-1,778	-	-1,778
Result for the period	-	-	-	-	47,833	47,833	-	47,833
Total comprehensive income for the period	**-**	**-591**	**-**	**-11,103**	**46,615**	**34,921**	**-**	**34,921**
Share based payments	-	-	-	-	434	434	-	434
Purchase of treasury shares	-	-	-	-	-5,648	-5,648	-	-5,648
Issue of treasury shares	-	-	137	-	-	137	-	137
Dividend distribution	-	-	-	-	-47,463	-47,463	-	-47,463
Total transactions with shareholders	**-**	**-**	**137**	**-**	**-52,676**	**-52,539**	**-**	**-52,539**
Equity Dec 31, 2018	**25,000**	**-910**	**116,565**	**-59,486**	**211,627**	**292,796**	**-**	**292,796**

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Notes to the consolidated financial statements

How to read the notes section of the financial statements:
The notes to the consolidated financial statements are grouped into sections based on their context. The accounting principles applied to the consolidated financial statements as total are described in the first chapter of the notes information. The accounting principles, critical accounting estimates and judgements and other specific information relating to specific lines of statement of income and statement of financial position are disclosed in connection with the relevant note.
Accounting principles are marked with P. Accounting estimates and judgements are marked with E.

1. Basic information

1.1. Description of the company

Ramirent Plc ("the company") is a Finnish public limited liability company organized under the laws of Finland and domiciled in Helsinki, Finland. Ramirent Plc's registered address is Tapulikaupungintie 37, FI–00750 Helsinki, Finland. Ramirent Plc's shares are listed on the Nasdaq Helsinki (RAMI).

Ramirent Plc is the parent company for Ramirent Group (together, "Ramirent" or the "Group"). The Group's business activities comprise rental of machinery and equipment for construction and manufacturing industries, the public sector and households. In addition to this, the Group provides services related to the rental of machinery and equipment and also conducts some trade of construction related machinery, equipment and accessories.

Ramirent is an international Group with operations in 10 countries at the end of 2018 – Finland, Sweden, Norway, Denmark, Estonia, Latvia, Lithuania, Poland, Czech Republic and Slovakia. The business operations were conducted from a total of 294 (293) rental outlets located in these countries. In Russia and Ukraine the operations were carried out through a joint venture.

At the end of 2018 Ramirent employed 2,905 (2,820) people. The consolidated net sales amounted to EUR 711.7 (685.5) million, of which 69% (68%) was generated outside Finland.

These consolidated financial statements were authorized for release by the Board of Directors on February 7, 2019. According to the Finnish Companies Act, the Annual General Meeting of shareholders is entitled to decide on the adoption of the company's financial statements.

1.2. Basis of preparation

Ramirent Plc's consolidated financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union. All IAS and IFRS standards effective on December 31, 2018, that are applicable to Ramirent's business operations, including all SIC and IFRIC interpretations thereon, have been applied with when preparing both year 2018 and comparative year 2017 figures. The notes to the consolidated financial statements conform also with the Finnish accounting and company legislation.

The consolidated financial statements have been prepared on the historical cost basis except as disclosed in the notes further.

Consolidated financial statements have been presented in thousand euros unless otherwise stated. Due to rounding the sum of individual figures may differ from the totals. The figures in parentheses refer to the previous financial year.

1.3. Critical accounting estimates and judgements

The preparation of financial statements in conformity with IFRS requires the Group's management to make and rely on estimates and to make judgements when applying the accounting principles. Although these estimates are based on management's best knowledge of events and transactions, actual results may, nevertheless, differ from the estimates.

The most common and significant situations when management uses judgement and makes estimates are when it decides on the following:

- estimates of future financial performance of the Group, affecting the reward realization of the long term incentive programs (note 2.6.),
- economic lives of non-current assets (note 3.1),
- future business estimates and other elements of impairment testing (note 3.2),
- fair value (collectable amount) of trade receivables (note 5.1, section Credit risk),
- probability of future taxable profits against which tax deductible temporary differences can be utilized thus giving rise to recognition of deferred income tax assets (note 6.2.),

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- measurement of fair value of assets acquired in connection with business combinations (note 7.4.), and
- contingent consideration arrangements in acquisitions (note 7.4.).

Detailed information about each of the above estimate and judgement and the basis of calculation for each affected line item in the financial statements is included in the respective notes to the consolidated financial statements.

1.4. Classification of expenses in the income statements

The classification of expenses in the consolidated statement of income is changed to be function based from January 1, 2018. Earlier the classification was based on the nature of the expenses. The comparative information in the report has been changed accordingly. In the function based statement of income costs directly associated with generating revenues are included in cost of sales. Cost of sales includes direct material costs and employee benefit expenses as well as also indirect costs that can be attributed to generating revenue, such as depreciation and amortization of assets used by the operations. The reconciliation of EBIT based on the nature of expenses is presented in note 7.6.

1.5. New and amended IFRS standards implemented in 2018

Ramirent has implemented the following new or amended IFRS standards in 2018:

IFRS 15 Revenue from contracts with customers: 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. The standard was adopted using the full retrospective method. As there was not any material effect on the information in the statement of financial position at the beginning of comparative period, a third balance is not presented.

IFRS 9 Financial instruments: The new standard affects the classification and measurement of financial instruments. Following the adoption of IFRS 9 available for sale financial assets have been reclassified as financial assets measured at fair value through profit or loss. Ramirent has adopted an expected credit loss impairment model for recognizing impairment on trade receivables. The effect of the adoption of IFRS 9, EUR -0.3 million, was recognized as a transition adjustment to the opening equity of January 1, 2018.

Amendment to IFRS 2 Share based payment transactions: The main effect to Ramirent is the requirement to account for the full incentive plan as equity settled when Ramirent is obliged to withhold an amount that relates to personal taxes and pay that amount to the tax authority. The effect of the adoption of IFRS 2, EUR 1.2 million, was recognized as a transition adjustment to the opening equity of January 1, 2018.

2. Operating results from continuing operations

2.1. Segment information

P Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the CEO of the Ramirent Group.

Segment information is presented for Ramirent's operating segments, which are determined by geographical split. Operating segments are managed separately and they are separately reported in internal management reporting to the CEO.

As of January 1, 2018, Ramirent reports segments Baltics and Europe Central together as one new segment called Eastern Europe. On December 3, 2018, Ramirent announced that operations in Denmark will be divested. The transaction is estimated to be completed at the beginning of 2019. The operations to be divested are reported as discontinued operations and are not included in the financial figures for the continuing operations. The comparative information has also been restated accordingly. Following these changes Ramirent publishes its financial information for continuing operations according to the following four operating segments:

- Sweden
- Finland
- Eastern Europe (Baltics, Poland, Czech Republic and Slovakia)
- Norway.

The column "Unallocated items" in the Segment information table includes head office functions' cost to the extent that they do not relate to any services provided to the segments and not charged to the segments. Such costs are e.g. costs that relate to the parent company's status as a listed company and related reporting requirements. The Sweden based product development company Safety Solutions Jonsereds AB, the site module assembly plant in Estonia and the share of the joint venture Fortent Group's net result to Ramirent are not reportable operating segments as they are not separately included in the reports provided to the Group's CEO. The Danish Temporary Space business is also included in unallocated items following the classification of the remaining Danish operations as discontinued operations.

The pricing of Group internal transactions between the different operating segments is based on the arm's length principle.

Financial income and expenses and income taxes are not allocated to segments but included in Unallocated items.

Revenue in all segments consists of rental income, service income, sales income of goods and sales income of used rental equipment. The sales mix varies between operating segments and from year to year. Rental operations are however the primary activity for all segments and they comprise over 60% of Ramirent's net sales. More information about net sales is disclosed in note 2.2.

Segment assets and liabilities are items that are used by a segment in its operating activities and can be allocated to a segment on a reasonable basis. Non–current assets in the following tables include all non–current assets other than financial instruments, post–employment benefit assets and deferred tax assets. Segment liabilities in the following tables include non–current and current liabilities other than interest–bearing liabilities. The segments' capital employed comprises of assets and liabilities that the segments utilize in their business operations to the extent assets and liabilities are reported regularly to the Group's CEO.

The CEO primarily uses measures of comparable operating result (EBIT) and comparable return on capital employed (ROCE%) to evaluate the segments performance and make decisions on resource allocation. Comparable EBIT and comparable ROCE% exclude incomes, expenses, assets, equity and liabilities arising from activities that amend Ramirent's business operations or are incurred outside its normal course of business, such as restructuring costs, impairment losses, significant write-downs of assets and significant gains or losses on sale of assets and businesses.

Reconciliation of comparable EBIT from continuing operations to profit before taxes from continuing operations (EUR 1,000)	2018	2017
Comparable EBIT by segment		
Sweden	43,854	36,404
Finland	27,773	25,288
Eastern Europe	31,000	23,486
Norway	11,787	8,655
Total	**114,415**	**93,833**
Items affecting comparability in EBIT		
Sweden	-8,657	-
Finland	-4,316	-
Norway	-21,840	1,296
Total	**-34,812**	**1,296**
Operating result (EBIT) by segment		
Sweden	35,197	36,404
Finland	23,457	25,288
Eastern Europe	31,000	23,486
Norway	-10,052	9,951
Total operating result (EBIT) for reportable segments	**79,603**	**95,129**
Unallocated income	2,537	2,845
Unallocated expenses	-15,252	-7,235
Total operating result (EBIT)	66,888	90,739
Financial income	648	660
Financial expenses	-11,139	-13,005
Consolidated profit before taxes from continuing operations	**56,397**	**78,393**

Information about segments is presented in the following tables:

Year 2018 segment information (EUR 1,000)	Sweden	Finland	Eastern Europe	Norway	Unallocated items and eliminations	Group total
External net sales	271,689	193,841	119,499	124,173	2,467	711,669
Inter–segment net sales	556	232	75	28	-891	-
Total net sales	272,244	194,074	119,574	124,201	1,576	711,669
Depreciation and impairment charges	-35,864	-29,052	-21,890	-25,846	313	-112,339
Amortization and impairment charges	-10,307	-1,768	-393	-8,961	-2,232	-23,661
Comparable EBIT	43,854	27,773	31,000	11,787	-7,625	106,790
Items affecting comparability in EBIT	-8,657	-4,316	-	-21,840	-5,090	-39,902
Operating result (EBIT)	35,197	23,457	31,000	-10,052	-12,715	66,888
Reportable non–current assets	226,203	176,532	145,380	104,002	18,594	670,711
Reportable assets	297,150	216,719	171,892	130,600	46,227	862,587
Reportable liabilities	103,729	45,414	22,017	34,928	2,825	208,913
Gross capital expenditure	58,808	68,393	44,779	40,014	-12,494	199,501
Number of employees						
At reporting date	838	564	752	375	377	2,905
Average during the year	842	555	742	390	362	2,890

Information on recognized impairment charges is presented in notes 7.4.

Year 2017 segment information (EUR 1,000)	Sweden	Finland	Eastern Europe	Norway	Unallocated items and eliminations	Group total
External net sales	259,479	191,261	110,866	121,060	2,830	685,495
Inter–segment net sales	864	212	106	164	-1,345	-
Total net sales	260,343	191,472	110,971	121,223	1,486	685,495
Depreciation and impairment charges	-35,570	-27,526	-20,671	-18,222	-71	-102,060
Amortization and impairment charges	-3,099	-1,261	-253	-2,575	-696	-7,883
Comparable EBIT	36,404	25,288	23,486	8,655	-4,390	89,443
Items affecting comparability in EBIT	-	-	-	1,296	-	1,296
Operating result (EBIT)	36,404	25,288	23,486	9,951	-4,390	90,739
Reportable non–current assets	258,081	144,532	125,839	111,407	63,290	703,148
Reportable assets	312,556	182,313	151,898	134,323	74,830	855,920
Reportable liabilities	99,861	37,542	22,584	32,847	8,734	201,568
Gross capital expenditure	63,191	38,474	35,462	23,689	5,633	166,450
Number of employees						
At reporting date	831	535	715	396	343	2,820
Average during the year	808	529	706	401	331	2,774

2.2. Net sales

Ramirent has identified the following revenue streams for its operations:

1. Rental sales (63% of net sales in 2018)
2. Service sales (29% of net sales in 2018)
3. Sale of equipment (3% of net sales in 2018)
4. Sale of goods (5% of net sales in 2018).

All Ramirent operating segments provide rental and services to their customers and sell equipment and goods, but the sales mix can be different between operating segments and varies from year to year.

Primary activity in Ramirent relates to rental business, which is currently in scope of IAS 17 Leases and from January 1, 2019 in scope of IFRS 16. Rental sales represent approximately 60% of the total net sales in Ramirent Group.

Ramirent's rental fleet comprises of the following product lines:

- modules and containers
- scaffolding and weather covers
- power and heating equipment
- tower cranes and hoists
- heavy machinery
- safety and support equipment
- lifts
- light machinery.

Rental contracts are most often made for an indefinite period and there are no significant minimum lease payments receivables. Invoicing is based on actual rental period that varies from days to years. In typical contracts the ownership is not transferred to the customer during or at the end of the lease period. Most of the fleet is ready to be rented without any modifications. There are no significant variable components in Ramirent's agreements with customers.

Service sales represent approximately 30% of the total net sales in Ramirent Group. Services are provided related to rental of machinery and equipment and separately. They comprise a wide range of different kind of services, e.g. worksite planning, logistics, on-site support, training and assembly and disassembly services.

Used rental equipment can be sold in connection to rental, but these sales are often carried out separately from rental operations and to different customers. Sale of goods is typically carried out in connection to rental operations.

Ramirent adopted IFRS 15 "Revenue from contracts with customers" from January 1, 2018. The adoption was done using the full retrospective method in accordance with IAS 8. IFRS 15 standard introduces a five phase model to be applied in revenue recognition. According to the standard revenue recognition is based on transfer of control. Revenue is recognized at an amount that reflects the consideration that is expected to be received. Revenue is recognized either at a point in time or over time. For Ramirent IFRS 15 is applied to services sales, sales of used rental equipment and goods. Implementation of IFRS 15 did not result in any material differences in the timing of the revenue recognition or in the amounts to be recognized, compared to the earlier principles. Adoption of the new standard did not result restatement of financial reporting.

P Revenues are reported at an amount expected to be received in exchange for the goods or services. Ramirent considers rental and services in a contract separately identifiable components and allocates revenues to these components separately. Transaction prices in the contracts are allocated to performance obligations based on stand-alone selling prices.

Ramirent has classified all rental agreements where Ramirent is the lessor as operating leases. Ramirent does not have any finance lease agreements with the customers. Rental revenue from operating leases is recognized on a straight line basis over the term of the relevant lease.

Services are treated as separate performance obligations and the revenue is recognized when the services are rendered to the customer over time.

Sale of equipment comprise sale of used machinery and equipment that Ramirent has held for rental to others and sells in the course of its ordinary activities. Such assets shall be transferred to inventories at the carrying amount when they cease to be rented and become held for resale. Income from sales of rental machinery and equipment is recognized in net sales on a gross basis. Revenue is recognized at a point in time, when control of the equipment is transferred, typically at the delivery.

Sale of goods comprise sale of fuel, merchandise and consumables in relation to rental of machinery and equipment or separately. Revenue is recognized at a point in time, when control of the goods is transferred, typically at the delivery.

Ramirent has not recognized any assets to fulfil the contracts.

Sales mix in 2018 and 2017, continuing operations (EUR 1,000)	2018	Share of total	2017	Share of total
Rental income	451,712	63.5%	432,449	63.1%
Service income	203,276	28.6%	193,638	28.2%
Sale of used rental machinery and equipment	22,115	3.1%	28,977	4.2%
Sale of goods	34,566	4.9%	30,431	4.4%
Net sales	**711,669**	**100.0%**	**685,495**	**100.0%**

Disaggregation of sales per customer sector in 2018 and 2017, continuing operations (EUR 1,000)	2018	Share of total	2017	Share of total
Construction	408,616	57.4%	385,457	56.2%
Industrial	125,457	17.6%	131,011	19.1%
Other	177,596	25.0%	169,027	24.7%
Total	**711,669**	**100.0%**	**685,495**	**100.0%**

Disaggregation of revenue 2018 (EUR 1,000)	Sweden	Finland	Eastern Europe	Norway	Unallocated items and eliminations	Group total
External net sales	271,689	193,841	119,499	124,173	2,467	711,669
Inter–segment net sales	556	232	75	28	-891	-
Total	**272,244**	**194,074**	**119,574**	**124,201**	**1,576**	**711,669**
Timing of revenue recognition:						
At a point in time	20,447	16,479	9,874	10,533	-651	56,682
Over time	251,798	177,595	109,700	113,668	2,227	654,988
Total	**272,244**	**194,074**	**119,574**	**124,201**	**1,576**	**711,669**

Disaggregation of revenue 2017 (EUR 1,000)	Sweden	Finland	Eastern Europe	Norway	Unallocated items and eliminations	Group total
External net sales	259,479	191,261	110,866	121,060	2,830	685,495
Inter–segment net sales	864	212	106	164	-1,345	-
Total	**260,343**	**191,472**	**110,971**	**121,223**	**1,486**	**685,495**
Timing of revenue recognition:						
At a point in time	21,489	15,218	8,197	15,373	-868	59,408
Over time	238,854	176,254	102,775	105,851	2,353	626,087
Total	**260,343**	**191,472**	**110,971**	**121,223**	**1,486**	**685,495**

Assets and liabilities related to contracts with customers
Ramirent did not have any assets and liabilities related to contracts with customers at the end of 2018. At the end of 2017 assets related to contracts with customers amounted to EUR 1.3 million and liabilities related to contracts with customers amounted to EUR 2.9 million. The amounts recognized in 2017 related to the Temporary Space business that was divested on November 1, 2018. There was no allowance for credit losses recognized on contract assets in 2017.

2.3. Other operating income

Other operating income comprises amounts that do not relate to Ramirent's basic business and are of non-recurring nature.

(EUR 1,000)	2018	2017
Gain on disposals of real estates and non–rental machinery and equipment	216	272
Rental income of real estates	151	117
Other income	423	1,718
Total	**791**	**2,108**

2.4. Material profit or loss items

The Group has identified the following items which are material due to the significance of their nature and amount. They are disclosed separately to provide a better understanding of the Group's operational performance.

(EUR 1,000)	2018	2017
Restructuring measures	-5,902	-
Acquisitions, divestments and asset disposals	-33,986	1,296
Total	**-39,887**	**1,296**

Details of acquisitions and divestment are presented in note 7.4.
Details of restructuring measures are presented in note 3.4.

2.5. Materials and services

P The carrying value of sold rental machinery and equipment and the costs related to their sale, as well as external service providers' cost for performing repair, maintenance, transportation and other services and cost of sold fuel are recognized as material and service expenses. They are expensed when incurred for the same reporting period as the related income is recognized as revenue.

(EUR 1,000)	2018	2017
Cost of sold rental equipment	-5,359	-11,780
Cost of goods sold	-26,321	-23,925
Repair and maintenance expenses	-28,126	-26,844
Cost of external services	-104,774	-98,510
Transportation expenses	-54,281	-51,495
Expensed equipment	-324	-487
Total	**-219,184**	**-213,042**

2.6. Employee benefit expenses

(EUR 1,000)	2018	2017
Wages and salaries	-118,017	-114,436
Termination benefits	-2,010	-646
Social security	-24,922	-25,355
Post-employment benefits		
Pension expenses – defined benefit plans	-857	-907
Pension expenses – defined contribution plans	-10,092	-9,831
Equity-settled share-based payment transactions	-434	-277
Cash-settled share-based payment transactions	-1,049	-1,073
Other personnel expenses	-16,140	-15,282
Total	**-173,522**	**-167,807**

Information on related party transactions is presented in note 8.1. related party transactions. This note also contains information about the CEO's voluntary pension plan.

Share-based payments

P Ramirent has long-term incentive plans for its key managers. The plans have been established to form part of the long-term incentive and commitment program for the key personnel of the company and its subsidiaries. The aim is to combine the objectives of the shareholders and the key personnel in order to increase the value of the company, to commit the key personnel to the company, and to offer the key personnel a competitive reward program based on holding the company's shares. Any reward is subject to achievement of the targets set by Ramirent Plc's Board of Directors.

The incentive programs are partly equity-settled and partly cash-settled. The costs are accrued over the vesting period for each program.

Ramirent has adopted the amendment to IFRS 2 Share based payment transactions from January 1, 2018. The main effect is the requirement to account for the full incentive plan as equity settled when Ramirent is obliged to withhold an amount that relates to personal taxes and pay that amount to the tax authority.

The effect of the adoption of IFRS 2, EUR 1.2 million, was recognized as a transition adjustment to the opening equity of January 1, 2018.

Long-term incentive plans

Ramirent's long-term incentive plans have been implemented in the following structures: Long-term Incentive Share Plan for the senior management including a performance and a matching share component, Performance Share Plan for the Executive Management Team and Deferred Incentive Plan for the key employees. The potential reward in the Deferred Incentive Plan will be paid entirely in cash. The potential reward in the share plans will be paid as combination of the company's shares and cash. The cash proportion is intended to cover taxes arising from the reward to the plan participants. Continued employment to Ramirent is a basic requirement in the plans. As a general rule, if an employment or service terminates, or notice thereof is given, during the three-year plan the participant will lose his or her right to the share reward.

In the Long-term Incentive Share Plans 2015-2017 and 2016-2018 the participants are offered the opportunity to earn matching shares on the basis of share ownership and performance shares on the basis of performance target set for Economic Profit during a three-year earning period. During the reporting period, Plan 2015-2017 ended and a total number of 24, 925 net shares and a cash payment equaling to the value of 37, 862 shares were paid to 29 employees.

In the Performance Share Plans two performance periods have been launched for the Executive Management Team. The potential reward from the performance period 2018-2020 will be paid on the basis of the company's Short-term Incentive Plan 2018 (STI) and the Group's cumulative Earnings per Share (EPS) during 2018-2020. The potential reward from the performance period 2019-2021 is based on the Group's Earnings per Share (EPS) in 2019 as well as on the Group's average Return on Capital Employed (ROCE-%) development in 2019-2021.

Since 2017 three earning periods under Deferred Incentive Plan (DIP) have been launched for the key employees. The aim in the plans is to maximally support the implemantation of the company's renewed strategy and to offer key employees a competitive reward and retention program. The potential reward will be based on the participant's short term incentive plan targets. The DIP includes one earning period and a lock-up period of two years whereby the potential reward will be paid in cash. The incentive plan has been extended to include approximately 150 key employees. The members of the Executive

Management Team are also included in the target group of DIP 2017 and their total reward potential will be based on the short term incentive plan targets and the Group's Total Shareholder Return (TSR) for the earning period 2017 and the two-year lock-up period.

Information on incentive plans December 31, 2018	Long-term Incentive Share Plan 2015-2017	Long-term Incentive Share Plan 2016-2018	Deferred Incentive Plan 2017-2019	Performance Share Plan 2018-2020
Maximum shares	450,000	540,000	N/A	270,000
Initial allocation date	14/5/2015	27/4/2016	19/12/2016	15/1/2018
Vesting date	15/3/2018	15/3/2019	15/3/2020	31/3/2021
Maximum contractual life, years	2.8	2.9	3.2	3.2
Remaining contractual life, years	0	0.2	1.2	2.2
Employees at the balance sheet date	0	24	110	8
Settlement	Equity and cash	Equity and cash	Cash	Equity and cash

Changes during 2018, pcs	Long-term Incentive Share Plan 2015-2017	Long-term Incentive Share Plan 2016-2018	Performance Share Plan 2018-2020
Jan 1, 2018			
Outstanding at the beginning of the reporting period,	231,120	433,947	–
Changes during the period			
Granted	–	23,312	285,000
Forfeited	168,333	–	35,000
Exercised	62,787	–	–
Dec 31, 2018			
Outstanding at the end of the period	–	457,259	250,000

Information on incentive plans December 31, 2017	Long-term Incentive Share Plan 2014-2016	Long-term Incentive Share Plan 2015-2017	Long-term Incentive Share Plan 2016-2018	Deferred Incentive Plan 2017-2019
Maximum shares, pcs	360,000	450,000	540,000	N/A
Initial allocation date	23/5/2014	14/5/2015	27/4/2016	19/12/2016
Vesting date	1/3/2017	15/3/2018	15/3/2019	15/3/2020
Maximum contractual life, years	2.8	2.8	2.9	3.2
Remaining contractual life, years	–	0.2	1.2	2.2
Employees at the balance sheet date	–	32	28	119
Settlement	Equity and cash	Equity and cash	Equity and cash	Cash

Changes during 2017, pcs	Long-term Incentive Share Plan 2014-2016	Long-term Incentive Share Plan 2015-2017	Long-term Incentive Share Plan 2016-2018
Jan 1, 2017			
Outstanding at the beginning of the reporting period	161,759	256,830	463,588
Changes during the period			
Forfeited	114,528	25,710	29,641
Exercised	47,231	–	–
Dec 31, 2017			
Outstanding at the end of the period	–	231,120	433,947

Effect of Share-based Incentives on the result and financial position during the period (EUR)	2018	2017
Expenses for the financial year, share-based payments	1,483,297	1,349,726
Expenses for the financial year, share-based payments, equity-settled	434,338	277,001
Estimated amount of taxes to be paid in the plans 31 December.	1,692,054	1,539,685
Liabilities arising from share-based payments December 31	777,564	1,944,630

Pension obligations

P The Group companies have organized their pensions by means of various pension plans in accordance with local conditions and practices. Such plans are either defined contribution plans or defined benefit plans. Ramirent has defined contribution plans in all countries where it operates and a defined benefit plan in Sweden.

In defined contribution plans, the Group makes fixed payments to separate entities or plans, in which the Group has no legal or constructive obligation to make any additional payments if the party receiving them is unable to pay the pension benefits in question. All arrangements that do not qualify as defined contribution plans are defined benefit plans.

The pension contributions paid or payable for defined contribution pension plans are expensed in profit or loss during the financial period to which the costs relate.

The defined benefit pension obligations due to defined benefit pension plans have been recognized in the balance sheet on the basis of actuarial calculations. The actuarial calculations are based on projected unit credit method. Under this method, the cost of providing pensions is charged to profit or loss so as to spread the regular cost over the service lives of employees in accordance with the advice of qualified actuaries who carry out a full valuation of the plans every year. The pension obligation is measured as the present value of estimated future cash outflows using interest rates of highly rated government securities or corporate bonds, as appropriate that materially corresponds to the currency and expected maturity of the defined benefit pension obligation.

The Group recognizes all actuarial gains and losses arising from defined benefit plans in equity in Other Comprehensive Income as they occur. The Group reports the service cost in employee benefit expenses and the net interest in financial items. The Group reports the net pension asset or liability in the Balance Sheet.

E The future pension benefit at the time of retirement for the employees covered by the defined benefit pension plans is determined on the basis of certain factors e.g. the salary level and the total number of years of service.

Pension costs recognized in profit or loss (EUR 1,000)	2018	2017
Defined benefit pension plan expenses	-1,445	-1,504
Defined contribution pension plan expenses	-10,092	-9,831
Total	**-11,537**	**-11,335**

Elements of defined benefit pension plan expenses (EUR 1,000)	2018	2017
Current service cost	-857	-907
Interest cost	-588	-597
Total	**-1,445**	**-1,504**

Elements of defined benefit plan net obligation (EUR 1,000)	2018	2017
Present value of unfunded obligations	24,226	22,357
Surplus (-) / deficit (+)	24,226	22,357
Net obligation on December 31	24,226	22,357
Amounts recognized in the balance sheet		
Liabilities	24,226	22,357
Net liability	24,226	22,357

Change of the present value of the defined benefit pension obligations (EUR 1,000)	2018	2017
Present value of obligation on January 1	22,357	20,005
Translation differences	-896	-624
Current service cost	857	907
Interest cost	588	597
Experience adjustments to plan liabilities	581	540
Actuarial gains (-) and losses (+) arising from changes in financial assumptions	968	1,142
Benefits paid	-230	-210
Present value of obligation on December 31	**24,226**	**22,357**

Principal actuarial assumptions	2018	2017
Discount rate	2.55%	2.65%
Future salary increase expectation	2.50%	2.00%
Future benefit increase expectation	2.50%	2.00%

The estimated year 2019 employer contributions amount to EUR 0.2 million (year 2018 estimate was EUR 0.2 million at year end 2017). The weighted average duration of the defined benefit obligation is 21 (22) years.

E Ramirent has in Sweden a pension plan ITP 2, which is an additional pension plan for private sector officials. The pension plan has been arranged by an external insurance company. The plan does not include any plan assets thus the Group is not exposed to risks related to changes in assets fair values. Risks relate only to increase in defined benefit obligation. Increase in obligation may be due to changes in actuarial assumptions and most significant assumptions are referred earlier in section "Principal actuarial assumptions". Changes in actuarial assumptions effect to the amount of obligation according to IAS 19 through other comprehensive income. Therefore the Group's profit or loss does not significantly expose to volatility caused by changes in actuarial assumptions.

Sensitivity analysis

December 31, 2018 Sensitivity analysis of discount rate +/– 0.5%	2.05%	2.55%	3.05%
Present value of obligation December 31, 2018	26,927	24,226	21,873

December 31, 2017 Sensitivity analysis of discount rate +/– 0.5%	2.15%	2.65%	3.15%
Present value of obligation December 31, 2017	24,895	22,357	20,150

2.7. Leasing expenses

P Leases of assets where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Ramirent's operating leases comprise of lease agreements of rental machinery and equipment, lease agreements of property and other operating lease agreements.

The lease expenses are recognized on straight line basis either in cost of sales or in selling, general and administration expenses in the profit or loss. The total of future minimum lease payments under non-cancellable operating leases is reported as off balance obligation.

Agreements for premises used in operations as head offices, hubs and customer centres form the largest group of Ramirent's lease contracts. The rest of the lease agreements relate to cars and other vehicles as well as rental machinery and equipment. Lease agreements for premises are made either for a fixed period of time or for an indefinite period depending on the importance of the leased premises. Agreements for head offices and hubs are usually fixed for a longer period while agreements for customer centers are made for a shorter period or for an indefinite period. Re-rent agreements are typically short-term and the lease payments are cancellable.

The impacts of the adoption of the IFRS 16 Leases are described in note 7.7.

Operating lease expenses in the statement of income (EUR 1,000)	2018	2017
Premises	-24,804	-24,763
Rental machinery	-23,209	-23,022
Other	-5,470	-4,928
Net lease expenses in the statement of income	**-53,483**	**-52,714**

Non-cancellable minimum future operating lease payments (EUR 1,000)	2018	2017
Payable < 1 year from balance sheet date	31,396	25,221
Payable 1–5 years from balance sheet date	42,291	42,450
Payable > 5 years from balance sheet date	14,267	14,352
Future gross operating lease payments	**87,954**	**82,023**

2.8. Other operating expenses

P Expenses are recognized in profit or loss when service has been received and cost is incurred.

(EUR 1,000)	2018	2017
Other property expenses	-9,970	-9,523
IT and office expenses	-18,826	-17,711
External services expenses	-16,257	-12,582
Credit losses	-2,244	-2,942
Change of allowance for bad debt	-426	-485
Restructuring and other non-recurring expenses	-3,941	-244
Marketing and representation expenses	-9,083	-8,456
Other expenses	-3,076	-2,408
Total	**-63,823**	**-54,351**

Audit and other fees to auditors (EUR 1,000)	2018	2017
Audit fees	-361	-346
Audit related fees	-9	-
Tax consulting fees	-78	-58
Other fees	-425	-
Total	**-873**	**-404**

PricewaterhouseCoopers Oy has provided non-audit services to entities of Ramirent in total EUR 23 thousand during the financial year 2018.

2.9. Depreciation, amortization and impairment charges

Depreciation, amortization and impairment charges by class of assets (EUR 1,000)	2018	2017
Depreciation of tangible non–current assets		
Buildings and structures	–2,284	–2,264
Machinery and equipment	–92,381	–97,203
Other tangible assets	–2,809	–2,593
Amortization of intangible non–current assets		
Other intangible assets	–3,012	–3,987
Other capitalized long–term expenditure	–4,235	–3,896
Impairment charges		
Tangible non-current assests	–14,865	–
Intangible non-current assets	–16,413	–
Total	**-135,999**	**-109,944**

The estimated useful lives per asset category are presented in notes 3.1. and 3.2.

The impairment charges recognized in 2018 relate to the divestment of the Temporary Space business in Sweden, Finland, Norway and Denmark. No impairment charges were recognized in 2017 on tangible or intangible assets.

2.10. Earnings per share

P The basic earnings per share (EPS) is calculated by dividing the net result attributable to the parent company's shareholders with the weighted average number of shares outstanding during the financial period. Treasury shares, if any, are subtracted from the number of outstanding shares.

The diluted EPS is calculated by dividing the net result attributable to the parent company's shareholders with the weighted average number of shares outstanding during the financial period. Share–based payment arrangements have a diluting effect if the share market price is higher than the subscription price of the shares which includes the fair value of any services to be supplied to the Group in the future under the share–based payment arrangements and if all the conditions have been realized at the reporting date.

	2018	2017
Result from continuing operations (EUR thousand)	44,867	64,796
Result from discontinued operations (EUR thousand)	2,966	–1,344
Result for the financial year (EUR thousand)	**47,833**	**63,452**
Result for the financial year attributable to:		
Shareholders of the parent company	47,833	63,452
Total	**47,833**	**63,452**
Weighted average number of outstanding shares, basic (thousand)	107,831	108,010
Weighted average number of outstanding shares, diluted (thousand)	108,145	108,482
Earnings per share (EPS) on parent company shareholders' share of result		
Earnings per share (EPS), basic, continuing operations, EUR	0.42	0.60
Earnings per share (EPS), diluted, continuing operations, EUR	0.41	0.60
Earnings per share (EPS), basic, discontinued operations, EUR	0.03	–0.01
Earnings per share (EPS), diluted, discontinued operations, EUR	0.03	–0.01
Earnings per share, basic (EUR)	0.44	0.59
Earnings per share, diluted (EUR)	0.44	0.58

3. Financial position

3.1. Property, plant and equipment

P A tangible asset is recognized in the balance sheet only if it is probable that future economic benefits associated with the asset will flow to the entity and its cost can be measured reliably.

Tangible assets (land, buildings and structures, machinery and equipment, other tangible assets) acquired by Group companies are stated at original acquisition cost less accumulated depreciation and accumulated impairment charges, except when acquired in connection with a business combination when they are measured at fair value at acquisition date less depreciation and impairment charges accumulated after the acquisition date.

The acquisition cost includes all expenditure attributable to bringing the asset to working condition. In addition to direct purchasing expenses it also includes other expenses related to the acquisition, such as duties, transport costs, installation costs and inspection fees,.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Major repairs may qualify for the capitalization criteria for subsequent expenditures. This is the case when the costs spent on the repair enhance the capacity of the asset or extends its useful life compared to its capacity or useful life before the repair. If not, subsequent expenditures are not capitalized in the balance sheet, but instead recognized as expenses in the profit or loss. Ordinary repair and maintenance expenditures are expensed to the profit or loss when incurred.

Tangible assets are subject to straight–line item–by–item depreciation during their estimated useful life. Land is not subject to depreciation.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Depreciation ceases when assets are classified as held for sale in accordance with IFRS 5 “Non–current Assets Held for Sale and Discontinued Operations”. Assets classified as held for sale are carried at the lower of carrying value and fair value less costs to sell. Machinery and equipment held for rental that are routinely sold in the course of the Group’s ordinary activities are transferred to inventories when they cease to be rented and become held for sale.

Gains and losses on disposed tangible assets are recognized in the profit or loss. Sales income from sold rental machinery and equipment is recognized in net sales and the costs related to the sales are recognized as material and service expenses. Sales gains from sold other tangible assets are recognized as other operating income and sales losses are recognized as other operating expenses.

E The estimated useful lives per asset category as follows:

- Buildings, structures and land improvements 10–30 years
- Machinery and equipment for own use 3–10 years
- Other tangible non–current assets 3–8 years
- Itemized rental machinery, fixtures and equipment
  - Lifting and loading equipment 8–15 years
  - Light equipment 3–8 years
  - Modules and site equipment 10–15 years
- Non–itemized rental machinery, fixtures and equipment
  - Scaffolding 3–10 years
  - Formwork and supporting fixtures 3–10 years
  - Other non–itemized tangible assets 3–10 years

Impairment and impairment testing of non-current assets

P Non–current assets are reviewed regularly to determine whether there are any indications of impairment, i.e. whether any events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Assets that are subject to depreciation and amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount for non–current assets is the higher of their fair value less cost to sell and their value in use. The value in use is determined by reference to discounted cash flows expected to be generated by the asset. The financial valuation models used for impairment testing require application of estimates.

A recognized impairment loss is reversed only if such changes of circumstances have occurred which have had an increasing effect on the recoverable amount compared to its amount when the impairment loss was recognized. Impairment losses may not, however, be reversed in excess of such a reversal amount which would cause the assets carrying value after the reversal to be higher than the carrying value it would have had if no impairment loss would have been recognized.

For machinery and equipment in rental use special attention is paid to utilization rate and in cases where the utilization rate is low the need for impairment is considered. An impairment loss is recognized when an asset’s carrying amount is higher than its recoverable amount. Impairment losses are recognized in the profit or loss. Detailed information on impairment losses is presented in note 2.9.

Movement in property, plant and equipment 2018 (EUR 1,000)	Land	Buildings & structures	Machinery & equipment	Other tangible assets	Total
Historical cost on January 1	2,784	21,407	1,162,608	31,051	1,217,851
Exchange differences	–	-204	-20,466	-745	-21,415
Additions	699	4,450	167,692	3,194	176,035
Business combinations	230	1,087	25,257	–	26,574
Disposals	-66	-675	-42,131	-6,388	-49,259
Assets held for sale	–	-581	-65,035	-924	-66,541
Disposals of subsidiaries and businesses	–	–	-96,814	–	-96,814
Reclassifications*	–	-17	-37,001	638	-36,381
Historical cost on December 31	3,648	25,467	1,094,110	26,826	1,150,051
Accumulated depreciation and impairment charges on January 1	–	-10,675	-661,699	-20,710	-693,083
Exchange differences	–	121	11,558	539	12,218
Business combinations	–	-17	-11,757	–	-11,774
Disposals	–	558	42,584	5,840	48,982
Assets held for sale	–	430	30,527	578	31,535
Disposals of subsidiaries and businesses	–	–	42,132	–	42,132
Reclassifications*	–	2	48,084	-273	47,813
Depreciation	–	-2,284	-107,246	-2,809	-112,339
Accumulated depreciation and impairment charges on December 31	–	-11,865	-605,818	-16,834	-634,516
Carrying value on January 1	2,784	10,732	500,909	10,342	524,768
Carrying value on December 31	3,648	13,602	488,292	9,993	515,535

* Reclassifications include sold used rental machinery and equipment that is transferred to inventories when they become held for resale, as well as transfers of own production from inventories to tangible assets. .

The impairment charges recognized in 2018 relate to the divestment of the Temporary Space business in Sweden, Finland, Norway and Denmark. Detailed information is presented in note 7.4.

Movement in property, plant and equipment 2017 (EUR 1,000)	Land	Buildings & structures	Machinery & equipment	Other tangible assets	Total
Historical cost on January 1	6,477	27,748	1,095,840	29,174	1,159,239
Exchange differences	-283	-1,029	-19,999	-529	-21,840
Additions	1,452	4,566	153,198	3,820	163,035
Business combinations	–	–	277	–	277
Disposals	–	-1,316	-11,639	-3,673	-16,628
Disposals of subsidiares and businesses	-4,862	-8,432	–	–	-13,294
Reclassifications	–	-129	-55,069	2,260	-52,938
Historical cost on December 31	2,784	21,407	1,162,608	31,051	1,217,851
Accumulated depreciation and impairment charges on January 1	–	-10,122	-632,736	-21,047	-663,905
Exchange differences	–	354	12,115	476	12,945
Disposals	–	1,188	11,637	3,642	16,467
Disposals of subsidiares and businesses	–	203	–	–	203
Reclassifications	–	47	50,005	-1,055	48,997
Depreciation	–	-2,346	-102,719	-2,725	-107,790
Accumulated depreciation and impairment charges on December 31	–	-10,675	-661,699	-20,710	-693,083
Carrying value on January 1	6,477	17,626	463,104	8,127	495,334
Carrying value on December 31	2,784	10,732	500,909	10,342	524,768

3.2. Goodwill and other intangible assets

P Goodwill

Goodwill is measured as the excess of the sum of consideration transferred, the amount of any non-controlling interests in the acquired entity, and the acquisition date fair value of any previous equity interest in the acquired equity over the fair value of the net identifiable assets acquired. It represents a consideration made by the acquirer in anticipation of future economic benefits from assets that cannot be individually identified and separately recognized as assets. Goodwill is not amortized, but instead it is subject to impairment testing procedure once a year, or more frequently if events or changes in circumstances indicate that it might be impaired. For this purpose goodwill is allocated to the cash-generating units "CGU" which it relates to. An impairment charge on goodwill is recognized in the consolidated income statement, if the impairment test shows that its carrying amount exceeds its estimated recoverable amount, in which case its carrying amount is written down to its recoverable amount. Thus, subsequent to its initial recognition, goodwill acquired in a business combination is carried at initial cost less any accumulated impairment charges recognized after the acquisition date. An impairment loss on goodwill is never reversed.

Other intangible assets

An intangible asset is recognized only if it is probable that the future economic benefits that are attributable to the asset will flow to the entity, and the cost can be measured reliably. They are carried at initial fair value at the date of acquisition less cumulative amortization and accumulated impairment charges.

Amortization ceases when an asset is classified as held for sale in accordance with IFRS 5 "Non–current Assets Held for Sale and Discontinued Operations". Assets classified as held for sale are carried at the lower of carrying value and fair value less costs to sell.

Gains on sold intangible assets are recognized as other operating income, whereas losses are recognized as other operating expenses in the profit or loss.

Other intangible assets comprise software licenses, costs for IT–systems and development costs for new products. The initial cost comprises expenses directly attributable to the acquisition of the asset and other expenses associated with the development of the system.

In addition to the aforementioned categories, other intangible assets also include non–competition, customer and cooperation agreements, customer relationships and development costs for new products acquired and identified in business combinations.

E

The estimated useful lives per asset category are as follows:

· Software licenses and IT–systems	3–5 years
· Costs for development of new products	5 years
· Non–competition agreements	2–5 years
· Customer agreements and relationships	3–10 years
· Cooperation agreements	3–5 years

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Movement in goodwill and other intangible assets 2018 (EUR 1,000)	Goodwill	Other intangible assets	Other capitalized long-term expenditure	Total
Historical cost on January 1	140,011	47,417	32,137	219,565
Exchange differences	-2,947	-832	-113	-3,892
Additions	-	66	606	672
Business combinations	5,546	2,448	-	7,994
Disposals	-10,454	-14,445	-4,816	-29,715
Assets held for sale	-355	-	-	-355
Reclassifications	-	-42	-445	-487
Historical cost on December 31	131,801	34,612	27,369	193,782
Accumulated amortization and impairment charges on January 1	-5,351	-38,033	-17,720	-61,105
Exchange differences	2	729	51	781
Disposals	-	10,591	2,448	13,039
Assets held for sale	-	-	-	-
Reclassifications	-	45	447	493
Amortization	-	-3,012	-4,235	-7,247
Accumulated amortization and impairment charges on December 31	-5,349	-29,681	-19,010	-54,040
Carrying value on January 1	134,660	9,383	14,417	158,460
Carrying value on December 31	126,451	4,931	8,359	139,742

The impairment charges recognized in 2018 relate to the divestment of the Temporary Space business in Sweden, Finland and Norway. Detailed information is presented in note 7.4.

Movement in goodwill and other intangible assets 2017 (EUR 1,000)	Goodwill	Other intangible assets	Other capitalized long-term expenditure	Total
Historical cost on January 1	143,931	51,327	29,993	225,251
Exchange differences	-4,104	-1,750	-4	-5,858
Additions	-	189	2,528	2,718
Business combinations	184	236	-	420
Disposals	-	-2,850	-143	-2,993
Reclassifications	-	264	-236	27
Historical cost on December 31	140,011	47,417	32,137	219,565
Accumulated amortization and impairment charges on January 1	-5,432	-38,130	-13,522	-57,084
Exchange differences	81	1,259	-14	1,326
Disposals	-	2,850	158	3,008
Reclassifications	-	-166	166	-
Amortization	-	-3,846	-4,509	-8,355
Accumulated amortization and impairment charges on December 31	-5,351	-38,033	-17,720	-61,105
Carrying value on January 1	138,499	13,197	16,471	168,167
Carrying value on December 31	134,660	9,383	14,417	158,460

Impairment testing of goodwill

Goodwill is allocated to groups of cash–generating units (CGUs). Ramirent's management has defined the following CGUs to which goodwill is allocated: Finland, Sweden, Norway, Baltics and Europe Central. The goodwill allocated to CGUs is set out in the table below.

Allocation of goodwill to cash–generating units (CGUs) (EUR 1,000)	2018	2017
Sweden*	54,726	64,319
Finland	27,444	22,380
Norway	23,511	26,711
Baltics	10,298	10,298
Europe Central	10,474	10,550
Total	**126,451**	**134,258**

* Safety Solutions Jonsereds AB is included in Sweden segment figures

The goodwill is recorded in local currencies and currency exchange rate fluctuations affect the amounts of goodwill in euros. The recoverable amount of each CGU is determined by using the discounted cash flow (DCF) method.

E In the impairment testing the estimates for the 2019 cash flows are based on the budget for the year 2019. The cash flow estimates projected for years 2020–2023 are based on management's views on the growth and profitability of business.

In the long term the EBIT margin used in the testing varies from 15% to 18%. The revenue/capital ratio of approximately 100% is used for testing on a Group level. The medium term growth varies between 2.0%–2.5% p.a. depending on each country's medium term growth and inflation expectations. The long term growth is estimated to be 2.0 % p.a. for all CGUs. It reflects both the expected growth and inflation in the operating country. The capital structure of CGU's used in the calculations reflects the target capital structure of Ramirent Group.

The most important assumptions, in addition to the future cash flow estimates, are those made on the weighted average cost of capital (WACC), which is used in discounting the future cash flows. The cost of capital also includes the risk–free interest rates and risk premiums in the different countries where the CGUs are operating. Debt/equity ratio of 30% / 70% has been used in the DCF–calculations. The elements affecting the WACC are Ramirent's capital structure, equity beta, the CGU specific cost of equity and the cost of interest–bearing debt.

There are not any significant changes in the discount rates (pre–tax WACC) used in year 2018 impairment testing, compared to the year 2017 testing.

The principal assumptions used in the year 2018 and 2017 impairment tests are set forth in the below two tables.

Year 2018 impairment test	Sweden	Finland	Norway	Baltics	Europe Central
Growth in net sales *)	2.8%	2.7%	0.6%	4.1%	4.6%
Long–term growth	2.0%	2.0%	2.0%	2.0%	2.0%
Average EBIT margin 2019–2023	16.7%	15.7%	13.1%	22.8%	22.4%
WACC (after tax)	7.8%	7.9%	7.8%	9.8%	8.2%
WACC (pre–tax)	9.6%	9.4%	9.6%	12.0%	9.8%

*) Average growth in net sales (2019–2023) p.a.

Year 2017 impairment test	Sweden	Finland	Norway	Baltics	Europe Central
Growth in net sales *)	2.9%	2.6%	1.2%	4.1%	3.5%
Long–term growth	2.0%	2.0%	2.0%	2.0%	2.0%
Average EBIT margin 2018–2022	16.1%	16.0%	13.3%	20.5%	19.6%
WACC (after tax)	7.8%	7.9%	7.8%	9.9%	8.2%
WACC (pre–tax)	9.6%	9.5%	9.6%	11.4%	9.9%

*) Average growth in net sales (2018–2022) p.a.

The impairment test has been done on the assets as per October 31, 2018. The previous impairment test was done as per October 31, 2017.

Based on the impairment tests for 2018 and 2017, the recoverable amounts of the CGUs are higher than their carrying amounts for all units.

Sensitivity analysis

The main element of uncertainty connected with impairment testing is the management's assumption on future EBIT level for each CGU. The outcome of future year EBIT is in turn dependent on the outcome of the estimated future net sales and the EBIT %.

The EBIT margins used in the terminal period in the impairment testing are based on management assessment of long term growth and profitability. In all the recoverable amount exceeds the carrying amount and no impairment has been recognized. The amount by which the recoverable amount exceeds the carrying amount is over 40 % for all CGUs.

The below tables show the required decline of estimated future free cash flow and the increase in discount rate per segment which would cause the recoverable amount of a CGU to equal the carrying amount of that CGU.

Decline of free cash flow	2018	2017
Sweden	-39,4%	-37.2%
Finland	-52,1%	-51.5%
Norway	-20,8%	-19.4%
Baltics	-28.0%	-22.0%
Europe Central	-46.3%	-39.8%

Free cash flow comprises of EBIT added by depreciation and amortization deducted by ordinary replacement investments and change in working capital.

Increase in discount rate (pre-tax), percentage-point	2018	2017
Sweden	5.1%	4.7%
Finland	8.5%	8.0%
Norway	1.8%	1.8%
Baltics	4.2%	2.7%
Europe Central	6.8%	5.3%

3.3. Inventories

P Inventories are valued at the lower of cost and net realizable value. The net realizable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale. Cost is determined using the weighted average cost formula. The cost is defined as all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

Inventories comprise assets that are held for sale in the ordinary course of business, or in the form of materials or supplies to be sold or consumed in the rendering of services. The main categories of assets treated as inventories are products for sale, used rental machinery & equipment as well as fuel, spare parts, accessories and materials to be consumed in the rendering of services.

Inventories (EUR 1,000)	2018	2017
Products for sale	12,452	11,360
Spare parts and accessories to be consumed in rendering of services	2,253	1,358
Carrying value on December 31	**14,705**	**12,718**

3.4. Provisions

P A provision is recognized when
- there is a present obligation (legal or constructive) as a result of a past event,
- it is probable that a future outflow of resources embodying economic benefits will be required to settle the obligation, and
- a reliable estimate can be made of the amount of the obligation.

The most common provisions that the Group has are restructuring provisions. They are recognized only when general recognition criteria for provisions are fulfilled and the Group has a detailed formal plan about the business concerned, the location and number of employees affected, a detailed estimate of the associated costs and appropriate timeline. Recognized provisions relate mainly to reorganizing of non-profitable businesses and optimizing of customer centre structure and are disaggregated into provisions for termination benefits, terminated lease agreement for premises and rental machinery and other restructuring costs. Other provisions include also environmental provisions related to sold properties in Sweden.

Provisions recognized in 2018 relate mainly to restructuring of network of hubs and customer centers in Norway. The provisions recognized in 2017 relate mainly to restructuring measures in Sweden and Denmark.

Carrying value on December 31 (EUR 1,000)	2018	2017
Non-current provisions	2,626	2,563
Current provisions	3,186	2,634
Total	**5,812**	**5,197**

Movements in provisions per category 2018 (EUR 1,000)	Termination benefits	Leases of premises	Other provisions	Total
Provisions on January 1	852	2,941	1,404	5,197
Provisions made during the period	1,112	3,650	357	5,118
Provisions used during the period	-40	-83	-1	-124
Provisions reversed during the period	-793	-2,585	-923	-4,301
Exchange rate differences	8	-26	-60	-78
Provisions on December 31	**1,139**	**3,896**	**776**	**5,812**
Expected timing of outflows				
During 2019	1,139	1,924	123	3,186
During 2020	-	492	-	492
During 2021	-	340	-	340
During 2022	-	475	-	475
Later	-	664	654	1,318
Total	**1,139**	**3,896**	**776**	**5,812**

Movements in provisions per category 2017 (EUR 1,000)	Termination benefits	Leases of premises	Other provisions	Total
Provisions on January 1	461	1,514	448	2,423
Provisions made during the period	1,061	2,415	1,219	4,695
Provisions used during the period	-497	-615	-252	-1,365
Provisions reversed during the period	-189	-333	-	-521
Exchange rate differences	17	-40	-12	-35
Provisions on December 31	**852**	**2,941**	**1,404**	**5,197**
Expected timing of outflows				
During 2018	839	1,316	539	2,694
During 2019	13	569	423	1,005
During 2020	-	371	-	371
During 2021	-	383	-	383
Later	-	302	442	744
Total	**852**	**2,941**	**1,404**	**5,197**

3.5. Trade payables and other current liabilities

(EUR 1,000)	2018	2017
Trade payables	39,436	40,271
Other current liabilities	19,941	15,273
Accrued expenses and deferred income	56,595	60,912
Advances received	144	101
Total	**116,116**	**116,557**

Breakdown of accrued expenses and deferred income (EUR 1,000)	2018	2017
Accrued interest expenses	5,234	4,772
Accrued employee-related expenses	29,231	28,328
Deferred income	80	1,352
Other items	22,050	26,460
Total	**56,595**	**60,912**

The short-term part of liabilities for the purchase price of acquired subsidiaries and business operations, EUR 3.7 (0.4) million are included in other liabilities in the above table.

4. Capital structure and financial instruments

4.1. Financial assets

P Financial assets catekories

The Group's financial assets are classified in the following measurement categories: amortized cost and fair value through profit or loss. The classification depends on used business model for managing the financial assets and the contractual terms of the cash flows. Assets are classified as current assets, except for maturities over 12 months after balance sheet date, which are classified as non-current assets. Purchases and sales of financial assets are recognized on the settlement date (excluding derivatives, note 5.1.). Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Amortized cost category consist of cash & cash equivalents, trade receivables and loan receivables where the business model is to hold the asset to collect the contractual cash flows which represent only payments of principal and interest. Financial assets recognized at amortized cost are valued using the effective interest method. In year 2017 these items were classified as loans and receivables according to IAS 39.

Assets at fair value through profit or loss consists of unlisted equity investments and derivatives which do not meet criteria for hedge accounting. The category consist from unlisted Norwegian shares and an investment related to the CEO's voluntary pension plan. Gains or losses of the equity investments are included in financial income and expenses. Equity investments were classified as available for sale in 2017 according to IAS 39.

The Group did not have any assets classified as fair value through other comprehensive income during 2018.

Cash & cash equivalents

Cash and cash equivalents includes cash in hand, deposits held with banks, and other highly liquid investments with original maturities of three months or less. Any bank overdrafts are presented as interest–bearing liabilities.

Impairment

The general expected credit loss model is used for debt instruments carried at amortized cost at time of initial recognition of asset through profit and loss and additional impairment is recognized through profit or loss if there is evidence of deterioration in credit quality. The credit loss is recognized based on individual assessment of receivable. The simplified expected credit loss model is applied for trade receivables. Every business area uses a specific provision matrix for the trade receivables due to the different nature of the business area. The business area impairment process is based on historical credit loss experience combined with current conditions and forward looking macroeconomic analysis. The impairment or credit loss is recognized in the consolidated statement of income within other expenses. In 2017 the provision for impairment was recognized for receivables over 90 days overdue.

Cash and cash equivalents (EUR 1,000)	2018	2017
Cash and cash equivalents	10,292	6,896
Carrying value on December 31	**10,292**	**6,896**

The maximum exposure to credit risk is the carrying amount of the cash and cash equivalents. Note 5.1. sets out more information about credit risk. The impairment of the cash and cash equivalents has not been recognized because the amount is immaterial.

Trade and other receivables (EUR 1,000)	2018	2017
Trade receivables	106,884	114,966
Other financial receivables	79	144
Accrued income and prepaid expenses	19,545	15,475
Carrying value on December 31	**126,508**	**130,585**
Trade and other receivables excluding non-financial items	106,963	115,110

Due to the nature of short-term trade and other receivables their carrying amount is expected to be equal to their fair value. The maximum exposure to credit risk is the carrying amount of the trade and other receivables. Analysis of trade receivables by age, information about the impairment and credit losses are presented in Note 5.1., Financial risk management, section 'Credit risk'.

Non-current receivables

Ramirent's loans receivable are from the joint venture Fortrent. Fair values of loan receivable are not materially different from the carrying amounts which is also the maximum exposure to credit risk. The impairment of the loans receivable has not been recognized because the amount is immaterial. The other financial receivables consist of unlisted shares.

(EUR 1,000)	2018	2017
Non-current interest-bearing receivables (joint venture Fortrent)	8,694	10,153
Available-for-sale financial assets	–	89
Other non–current receivables	385	739
Carrying value on December 31	**9,079**	**10,981**

4.2. Equity

Number of shares and share capital

The company's share capital on December 31, 2018, consists of 108,697,328 shares the counter–book value of which is EUR 0.2300 per share. The company has one class of shares, each share giving equal voting right of one vote per share. At the end of 2018, Ramirent Plc held 1,126,678 (551,603) own shares.

(EUR 1,000)	Number of outstanding shares (thousand)	Number of treasury shares (thousand)	Total number of shares (thousand)	Share capital
Carrying value on December 31, 2016	107,749	948	108,697	25,000
Directed share issue on February 16, 2017	247	-247	–	–
Directed share issue on August 23, 2017	149	-149	–	–
Carrying value on December 31, 2017	108,146	552	108,697	25,000
Directed share issue on March 13, 2018	25	-25	–	–
Purchase of treasury shares in June, 2018	-600	600	–	–
Carrying value on December 31, 2018	**107,571**	**1,127**	**108,697**	**25,000**

Authorization of the Board of Directors to repurchase the company's own shares

Ramirent's Board of Directors is authorized to decide on the repurchase of a maximum of 10,869,732 Company's own shares until the next Annual General Meeting. The authorization contains also an entitlement for the Company to accept its own shares as a pledge. The number of shares that can be acquired or held as pledges by the Company on the basis of this authorization shall not exceed one tenth (1/10) of all outstanding shares of the Company.

Own shares may be repurchased in deviation from the proportion to the holdings of the shareholders with unrestricted equity through trading of the securities on regulated market organized by Nasdaq Helsinki Ltd at the market price of the time of the repurchase provided that the Company has a weighty financial reason thereto.

The shares shall be acquired and paid in accordance with the Rules of Nasdaq Helsinki Ltd and Euroclear Finland Oy.

Shares may be repurchased to be used as consideration in possible acquisitions or in other arrangements that are part of the Company's business, to finance investments, as part of the Company's incentive program or to be retained, otherwise conveyed or cancelled by the Company.

The Board of Directors shall decide on all other terms of the share repurchase.

The share repurchase authorization is valid until the next Annual General Meeting and it revoked the repurchase authorization given by the Annual General Meeting on March 16, 2017.

Authorization of the Board of Directors to decide on the share issue and the issuance of option rights, convertible bonds and/or special rights

Ramirent's Board of Directors is authorized to decide on the issuance of a maximum of 10,869,732 new shares and on the conveyance of a maximum of 10,869,732 own shares held by the Company.

By virtue of the authorization the Board of Directors also has the right to grant option rights, convertible bonds and/or other special rights referred to in Chapter 10, Section 1 of the Companies Act, which entitle to new shares or the Company's own shares against payment in such a manner that the subscription price of the shares is paid in cash or by using the subscriber's receivable to set off the subscription price. New shares may be issued and the Company's own shares held by the Company may be conveyed either against payment or for free.

The Board of Directors shall decide on all other terms and conditions related to the authorizations. The authorizations shall be valid until March 17, 2021.

Directed share issues with own shares

On February 8, 2018, the Board decided, based on the share issue authorization granted by the AGM, to convey 24,925 of the company's own shares, held by the company, without cash payment to the key persons of the Group as a settlement of the Performance Share Program 2015. As the program was set to combine the objectives of the shareholders and the key persons of the Group in order to increase the value of the company, there was an especially weighty financial reason for the directed share conveyance.

The value of the issued shares, EUR 137,087.50, was recognized as an increase in the invested unrestricted equity fund.

Purchase of own shares

Based on the authorization by the Annual General Meeting held on March 15, 2018, Ramirent repurchased 600,000 own shares in June 2018.

On December 27, 2018, Ramirent announced a decision to repurchase up to 300,000 own shares based on the authorization by the Annual General Meeting held on March 15, 2018. In December, Ramirent repurchased 74,400 own shares. The clearing for these shares was on January 2, 2019.

Shareholders

On December 31, 2018	Number of shares	% of shares and voting rights
Nordstjernan AB	21,863,716	20.11%
Oy Julius Tallberg Ab	12,207,229	11.23%
Ilmarinen Mutual Pension Insurance Company	2,360,139	2.17%
Mandatum Life Insurance Company Limited	2,018,249	1.86%
Aktia Funds	1,274,962	1.17%
Ramirent Oyj treasury shares	1,126,678	1.04%
OP-Finland funds	679,354	0.62%
Föreningen Konstsamfundet rf	593,500	0.55%
The State Pension Fund of Finland	532,000	0.49%
Veritas Pension Insurance	486,368	0.45%
Other shareholders	65,555,133	60.31%
Total	**108,697,328**	**100.00%**

On December 31, 2017	Number of shares	% of shares and voting rights
Nordstjernan AB	21,863,716	20.11%
Oy Julius Tallberg Ab	12,207,229	11.23%
Ilmarinen Mutual Pension Insurance Company	2,304,905	2.12%
OP-Finland funds	2,022,802	1.86%
Aktia Funds	1,907,599	1.75%
Mandatum Life Insurance Company Limited	1,650,000	1.52%
Nordea Funds	922,150	0.85%
Föreningen Konstsamfundet rf	593,150	0.55%
Ramirent Oyj treasury shares	551,603	0.51%
The State Pension Fund of Finland	532,000	0.49%
Other shareholders	64,142,174	59.01%
Total	**108,697,328**	**100.00%**

Dividends

P The dividend proposed by Ramirent's Board of Directors is included in retained earnings in the consolidated balance sheet. Retained earnings are reduced by the dividend payable only after it has been approved by the General Meeting of Shareholders.

The parent company's distributable equity on December 31, 2018, amounted to EUR 203,787,962.10 of which the net result from the financial year 2018 is EUR 10,785,661.58.

The Board of Directors has decided to propose to the Annual General Meeting 2019 that a dividend of EUR 0.46 (0.44) per share be paid based on the adopted balance sheet for the financial year ended on December 31, 2018.

The proposed dividend represents a 104% (75%) payout ratio for 2018 which is above Ramirent's long-term financial target to payout at least 50% of net profit in dividend. The proposed dividend is not reflected in the year 2018 financial statements.

The dividends paid in 2018 were EUR 0.44 per share totalling EUR 47,463,086.00.

4.3. Financial income and expenses

Recognized in profit or loss (EUR 1,000)	2018	2017
Financial income		
Income from financial assets at fair value through profit or loss	91	81
Interest income from financial assets at amortized cost	248	302
Other financial income	308	277
Total	**648**	**660**
Financial expenses		
Interest expense for financial liabilities at amortized cost[1]	-5,781	-5,876
Interest rate derivatives, cash flow hedge accounted[2]	-892	-1,133
Currency forwards - interest element	-354	-524
Other financial expenses	-3,501	-4,112
Exchange gain rate and losses, net	-611	-1,360
Total	**-11,139**	**-13,005**
Total financial income and expenses	**-10,491**	**-12,345**
Exchange rate gains and losses included in financial income and expenses		
Financial instruments at amortized cost	-1,837	-3,907
Financial instruments at fair value through profit or loss[2]	1,226	2,548
Total	**-611**	**-1,360**

1 No interest rate costs were capitalized during 2018 (2017 EUR 21 thousand)

2 During 2018 ineffectiveness from cash flow hedge accounting was EUR -84 thousand (2017 EUR -67 thousand) as some of the interest rate swaps did not have a zero floor.

4.4. Financial liabilities

P Financial liabilities are classified either at amortized cost or fair value through profit or loss. For comparative period these were classified as loans and receivables. Financial liabilities measured at amortized cost are recognized initially at fair value, net of transaction costs, on the settlement date and subsequently measured at amortized cost using the effective interest method. Any difference between net proceeds and nominal amount is recognized as interest cost over the period of the borrowing, using the effective interest method. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset form a part of the cost of that asset. Financial liabilities at amortized cost consist from listed bond, committed liabilities from financial institutions, commercial papers, bank overdrafts and from other liabilities. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

Financial liabilities measured at fair value through profit or loss are recognized initially and subsequently at fair value. Any related transaction cost is recognized directly to profit or loss. Financial liabilities at fair value through profit and loss consist from contingent consideration. Accounting policy for derivative financial liabilities is presented at note 5.1. Financial liabilities are included in non-current liabilities, except for items with maturities less than 12 months after the balance sheet date, which are included in current liabilities. A financial liability is derecognized when the related obligation is discharged, cancelled or expires.

Bank overdrafts are recorded in current liabilities on the balance sheet. Fees of revolving credit facility are capitalized and amortized over the period of the facility.

The fair values of the listed bonds are driven from market quotations. The fair values of other interest-bearing liabilities at amortized cost are determined by using the discounted cash flow method employing market interest rates and estimation of Ramirent's credit margins at the balance sheet date.

Financial liabilities (EUR 1,000)	2018	2017
Non-current liabilities		
Listed bond	–	99,789
Committed liabilities from financial institutions	74,827	74,770
Non-current portion of contingent consideration	279	3,110
Other non-current liabilities	1,085	1,449
Total	**76,191**	**179,118**
Of which interest-bearing	74,827	174,559
Current liabilities		
Listed bond	99,961	–
Overdrafts	1,089	2,273
Commercial papers	185,000	168,000
Current portion of contingent consideration	3,260	–
Trade payables	39,436	40,271
Other current liabilities	426	444
Accruals	5,022	4,527
Total	**334,195**	**215,515**
Of which interest-bearing	286,052	170,273

The fair values of financial liabilities can be found in Note 4.5. Ramirent's interest-bearing liabilities, contractual cash flows and exposure to interest rate risk are disclosed in Note 5.1., Financial risk management.

Listed bond issues	Issued/Maturity	Interest basis	Interest rate, %	Currency	Nominal amount	ISN-code
	21.03.2013/21.03.2019	Fixed	4.3750	EUR	100,000,000	FI000051040

4.5. Financial assets and liabilities by measurement categories

P The Group classifies financial assets and liabilities according to the following IFRS 9 categories. Impact from prospective adaption of IFRS 9 for financial assets and liabilities classification at transition, used classification groups under IFRS 9 during 2018 and comparative years classification groups according to IAS 39 are presented next page. Accounting policies, classification criterias for financial assets and liabilities and other information information relating to financial assets and liabilities can be found in Notes 4.1. and 4.4.

Balance sheet item 2018 (EUR 1,000)	Amortized cost	Fair value through profit or loss	Derivatives, hedge accounting	Carrying amount	Fair value	Level
Non-current financial assets						
Non-current receivables	8,694	–	–	8,694	8,694	2
Derivative financial instruments	–	–	–	–	–	2
Other financial assets	–	385	–	385	385	2, 3
Current financial assets						
Trade and other financial receivables[1]	106,963	–	–	106,963	106,963	2
Derivative financial instruments	–	406	–	406	406	2
Cash and cash equivalents	10,292	–	–	10,292	10,292	2
Financial assets	**125,949**	**792**	**–**	**126,740**	**126,740**	
Non-current financial liabilities						
Interest-bearing liabilities						
Liabilities from financial institutions	74,827	–	–	74,827	74,827	2
Derivative financial instruments	–	–	1,304	1,304	1,304	2
Non-current portion of contingent consideration	–	279	–	279	279	3
Other non-current liabilities	1,085	–		1,085	1,085	2
Current financial liabilities						
Interest-bearing liabilities	–	–	–	–	–	
Bond	99,961	–	–	99,961	100,884	1
Liabilities from financial institutions	1,089	–	–	1,089	1,089	2
Commercial papers	185,000	–	–	185,000	185,000	2
Derivative financial instruments	–	1	–	1	1	2
Current portion of contingent consideration	–	3,260	–	3,260	3,260	3
Trade and other payables	39,436	–	–	39,436	39,436	2
Accruals and other current liabilities	5,449	–	–	5,449	5,449	2
Financial liabilities	**406,846**	**3,540**	**1,304**	**411,690**	**412,613**	

1 excluding non-financial items

Balance sheet item 2017 (EUR 1,000)	Loans and receivables	Assets/ liabilities at fair value through profit or loss	Derivatives, hedge accounting	Available -for -sale financial assets	Total carrying amount	Fair value	Level
Non-current financial assets							
Non-current receivables	10,153	–	–	–	10,153	10,153	2
Derivative financial instruments	–	–	39	–	39	39	2
Other financial assets	–	189	–	89	278	278	2, 3
Current financial assets							
Trade and other financial receivables[1]	115,110	–	–	–	115,110	115,110	2
Derivative financial instruments	–	13	–	–	13	13	2
Cash and cash equivalents	6,896	–	–	–	6,896	6,896	2
Financial assets	**132,159**	**202**	**39**	**89**	**132,489**	**132,489**	
Non-current financial liabilities							
Interest-bearing liabilities							
Liabilities from financial institutions	74,770	–	–	–	74,770	74,770	2
Bond	99,789	–	–	–	99,789	104,344	1
Derivative financial instruments	–	–	519	–	519	519	2
Non-current portion of contingent consideration	–	3,110	–	–	3,110	3,110	3
Other non-current liabilities	1,449	–	–	–	1,449	1,449	2
Current financial liabilities							
Interest-bearing liabilities							
Liabilities from financial institutions	2,273	–	–	–	2,273	2,273	2
Commercial papers	168,000	–	–	–	168,000	168,000	2
Derivative financial instruments	–	288	–	–	288	288	2
Current portion of contingent consideration							3
Trade and other payables	40,271	–	–	–	40,271	40,271	2
Accruals and other current liabilities	4,971	–	–	–	4,971	4,971	2
Financial liabilities	**391,523**	**3,399**	**519**	**–**	**395,441**	**399,996**	

1 excluding non-financial items

During the year 2018 there were no transfers between Level 1 and Level 2 fair value measurements. The changes into and out of Level 3 fair value measurements are presented at the end of the note. During the financial period there were no financial assets classified in the 'Fair value through other comprehensive income' category.

Interest-bearing liabilities at level 1 consist of listed bond. The fair value of other financial instruments are not materially different from their carrying amount. Category assets at fair value through profit or loss include unlisted shares of EUR 88.1 thousand for which the fair value cannot be reliably determined in active markets.

1.1. 1.1. 1.2. 1.3. 1.4. 1.5. 2. 2.1. 2.2. 2.3. 2.4. 2.5. 2.6. 2.7. 2.8. 2.9 2.10. 3. 3.1. 3.2. 3.3. 3.4. 3.5. 4. 4.1. 4.2. 4.3 4.4. 4.5. 4.6. 5. 5.1. 5.2. 6. 6.1. 6.2. 7 7.1. 7.2. 7.3. 7.4. 7.5. 7.6. 7.7. 7.8. 8. 8.1. 8.2. 8.3. 8.4.

On the date of initial application of IFRS 9 standard, 1 January 2018, the financial instruments of the company were the following:

Balance sheet item (EUR 1,000)	IAS 39 Measurement Category on December 31, 2017	IFRS 9 Measurement Category	Carrying Amount IFRS 9	Carrying Amount IAS 39	Diff.
Non-current financial assets					
Non-current receivables	Loans and receivables	Amortized cost	10,153	10,153	–
Derivative financial instruments	Derivatives, hedge accounting	Derivatives, hedge accounting	39	39	–
Derivative financial instruments	Financial assets at fair value through profit or loss	Fair value through profit or loss	–	–	–
Other financial assets	Available-for-sale financial assets	Fair value through profit or loss	89	89	–
Other financial assets	Financial assets at fair value through profit or loss	Fair value through profit or loss	189	189	
Current financial assets					
Trade and other receivables[1]	Loans and receivables	Amortized cost	115,110	115,110	–
Derivative financial instruments	Derivatives, hedge accounting	Derivatives, hedge accounting	–	–	–
Derivative financial instruments	Financial assets at fair value through profit or loss	Fair value through profit or loss	13	13	–
Cash and cash equivalents	Loans and receivables	Amortized cost	6,896	6,896	–
Non-current financial liabilities					
Interest-bearing liabilities	Loans and receivables	Amortized cost	174,559	174,559	–
Derivative financial instruments	Derivatives, hedge accounting	Derivatives, hedge accounting	519	519	–
Derivative financial instruments	Financial liabilities at fair value through profit or loss	Fair value through profit or loss	–	–	–
Non-current portion of contingent consideration	Liabilities at fair value through profit or loss	Fair value through profit or loss	3,110	3,110	–
Other non-current liabilities	Loans and receivables	Amortized cost	1,449	1,449	–
Current financial liabilities					
Interest-bearing liabilities	Financial liabilities measured at amortized cost	Amortized cost	170,273	170,273	–
Derivative financial instruments	Derivatives, hedge accounting	Derivatives, hedge accounting	–	–	–
Derivative financial instruments	Financial liabilities at fair value through profit or loss	Fair value through profit or loss	288	288	–
Trade and other payables	Loans and receivables	Amortized cost	40,271	40,271	–
Other current liabilities	Loans and receivables	Amortized cost	4,971	4,971	–

1 Excluding non-financial items

Following the adoption of IFRS 9 as of January 1, 2018, available-for-sale financial assets were reclassified as financial assets measured at fair value through profit or loss. Ramirent adopted an expected credit loss impairment model for recognizing impairment on trade receivables. The effect of the adoption of IFRS 9, EUR -0.3 million, was recognized as a transition adjustment to the opening equity

During the year 2017 there were no transfers between Level 1 and Level 2 fair value measurements.

Financial instruments that are measured at fair value in the balance sheet are presented according to fair value measurement hierarchy:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted price included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

(EUR 1,000)	2018	2017
Carrying value January 1	3,110	3,902
Exchange differences	-125	-83
Payments	-	-1,823
Discount interest recognized in financial expenses	554	1,114*
Carrying value December 31	**3,539**	**3,110**

*Additional non-cash interest costs of EUR 0.8 million were recognized in 2017 due to a change in the redemption schedule of the non-controlling shareholders' shares of Safety Solutions Jonsereds AB

Change in fair values of contingent considerations

Cost of a business combination includes in certain acquisitions also a contingent consideration, which is recognized at fair value. Subsequent changes in fair value are recognized in profit or loss. The management's assessment of the fair value of contingent consideration liability is based on acquisition specific agreed terms and time value of money. Typically contingent consideration is based on financial performance of the acquired business during the pre–agreed measurement period.

4.6. Reconciliation of movements of liabilities to cash flows arising from financing activities

		Non cash flow related changes					
(EUR 1,000)	2017	Cash flow	Reclassifi-cations	Exchange differences	Fair value changes	Other changes	2018
Non-current interest-bearing liabilities	174,559	-	-99,789	-	-	56	74,827
Current interest-bearing liabilities	170,273	15,817	99,789	-	-	173	286,052
Total	**344,832**	**15,817**	**-**	-	**-**	**229**	**360,878**

5. Risk management

5.1. Financial risk management

Financial risk management principles

Ramirent is subject to certain financial risks in its business activities. Main financial risks are foreign exchange rate risk, interest rate risk, funding and liquidity risks, counterparty risk and credit risk. In order to control those financial risks and to reduce their adverse effects on the business activities, assets and liabilities and results, Ramirent has adopted financial risk management principles which are described in the Finance Policy approved by the Board of Directors.

The Finance Policy defines financial risk management principles for the risks which have been concluded to have the most potential impact on the Group. It also provides an overall framework for the financial activities of the Ramirent Group, with the aim of setting objectives, and defines the strategy of managing the financial risks, as well as clarifies the organizational assignment of risk management responsibilities (management of the risks delegated within the Group and the roles and responsibilities to manage the risks).

According to Ramirent's Finance Policy financial risk management strives to secure sufficient funding for operational needs and to minimize the funding costs and the effects of foreign exchange rate, interest rate and other financial risks cost-effectively. The policy outlines the financing and financial risk management responsibilities covering also the use of financial instruments to hedge the selected risk exposures and acceptable risk levels.

Ramirent's Board of Directors has the overall responsibility for establishing norms and guidelines for Ramirent's financial risk exposure. The operative management, namely the CEO and CFO, controls that the risk management has been conducted in an appropriate way in the Group.

The overall operative financial risk management has been centralized to the Group Treasury of Ramirent. Group Treasury acts as the in-house bank and is, in general, the counterparty for all financial transactions within the Group and externally. Group Treasury is responsible for implementation of the Finance Policy and monitoring the financial risks of the Group. Ramirent's Group Treasury is responsible for managing Group level foreign exchange, interest rate, liquidity and funding risks in close cooperation with the business entities.

The management of Ramirent business entities is responsible for monitoring the financial risk exposures and managing the financial risks of the business entities according to the Finance Policy and other instructions given by Group Treasury.

1.1. 1.1. 1.2. 1.3. 1.4. 1.5. 2. 2.1. 2.2. 2.3. 2.4. 2.5. 2.6. 2.7. 2.8. 2.9 2.10. 3. 3.1. 3.2. 3.3. 3.4. 3.5. 4. 4.1. 4.2. 4.3 4.4. 4.5. 4.6. 5. 5.1. 5.2. 6. 6.1. 6.2. 7 7.1. 7.2. 7.3. 7.4. 7.5. 7.6. 7.7. 7.8. 8. 8.1. 8.2. 8.3. 8.4.

Foreign exchange rate risk

Ramirent is an international Group operating in Northern, Eastern and Central European countries. The sales and rental income of the business entities accrue predominantly in their local currency. The purchases of the Group companies are mainly in local currency and partly in euros, while the major part of investment arises in euros. The Group is also exposed to foreign exchange risks through intra-group purchases and sales, internal funding and net investments in foreign currency entities.

Transaction risk

Ramirent's policy is to reduce the effects of foreign exchange rate fluctuations on the Group. This is done by spreading the purchases, sales and financial contracts over time and fixing the rates of major exposures for certain periods of time.

The largest transaction exposures derive from foreign currency purchases and intra-group funding. Due to Ramirent's size of business operations in Sweden and Norway, it is exposed to foreign exchange rate risks mainly caused by the fluctuations of the Swedish Krona (SEK) and the Norwegian Krona (NOK) especially in intra-group funding. In 2018, all Ramirent's outstanding interest-bearing liabilities were in Euros.

In 2018, Group Treasury has hedged the exposures externally with foreign exchange forward contracts. On December 31, 2018, Ramirent had outstanding foreign exchange forwards of EUR 43.9 (58.3) million (nominal value) with a market value of EUR 0.4 (-0.3) million. Transaction position does not have impact to equity as the group has not applied cash flow hedge accounting.

The Group's exposure to foreign currency risk as of December 31 is stated in the attached table and is based on notional amounts. Net exposure includes all external and internal balance sheet items which will impact to transaction position and related hedging transactions. The following table also demonstrates the sensitivity of the Group's profit for the year to changes of +/–10% in exchange rates resulting from financial instruments.

Group's consolidated transaction exposure 2018 (EUR 1,000)	EUR	SEK	NOK	DKK	PLN	Other
Internal funding	228	-16,694	33,950	2,168	-6	7,097
Other balance sheet items	-4,130	-345	-0	-1	-28	-361
Hedges	-	14,627	-29,151	-	-	1
Net exposure	**-3,902**	**-2,412**	**4,799**	**2,168**	**-34**	**6,737**
+/-10%	390	241	480	217	3	674

Group's consolidated transaction exposure 2017 (EUR 1,000)	EUR	SEK	NOK	DKK	PLN	Other
Internal funding	523	24,780	31,470	5,435	-2,320	6,614
Other balance sheet items	-2,687	-458	-21	-4	-37	-485
Hedges	-	-26,920	-28,963	-	2,394	-
Net exposure	**-2,164**	**-2,598**	**2,486**	**5,431**	**37**	**6,129**
+/-10%	216	260	249	543	4	613

Translation risk

Translation risk arises from the fact that, the financial needs of Group companies are funded partly through equity. In addition, the parent company provides internal funding in local currencies. Ramirent has decided not to hedge currently the foreign exchange rate risk associated with net investment exposures. The impact of translation risk from currencies to Group's financial position is not considered significant. Main translation positions are SEK 171.5 (180.3) million, PLN 58.3 (47.2) million and NOK 47.1 (57.2) million. The group does not have net investment loans outstanding.

Interest rate risk

Ramirent is exposed to interest rate risk mainly through its interest-bearing debt. The interest rate risk exposure represents the uncertainty of profit of a company due to changes in interest rates. To reduce the interest rate risk affecting Ramirent's profitability, interest rates are fixed for certain periods of time and fixing dates are spread over time.

The interest rate risk is minimized when the Group's interest rate position of financial instruments is neutralizing the interest rate sensitivity. The duration (average interest fixing period) for the Group's consolidated net borrowing is used to measure the interest rate risk exposure.

Group Treasury is responsible for interest rate risk management in Ramirent Group. Guideline of the interest rate risk exposure management in Ramirent's Finance Policy is that the periods of interest rates shall be diversified. Interest rate swaps and swaptions may only be used to fix the floating rate of underlying loans. Ramirent applies hedge accounting for all interest rate derivatives. The average interest rate fixing period of interest-bearing debt on December 31, 2018, was 18.2 months and the hedging level for variable rate loans was 71%. Group Treasury is responsible for monitoring and updating the estimated interest rate benchmark position of Ramirent.

On December 31, 2018, Ramirent had outstanding interest rate swaps of EUR 155.0 (115.0) million (nominal value) with a market value of EUR -1.3 (–0.5) million.

The Group's exposure to Interest rate risk as of December 31 was as follows, based on notional amounts:

Exposure to interest rate risk as of December 31, 2018 (EUR 1,000)	2018	2019	2020	2021	2022	2023	Later
Interest bearing liabilities							
Bond (fixed rate)	99,961	–	–	–	–	–	–
Loans from financial institutions (floating rate)	75,915	74,883	74,939	74,995	–	–	–
Commercial papers (floating rate)	185,000	–	–	–	–	–	–
Interest bearing loan receivables (floating rate)	8,694	7,694	–	–	–	–	–
Interest rate hedges (swaps)	155,000	155,000	135,000	70,000	40,000	20,000	–

Exposure to interest rate risk as of December 31, 2017 (EUR 1,000)	2017	2018	2019	2020	2021	2022	Later
Interest bearing liabilities							
Bond (fixed rate)	99,789	99,961	–	–	–	–	–
Loans from financial institutions (floating rate)	77,043	74,827	74,883	74,939	74,995	–	–
Commercial papers (floating rate)	168,000	–	–	–	–	–	–
Interest bearing loan receivables (floating rate)	10,153	–	–	–	–	–	–
Interest rate hedges (swaps)	115,000	115,000	115,000	95,000	30,000	–	–

Sensitivity analysis

Impact from 1% parallel increase in EUR interest rates would have been -0.6 (-0.8) million impact to profit and loss or 2.3 (2.6) million to equity. Correspondingly impact from 1% parallel decrease in EUR interest rates would have been -0.4 (-0.2) million impact to profit or loss and -4.8 (-2.5) million to equity. Sensitivity analyses includes all interest bearing liabilities, interest rate swaps and receivables except cash and cash equivalents. Cash and cash equivalents are not included into analyses as the interest rate change does not necessarily have full impact to profit or loss. Hedging of intra-group foreign currency loan receivables by using foreign exchange forwards impacts the Group's financial income and expenses to some extent due to interest rate differences between hedged currency nominated receivables and EUR.

December 31, 2018 (EUR 1,000)	Profit or loss		Equity (Other comprehensive income)	
	1 percentage point increase	1 percentage point decrease	1 percentage point increase	1 percentage point decrease
Variable rate instruments	-1,804	-	-	-
Interest rate swaps	1,195	-400	2,342	-4,801
Cash flow sensitivity (net)	**-609**	**-400**	**2,342**	**-4,801**

December 31, 2017 (EUR 1,000)	Profit or loss		Equity (Other comprehensive income)	
	1 percentage point increase	1 percentage point decrease	1 percentage point increase	1 percentage point decrease
Variable rate instruments	-1,646	0	-	-
Interest rate swaps	837	-200	2,604	-2,491
Cash flow sensitivity (net)	**-809**	**-200**	**2,604**	**-2,491**

The testing for the equity change was carried out by re-pricing the future interest flows of the outstanding interest rate swap agreements with one percentage point higher/lower rate than interest rates prevailing at the reporting date by net present value method. The applicable zero floors in interest rate swaps have been taken into consideration in the sensitivity analysis.

Funding risk

Funding risk is the risk that refinancing of the existing debt portfolio and/or raising new funding will not be available, or is available at a high price. The aim is to minimize Ramirent's refinancing risk by spreading debt and debt facility maturities over time and by securing refinancing early enough.

Ramirent's goal is to secure the availability of sufficient funding for conducting its various operations at all times. A further goal is to minimize funding costs over time. According to the Finance Policy, Ramirent shall use multiple sources of funding to secure its long-term financing at favourable terms. The goal is that no single financial institution shall provide more than 50% of the total funding of the Group. According to the Finance Policy, in the long term perspective Ramirent shall not be obliged to amortize during any one year more than 30% of the total interest-bearing debt, and if such situations occur, the Group Treasury is obliged to start negotiations to alter this structure no later than eighteen months before the planned amortization.

As of the end of 2018, Ramirent had funding from a drawn committed term loan in total of EUR 75.0 million and committed revolving credit facilities in total of EUR 320.0 million under two different agreements with financial institutions and undrawn committed term loan facility in total of EUR 50.0 million with European Investment Bank. Ramirent issued an inaugural unsecured senior bond of EUR 100.0 million in 2013. In addition, an uncommitted EUR 250.0 million domestic commercial paper program was used in 2018.

The average maturity of the committed debt facilities as of December 31, 2018, was 2.6 years. Ramirent's borrowing facilities with financial institutions will mature in 2020, 2022, 2023 and 2024. The bond will mature in 2019.

As at December 31, 2018, Ramirent was in compliance with all covenants and other terms of its debt instruments.

Liquidity risk

Liquidity risk is the risk that existing funds and borrowing facilities become insufficient to meet the Group's business needs or high extra costs are incurred for arranging them. The objective of the liquidity risk management in Ramirent Group is to minimize the risk by having a well-balanced liquidity reserve to hedge against foreseen and unforeseen liquidity requirements. The parent company raises most of Ramirent's interest-bearing debt centrally. Ramirent seeks to reduce liquidity risk by keeping sufficient amount of credit facilities available. Ramirent's liquidity risk is reduced also by efficient cash management procedures and cash management structures such as cash pools and overdraft facilities. In the long-run, the principal source of liquidity is expected to be cash flow generated by the operations.

Ramirent's Finance Policy states that liquidity reserves shall equal at minimum 8% of the forecasted rolling 12-month net sales or EUR 50 million, whichever of the two is higher, plus the total outstanding amount of the commercial papers, to cover the operative and risk liquidity requirement. In addition, there shall be a strategic liquidity reserve that management of the Ramirent Group estimates for the foreseeable future. Top management shall constantly review the optimal level of the strategic liquidity requirement to allow the company to react effectively.

The liquidity reserve should be available within three banking days, without paying any extra fee, penalty or similar cost at any time. At year-end 2018, Ramirent had EUR 194.2 (206.6) million or 27.3 (28.6)% of net sales of committed liquidity reserves readily available.

(EUR 1,000)	2018	2017
Cash & cash equivalents	10,292	6,896
Committed undrawn revolving credit facilities from financial institutions, > one year	320,000	320,000
Committed undrawn term loan facility from financial institutions, > one year	50,000	50,000
Repayments of current portion of loans	-186,089	-170,273
Total	**194,203**	**206,624**
Uncommitted facilities - commercial paper	250,000	250,000
Uncommitted facilities - overdrafts	16,500	17,600

The table below summarizes the contractual maturities of financial liabilities and including interest payments at balance sheet date:

December 31, 2018 (EUR 1,000)	2019	2020	2021	2022	2023	Later	Total
Interest-bearing liabilities							
Repayment of bond	-100,000	–	–	–	–	–	-100,000
Repayments of loans from financial institutions	-1,089	–	–	-75,000	–	–	-76,089
Commercial papers	-185,000	–	–	–	–	–	-185,000
Total interest charges	-5,533	-1,238	-1,425	-1,613	–	–	-9,808
Contingent considerations	-3,260	–	-279	–	–	–	-3,539
Accounts payable and other non-interest bearing liabilities-	-39,862	-542	-542	–	–	–	-40,947
Derivatives							
Currency forward contracts, outflow	-43,956	–	–	–	–	–	-43,956
Currency forward contracts, inflow	44,362	–	–	–	–	–	44,362
Interest rate swaps, outflow	-477	-401	-245	-132	-46	-2	-1,304
Total	**-334,816**	**-2,181**	**-2,492**	**-76,744**	**-46**	**-2**	**-416,281**
Committed unused revolving credit facilities	–	145,000	–	–	175,000	–	320,000
Committed undrawn bilateral facility	–	–	–	–	–	50,000	50,000

December 31, 2017 (EUR 1,000)	2018	2019	2020	2021	2022	Later	Total
Interest-bearing liabilities							
Repayment of bond	–	-100,000	–	–	–	–	-100,000
Repayments of loans from financial institutions	-2,273	–	–	–	-75,000	–	-77,273
Commercial papers	-168,000	–	–	–	–	–	-168,000
Total interest charges	-5,524	-2,022	-1,238	-1,425	-58	–	-10,267
Contingent considerations		-2,642		-889	–	–	-3,531
Accounts payable and other non-interest-bearing liabilities	-40,715	-444	-592	-592	–	–	-42,343
Currency forward contracts, outflow	-58,187	–	–	–	–	–	-58,187
Currency forward contracts, inflow	57,911	–	–	–	–	–	57,911
Interest rate swaps, outflow	-170	-170	-111	-23	-6	–	-480
Total	**-216,958**	**-105,279**	**-1,940**	**-2,928**	**-75,064**	**–**	**-402,170**
Committed unused revolving credit facilities	–	–	145,000	–	175,000	–	320,000
Committed undrawn bilateral facility	–	–	–	–	–	50,000	50,000

Credit risk

Operational credit risk

Credit risk is defined as the possibility of a customer not fulfilling its commitments towards Ramirent. The Group has a Credit Risk Management Principle that sets the guidelines for credit management in all Group companies. According to the Group Credit Risk Management Principle, the operative management of each operating Ramirent entity is responsible for setting specific local procedures to evaluate and manage credit risk. The Group Credit Risk Management Principle identifies occasions when a customer can be classified as a high risk–profile customer for which Ramirent applies stricter terms such as lower credit limit amounts. To decrease credit risk, customers may be required to place securities or guarantees.

Customer credit risks are diversified as Ramirent's sales are generated by a large number of customers. Thus there was no major customer credit risk concentration at the end of financial year 2018. The quality of receivables is evaluated by the aging of the receivables and based on customer specific analysis.

The carrying amount of financial assets represents the maximum credit exposure.

Excepted credit loss rates are based on forward-looking information as well as past experience and current expectations.

Group has identified the statistics for the previous 12 month period for actual losses occurred, recovery rates and averaged days late, as well as rental market outlook for the future and current customer payment culture in the countries, to be the most relevant factors. Factors adjust the historical loss rates accordingly.

The expected credit loss allowance is calculated by multiplying the gross carrying amount of outstanding trade receivables with the expected default rate.

Analysis of trade receivables by age December 31, 2018	Gross carrying amount, (EUR 1,000)	Expected loss rate, %	Loss allowance (EUR 1,000)
Undue trade receivables	80,621	0.1-0.25%	157
Trade receivables 1–30 days overdue	22,268	1.0-2.0%	326
Trade receivables 31–90 days overdue	4,720	5.0-10.0%	470
Trade receivables 91–180 days overdue	1,566	75.0-95.0%	1,441
Trade receivables 181–360 days overdue	1,525	90.0-97.0%	1,475
Trade receivables more than 360 days overdue	4,413	95.0-100%	4,359
Total	**115,113**		**8,229**

Analysis of trade receivables by age January 1, 2018	Gross carrying amount, (EUR 1,000)	Expected loss rate, %	Loss allowance (EUR 1,000)
Undue trade receivables	83,741	0.25%	209
Trade receivables 1–30 days overdue	26,139	1.0-2.0%	398
Trade receivables 31–90 days overdue	5,062	5.0-10.0%	456
Trade receivables 91–180 days overdue	1,854	85.0%	1,576
Trade receivables 181–360 days overdue	1,906	90.0%	1,721
Trade receivables more than 360 days overdue	5,043	95.0%	4,734
Total	**123,747**		**9,094**

The movement in the allowance for bad debt in respect of trade receivables during the year was as follows:

(EUR 1,000)	2018	2017
Allowance for bad debt on January 1	-9,094	-7,969
Exchange rate differences	147	-12
Increase during the financial year	-3,530	-5,318
Decrease due to actual credit losses during the financial year	1,939	2,753
Decrease due to customer payments during the financial year	1,177	1,766
Reclassified as assets held for sale	1,134	-
Net movement of allowance for bad debt during the financial year	**866**	**-811**
Allowance for bad debt on December 31	**-8,229**	**-8,780**

Financial counterparty risk

Financial counterparty risk is defined as the risk of banks or financial institutions not being able to fulfil their undertakings to the Ramirent Group. The financial counterparty risk is minimized by selecting instruments with a high degree of liquidity and counterparties with a high credit rating. Ramirent co-operates only with counterparties judged to be capable of meeting their undertakings to Ramirent.

Group Treasury manages the main part of the credit risk related to financial transactions and financial counterparties by having three to five main financial institutions and by efficient cash and financial asset management so that Ramirent does not have any major risk concentration in any financial counterparty.

Derivative financial instruments

P Derivative financial instruments are initially recognized at fair value on the trade date and are subsequently re-measured at their fair value on the balance sheet date. The fair values of foreign exchange forward and the interest rate swap contracts are calculated as the present values of the future cash flows. The fair value of all derivatives are calculated using the observable market inputs for currency and interest rates price quotation on the closing date. Derivative contracts are included in current assets or liabilities, except derivatives maturities greater than 12 months after the balance sheet date, which are classified as non-current assets or liabilities.

Foreign exchange forwards do not qualify for hedge accounting, although these instruments are held for economic hedging purposes. Changes in fair value of foreign exchange forwards are recognised in the statement of income in financial income and expenses.

Cash flow hedge accounting

The Group applies cash flow hedge accounting for interest rate swaps. At the inception of a transaction, the Company documents the economic relationship between hedging instrument and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Company also documents its assessment, both at hedge inception and on an ongoing basis quarterly, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items. The effective portion of the changes in the fair value of the derivative financial instruments that are designated and qualified as cash flow hedges is recognized in the revaluation fund in equity. In cash flow hedges usually most of the critical terms in hedged item and hedging instruments are the same and the hedge ratio is 1:1. Any potential gains or losses relating to the ineffective portion is recognized immediately in the statement of income within financial expenses. Amounts accumulated in equity are reclassified in the statement of income in the periods when the hedged item affects the statement of income. Accrued interest of interest rate swaps hedging floating rate interest-bearing liabilities are recognized in profit or loss within financial expenses.

The main derivative instruments used by the company for the financial years 2018 and 2017 were interest rate and foreign currency derivatives. They have been used as hedging instruments in accordance with the company's finance policy.

Ramirent Group uses interest rate derivatives to reduce the volatility of interest expenses in the statement of income and to adjust the duration of the debt portfolio. Interest rate derivative agreements have been designated as hedges of forecasted transactions, i.e. cash flow hedges.

All the interest rate derivatives are directly linked to underlying funding transactions and they meet the qualifications for hedge accounting, and thus they are designated as cash flow hedges. Under cash flow hedging, Ramirent has predetermined the interest expense cash flow between 2019 and 2024.

Prospective effectiveness testing is conducted on a constant basis. The majority of cash flow hedges have been effective during 2018.

Gains and losses accumulated in other comprehensive income are recycled in the statement of income within financial income or expenses during the periods when the hedged item affects profit or loss. Movements in hedging reserve are presented in other comprehensive income. For 2018 interest rate hedge effect to other comprehensive income was EUR -0.6 (0.2) million after taxes.

1.1. 1.1. 1.2. 1.3. 1.4. 1.5. 2. 2.1. 2.2. 2.3. 2.4. 2.5. 2.6. 2.7. 2.8. 2.9 2.10. 3. 3.1. 3.2. 3.3. 3.4. 3.5. 4. 4.1. 4.2. 4.3 4.4. 4.5. 4.6. 5. 5.1. 5.2. 6. 6.1. 6.2. 7 7.1. 7.2. 7.3. 7.4. 7.5. 7.6. 7.7. 7.8. 8. 8.1. 8.2. 8.3. 8.4.

December 31, 2018 (EUR 1,000)	Nominal value	Positive fair value	Negative fair value	Fair value net
Derivatives designated as cash flow hedges				
Interest rate swaps[1]	155,000	-	-1,304	-1,304
Non-hedge accounted derivatives				
Foreign exchange forwards	43,900	406	-1	406

1 The average paid fixed rate is 0,33%

December 31, 2017 (EUR 1,000)	Foreign exchange forwards	Positive fair value	Negative fair value	Fair value net
Derivatives designated as cash flow hedges				
Interest rate swaps[1]	115,000	39	-519	-480
Non-hedge accounted derivatives				
Foreign exchange forwards	58,277	13	-288	-276

1 The average paid fixed rate is 0,30%

Financial impact of netting for instruments subject to an enforcable master netting agreement

The Group has entered into master netting agreements with all of its derivative instrument counterparties.

		Offsetting derivative instruments		
December 31, 2018 (EUR 1,000)	Gross amount of recognized financial instruments	Related liabilities (–) or assets (+) subject to Master Netting Agreements	Collateral received (–) or given (+)	Net Exposure
Derivative assets	406	-406	-	-
Derivative liabilities	-1,304	406	-	-898

		Offsetting derivative instruments		
December 31, 2017 (EUR 1,000)	Gross amount of recognized financial instruments	Related liabilities (–) or assets (+) subject to Master Netting Agreements	Collateral received (–) or given (+)	Net Exposure
Derivative assets	39	-39	-	-
Derivative liabilities	-794	39	-	-756

5.2 Capital management

The targets of capital management in Ramirent have been adopted by the Board of Directors in the Finance Policy and in the strategic plan. Ramirent's target is to have a strong financial position that provides financial stability, relatively independently of the economic cycles and external financing possibilities. This enables Ramirent to make long-term business decisions and to act effectively over a business cycle. In addition the company is to earn a sustainable return that is higher than the market cost of its capital.

Ramirent aims to focus on capital efficient profitable growth in its core business – general equipment rental and related services. The objective of the Group strategy for 2018-2020 is to drive further profitability improvement by having a disciplined focus on profitable businesses, performance management, process excellence, capital efficiency and people leadership.

Ramirent's financial targets:

Indicator	Target
EPS growth (CAGR)	double digit % 2018-2020
ROCE	16% by the end of 2020
Dividend payout ratio	> 50% of net profit
Net debt to EBITDA	< 2.5x at end of each fiscal year

On February 7, 2019 the Board decided to revise the financial target for Net debt/EBITDA ratio from <2.5x to < 2.8x at end of each fiscal year due to implementation of IFRS 16. All other financial targets remain unchanged.

Ramirent's business is capital intensive and the investments in new fleet and efficient use of existing fleet reflect the growth possibilities and the profitability. The amount of Ramirent's future capital expenditure depends on a number of factors, including general economic conditions and growth prospects. The business is cyclical, but if investments are halted, the effects on cash flow are relatively immediate. The timing and amount of investments are key factors in the achievement of the targeted capital structure.

Ramirent aims to pay an ordinary dividend each year that corresponds to at least 50% of the annual earnings per share. The Board has proposed that the Annual General Meeting in 2019 resolves in favour of paying a dividend of EUR 0.46 per share, which corresponds to 104% of the annual net profit. Total dividend distribution during the past 5 years corresponds with 110% of the accumulated net profit for the past five years.

In 2018 the Annual General Meeting adopted the Board's proposal that a dividend of EUR 0.44 per share be paid based on the adopted balance sheet for the financial year ended on December 31, 2017. The dividend totalled EUR 47,463,086.00 and it was paid in two installments. The first installment of EUR 0.22 per share was paid on April 4, 2018 for shareholders whose shares are registered in Euroclear Finland Oy and on April 5, 2018 for shareholders whose shares are registered in Euroclear Sweden AB. The second installment of EUR 0.22 per share was paid on October 3, 2018 for shareholders whose shares are registered in Euroclear Finland Oy and on October 4, 2018 for shareholders whose shares are registered in Euroclear Sweden AB.

Capital structure of the Group is reviewed by the Board on a regular basis. The Net Debt to EBITDA –ratio and other financial target measures are reviewed regularly.

The Net Debt to EBITDA -ratio as of December 31, 2018 and 2017 (EUR 1,000)	2018	2017
Interest–bearing liabilities	360,878	344,832
Cash and cash equivalents	-10,292	-6,896
Net debt	350,587	337,936
Earnings before interests, taxes, depreciation and amortization (EBITDA)	202,887	200,682
Net Debt to EBITDA	1.7x	1.7x

Reconciliation of net debt	2018	2017
Net debt at January 1	337,936	345,848
Decrease/(increase) in cash during the year	-3,395	-5,327
Repayments of non–current debt	-	-12,015
Borrowings and repayments of current debt (net)	15,817	9,847
Exchange rate differences	-	-585
Non–cash movements:		
Deferred costs of raising debt	229	168
Increase/(decrease) in net debt during the year	12,651	-7,912
Net debt at December 31	**350,587**	**337,936**

6. Income taxes

P Income taxes consist of current income taxes and deferred income taxes.

Current income taxes include income taxes for the current fiscal year as well as adjustments to the current income taxes for previous fiscal years in terms of tax expenses or tax refunds that had not been recognized in the prior year profit or loss. The income tax charge for the current fiscal year is the sum of the current income taxes recorded in each Group company, which are calculated on the company specific taxable income using the tax rates prevailing in the different countries where the Group companies are operating.

Deferred income taxes are calculated on all temporary differences between the carrying value and the tax bases of assets and liabilities. The main temporary differences arise from the depreciation difference on non-current assets, the measurement at fair value of derivative financial instruments, defined benefit pension plans, tax losses carried forward and the measurement at fair value in business combinations. Deferred income taxes are not recognized on subsidiary retained earnings to the extent that it is not probable that the timing difference will materialize in the foreseeable future.

Deferred income taxes are calculated using the country specific tax rates enacted or substantially enacted in local tax laws as at balance sheet date. Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Income taxes on items recognized in other comprehensive income are also recognized in other comprehensive income.

6.1. Income taxes recognized in the statement of income

(EUR 1,000)	2018	2017
Current income tax for the year	-18,890	-12,325
Income tax for prior years	-133	793
Deferred income taxes	7,492	-2,065
Total income taxes	**-11,530**	**-13,597**
Reconciliation of income tax to the Finnish corporate income tax rate (EUR 1,000)		
Earnings before taxes (EBT)	56,397	78,393
Income tax at Finnish tax rate on profit before tax	-11,279	-15,679
Impact of different tax rate outside Finland	1,607	318
Impact of tax non-deductible expenses	-3,877	-1,303
Impact of tax exempt income	1,277	441
Income tax for prior years	-133	793
Impact of change in tax rates on deferred taxes	553	1,007
Impact on non-recognition of deferred income tax assets on current year losses	-	-149
Impact on recognition of deferred income tax assets recognized on prior years losses	-	227
Tax impact on dividend distribution	-750	-
Net results of joint venture and associated companies	120	198
Benefit arising from previously unrecognized tax losses used to reduce current tax expense	906	159
Effects of consolidation and eliminations	-	267
Other items	46	122
Total income taxes	**-11,530**	**-13,597**
Effective tax rate	-20.4 %	-17.3 %

Deferred tax assets and liabilities have been measured using the tax rates applicable on 2019 and onwards. Changes in tax rates have taken place in Norway and Latvia in 2018. In 2019 tax rate will change in Sweden and Norway.

Tax effects of components in other comprehensive income (EUR 1,000)	2018 Before taxes	2018 Tax	2018 After taxes	2017 Before taxes	2017 Tax	2017 After taxes
Translation differences	-9,327	-	-9,327	-8,643	-	-8,643
Actuarial gains/(losses) on defined benefit plans	-1,549	331	-1,218	-1,682	370	-1,312
Cash flow hedges	-737	147	-590	274	-55	219
Share of other comprehensive income in associates and joint ventures	-1,778	-	-1,778	-1,290	-	-1,290
Total	**-13,391**	**478**	**-12,913**	**-11,341**	**315**	**-11,026**

6.2. Deferred taxes

Movement in deferred tax assets in year 2018 (EUR 1,000)	Balance on Jan 1	Recognized in profit or loss	Recognized in other comprehensive income	Exchange differences	Acquisitions/ disposals	Reclassification	Balance on Dec 31
Tax losses carried forward	227	-34	-	-4	-	-	189
Fair value adjustments	551	161	147	-	-	-	859
Pension obligations	2,224	23	331	-112	-	-	2,466
Other temporary differences	3,205	924	-	-123	-	-	4,006
Total	**6,208**	**1,074**	**478**	**-239**	**-**	**-**	**7,521**
Effect of netting	-5,054						-6,483
Deferred tax assets reported in financial statements	1,154						1,038

Movement in deferred tax liabilities in year 2018 (EUR 1,000)	Balance on Jan 1	Recognized in profit or loss	Recognized in other comprehensive income	Exchange differences	Acquisitions/ disposals	Reclassification	Balance on Dec 31
Adjustments to fair value of non-current assets due to business combinations	11,926	-5,453	-	91	2,360	-	8,924
Accumulated depreciation in excess of plan	38,208	-3,196	-	-1,155	107	-	33,964
Other taxable temporary differences	2,907	2,231	-	-410	-	-	4,728
Total	**53,041**	**-6,418**	**-**	**-1,474**	**2,467**	**-**	**47,616**
Effect of netting	-5,054						-6,483
Deferred tax liabilities reported in financial statements	47,987						41,133

Movement in deferred tax assets in year 2017 (EUR 1,000)	Balance on Jan 1	Recognized in profit or loss	Recognized in other comprehensive income	Exchange differences	Acquisitions/ disposals	Reclassification	Balance on Dec 31
Tax losses carried forward	2,388	-2,134	-	-27	-	-	227
Fair value adjustments	646	-40	-55	-	-	-	551
Pension obligations	1,904	-	370	-50	-	-	2,224
Other temporary differences	1,506	1,680	-	19	-	-	3,205
Total	**6,445**	**-494**	**315**	**-58**	**-**	**-**	**6,208**
Effect of netting	-5,867						-5,054
Deferred tax assets reported in financial statements	578						1,154

Movement in deferred tax liabilities in year 2017 (EUR 1,000)	Balance on Jan 1	Recognized in profit or loss	Recognized in other comprehensive income	Exchange differences	Acquisitions/ disposals	Reclassification	Balance on Dec 31
Adjustments to fair value of non-current assets due to business combinations	13,911	-1,034	-	-1,008	57	-	11,926
Accumulated depreciation in excess of plan	36,909	1,799	-	-500	-	-	38,208
Other taxable temporary differences	2,473	723	-	-289	-	-	2,907
Total	**53,293**	**1,488**	**-**	**-1,797**	**57**	**-**	**53,041**
Effect of netting	-5,867						-5,054
Deferred tax liabilities reported in financial statements	42,427						47,987

E The consolidated financial statements include deferred tax assets on tax losses carried forward in subsidiaries that have been loss-making in current or earlier financial periods. Group management has assessed the subsidiaries' potential to utilize these losses during the utilization period in each subsidiary. This assessment is based on the best available information of the future outlook in the subsidiaries. A deferred tax asset is not recognized in case there is not sufficient certainty about the subsidiaries' potential to utilize the losses. Total amount of unused tax losses for which no deferred tax asset is recognized is 3.2 (3.6 EUR) million.

7. Group structure and consolidation principles

7.1. Consolidation principles

The accounting policies applied to the consolidated financial statements in general are described in this section.

P Subsidiaries

The consolidated financial statements include the parent company Ramirent Plc and all companies over which Ramirent has control. Being in control means the power to direct the activities of the company and ability to obtain benefits from these activities.

The group entities apply uniform accounting policies. The subsidiaries are listed in note 7.2.

The consolidated financial statements are prepared using the acquisition method of accounting, according to which the separately identified assets, liabilities and contingent liabilities of the acquired company are measured at their fair value at the date of acquisition.

The date of acquisition is the date when control is gained over the subsidiary. A subsidiary is consolidated from the date of acquisition until the date when the parent company loses control over the subsidiary. If control over the subsidiary is lost, the remaining investment is measured at fair value through profit or loss. In addition, amounts previously recognized in other comprehensive income in respect of the disposed subsidiary are reclassified to the profit or loss. If the parent company retains control, impacts from changes in ownership in a subsidiary are recognized directly in the Group's equity.

The difference between the acquisition cost, possible equity belonging to the non-controlling interests and the acquired company's net identifiable assets and liabilities measured at fair value is goodwill. It represents a consideration made by the acquirer in anticipation of future economic benefits from assets that cannot be individually identified and separately recognized as assets. Any contingent consideration will be measured at fair value and subsequently re-measured through profit or loss. All acquisition-related costs, such as professional fees, are expensed through the profit or loss. Non-controlling interest in the acquiree is measured acquisition-by-acquisition either at fair value or at value, which is equal to the proportional share of the non-controlling interest in the identifiable net asset acquired.

The net assets acquired are denominated in the functional currencies of the acquired subsidiaries and translated to the parent company's functional currency the euro at the exchange rates prevailing at the last day of the financial year. The result of this is that goodwill on all acquisitions measured in any other currency than the euro is subject to exchange rate differences, which causes fluctuation of goodwill and any fair value adjustment amount when translated to the parent company's functional currency the euro.

All internal transactions, balances and internal unrealized profits as well as internal distribution of profit are eliminated. Unrealized losses are eliminated in the same way as unrealized profits, but only to the extent that there is no evidence of impairment.

Foreign currency transactions and translation

The result and financial position of each individual Group company is measured in the currency of the primary economic environment in which the company is operating (functional currency). The consolidated financial statements are presented in euro, which is the functional currency of the Group's parent company Ramirent Plc.

The initial transactions in foreign currency are recorded in the functional currency at the exchange rates prevailing at the dates of the transactions. Receivables and liabilities denominated in foreign currencies are translated to functional currency by using the exchange rates prevailing at the reporting date. Foreign currency exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies for operating items are recognized in other operating expenses in the statement of income, whereas those stemming from financing items are recognized in financial income and expenses in the statement of income.

The income statements of the Group's subsidiaries, whose functional currency is not the euro, are translated into euros based on the average exchange rate of the financial period. Their statements of financial position, with the exception of net result, are translated to euros at the exchange rates prevailing at the reporting date. The difference arising due to the consolidation process between the net result for the financial period in the consolidated statement of income and that in the consolidated balance sheet is recognized as translation differences in other comprehensive income and presented in translation differences in equity in the consolidated balance sheet. Exchange rate differences arising from the elimination of the acquired net assets of the foreign subsidiaries at the acquisition date are also recognized as translation differences in other comprehensive income and presented in translation differences in equity in the consolidated balance sheet. When a subsidiary is disposed, any translation difference relating to the disposed subsidiary and previously presented in equity is transferred to the statement of income as part of the gain or loss of the sale or liquidation.

7.2. Subsidiaries

Subsidiaries December 31, 2018	Country	Nature of activity	Plc's direct holding	Group holding
Ramirent Internal Services AB	Sweden	Operating	100%	100%
Ramirent Shared Services AS	Estonia	Operating	100%	100%
Safety Solutions Jonsereds AB	Sweden	Operating	85.73%	85.73%
Ramirent Finland Oy	Finland	Operating	100%	100%
Rami Kalusto Oy	Finland	Operating	0%	100%
Koy Nummelanrinne	Finland	Real estate company	0%	100%
Ramirent AB	Sweden	Operating	100%	100%
Ramirent Safe Access AB	Sweden	Operating	0%	100%
Ramirent AS	Norway	Operating	100%	100%
Bautas AS	Norway	Dormant	0%	100%
Ramirent A/S	Denmark	Operating	100%	100%
Ramirent Baltic AS	Estonia	Operating	100%	100%
Ramirent AS Rigas filiale	Latvia	Operating	0%	100%
Ramirent AS Vilniaus filialas	Lithuania	Operating	0%	100%
Ramirent S.A.	Poland	Operating	100%	100%
Ramirent s.r.o.	Czech Republic	Operating	100%	100%
Ramirent spol. s.r.o.	Slovakia	Operating	100%	100%
To be divested in 2019				
Ramirent A/S	Denmark	Operating	100%	100%

7.3. Investments in associates and joint ventures

P Associated companies are entities over which Ramirent has significant influence but no control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights.

Joint arrangements are arrangements in which Ramirent has joint control with one or more parties. Ramirent applies IFRS 11 to all joint arrangements. Under IFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. Ramirent has assessed the nature of its joint arrangements and determined them to be joint ventures.

Investments in associates and joint ventures are accounted for using the equity method of accounting. Under the equity method of accounting, investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. Dividends received or receivable from associated companies and joint ventures are recognized as a reduction in the carrying amount of the investment. When the Group's share of losses in an equity accounted investment equals or exceeds its interests in the entity (which includes any long-term interests that, in substance, form part of the Group's net investment in the entity), the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the entity. Acquisition related costs are included in the investment value for arrangements carried out before 2016. Starting from 2016 Ramirent applies the principles of IFRS 3 Business Combinations for joint operations that constitute a business. Acquisition related costs are expensed through profit or loss when incurred.

Accounting policies of the associated companies and joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

The share of the profit or loss from associated companies and joint ventures is presented separately in the consolidated statement of income. Ramirent's investment in associated companies and joint ventures includes goodwill identified on acquisition.

Joint ventures

Ramirent has two joint ventures: Fortrent Oy with subsidiaries operating in Russia and Ukraine and Fehmarnbelt Solution Services A/S in Denmark. Fehmarnbelt Solution Services A/S was established with Zeppelin Rental GbmH to serve the cross-border Fehmarnbelt tunnel construction project. As the project has been postponed the operations of Fehmarnbelt Solution Services A/S have not yet started.

(EUR 1,000)	2018	2017
Investments in joint ventures	6,444	7,785
Carrying value on December 31	6,444	7,785

Information on joint ventures			Interest held	
Name of company	Industry	Domicile	2018	2017
Fortrent Oy	Equipment rental	Helsinki	50%	50%

(EUR 1,000)	2018	2017
Opening net assets	11,658	12,159
Result for the period	1,031	2,078
Other comprehensive income	-3,555	-2,579
Closing net assets	**9,134**	**11,658**
Interest in joint venture (50%)	4,567	5,829
Transaction costs	1,358	1,358
Carrying value December 31	**5,925**	**7,187**
Loans granted to Fortrent	**8,694**	**10,153**

Fortrent is the leading company in the construction machinery and equipment rental markets in Russia and Ukraine. Fortrent is owned and controlled jointly by Cramo Plc (50 percent) and Ramirent Plc (50 percent). Ramirent has classified its interest in Fortrent as a joint venture. Ramirent presents its share of the profit of the joint venture above EBIT using the equity method of accounting.

Summarized financial information on Fortrent is presented in the following table. Fortrent prepares its consolidated financial statements in accordance with IFRS and there are no major differences to Ramirent's accounting policies.

Summarized statement of financial position (EUR 1,000)	December 31, 2018	December 31, 2017
Non-current assets		
Goodwill	4,373	5,023
Intangible assets	2,548	3,666
Property, plant and equipment	19,945	21,630
Deferred tax assets	1,161	1,658
Total non-current assets	**28,027**	**31,977**
Current assets		
Cash and cash equivalents	387	447
Other current assets	4,758	6,129
Total current assets	**5,145**	**6,576**
Total assets	**33,172**	**38,553**
Non-current liabilities		
Interest-bearing liabilities	17,388	20,306
Other non-current liabilities (Deferred tax liability)	2,281	2,589
Total non-current liabilities	**19,669**	**22,895**
Current liabilities		
Other current liabilities	4,369	4,000
Total current liabilities	**4,369**	**4,000**
Total liabilities	**24,038**	**26,895**
Net assets	**9,134**	**11,658**

Summarized statement of comprehensive income (EUR 1,000)	Jan–Dec 2018	Jan–Dec 2017
Total sales	**29,889**	**32,226**
Materials and Services	-9,103	-8,963
Other expenses	-11,246	-11,754
Depreciation	-6,141	-6,980
Operating result before amortization (EBITA)	**3,400**	**4,529**
Amortization	-693	-788
Operating result (EBIT)	**2,707**	**3,741**
Interest income	28	78
Interest expense	-497	-604
Other financial income and expenses (net)	-680	-628
Earnings before taxes (EBT)	**1,558**	**2,588**
Income taxes	-527	-509
Result for the period	**1,031**	**2,078**
Other comprehensive income	-3,555	-2,580
Total comprehensive income	**-2,524**	**-502**

Fortrent had off balance commitments amounting to EUR 130 (269) thousand. Average number of personnel (FTE) was 318 (324).

Ramirent and Cramo announced in December 2017 that strategic options for their equally-held Russia and Ukraine-based joint venture company Fortrent would be explored. The review was completed in December 2018 and as an outcome of the analysis, Fortrent's strategic focus in the future will be in the Russian operations, optimising cash flow generation and debt repayment to its owners. Consequently, Fortrent's Ukrainian operations will be closed during 2019. The restructuring costs recognized for 2018 total EUR 0.5 million. In 2018, Fortrent's total revenues amounted to EUR 29.9 million, whereof the share of Ukrainian business was EUR 2.4 million. The ownership of Fortrent will remain unchanged.

7.4. Acquisitions and disposals

Acquisitions of subsidiaries and business operations executed in 2018 and 2017

On December 19, 2018, Ramirent announced the acquisition of the shares of Finnish based SRV Kalusto Oy and the signing of a long-term cooperation agreement on equipment rental and related services with SRV Group Plc. SRV Kalusto Oy has been acting as an internal equipment rental company in the SRV Group, covering approximately one quarter of SRV's equipment rentals and related services at the construction sites and has currently 33 employees. The deal between Ramirent and SRV Group Plc covers a significant share of SRV's annual equipment rentals. In 2017, the net sales of SRV Kalusto Oy amounted to approximately EUR 8 million. As part of the agreement, SRV Kalusto Oy's name changes to Rami Kalusto Oy.
No major acquisitions were executed in 2017.

A summary of the impact of acquisitions is presented below:

Consideration (EUR 1,000)	2018	2017
Cash	21,000	-
Total consideration	**21,000**	**-**

Recognized amounts of identifiable net assets acquired and liabilities assumed	2018	2017
Assets		
Non-current assets		
Property, plant & equipment		
Land	230	-
Buildings	1,070	-
Machinery & equipment	13,500	-
Intangible non-current assets	2,448	-
Current assets		
Cash	298	-
Other current assets	1,373	-
Total assets	**18,919**	**-**
Liabilities		
Deferred tax liabilities	-2,467	-
Interest-bearing liabilities	-	-
Non-interest-bearing liabilities	-999	-
Total liabilities	**-3,465**	**-**
Total identifiable net assets	**15,454**	**-**
Goodwill	**5,546**	**-**

Disposals of subsidiaries and business operations

P Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction and the sale is highly probable. They are measured at the lower of their carrying amount and fair value less cost to sell. Depreciation ceases when assets are classified as held for sale. Non-current assets classified as held for sale and related liabilities are presented separately from other assets and liabilities in the balance sheet.

The result for discontinued operations is reported separately from the results for continuing operations in a separate line. The comparative information in the income statement is restated accordingly.

Disposals of subsidiaries and business operations executed in 2018 and 2017

On July 30, 2018 Ramirent announced the sale of its Temporary Space business to Procuritas Capital Investors VI Holding AB for an enterprise value of approximately EUR 53 million. The transaction was closed on November 1, 2018 and it resulted in write downs of non-current assets by EUR 29.9 million and transaction costs of EUR 1.4 million.

Details of the sale are presented below:

(EUR 1,000)	2018	2017
Total disposal consideration	53,568	-
Carrying amount of disposed net assets	-83,474	-
Transaction costs	-1,426	
Loss on disposal before income tax	**-31,332**	**-**

On December 3, 2018, Ramirent announced that it will divest its Danish equipment rental business to G.S.V. Materieludlejning A/S, Denmark's largest equipment rental company. The enterprise value of the transaction is approximately EUR 33 million. The transaction is estimated to be completed in the beginning of 2019. Following the divestment, the financial figures for the Danish operations are reported as discontinued operations and are not included in the financial figures for Ramirent's continuing operations in the financial statements for 2018. The comparative information has been restated accordingly. The transaction did not have any significant impact on Ramirent Group's financial result.

Statement of income of the discontinued operations (EUR 1,000)	2018	2017
Net sales	38,787	38,204
EBIT	4,140	-1,394
Total financial income and expenses	-46	-33
Earnings before taxes (EBT), discontinued operations	**4,094**	**-1,427**
Income taxes	-1,127	83
Result for the financial year, discontinued operations	**2,966**	**-1,344**

Cash flow of the discontinued operations (EUR 1,000)	2018	2017
Cash flow from operating activities	3,261	-797
Cash flow from investing activities	-6,581	-11,783
Cash flow from financing activities	-	-

Assets and liabilities of disposal group classified as held for sale

The following assets and liabilities were reclassified as held for sale in relation to the discontinued operations as at December 31, 2018:

(EUR 1,000)	2018	2017
Assets classified as held for sale		
Intangible assets	355	-
Tangible assets	29,540	-
Current assets	8,038	-
Total assets of disposal group held for sale	**37,933**	**-**
Liabilities directly associated with assets classified as held for sale		
Deferred tax liabilities	1,440	-
Trade payables	1,183	-
Other non-interest bearing liabilities	3,375	-
Total liabilities of disposal group held for sale	**5,998**	**-**

On November 1, 2017, Ramirent finalized the agreement for the sale and lease back of the Norwegian real estate company C6 Invest AS. The company owns Ramirent's hub in Enebakk, Norway. The sales transaction resulted in a EUR 1.3 million capital gain that was recognized in 2017. The lease back agreement is interpreted as an operating lease.

7.5. Presentation of consolidated statement of income

IAS 1 Presentation of financial statements does not define "operating result". Ramirent presents operating result (EBIT) in the consolidated statement of income and has defined it as total of net sales and other operating income less costs of sales, selling, general and administrative costs. Gains and losses on disposal of businesses, the share of result in associates and joint ventures and impairment of goodwill are also included in the operating result. Foreign currency differences stemming from working capital items are included in the operating result.

7.6. Reconciliation of EBIT based on the nature of expenses

Reconciliation of key figures (EUR 1,000)	2018	2017
Net Sales	711,669	685,495
Other operating income	791	2,108
Materials and services	-242,125	-235,549
Employee benefit expenses	-173,522	-167,807
Other operating expenses	-94,364	-84,558
Share of result in associates and joint ventures	438	994
Depreciation, amortization and impairment charges	-135,999	-109,944
EBIT	**66,888**	**90,739**

7.7. New IFRS standards

Ramirent has not yet adopted the following standards or interpretations that the IASB has issued but are not yet effective. Ramirent will adopt them as from their effective dates, if the effective date is the same as the beginning of the financial year, or if the effective date is different, they will be adopted as from the beginning of the following financial year.

IFRS 16 Leases

Ramirent has adopted IFRS 16 "Leases" from January 1, 2019, using the modified retrospective approach which does not require restatement of the comparative periods. The cumulative impact of implementation is accounted for as an adjustment in the opening equity. IFRS 16 requires that lease contracts are recognized in the balance sheet as assets and interest bearing liabilities. Lease expenses in the income statement are replaced by depreciation and interest cost. Adoption of the new standard will have effect to many key figures, e.g. EBITDA and EBIT will increase, equity ratio and ROCE % will decrease and net debt and net debt to EBITDA will increase.

IFRS 16 increases significantly the amount of leases that are recognized as an asset and a liability in the lessee's balance sheet. Ramirent's operating leases relate mainly to premises and premises lease contracts form main part of the right of use asset in the balance sheet. The rest of the lease agreements relate to split-rental and re-rental agreements of rental machinery and leases of equipment and vehicles in own use. Short-term premises lease agreements and premises lease agreements with indefinite term and short termination period are included in the calculation of the right-of-use asset based on the estimated lease period. Other short-term leases and leases for which the underlying asset is of low value are not included in the calculation of the right-of-use asset and a lease liability. Split-rent and re-rent agreements are often short-term or include variable lease payments and such agreements are not included in the calculation. Ramirent has not identified any service contracts that include lease elements.

As at the reporting date Ramirent has non-cancellable operating lease commitments of EUR 88.0 million. Approximately 1-5% of these relate to payments for short-term and low value leases which are not capitalized but recognized on a straight-line basis as an expense in profit or loss. As the short term premises lease contracts as well as premises lease agreements with indefinite term and short termination period are included in the calculation of the right-of-use asset, the total amount to be capitalized will be higher than the current off balance lease commitment. According to the Group's impact analysis

the amount to be capitalized as a right-of-use asset and a lease liability at the transition on January 1, 2019 will total approximately EUR 110 million. The impact on EBIT is estimated to be positive, EUR 1.4 million on annual basis.

Other changes or amendments to other published IFRS standards and IFRIC's will not have any material impact on Ramirent's financial reporting.

7.8. Exchange rates applied

Currency	Average rates 2018	Average rates 2017	Closing rates 2018	Closing rates 2017
CZK	25.6432	26.3272	25.7240	25.5350
DKK	7.4532	7.4387	7.4673	7.4449
NOK	9.6006	9.3286	9.9483	9.8403
PLN	4.2606	4.2563	4.3014	4.1770
SEK	10.2567	9.6369	10.2548	9.8438

8. Other notes

8.1. Related party transactions

Ramirent's related parties are the key management, joint ventures Fortrent Oy, Fehmarnbelt Solution Services A/S and one major shareholder, Nordstjernan Group. Key management consists of the members of the Board of Directors, the CEO and the members of the Group Executive Management Team. The list of subsidiaries is presented in note 7.2.

Employee benefits for key management (accrual basis) (EUR 1,000)	2018	2017
Short-term employee benefits	-3,209	-3,133
Termination benefits	-764	-
Post-employment benefits	-115	-115
Share-based payments	-867	-1,899
Total	**-4,955**	**-5,147**

Benefits paid to the Board members and the CEO (EUR 1,000)	2018	2017
Appleton, Kevin	-37	-37
Bengtsson, Erik	-24	-32
Bergh, Kaj-Gustaf	-37	-36
Carlsson, Ann	-35	-34
Frumerie, Anette	-	-8
Lundahl, Ulf	-74	-68
Lönnevall, Tobias	-42	-42
Paulsson, Mats O	-	-8
Renlund, Susanna	-47	-50
Kolunsarka, Tapio	-967	-653
Total	**-1,260**	**-966**

The employee benefits paid to the CEO in 2018 total EUR 967 (653) thousand. Benefits comprise of annual base salary and fringe benefits, EUR 484 (484) thousand, bonus for year 2017 368 (54) and a separate pension insurance, EUR 115 (115) thousand.

Employee benefits of CEO include a voluntary defined contribution pension plan. Company makes agreed annual payments to plan, which are invested to a Capital Redemption agreement. Payments to Capital Redemption agreement including return is presented as financial assets at fair value through profit or loss. Change in fair value is presented in financial items. These assets are pledged as security for the given pension promise. No separate agreement regarding early retirement has been made.

Company recognizes as annual pension cost the amounts paid to the plan and the obligation related to pension promise is presented as other non-current liabilities. The obligation is also effected by the changes in fair value of the Capital Redemption agreement, which are accounted for as an adjustment to pension cost, since obligation relates to defined contribution plan and investment including return are intended to fulfil the pension promise.

Post-employment benefits for the CEO, accrual basis

The post-employment benefits are included in the paid amount presented above.

(EUR 1,000)	2018	2017
Voluntary pension plan in Finland	-115	-115
Total pension plans	**-115**	**-115**

Ramirent did not have any other transactions than the above employee benefits with Key Management during years 2018 and 2017. There were no outstanding loan receivables from Key Management either on December 31, 2018, or December 31, 2017.

Transactions with and receivables from other related parties (EUR 1,000)	2018	2017
Companies owned by Nordstjernan Group		
Sale of rental services	56,777	58,927
Current receivables	7,702	11,032
Fortrent Oy		
Interest income	248	302
Non-current loan receivables	8,694	10,153

8.2. Commitments and contingent liabilities

Off–balance sheet commitments on December 31, 2018 (EUR 1,000)	To secure own borrowings	To secure other own obligations	To secure third party obligations	Total
Suretyships	–	4,965	–	4,965

Off–balance sheet commitments on December 31, 2017 (EUR 1,000)	To secure own borrowings	To secure other own obligations	To secure third party obligations	Total
Suretyships	–	4,807	–	4,807

	2018	2017
Group Share of commitments in joint ventures	66	134

Committed investments at the end of 2018 totaled EUR 28.2 (23.7) million. The Group's obligations in terms of future minimum non-cancellable leasing payments are disclosed in note 2.7.

8.3. Disputes and litigations

Ramirent's management is not aware of any disputes and/or litigation processes that would significantly affect the company's operating performance and/or financial position in an adverse manner in case of negative outcomes from the company's point of view.

8.4. Events after the reporting period

On January 28, 2019, Ramirent Plc increased its domestic commercial paper programme to EUR 300 million. Previously the size of the programme was EUR 250 million. Within the programme, Ramirent can issue commercial papers having maturity of less than one year to finance Ramirent's working capital and other short-term funding needs.

On February 7, 2019, Ramirent Plc signed EUR 185 million syndicated credit facility agreement. The maturity of the revolving credit facility is five years with two one-year extension options. The credit facility will be used to re-finance a syndicated credit facility of EUR 145 million that was set to mature in 2020 and for general corporate purposes. After the re-financing, Ramirent has committed long-term senior credit facilities of EUR 485 million in total and a short-term unsecured bond of EUR 100 million. On 31 December 2018, Ramirent's net debt was EUR 350.6 million.

On February 7, 2019 the Board decided to revise the financial target for Net debt/EBITDA ratio from <2.5x to < 2.8x at end of each fiscal year due to implementation of IFRS 16. All other financial targets remain unchanged.

1.1. 1.1. 1.2. 1.3. 1.4. 1.5. 2. 2.1. 2.2. 2.3. 2.4. 2.5. 2.6. 2.7. 2.8. 2.9 2.10. 3. 3.1. 3.2. 3.3. 3.4. 3.5. 4. 4.1. 4.2. 4.3 4.4. 4.5. 4.6. 5. 5.1. 5.2. 6. 6.1. 6.2. 7 7.1. 7.2. 7.3. 7.4. 7.5. 7.6. 7.7. 7.8. 8. 8.1. 8.2. 8.3. 8.4.

AUDITOR'S REPORT

Auditor's Report (Translation of the Finnish Original)
To the Annual General Meeting of Ramirent Plc

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

In our opinion,

- the consolidated financial statements give a true and fair view of the group's financial position and financial performance and cash flows in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU
- the financial statements give a true and fair view of the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of the financial statements in Finland and comply with statutory requirements.

Our opinion is consistent with the additional report to the Audit Committee.

WHAT WE HAVE AUDITED

We have audited the financial statements of Ramirent Oyj (Business ID: 0977135-4) for the year ended 31 December 2017. The financial statements comprise:

- the consolidated statement of financial position, statement of income, statement of comprehensive income, statement of changes in equity and statement of cash flows and notes, which include a summary of significant accounting policies
- the parent company's balance sheet, income statement, statement of cash flows and notes to the financial statements.

BASIS FOR OPINION

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENCE

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, the non-audit services that we have provided to the parent company and to the group companies are in accordance with the applicable law and regulations in Finland and we have not provided non-audit services that are prohibited under Article 5(1) of Regulation (EU) No 537/2014. The non-audit services that we have provided are disclosed in note 2.6 to the consolidated financial statements.

OUR AUDIT APPROACH OVERVIEW

Materiality

- Overall group materiality: € 4.5 million.

Group scoping

- The group audit scope includes all significant companies in Finland, Sweden, Norway, Denmark and Poland, covering the vast majority of revenues, assets and liabilities.

Key Audit matters

- Revenue recognition
- Valuation of goodwill
- Valuation and existence of fleet assets

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

MATERIALITY

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of

our audit procedures and to evaluate the effect of misstatements on the financial statements as a whole.

Overall group materiality	€ 4.5 million
How we determined it	Net sales and profit before tax for 2017
Rationale for the materiality benchmark applied	We chose the combination of net sales and profit before taxes as the benchmark because, in our view, the performance of the Group is most commonly measured by using these criteria, and it is a generally accepted benchmark.

HOW WE TAILORED OUR GROUP AUDIT SCOPE

We tailored the scope of our audit, taking into account the structure of the Group, the accounting processes and controls and the size, complexity and risk of individual subsidiaries. The group audit scope was focused on the most significant companies in Finland, Sweden, Norway, Denmark and Poland. In addition, we performed analytical procedures at group level over the remaining companies.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

KEY AUDIT MATTER IN THE AUDIT OF THE GROUP

REVENUE RECOGNITION

Refer to note 2.2 in the consolidated financial statements.

The Group's revenue streams consist of rental of construction machinery and equipment, services related to the rental of machinery and equipment, trade of construction related goods and sale of used equipment.

Rental revenue from operating leases is recognised on a straight line basis over the term of the relevant lease arrangement. Revenues from services are recognised in the period when the service is rendered to the customer. Equipment, which is no longer held for rental, is transferred from tangible assets to inventory and recorded as revenue when a sales transaction takes place.

Revenue recognition includes a risk that revenue is not recorded in the correct period or that recorded sales transactions have not occurred. Therefore, this has been a focus area in our audit.

HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER

We reviewed management's key controls around revenue and receivables.

In addition, we performed substantive testing of revenue transactions including, among other things, the following:

- We used revenue data auditing techniques to check revenue transactions. This enabled us to focus our testing on higher risk transactions.
- We selected sales invoices recorded during the financial period on a sample basis and matched incoming cash to recorded revenue transactions.
- We tested a sample of sales transactions recorded in December 2017 and January 2018 to evaluate that revenue had been recognized in the right period.
- We tested credit invoices issued in January 2018 to ensure that they were recorded in the right financial period.
- We tested a sample of accrued income and deferred revenue balances by reference to supporting documentation.

VALUATION OF GOODWILL

Refer to note 3.2 in the consolidated financial statements.

As at 31 December 2017 the Group's goodwill balance amounted to € 135 million.

The company tests goodwill for potential impairment annually and whenever there is an indication that the carrying value may be impaired by comparing the recoverable amount against the carrying value of the goodwill. The recoverable amounts are determined using value in use model.

Valuation of goodwill is a focus area in the audit due to the size of the goodwill balance and the high level of management judgement involved in relation to estimates of future cash flows.

Our audit of goodwill valuation focused on management's judgement and estimates used. We have assessed the appropriateness of these through the following procedures:

- We tested the methodology applied in the value in use calculation by comparing it to the requirements of IAS 36, Impairment of Assets, and we tested the mathematical accuracy of the calculations.
- We evaluated the process by which the future cash flow forecasts were drawn up.
- We tested the key underlying assumptions for the cash flow forecasts, including sales and profitability forecasts, discount rates used and the implied growth rate beyond the forecasted period, e.g. by comparing sales forecasts to budget and long-term financial targets approved by the Board of Directors.
- We compared the current year actual results included in the prior year impairment model to corroborate the reliability of management's estimates.
- We considered whether the sensitivity analysis performed by management around key drivers of the cash flow forecast was appropriate.

We also considered the appropriateness of the related disclosures provided in note 3.2 in the Group financial statements.

VALUATION AND EXISTENCE OF FLEET ASSETS

Refer to note 3.1 in the consolidated financial statements.

As at 31 December 2017 the Group's rental fleet assets amounted to € 498 million.

The estimates of the fleet assets' useful lives and residual value have a significant impact on the financial statements both in terms of the annual depreciation charge and the profits recognized on the disposal of fixed assets. In addition, fleet assets have a high frequency of movement in individual assets, through asset purchases, rentals, disposals and transfers around the customer centres.

Valuation and existence of fleet assets is a focus area in the audit due to the size of the fleet assets balance and the high level of management judgement involved in ensuring that fleet assets are accurately valued.

Our audit work included reviewing management's key controls in place to ensure existence and appropriate value of rental assets. Such controls include authorisation of additions, disposals and scrappings, evaluation of the useful economic lives, stock taking routines and the reconciliation of fixed assets registers to the accounting records.

In addition, our audit procedures included, among other things, the following:

- We attended a number of the fleet counts and performed independent test counts to validate the existence of assets and accuracy of the counting performed. We tested that the records from the counts had been used to update both the fixed asset register and the accounting ledgers.
- We selected a sample of assets acquired in the year and agreed the amounts recorded on the fixed assets registers to invoices.
- We tested the depreciation of the fixed assets through a combination of detailed testing and analytical audit procedures.

We have no key audit matters to report with respect to our audit of the parent company financial statements.

There are no significant risks of material misstatement referred to in Article 10(2c) of Regulation (EU) No 537/2014 with respect to the consolidated financial statements or the parent company financial statements.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE MANAGING DIRECTOR FOR THE FINANCIAL STATEMENTS

The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, and of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or to cease operations, or there is no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice 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 financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our 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.
- Obtain 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 parent company's or the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director'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 parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the parent company or

the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Obtain 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. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER REPORTING REQUIREMENTS

APPOINTMENT

We were first appointed as auditors by the annual general meeting on 7 April 2011. Our appointment represents a total period of uninterrupted engagement of 7 years.

OTHER INFORMATION

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises information included in the report of the Board of Directors and in the Annual Report, but does not include the financial statements and our auditor's report thereon. We obtained the report of the Board of Directors prior to the date of this auditor's report and the Annual Report is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. With respect to the report of the Board of Directors, our responsibility also includes considering whether the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

In our opinion
- the information in the report of the Board of Directors is consistent with the information in the financial statements
- the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Helsinki 7 February 2018

PricewaterhouseCoopers Oy
Authorised Public Accountants

Ylva Eriksson
Authorised Public Accountant (KHT)

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF INCOME

(EUR 1,000)	NOTE	JAN–DEC 2017	JAN–DEC 2016
NET SALES	2.2.	723,694	**665,164**
Other operating income	2.3.	2,193	2,297
Materials and services	2.4.	−251,377	−245,875
Employee benefit expenses	2.5.	−178,295	−164,950
Other operating expenses	2.6.	−91,720	−88,894
Share of result of associates and joint ventures	7.3.	994	1,309
Depreciation, amortization and impairment charges	2.7.	−116,145	−130,697
OPERATING RESULT (EBIT)		**89,345**	**38,353**
Financial income	4.3.	8,712	9,179
Financial expenses	4.3.	−21,091	−19,428
Total financial income and expenses		−12,379	−10,249
EARNINGS BEFORE TAXES (EBT)		**76,966**	**28,104**
Income taxes	6.1.	−13,514	−6,273
RESULT FOR THE FINANCIAL YEAR		**63,452**	**21,832**
Result for the period attributable to:			
Shareholders of the parent company		63,452	22,081
Non-controlling interests		–	−249
TOTAL		**63,452**	**21,832**
Earnings per share (EPS) on parent company shareholders' share of result			
Basic, EUR	2.8.	0.59	0.20
Diluted, EUR	2.8.	0.58	0.20

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(EUR 1,000)	NOTE	JAN–DEC 2017	JAN–DEC 2016
RESULT FOR THE FINANCIAL YEAR		**63,452**	**21,832**
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Remeasurement of defined benefit obligation, net of tax	6.1.	−1,312	−940
Items that may be reclassified to profit or loss in subsequent periods:			
Translation differences		−8,643	−3,285
Cash flow hedges, net of tax	6.1.	219	323
Share of other comprehensive income of associates and joint ventures	7.3.	−1,290	3,348
Total		**−9,714**	**385**
OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		**−11,026**	**−555**
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		**52,426**	**21,277**
Total comprehensive income for the period attributable to:			
Shareholders of the parent company		52,426	21,526
Non-controlling interests		–	−249
Total		**52,426**	**21,277**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(EUR 1,000)	NOTE	DEC 31, 2017	DEC 31, 2016
ASSETS			
Non–current assets			
Goodwill	3.2.	134,660	138,499
Other intangible assets	3.2.	23,800	29,668
Property, plant and equipment	3.1.	524,768	495,334
Investments in associates and joint ventures	7.3.	7,785	8,082
Non-current receivables	3.3.	10,892	13,751
Available-for-sale financial assets	3.4.	89	101
Deferred tax assets	6.2.	1,154	578
Total non–current assets		**703,148**	**686,013**
Current assetS			
Inventories	3.5.	12,718	11,194
Trade and other receivables	3.6.	130,585	124,428
Current tax assets	6.1.	2,572	6,850
Cash and cash equivalents	4.1.	6,896	1,570
Total current assets		**152,772**	**144,041**
TOTAL ASSETS		**855,920**	**830,054**
EQUITY AND LIABILITIES			
Equity			
Share capital	4.2.	25,000	25,000
Revaluation fund		–231	–443
Invested unrestricted equity fund		116,428	113,951
Retained earnings from previous years		104,871	136,979
Result for the period		63,452	22,081
Equity attributable to the parent company shareholders		309,520	297,568
Total equity		**309,520**	**297,568**
Non–current liabilities			
Deferred tax liabilities	6.2.	47,987	47,427
Pension obligations	2.5.	22,357	20,005
Non–current provisions	3.8.	2,563	589
Non–current interest–bearing liabilities	4.4.	174,559	186,991
Other non–current liabilities	3.9.	4,968	4,749
Total non–current liabilities		**252,434**	**259,762**
Current liabilities			
Trade payables and other liabilities	3.10.	116,557	108,579
Current provisions	3.8.	2,634	1,834
Current tax liabilities	6.1.	4,501	1,885
Current interest–bearing liabilities	4.4.	170,273	160,426
Total current liabilities		**293,965**	**272,724**
Total liabilities		**546,400**	**532,486**
TOTAL EQUITY AND LIABILITIES		**855,920**	**830,054**

CONSOLIDATED CASH FLOW STATEMENT

(EUR 1,000)	NOTE	JAN–DEC 2017	JAN–DEC 2016
CASH FLOW FROM OPERATING ACTIVITIES			
Earnings before taxes (EBT)		76,966	28,104
Adjustments			
Depreciation, amortization and impairment charges	2.7.	116,145	130,697
Adjustment for proceeds from sale of used rental equipment		11,429	8,992
Financial income and expenses	4.3.	12,379	10,249
Adjustment for proceeds from disposals or subsidiaries		−1,269	−1,898
Other adjustments		−1,898	306
Cash flow from operating activities before change in working capital		**213,752**	**178,348**
Change in working capital			
Change in trade and other receivables		−10,836	−10,377
Change in inventories		−1,827	1,711
Change in non-interest-bearing liabilities		16,604	15,280
Cash flow from operating activities before interest and taxes		**217,693**	**184,962**
Interest paid		−9,836	−8,024
Interest received		576	826
Income tax paid		−6,193	−9,815
NET CASH FROM OPERATING ACTIVITIES		**202,241**	**167,951**
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisition of businesses and subsidiaries, net of cash		−1,001	−835
Investment in tangible non-current assets (rental machinery)		−155,138	−165,836
Investment in other tangible non-current assets		−10,072	−21,716
Investment in intangible non-current assets		−2,759	−3,256
Proceeds from sale of tangible and intangible non-current assets (excluding used rental equipment)		356	579
Proceeds from sales of subsidiaries		15,114	–
Loan receivables, increase, decrease and other changes		2,773	2,340
Proceeds from sale of associated companies		–	84
Received dividends		121	31
NET CASH FLOW FROM INVESTING ACTIVITIES		**−150,606**	**−188,609**
CASH FLOW FROM FINANCING ACTIVITIES			
Paid dividends		−43,228	−43,100
Changes in ownership interests in subsidiaries		−911	−1,441
Borrowings and repayments of short-term debt (net)	4.9.	9,847	70,181
Borrowings of non-current debt	4.9.	–	87,561
Repayments of non-current debt	4.9.	−12,015	−91,543
NET CASH FLOW FROM FINANCING ACTIVITIES		**−46,308**	**21,658**
NET CHANGE IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL YEAR		**5,327**	**999**
Cash at the beginning of the period		1,570	571
Change in cash		5,327	999
Cash at the end of the period		6,896	1,570

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(EUR 1,000)	SHARE CAPITAL	REVALUATION FUND	INVESTED UNRESTRICTED EQUITY FUND	TRANSLATION DIFFERENCES	RETAINED EARNINGS	EQUITY ATTRIBUTABLE TO SHARE-HOLDERS OF THE PARENT COMPANY	NON-CONTROLLING INTERESTS	TOTAL EQUITY
EQUITY JAN 1, 2016	**25,000**	**-770**	**113,862**	**-38,514**	**219,309**	**318,886**	**199**	**319,085**
Translation differences	-	5	-	-3,290	-	-3,285	-	-3,285
Remeasurement of defined benefit obligation	-	-	-	-	-940	-940	-	-940
Cash flow hedges	-	323	-	-	-	323	-	323
Share of other comprehensive income of associates and joint ventures	-	-	-	3,348	-	3,348	-	3,348
Result for the period	-	-	-	-	22,081	22,081	-249	21,832
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**-**	**328**	**-**	**57**	**21,141**	**21,526**	**-249**	**21,277**
Share based payments	-	-	-	-	217	217	-	217
Issue of treasury shares	-	-	89	-	-	89	-	89
Dividend distribution	-	-	-	-	-43,100	-43,100	-	-43,100
Changes in ownership interests in subsidiaries	-	-	-	-	-50	-50	50	-
TOTAL TRANSACTIONS WITH SHAREHOLDERS	**-**	**-**	**89**	**-**	**-42,933**	**-42,844**	**50**	**-42,793**
EQUITY DEC 31, 2016	**25,000**	**-443**	**113,951**	**-38,457**	**197,517**	**297,568**	**-**	**297,568**
Translation differences	-	-7	-	-8,636	-	-8,643	-	-8,643
Remeasurement of defined benefit obligation	-	-	-	-	-1,312	-1,312	-	-1,312
Cash flow hedges	-	219	-	-	-	219	-	219
Share of other comprehensive income of associates and joint ventures	-	-	-	-1,290	-	-1,290	-	-1,290
Result for the period	-	-	-	-	63,452	63,452	-	63,452
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**-**	**211**	**-**	**-9,926**	**62,140**	**52,426**	**-**	**52,426**
Share based payments	-	-	-	-	277	277	-	277
Issue of treasury shares	-	-	2,477	-	-	2,477	-	2,477
Dividend distribution	-	-	-	-	-43,228	-43,228	-	-43,228
TOTAL TRANSACTIONS WITH SHAREHOLDERS	**-**	**-**	**2,477**	**-**	**-42,951**	**-40,474**	**-**	**-40,474**
EQUITY DEC 31, 2017	**25,000**	**-231**	**116,428**	**-48,383**	**216,705**	**309,520**	**-**	**309,520**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

HOW TO READ THE NOTES SECTION OF THE FINANCIAL STATEMENTS:
The notes to the consolidated financial statements are grouped into sections based on their context. The accounting principles applied to the consolidated financial statements as total are described in the first chapter of the notes information. The accounting principles and critical accounting estimates and judgements relating to specific income statement and balance sheet lines or other specific information are disclosed in connection with the relevant note.

Accounting principles are marked with P. Accounting estimates and judgements and marked with E.

1. BASIC INFORMATION

DESCRIPTION OF THE COMPANY

Ramirent Plc ("the company") is a Finnish public limited liability company organized under the laws of Finland and domiciled in Helsinki, Finland. Ramirent Plc's registered address is Tapulikaupungintie 37, FI–00750 Helsinki, Finland. Ramirent Plc's shares are listed on the NASDAQ Helsinki (RMR1V).

Ramirent Plc is the parent company for Ramirent Group (together, "Ramirent" or the "Group"). The Group's business activities comprise rental of machinery and equipment for construction and process industries, the public sector and households. In addition to this, the Group provides services related to the rental of machinery and equipment and also conducts some trade of construction related machinery, equipment and accessories.

Ramirent is an international Group with operations in 10 countries at the end of 2017 – Finland, Sweden, Norway, Denmark, Estonia, Latvia, Lithuania, Poland, Czech Republic and Slovakia. The business operations were conducted from a total of 293 (290) rental outlets located in these countries. In Russia and Ukraine the operations were carried out through a joint venture.

At the end of 2017 Ramirent employed 2,820 (2,686) people. The consolidated net sales amounted to EUR 723.7 (665.2) million, of which 74% (73%) was generated outside Finland.

These consolidated financial statements were authorized for release by the Board of Directors on February 7, 2018. According to the Finnish Companies Act, the Annual General Meeting of shareholders is entitled to decide on the adoption of the company's financial statements.

BASIS OF PREPARATION

The consolidated financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union. All IAS and IFRS standards effective on December 31, 2017 that are applicable to Ramirent's business operations, including all SIC and IFRIC interpretations thereon, have been applied with when preparing both year 2017 and comparative year 2016 figures. The notes to the consolidated financial statements conform also with the Finnish accounting and company legislation.

New IFRS standards of IFRIC interpretations effective from 2017 did not have any material impact on Ramirent's financial reporting.

The consolidated financial statements have been prepared on the historical cost basis except for financial assets at fair value through profit or loss, available for sale financial assets, derivative instruments, cash –settled share-based payment transactions and pension obligations which are measures at fair value.

Consolidated financial statements have been presented in thousand euros unless otherwise stated. Due to rounding the sum of individual figures may differ from the totals. The figures in parentheses refer to the previous financial year.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with IFRS requires the Group's management to make and rely on estimates and to make judgements when applying the accounting principles. Although these estimates are based on management's best knowledge of events and transactions, actual results may, nevertheless, differ from the estimates.

The most common and significant situations when management uses judgement and makes estimates are when it decides on the following:

- estimates of future financial performance of the Group, affecting the reward realization of the long term incentive programs (note 2.5),
- economic lives of non-current assets (note 3.1),
- future business estimates and other elements of impairment testing (note 3.2),
- fair value (collectable amount) of trade receivables (note 5.1, section credit risk),
- probability of future taxable profits against which tax deductible temporary differences can be utilized thus giving rise to recognition of deferred income tax assets

(note 6.2),
- measurement of fair value of assets acquired in connection with business combinations (note 7.4), and
- contingent consideration arrangements in acquisitions (note 7.4).

Detailed information about each of the above estimate and judgement and the basis of calculation for each affected line item in the financial statements is included in the respective notes to the consolidated financial statements.

2. OPERATING RESULTS

2.1. SEGMENT INFORMATION

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Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the CEO of the Ramirent Group.

Segment information is presented for Ramirent's operating segments, which are determined by geographical split. Operating segments are managed separately and they are separately reported in internal management reporting to the CEO.

Ramirent's operating segments are:
- Finland
- Sweden
- Norway
- Denmark
- Baltics and
- Europe Central (Poland, Czech Republic and Slovakia).

As of January 1, 2017 the share of the joint venture Fortent Group's net result to Ramirent is reported under the Group's unallocated items not affecting any operating segment. Previously it was reported under Europe East segment. After this change Europe East segment was renamed segment Baltics as it contains only operations of the Estonian, Latvian and Lithuanian entities. The comparative information has been restated accordingly.

Revenue in all segments consists of rental income, service income, sales income of goods and sales income of used rental equipment.

Segment assets and liabilities are items that are used by a segment in its operating activities and can be allocated to a segment on a reasonable basis. Non–current assets in the following tables include all non–current assets other than financial instruments, post–employment benefit assets and deferred tax assets. Segment liabilities in the following tables include non–current and current liabilities other than interest–bearing liabilities. The segments' invested capital comprises of assets and liabilities that the segments utilize in their business operations to the extent assets and liabilities are reported regularly to the chief operating decision maker in Ramirent Group.

Segment performance is evaluated and decisions on resource allocation are made based on operating result (EBIT). In the Ramirent Group the Group's CEO (chief operating decision maker) reviews regularly a report of operating result and invested capital of the operating segments.

Ramirent Plc charges a management fee for the services rendered from its subsidiaries. The cost is included in segments' operating results.

Parent company expenses consist of e.g. personnel cost including social costs, headquarter costs, expenses related to development of business and IT systems and certain marketing expenses that relate to development of Ramirent brand. These costs are recharged to the operating segments to the extent that they benefit the segments. The shareholder costs, costs that relate to parent company's status as a listed company and related reporting requirements are not recharged to the operating segments. Unallocated items at EBITA level consist of such expenses that have not been recharged internally to operating segments.

The pricing of Group internal transactions between the different operating segments is based on the arm's length principle.

YEAR 2017 SEGMENT INFORMATION

(EUR 1,000)	FINLAND	SWEDEN	NORWAY	DENMARK	BALTICS	EUROPE CENTRAL	UNALLOCATED ITEMS AND ELIMINATIONS	GROUP TOTAL
External net sales	191,261	259,479	121,060	41,017	40,768	70,097	12	723,694
Inter-segment net sales	212	864	164	15	54	65	-1,372	-
Total net sales	191,472	260,343	121,223	41,032	40,822	70,163	-1,361	723,694
Depreciation and impairment charges	-27,526	-35,570	-18,222	-6,135	-8,046	-12,625	334	-107,790
EBITA	26,549	39,502	12,526	381	8,582	15,156	-4,998	97,699
Amortization and impairment charges	-1,261	-3,099	-2,575	-484	-125	-128	-684	-8,355
Operating profit (EBIT)	25,288	36,404	9,951	-102	8,457	15,028	-5,682	89,345
Reportable non-current assets	144,532	258,081	111,407	33,311	57,395	68,443	29,979	703,148
Reportable assets	182,313	312,556	134,323	42,733	65,080	86,836	32,079	855,920
Reportable liabilities	37,542	99,861	32,847	10,610	8,625	13,977	-1,894	201,568
Gross capital expenditure	38,474	63,191	23,689	11,963	14,946	20,516	-6,330	166,450
Number of employees								
At reporting date	535	831	396	130	276	440	212	2,820
Average during the year	529	808	401	139	269	436	192	2,774

YEAR 2016 SEGMENT INFORMATION

(EUR 1,000)	FINLAND	SWEDEN	NORWAY	DENMARK	BALTICS	EUROPE CENTRAL	UNALLOCATED ITEMS AND ELIMINATIONS	GROUP TOTAL
External net sales	180,101	236,673	117,019	41,323	34,391	55,650	6	665,164
Inter-segment net sales	298	362	3,195	384	41	143	-4,423	-
Total net sales	180,399	237,035	120,213	41,708	34,432	55,793	-4,417	665,164
Depreciation and impairment charges	-26,541	-32,847	-24,545	-5,957	-7,584	-12,688	333	-109,830
EBITA	23,977	26,421	1,678	2,293	5,802	3,906	-4,857	59,220
Amortization and impairment charges	-1,333	-4,280	-3,109	-478	-73	-126	-11,468	-20,867
Operating profit (EBIT)	22,644	22,141	-1,431	1,815	5,729	3,780	-16,325	38,353
Reportable non-current assets	136,339	242,825	136,609	28,231	51,458	59,409	31,142	686,013
Reportable assets	172,564	294,063	162,066	37,043	60,336	73,818	30,164	830,054
Reportable liabilities	52,345	91,969	36,625	6,318	7,670	9,659	-19,518	185,068
Gross capital expenditure	43,796	64,812	32,032	15,795	12,152	22,668	-430	190,825
Number of employees								
At reporting date	519	760	397	138	253	446	173	2,686
Average during the year	498	757	401	141	258	491	161	2,706

Information on recognized impairment charges is presented in notes 3.1. and 3.2.

RECONCILIATIONS

(EUR 1,000)	2017	2016
Total profit (operating profit) for reportable segments	95,027	54,678
Unallocated income	1,069	1,549
Unallocated expenses	−6,751	−17,874
Consolidated operating result	89,345	38,353
Financial income	8,712	9,179
Financial expenses	−21,091	−19,428
Consolidated profit before taxes	**76,966**	**28,104**

2.2. NET SALES

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Sales consist of rental income, income from services, sales of machinery and equipment and sales of goods. The revenues are reported at the fair value of the consideration received or receivable, net of sales discounts, VAT and other taxes directly linked to the sales amount.

Rental revenue from operating leases is recognized on a straight line basis over the term of the relevant lease. Revenues from services are recognized in the period when the service is rendered to the customer. Ramirent may in the course of its ordinary activities, routinely sell machinery or equipment that it has held for rental to others. Such assets shall be transferred to inventories at the carrying amount when they cease to be rented and become held for sale. Income from sales of rental machinery and equipment is recognized in net sales on a gross basis. Income from sale of inventories and sale of rental machinery and equipment is recognized as revenue when the significant risks and benefits related to the ownership have been transferred to the buyer and the seller no longer retains control or managerial involvement in the goods.

Primary activity in Ramirent relates to rental business. Rental sales represent approximately 60% of the total net sales in Ramirent Group. Ramirent also provides rental related services to its customers and sells used rental machinery and equipment as well as consumables, fuel and spare parts for rental machinery. Services are provided related to rental of machinery and equipment and separately. Service sales represent approximately 30% of the total net sales in Ramirent Group. They comprise a wide range of different kind of services, e.g. work site planning, logistics, on-site support, training and assembly and disassembly services.

All Ramirent operating segments provide rental and services to their customers and sell equipment and inventories, but their sales mix is different and varies from year to year.

SALES MIX IN 2017 AND 2016:

(EUR 1,000)	2017	SHARE OF TOTAL	2016	SHARE OF TOTAL
Rental income	455,401	62.9%	417,168	62.7%
Service income	204,906	28.3%	189,014	28.4%
Sale of used rental machinery and equipment	30,779	4.3%	25,380	3.8%
Sale of goods	32,608	4.5%	33,602	5.1%
Net sales	**723,694**	**100.0%**	**665,164**	**100.0%**

2.3. OTHER OPERATING INCOME

Other operating income comprises amounts that do not relate to Ramirent's basic business.

(EUR 1,000)	2017	2016
Gain on disposals of and non−rental machinery and equipment	276	111
Rental income of real estates	130	235
Reversal of earn−out liabilities	–	1,000
Other income	1,787	951
Total	**2,193**	**2,297**

2.4. MATERIALS AND SERVICES

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The costs related to re-renting, the carrying value of sold rental machinery and equipment and the costs related to their sale, as well as and external service providers' cost for performing repair, maintenance, transportation and other services and cost of sold fuel are recognized as material and service expenses. They are expensed when incurred for the same reporting period as the related income is recognized as revenue.

(EUR 1,000)	2017	2016
Cost of re–renting	–24,881	–25,349
Cost of sold rental equipment	–12,062	–9,016
Cost of goods sold	–25,016	–24,585
Repair and maintenance expenses	–29,005	–30,747
Cost of external services	–104,051	–101,712
Transportation expenses	–55,875	–54,181
Expensed equipment	–487	–286
Total	**–251,377**	**–245,875**

2.5. EMPLOYEE BENEFIT EXPENSES

(EUR 1,000)	2017	2016
Wages and salaries	–122,766	–111,996
Termination benefits	–952	–2,096
Social security	–27,169	–23,338
Post–employment benefits		
Pension expenses – defined benefit plans	–907	–1,089
Pension expenses – defined contribution plans	–9,898	–10,783
Equity–settled share–based payment transactions	–277	–217
Cash–settled share–based payment transactions	–1,090	–357
Other personnel expenses	–15,235	–15,074
Total	**-178,295**	**-164,950**

Information on related party transactions is presented in note 8.1. related party transactions. This note also contains information about the CEO's voluntary pension plan.

SHARE–BASED PAYMENTS

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Ramirent has long-term incentive plans for its key managers. The plans have been established to form of the long-term incentive and commitment program for the key personnel of the company and its subsidiaries. The aim is to combine the objectives of the shareholders and the key personnel in order to increase the value of the company, to commit the key personnel to the company, and to offer the key personnel a competitive reward program based on holding the company´s shares. Any reward is subject to achievement of the targets set by Ramirent Plc's Board of Directors.

The incentive programs are partly equity–settled and partly cash–settled. The costs are accrued over the vesting period for each program. The part of the reward that is settled in shares is valued at the fair value of the equity instrument at the grant date and the costs are recognized as an expense with a corresponding credit to equity. The part of the reward that is settled in cash is recognized as an expense and as a liability. The liability is remeasured at each reporting date for subsequent changes in the fair value and changes are recognized in the profit or loss for the year. The cash–settled portion relates to personal taxes and other employer's contributions.

LONG–TERM INCENTIVE PLANS

In the Long term Incentive Plans the participants are offered the opportunity to earn matching shares on the basis of share ownership and performance shares on the basis of performance targets set for a three-year earning period. During the financial year Ramirent Plc had three long-term incentive plans in operation.

Plan 2014–2017 ended in 2017 and a total number of 18,920 net shares were conveyed to the key persons participating in the incentive program and a cash payment equaling to 28,311 shares was paid. An eventual reward from the earning periods 2015–2017 and 2016–2018 is based on the share ownership (matching), Economic Profit (performance) and Total Shareholder Return (TSR), which may cut the total number of shares earned. No reward shall be paid to a person who's employment ends prior to the reward payment.

PERFORMANCE SHARE PLAN 2018–2020 FOR THE EXECUTIVE MANAGEMENT TEAM

At the end of 2017 the Board of Directors of Ramirent Plc approved a new Performance Share Plan 2018–2020 for the Executive Management Team members. The aim of the new plan is to align the objectives of the shareholders and the Executive Management Team Members in order to increase the value of the company in the long-term, to retain the Executive Management Team Members at the company, and to offer them a competitive reward plan that is based on earning and accumulating the company's shares. The potential reward from this plan will be paid partly in the company's shares and partly in cash in 2021. The cash proportion is intended to cover taxes arising from the reward to the plan participants.

The potential reward from the Performance Share Plan 2018–2020 will be based on the participant's short-term incentive plan targets in 2018 as well as on the Group's

cumulative EPS development in 2018–2020.

The rewards to be paid on the basis of the Performance Share Plan 2018–2020 correspond to an approximate maximum total of 270,000 Ramirent Plc shares including also the proportion to be paid in cash. No cost was recognized on 2017 based on the plan.

DEFERRED INCENTIVE PLANS

The Deferred Incentive Plan (DIP) for 2017 is established to maximally support the company's short-term key priority of delivering improved EBITA and to offer key employees a competitive reward and retention program. The incentive plan includes one earning period, calendar year 2017, with a lock-up period of two years whereby the potential reward will be paid in cash in 2020. The incentive plan includes approximately 120 key employees. The members of the Executive Management Team are included in the target group of the new incentive plan.

The potential reward from the incentive plan for the earning period 2017 is based on the participant's short term incentive plan targets. In addition, to combine the objectives of the shareholders and the Executive Management Team, the total reward potential for Executive Management Team members will also be based on the Group's Total Shareholder Return (TSR) for the earning period 2017 and the two-year lock-up period. The maximum reward of the new Deferred Incentive Plan 2017 to be paid in cash in 2020 will correspond to up to 3.7 million euros.

DEFERRED INCENTIVE PLAN 2018 FOR OTHER KEY EMPLOYEES OF THE COMPANY

At the end of 2017 the Board of Directors of Ramirent Plc approved a new Deferred Incentive Plan 2018 to maximally support the implementation of the company's renewed strategy and to offer key employees a competitive reward and retention program. The Deferred Incentive Plan includes one earning period, calendar year 2018, with a lock-up period of two years whereby the potential reward will be paid in cash in 2021. The incentive plan has been extended from 120 key employees to include approximately 160 key employees. The potential reward from the incentive plan for the earning period 2018 will be based on the participant's short-term incentive plan targets. The maximum reward of the Deferred Incentive Plan 2018 to be paid in 2021 will amount up to approximately EUR 2.6 million. The members of the Executive Management Team are not included in the target group of the Deferred Incentive Plan as they are part of the Performance Share Plan where the potential reward is paid in Ramirent shares. No cost was recognized in 2017 based on the plan.

INFORMATION ON INCENTIVE PLANS ON DECEMBER 31, 2017

	LONG-TERM INCENTIVE PLAN 2014–2016	LONG-TERM INCENTIVE PLAN 2015–2017	LONG-TERM INCENTIVE PLAN 2016–2018	DEFERRED INCENTIVE PLAN 2017–2019
Maximum shares	360,000	450,000	540,000	N/A
Initial allocation date	23/5/2014	14/5/2015	27/4/2016	19/12/2016
Vesting date	1/3/2017	15/3/2018	15/3/2019	15/3/2020
Maximum contractual life, years	2.8	2.8	2.9	3.2
Remaining contractual life, years	0	0.2	1.2	2.2
Employees at the balance sheet date	0	32	28	119
Settlement	Equity and cash	Equity and cash	Equity and cash	Cash

CHANGES DURING 2017	LONG-TERM INCENTIVE PLAN 2014–2016	LONG-TERM INCENTIVE PLAN 2015–2017	LONG-TERM INCENTIVE PLAN 2016–2018	REMAINING CONTRACTUAL LIFE, YEARS
Jan 1, 2017				
Outstanding at the beginning of the reporting period	161,759	256,830	463,588	
Changes during the period				
Forfeited	114,528	25,710	29,641	
Exercised	47,231	–	–	
Dec 31, 2017				
Outstanding at the end of the period	–	231,120	433,947	0.86

INFORMATION ON INCENTIVE PLANS ON DECEMBER 31, 2016

	LONG-TERM INCENTIVE PLAN 2013–2015	LONG-TERM INCENTIVE PLAN 2014–2016	LONG-TERM INCENTIVE PLAN 2015–2017	LONG-TERM INCENTIVE PLAN 2016–2018	DEFERRED INCENTIVE PLAN 2017–2019
Maximum shares	390,244	360,000	450,000	540,000	N/A
Initial allocation date	23/5/2013	23/5/2014	14/5/2015	27/4/2016	19/12/2016
Vesting date	29/2/2016	1/3/2017	15/3/2018	15/3/2019	15/3/2020
Maximum contractual life, years	2.8	2.8	2.8	2.9	3.2
Remaining contractual life, years	–	0.2	1.2	2.2	3.2
Employees at the balance sheet date	–	31	38	31	120
Settlement	Equity and cash	Equity and cash	Equity and cash	Equity and cash	Cash

CHANGES DURING 2016	LONG-TERM INCENTIVE PLAN 2013–2015	LONG-TERM INCENTIVE PLAN 2014–2016	LONG-TERM INCENTIVE PLAN 2015–2017	LONG-TERM INCENTIVE PLAN 2016–2018	REMAINING CONTRACTUAL LIFE, YEARS
Jan 1, 2016					
Outstanding at the beginning of the reporting period	268,935	287,594	446,764	–	
Changes during the period					
Granted	–	–	–	484,168	
Forfeited	243,810	125,835	189,934	20,580	
Exercised	25,125	–	–	–	
Dec 31, 2016					
Outstanding at the end of the period	–	161,759	256,830	463,588	1.54

EFFECT OF SHARE-BASED INCENTIVES ON THE RESULT AND FINANCIAL POSITION DURING THE PERIOD

(EUR)	2017	2016
Expenses for the financial year, share-based payments	1,367,041	574,163
Expenses for the financial year, share-based payments, equity-settled	277,001	217,421
Liabilities arising from share-based payments Dec 31	1,944,630	542,405

PENSION OBLIGATIONS

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The Group companies have organized their pensions by means of various pension plans in accordance with local conditions and practices. Such plans are either defined contribution plans or defined benefit plans. Ramirent has defined contribution plans in all countries where it operates and a defined benefit plan in Sweden.

In defined contribution plans, the Group makes fixed payments to separate entities or plans, in which the Group has no legal or constructive obligation to make any additional payments if the party receiving them is unable to pay the pension benefits in question. All arrangements that do not qualify as defined contribution plans are defined benefit plans.

The pension contributions paid or payable for defined contribution pension plans are expensed in profit or loss during the financial period to which the costs relate.

The defined benefit pension obligation due to defined benefit pension plan has been recognized in the balance sheet on the basis of actuarial calculations. The actuarial calculations are based on projected unit credit method. Under this method, the cost of providing pensions is charged to profit or loss so as to spread the regular cost over the service lives of employees in accordance with the advice of qualified actuaries who carry out a full valuation of the plans every year. The pension obligation is measured as the present value of estimated future cash outflows using interest rates of highly rated government securities or corporate bonds, as appropriate that materially corresponds to the currency and expected maturity of the defined benefit pension obligation.

The Group recognizes all actuarial gains and losses arising from defined benefit plans in equity in Other Comprehensive Income as they occur. The Group reports the service cost in employee benefit expenses and the net interest in financial items. The Group reports the net pension asset or liability in the Balance Sheet.

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The future pension benefit at the time of retirement for the employees covered by the defined benefit pension plans is determined on the basis of certain factors e.g. the salary level and the total number of years of service.

PENSION COST RECOGNIZED IN THE INCOME STATEMENT

(EUR 1,000)	2017	2016
Defined benefit pension plan expenses	−1,504	−1,681
Defined contribution pension plan expenses	−9,898	−10,783
Total	**−11,402**	**−12,464**

ELEMENTS OF DEFINED BENEFIT PENSION PLAN EXPENSES

(EUR 1,000)	2017	2016
Current service cost	−907	−1,089
Interest cost	−597	−592
Total	**−1,504**	**−1,681**

ELEMENTS OF DEFINED BENEFIT PLAN NET OBLIGATION

(EUR 1,000)	2017	2016
Present value of unfunded obligations	22,357	20,005
Net obligation on December 31	22,357	20,005
Amounts recognized in the balance sheet		
Liabilities	22,357	20,005
Net liability	22,357	20,005

CHANGE OF THE PRESENT VALUE OF THE DEFINED BENEFIT PENSION OBLIGATIONS

(EUR 1,000)	2017	2016
Present value of obligation on January 1	20,005	18,009
Exchange differences	−624	−687
Current service cost	907	1,089
Interest cost	597	592
Experience adjustments to plan liabilities	540	−515
Actuarial gains (−) and losses (+) arising from changes in financial assumptions	1,142	1,720
Benefits paid	−210	−203
Present value of obligation on December 31	**22,357**	**20,005**

PRINCIPAL ACTUARIAL ASSUMPTIONS

	2017	2016
Discount rate	2.65%	2.90%
Future salary increase expectation	2.00%	2.00%
Future benefit increase expectation	2.00%	2.00%

PRESENT VALUE OF THE DEFINED BENEFIT OBLIGATION AT THE YEAR END

(EUR 1,000)	2017	2016
Present value of the defined benefit obligation	22,357	20,005
Surplus (−) / deficit (+)	22,357	20,005
Experience adjustments to plan liabilities	540	−515

The estimated year 2018 employer contributions amount to EUR 0.2 million (year 2017 estimate was EUR 0.2 million at year end 2016).

E

Ramirent has in Sweden a pension plan ITP 2, which is an additional pension plan for private sector officials. The pension plan has been arranged by an external insurance company. The plan does not include any plan assets thus the Group is not exposed to risks related to changes in assets fair values. Risks relate only to increase in defined benefit obligation. Increase in obligation may be due to changes in actuarial assumptions and most significant assumptions are referred earlier in section "Principal actuarial assumptions". Changes in actuarial assumptions effect to the amount of obligation according to IAS 19 through other comprehensive income. Therefore the Groups profit or loss does not significantly expose to volatility caused by changes in actuarial assumptions.

SENSITIVITY ANALYSIS

DECEMBER 31, 2017

Sensitivity analysis of discount rate +/– 0.5%			
	2.15%	2.65%	3.15%
Present value of obligation December 31, 2017	24,895	22,357	20,150

DECEMBER 31, 2016

Sensitivity analysis of discount rate +/– 0.5%			
	2.40%	2.90%	3.40%
Present value of obligation December 31, 2016	22,297	20,005	18,014

2.6. OTHER OPERATING EXPENSES

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Expenses are recognized in the income statement when service has been received and cost is incurred.

P LEASES

Leases of assets where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Ramirent's operating leases comprise of lease agreements of rental machinery and equipment, renting agreements for property and other operating lease agreements.

Operating lease agreements are usually made for a certain period of time. The agreements may include clauses on termination period or termination fee payable in case of termination before expiration date. Their expenses are recognized as other operating expenses in the profit or loss.

(EUR 1,000)	2017	2016
Property operating lease expenses	–26,465	–25,352
Other property expenses	–10,381	–10,709
IT and office expenses	–18,089	–17,975
Other operating lease expenses	–6,170	–6,088
External services expenses	–12,796	–13,167
Credit losses	–3,199	–5,291
Change of allowance for bad debt	–684	1,242
Restructuring and other non–recurring expenses	–2,538	–146
Marketing and representation expenses	–8,699	–8,195
Other expenses	–2,698	–3,215
Total	**–91,720**	**–88,894**

Audit and other fees to auditors		
Audit fees	–346	–281
Audit related fees	–	–10
Tax consulting fees	–58	–70
Other fees	–	–105
Total	**–404**	**–466**

PricewaterhouseCoopers Oy has provided non-audit services to entities of Ramirent in total 8 thousand euros during the financial year 2017. These services comprised of tax services.

The restructuring expenses recognized during the financial year 2017 relate mainly to restructuring of the Danish customer center network.

2.7. DEPRECIATION, AMORTIZATION AND IMPAIRMENT CHARGES

(EUR 1,000)	2017	2016
Depreciation, amortization and impairment charges by class of assets:		
Depreciation of tangible non–current assets		
Buildings and structures	−2,346	−1,260
Machinery and equipment	−102,719	−99,369
Other tangible assets	−2,725	−3,289
Amortization of intangible non–current assets		
Other intangible assets	−3,987	−5,001
Other capitalised long–term expenditure	−4,368	−4,312
Impairment charges		
Tangible non-current assets	–	−5,912
Intangible non-current assets	–	−10,935
Investments	–	−620
Total	**-116,145**	**-130,697**

The estimated useful lives per asset category are presented in notes 3.1. and 3.2.

No impairment charges were recognized in 2017 on tangible or intangible assets. In 2016 write-downs of EUR 5.9 million of machinery and equipment were recognized related to discontinuing the highly customized non-standard modules business in Temporary Space in Norway and refocusing the business on using standardized high-class modules. In addition, write-downs of EUR 10.9 million of other capitalized long-term expenditure were recognized due to discontinuing the planned roll-out of the common ERP-platform outside Scandinavia.

2.8. EARNINGS PER SHARE

	2017	2016
Profit attributable to the parent company shareholders (EUR thousand)	63,452	22,081
Weighted average number of outstanding shares, basic (thousand)	108,010	107,747
Weighted average number of outstanding shares, diluted (thousand)	108,482	107,747
Earnings per share, basic (EUR)	0.59	0.20
Earnings per share, diluted (EUR)	0.58	0.20

P

The basic earnings per share (EPS) is calculated by dividing the net result attributable to the parent company's shareholders with the weighted average number of shares outstanding during the financial period. Treasury shares, if any, are subtracted from the number of outstanding shares.

The diluted EPS is calculated by dividing the net result attributable to the parent company's shareholders with the weighted average number of shares outstanding during the financial period. Share–based payment arrangements have a diluting effect if the share market price is higher than the subscription price of the shares which includes the fair value of any services to be supplied to the Group in the future under the share–based payment arrangements and if all the conditions have been realized at the reporting date.

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3. FINANCIAL POSITION

3.1. PROPERTY, PLANT AND EQUIPMENT

P

A tangible asset is recognized in the balance sheet only if it is probable that future economic benefits associated with the asset will flow to the entity and its cost can be measured reliably.

Tangible assets (land, buildings and structures, machinery and equipment, other tangible assets) acquired by Group companies are stated at original acquisition cost less accumulated depreciation and accumulated impairment charges, except when acquired in connection with a business combination when they are measured at fair value at acquisition date less depreciation and impairment charges accumulated after the acquisition date.

The acquisition cost includes all expenditure attributable to bringing the asset to working condition. In addition to direct purchasing expenses it also includes other expenses related to the acquisition, such as duties, transport costs, installation costs, inspection fees, etc.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Major repairs may qualify for the capitalization criteria for subsequent expenditures. This is the case when the costs spent on the repair enhance the capacity of the asset or extends its useful life compared to its capacity or useful life before the repair. If not, subsequent expenditures are not capitalized in the balance sheet, but instead recognized as expenses in the profit or loss. Ordinary repair and maintenance expenditures are expensed to the profit or loss when incurred.

Tangible assets are subject to straight–line item–by–item depreciation during their estimated useful life. Land is not subject to depreciation.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Depreciation ceases when assets are classified as held for sale in accordance with IFRS 5 "Non–current Assets Held for Sale and Discontinued Operations". Assets classified as held for sale are carried at the lower of carrying value and fair value less costs to sell.

Gains and losses on disposed tangible assets are recognized in the profit or loss. Sales income from sold rental machinery and equipment is recognized in net sales and the costs related to the sales are recognized as material and service expenses. Sales gains from sold other tangible assets are recognized as other operating income and sales losses are recognized as other operating expenses.

E

The estimated useful lives per asset category as follows:

• Buildings, structures and land improvements	10–30 years
• Machinery and equipment for own use	3–10 years
• Other tangible non–current assets	3–8 years
• Itemized rental machinery, fixtures and equipment	
- Lifting and loading equipment	8–15 years
- Light equipment	3–8 years
- Modules and site equipment	10–15 years
• Non–itemized rental machinery, fixtures and equipment	3–10 years
- Scaffolding	
- Formwork and supporting fixtures	
- Other non–itemized tangible assets	

IMPAIRMENT AND IMPAIRMENT TESTING OF NON–CURRENT ASSETS

P

Non–current assets are reviewed regularly to determine whether there are any indications of impairment, i.e. whether any events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Assets that are subject to depreciation and amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount for non–current assets is the higher of their fair value less cost to sell and their value in use. The value in use is determined by reference to discounted cash flows expected to be generated by the asset. The financial valuation models used for impairment testing require application of estimates.

A recognized impairment loss is reversed only if such changes of circumstances have occurred which have had an increasing effect on the recoverable amount compared to its amount when the impairment loss was recognized. Impairment losses may not, however, be reversed in excess of such a reversal amount which would cause the assets carrying value after the reversal to be higher than the carrying value it would have had if no impairment loss would have been recognized.

For machinery and equipment in rental use special attention is paid to utilization rate and in cases where the utilization rate is low the need for impairment is considered. An impairment loss is recognized when an asset's carrying amount is higher than its recoverable amount. Impairment losses are recognized in the profit or loss.

MOVEMENT IN PROPERTY, PLANT AND EQUIPMENT IN 2017

(EUR 1,000)	LAND	BUILDINGS & STRUCTURES	MACHINERY & EQUIPMENT	LEASED MACHINERY & EQUIPMENT	OTHER TANGIBLE ASSETS	TOTAL
Historical cost on January 1	6,477	27,748	1,095,840	–	29,174	1,159,239
Exchange differences	−283	−1,029	−19,999	–	−529	−21,840
Additions	1,452	4,566	153,198	–	3,820	163,035
Business combinations	–	–	277	–	–	277
Disposals	–	−1,316	−11,639	–	−3,673	−16,628
Disposals of subsidiares*	−4,862	−8,432	–	–	–	−13,294
Reclassifications	–	−129	−55,069	–	2,260	−52,938
Historical cost on December 31	2,784	21,407	1,162,608	–	31,051	1,217,851
Accumulated depreciation and impairment charges on January 1	–	−10,122	−632,736	–	−21,047	−663,905
Exchange differences	–	354	12,115	–	476	12,945
Disposals	–	1,188	11,637	–	3,642	16,467
Disposals of subsidiares*	–	203	–	–	–	203
Reclassifications	–	47	50,005	–	−1,055	48,997
Depreciation	–	−2,346	−102,719	–	−2,725	−107,790
Accumulated depreciation and impairment charges on December 31	–	−10,675	−661,699	–	−20,710	−693,083
Carrying value on January 1	6,477	17,626	463,104	–	8,127	495,334
Carrying value on December 31	2,784	10,732	500,909	–	10,342	524,768

*Information on disposals of subsidiaries in 2017 is presented in note 7.4.

MOVEMENT IN PROPERTY, PLANT AND EQUIPMENT IN 2016

(EUR 1,000)	LAND	BUILDINGS & STRUCTURES	MACHINERY & EQUIPMENT	LEASED MACHINERY & EQUIPMENT	OTHER TANGIBLE ASSETS	TOTAL
Historical cost on January 1	2,136	13,360	1,047,163	971	14,405	1,078,035
Exchange differences	–	158	−4,232	−37	173	−3,937
Additions	4,341	12,757	166,008	–	4,831	187,938
Disposals	–	−954	−20,642	−934	−4,056	−26,587
Reclassifications	–	2,427	−92,458	–	13,821	−76,210
Historical cost on December 31	6,477	27,748	1,095,840	–	29,174	1,159,239
Accumulated depreciation and impairment charges on January 1	–	−8,289	−633,384	−971	−9,746	−652,390
Exchange differences	–	−141	2,594	37	−150	2,340
Disposals	–	430	20,824	934	3,795	25,984
Reclassifications	–	−861	82,510	–	−11,658	69,991
Depreciation	–	−1,260	−105,281	–	−3,289	−109,830
Accumulated depreciation and impairment charges on December 31	–	−10,122	−632,736	–	−21,047	−663,905
Carrying value on January 1	2,136	5,071	413,780	–	4,659	425,645
Carrying value on December 31	6,477	17,626	463,104	–	8,127	495,334

In 2016 the Group recognized write-downs of property, plant and equipment of EUR 5.9 million related to discontinuing the highly customized non-standard modules business in Temporary Space in Norway and refocusing the business on using standardized high-class modules.

3.2. GOODWILL AND OTHER INTANGIBLE ASSETS

P GOODWILL

Goodwill is measured as the excess of the sum of consideration transferred, the amount of any non-controlling interests in the acquired entity, and the acquisition date fair value of any previous equity interest in the acquired equity over the fair value of the net identifiable assets acquired. It represents a consideration made by the acquirer in anticipation of future economic benefits from assets that cannot be individually identified and separately recognized as assets. Goodwill is not amortized, but instead it is subject to impairment testing procedure once a year, or more frequently if events or changes in circumstances indicate that it might be impaired. For this purpose goodwill is allocated to the cash-generating units "CGU" which it relates to. An impairment charge on goodwill is recognized in the consolidated income statement, if the impairment test shows that its carrying amount exceeds its estimated recoverable amount, in which case its carrying amount is written down to its recoverable amount. Thus, subsequent to its initial recognition, goodwill acquired in a business combination is carried at initial cost less any accumulated impairment charges recognized after the acquisition date. An impairment loss on goodwill is never reversed.

OTHER INTANGIBLE ASSETS

An intangible asset is recognized only if it is probable that the future economic benefits that are attributable to the asset will flow to the entity, and the cost can be measured reliably. They are carried at initial fair value at the date of acquisition less cumulative amortization and accumulated impairment charges.

Amortization ceases when an asset is classified as held for sale in accordance with IFRS 5 "Non–current Assets Held for Sale and Discontinued Operations". Assets classified as held for sale are carried at the lower of carrying value and fair value less costs to sell.

Gains on sold intangible assets are recognized as other operating income, whereas losses are recognized as other operating expenses in the profit or loss.

Other intangible assets comprise software licenses, costs for IT–systems and development costs for new products. The initial cost comprises expenses directly attributable to the acquisition of the asset and other expenses associated with the development of the system.

In addition to the aforementioned categories, other intangible assets also include non–competition, customer and cooperation agreements, customer relationships and development costs for new products acquired and identified in business combinations.

E

The estimated useful lives per asset category are as follows:

- Software licenses and IT–systems 3–5 years
- Costs for development of new products 5 years
- Non–competition agreements 2–5 years
- Customer agreements and relationships 3–10 years
- Cooperation agreements 3–5 years

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

MOVEMENT IN GOODWILL AND OTHER INTANGIBLE ASSETS IN 2017

(EUR 1,000)	GOODWILL	OTHER INTANGIBLE ASSETS	OTHER CAPITALIZED LONG–TERM EXPENDITURE	TOTAL
Historical cost on January 1	143,931	51,327	29,993	225,251
Exchange differences	−4,104	−1,750	−4	−5,858
Additions	–	189	2,528	2,718
Business combinations	184	236	–	420
Disposals	–	−2,850	−143	−2,993
Reclassifications	–	264	−236	27
Historical cost on December 31	140,011	47,417	32,137	219,565
Accumulated amortization and impairment charges on January 1	−5,432	−38,130	−13,522	−57,084
Exchange differences	81	1,259	−14	1,326
Disposals	–	2,850	158	3,008
Reclassifications	–	−166	166	–
Amortization	–	−3,846	−4,509	−8,355
Accumulated amortization and impairment charges on December 31	−5,351	−38,033	−17,720	−61,105
Carrying value on January 1	138,499	13,197	16,471	168,167
Carrying value on December 31	134,660	9,383	14,417	158,460

MOVEMENT IN GOODWILL AND OTHER INTANGIBLE ASSETS IN 2016

(EUR 1,000)	GOODWILL	OTHER INTANGIBLE ASSETS	OTHER CAPITALIZED LONG-TERM EXPENDITURE	TOTAL
Historical cost on January 1	145,022	52,100	37,670	234,791
Exchange differences	-1,091	60	39	-992
Additions	-	29	3,349	3,378
Disposals	-	-697	-10,937	-11,634
Reclassifications	-	-165	-128	-293
Historical cost on December 31	143,931	51,327	29,993	225,251
Accumulated amortization and impairment charges on January 1	-5,366	-34,170	-9,239	-48,774
Exchange differences	-66	147	46	127
Disposals	-	696	3	699
Reclassifications	-	197	-20	177
Amortization	-	-5,001	-4,312	-9,313
Accumulated amortization and impairment charges on December 31	-5,432	-38,130	-13,522	-57,084
Carrying value on January 1	139,656	17,930	28,432	186,017
Carrying value on December 31	138,499	13,197	16,471	168,167

In 2016 the Group recognized write-downs of other capitalized long term expenditure of EUR 10.9 million from discontinuing planned roll-out of the common ERP-platform outside Scandinavia.

IMPAIRMENT TESTING OF GOODWILL

Goodwill is allocated to groups of cash-generating units (CGUs). Operating segments Finland, Sweden, Norway, Denmark, Baltics and Europe Central are each defined as a CGU.

The goodwill allocated to CGUs is set out in the table below. CGUs are operating segments in accordance with IFRS 8 before assessment of aggregation criteria.

ALLOCATION OF GOODWILL TO CASH-GENERATING UNITS (CGUS)

(EUR 1,000)	2017	2016
Finland	22,380	22,380
Sweden *	64,319	66,280
Norway	26,711	28,728
Denmark	402	403
Baltics	10,298	10,298
Europe Central	10,550	10,410
Total	**134,660**	**138,499**

* Safety Solutions Jonsereds AB is included in Sweden segment figures.

The goodwill is recorded in local currencies and currency exchange rate fluctuations affect the amounts of goodwill in euros.

The recoverable amount of each CGU is determined by using the discounted cash flow (DCF) method.

E

In the impairment testing the estimates for the 2018 cash flows are based on the budget for the year 2018. The cash flow estimates projected for years 2019–2022 are based on management's views on the growth and profitability of business, as well as capital requirements.

In the long term the EBIT margin used in the testing varies from 10% to 18%. The revenue/capital ratio of approximately 100% is used for testing on a Group level. The medium term growth varies between 2.0%–2.5% p.a. depending on each country's medium term growth and inflation expectations. The long term growth is estimated to be 2.0 % p.a. for all segments. It reflects both the expected growth and inflation in the operating country. The capital structure of CGU's used in the calculations reflects the target capital structure of Ramirent Group.

The most important assumptions, in addition to the future cash flow estimates, are those made on the weighted average cost of capital (WACC), which is used in discounting the future cash flows. The cost of capital also includes the risk-free interest rates and risk premiums in the different countries where the CGUs are operating. Debt/equity ratio of 30% / 70% has been used in the DCF-calculations. The elements affecting the WACC are Ramirent's capital structure, equity beta, the CGU specific cost of equity and the cost of interest-bearing debt.

Discount rate (pre-tax WACC) used in year 2017 impairment testing were on the same level as in the previous testing.

The principal assumptions used in the year 2017 and 2016 impairment test are set forth in the below two tables.

YEAR 2017 IMPAIRMENT TEST

	FINLAND	SWEDEN	NORWAY	DENMARK	BALTICS	EUROPE CENTRAL
Growth in net sales *)	2.6%	2.9%	1.2%	3.6%	4.1%	3.5%
Long–term growth	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Average EBIT margin 2018–2022	16.0%	16.1%	13.3%	9.2%	20.5%	19.6%
WACC (after tax)	7.9%	7.8%	7.8%	7.8%	9.9%	8.2%
WACC (pre–tax)	9.5%	9.6%	9.6%	9.5%	11.4%	9.9%

*) Average growth in net sales (2018–2022) p.a.

YEAR 2016 IMPAIRMENT TEST

	FINLAND	SWEDEN	NORWAY	DENMARK	BALTICS	EUROPE CENTRAL
Growth in net sales *)	2.6%	4.2%	2.4%	3.2%	2.6%	4.4%
Long–term growth	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Average EBIT margin 2017–2021	14.4%	14.3%	12.0%	8.8%	18.3%	15.4%
WACC (after tax)	7.7%	7.6%	7.6%	7.6%	9.7%	7.9%
WACC (pre–tax)	9.1%	9.3%	9.4%	9.2%	11.1%	9.3%

*) Average growth in net sales (2017–2021) p.a.

The impairment test has been done on the assets as per October 31 2017. The previous impairment test was done as per October 31 2016.

Based on the impairment test 2017 and 2016, the recoverable amounts of the CGUs are higher than their carrying amounts for all units.

SENSITIVITY ANALYSIS

The main element of uncertainty connected with impairment testing is the management's assumption on future EBIT level for each CGU. The outcome of future year EBIT is in turn dependent on the outcome of the estimated future net sales and the EBIT %.

The EBIT margins used in the terminal period in the impairment testing are based on management assessment of long term growth and profitability. In all CGU's the recoverable amount exceeds the carrying amount and no impairment has been recognized. The amount by which the recoverable amount exceeds the carrying amount is about or over 40 % for all CGU's.

The below tables show the required decline of estimated future free cash flow and the increase in discount rate per segment which would cause the recoverable amount of a CGU to equal the carrying amount of that CGU. Sensitivity analysis is prepared from the basis of the free cash flow since the development of the business is highly dependent on the amount of capital expenditure allocated for each CGU.

DECLINE OF FREE CASH FLOW

	2017	2016
Finland	–51.5%	–54.5%
Sweden	–37.2%	–37.2%
Norway	–19.4%	–22.0%
Denmark	–33.7%	–41.7%
Baltics	–22.0%	–9.1%
Europe Central	–39.8%	–39.7%

Free cash flow comprises of EBIT added by depreciation and amortization deducted by net capital expenditure and change in working capital.

INCREASE IN DISCOUNT RATE (PRE–TAX), PERCENTAGE–POINT

	2017	2016
Finland	8.0%	8.4%
Sweden	4.7%	4.0%
Norway	1.8%	2.0%
Denmark	3.1%	4.1%
The Baltics	2.7%	0.9%
Europe Central	5.3%	4.9%

3.3. NON-CURRENT RECEIVABLES

P

Loans and other receivables are measured at amortized cost using the effective interest method. They are presented as non-current assets to the extent that they fall due more than 12 months after the reporting date.

Ramirent's loans receivables are mainly from the joint venture Fortrent.

(EUR 1,000)	2017	2016
Non-current loan receivables from Fortrent	10,153	12,926
Non-current receivables from others	739	825
Carrying value on December 31	**10,892**	**13,751**

3.4. AVAILABLE-FOR SALE FINANCIAL ASSETS

P

Available-for-sale financial assets are measured at fair value. The fair value of unlisted equity shares is based on valuations of external consultants or they are, provided that a fair value is not available, carried at original cost.

(EUR 1,000)	2017	2016
Other shares	89	101
Carrying value on December 31	**89**	**101**

Available-for-sale financial assets include shares in non-listed companies in Norway.

3.5. INVENTORIES

P

Inventories are valued at the lower of cost and net realizable value. The net realizable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale. Cost is determined using the weighted average cost formula. The cost is defined as all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

Inventories comprise assets that are held for sale in the ordinary course of business, or in the form of materials or supplies to be sold or consumed in the rendering of services. The main categories of inventories are goods for sale, used rental machinery & equipment as well as fuel, spare parts, accessories and materials to be consumed in the rendering of services.

(EUR 1,000)	2017	2016
Goods for sale	11,360	10,547
Spare parts and accessories to be consumed in rendering of services	1,358	647
Carrying value on December 31	**12,718**	**11,194**

In 2017, consumables and changes in inventories included in "Materials and Services" amounted to EUR 25.0 (24.6) million.

3.6. TRADE AND OTHER RECEIVABLES

P

Trade receivables are measured at amortized cost which is the originally invoiced amount minus any reduction for impairment or uncollectibility. Trade receivables are included in bad debt allowance when there is objective evidence that their value is impaired and that they may not be collectable. Trade receivables are analyzed client by client and receivable by receivable to determine whether they are collectable.

(EUR 1,000)	2017	2016
Trade receivables	123,747	116,676
Allowance for bad debt	-8,780	-7,969
Other receivables	317	164
Prepayments and accrued income	15,302	15,558
Carrying value on December 31	**130,585**	**124,428**

Prepayments and accrued income consist of

(EUR 1,000)	2017	2016
Accrued rental income	1,090	4,508
Accrued interest income	131	87
VAT receivables	385	959
Prepaid insurance expenses	507	640
Prepaid property operating leases	2,120	2,603
Prepaid other operating leases	22	143
Other prepayments	11,047	6,617
Total	**15,302**	**15,558**

3.7. ASSETS HELD FOR SALE

P

Assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary or business, all of the assets and liabilities of the subsidiary or business are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non–controlling interest in its former subsidiary or business after the sale.

Assets and disposal groups classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

No assets were classified as held for sale at the end of 2017 and 2016.

3.8. PROVISIONS

P

A provision is recognized when

- there is a present obligation (legal or constructive) as a result of a past event,
- it is probable that a future outflow of resources embodying economic benefits will be required to settle the obligation and
- a reliable estimate can be made of the amount of the obligation.

The most common provisions that the Group has are restructuring provisions. They are recognized only when general recognition criteria for provisions are fulfilled and the Group has a detailed formal plan about the business concerned, the location and number of employees affected, a detailed estimate of the associated costs and appropriate timeline. Recognized provisions relate mainly to reorganizing of non-profitable businesses and optimizing of customer centre structure and are disaggregated into provisions for termination benefits, terminated lease agreement for premises and rental machinery and other restructuring costs. Other provisions include also environmental provisions related to sold properties in Sweden. Provisions recognized in 2017 relate mainly to Sweden and Denmark.

CARRYING VALUE ON DECEMBER 31

(EUR 1,000)	2017	2016
Non–current provisions	2,563	589
Current provisions	2,634	1,834
Total	**5,197**	**2,423**

MOVEMENTS IN PROVISIONS PER CATEGORY 2017

(EUR 1,000)	TERMINATION BENEFITS	LEASES OF PREMISES	OTHER PROVISIONS	TOTAL
Provisions on January 1	461	1,514	448	2,423
Provisions made during the period	1,061	2,415	1,219	4,695
Provisions used during the period	–497	–615	–252	–1,365
Provisions reversed during the period	–189	–333	–	–521
Exchange rate differences	17	–40	–12	–35
Provisions on December 31	**852**	**2,941**	**1,404**	**5,197**
Expected timing of outflows:				
During 2018	839	1,316	539	2,694
During 2019	13	569	423	1,005
During 2020	–	371	–	371
During 2021	–	383	–	383
Later	–	302	442	744
Total	**852**	**2,941**	**1,404**	**5,197**

MOVEMENTS IN PROVISIONS PER CATEGORY 2016

(EUR 1,000)	TERMINATION BENEFITS	LEASES OF PREMISES	OTHER PROVISIONS	TOTAL
Provisions on January 1	525	1,985	644	3,154
Provisions made during the period	493	215	164	871
Provisions used during the period	–394	–574	–291	–1,259
Provisions reversed during the period	–176	–112	–46	–333
Exchange rate differences	12	0	–23	–10
Provisions on December 31	**461**	**1,514**	**448**	**2,423**
Expected timing of outflows:				
During 2017	436	999	399	1,834
During 2018	25	110	26	161
During 2019	–	110	23	134
During 2020	–	96	–	96
Later	–	198	–	198
Total	**461**	**1,514**	**448**	**2,423**

3.9. OTHER NON–CURRENT LIABILITIES

Other non-current liabilities comprise mainly non-current portion of contingent considerations and other liabilities for the purchase prices of acquired subsidiaries and business operations. Total amount of fixed and variable purchase price liabilities including the short term portions is EUR 5.0 (7.4) million. As the valuation of contingent considerations is not based on observable market data, they are classified as level III liabilities in the fair value hierarchy.

3.10. TRADE AND OTHER PAYABLES

(EUR 1,000)	2017	2016
Trade payables	40,271	33,012
Other current liabilities	15,273	27,948
Accrued expenses and deferred income	60,912	47,371
Advances received	101	248
Total	**116,557**	**108,579**

ACCRUED EXPENSES AND DEFERRED INCOME CONSIST OF

(EUR 1,000)	2017	2016
Accrued interest expenses	4,772	4,989
Accrued employee–related expenses	28,328	15,891
Deferred income	1,352	2,515
Other items	26,460	23,976
Total	**60,912**	**47,371**

The short–term part of liabilities for the purchase price of acquired subsidiaries and business operations, EUR 0.4 (2.8) million are included in other liabilities in the above table.

4. CAPITAL STRUCTURE AND FINANCIAL INSTRUMENTS

4.1. CASH AND CASH EQUIVALENTS

P

Cash and cash equivalents consist of cash in hand and at banks, deposits held at call with banks and other short–term highly liquid financial investments with a maturity shorter than 3 months. When bank overdrafts show a liability balance, they are presented as interest–bearing liabilities.

(EUR 1,000)	2017	2016
Cash at banks and in hand	6,896	1,570
Carrying value on December 31	**6,896**	**1,570**

4.2. EQUITY

(EUR 1,000)	NUMBER OF OUTSTANDING SHARES (THOUSAND)	NUMBER OF TREASURY SHARES (THOUSAND)	TOTAL NUMBER OF SHARES (THOUSAND)	SHARE CAPITAL
Carrying value on December 31, 2015	107,736	961	108,697	25,000
Directed share issue on February 29, 2016	13	−13		
Carrying value on December 31, 2016	107,749	948	108,697	25,000
Directed share issue on February 16, 2017	247	−247		
Directed share issue on August 23, 2017	149	−149		
Carrying value on December 31, 2017	108,146	552	108,697	25,000

NUMBER OF SHARES AND SHARE CAPITAL

The company's share capital on December 31, 2017 consists of 108,697,328 shares the counter–book value of which is EUR 0.2300 per share. The company has one class of shares, each share giving equal voting right of one vote per share. At the end of 2017, Ramirent Plc held 551,603 own shares.

AUTHORIZATION OF THE BOARD OF DIRECTORS TO REPURCHASE THE COMPANY´S OWN SHARES

Ramirent's Board of Directors is authorized to decide on the repurchase of a maximum of 10,869,732 Company's own shares. The authorization contains also an entitlement for the Company to accept its own shares as pledge.

Shares may be repurchased to be used as consideration in possible acquisitions or in other arrangements that are part of the Company's business, to finance investments, as part of the Company's incentive program or to be retained, otherwise conveyed or cancelled by the Company.

The share repurchase authorization shall be valid until the next Annual General Meeting and it shall revoke the repurchase authorization given by the Annual General Meeting on March 16, 2017.

The authorization to repurchase the Company's own shares was not used in 2017.

AUTHORIZATION OF THE BOARD OF DIRECTORS TO DECIDE ON THE SHARE ISSUE AND THE ISSUANCE OF OPTION RIGHTS, CONVERTIBLE BONDS AND/OR SPECIAL RIGHTS

Ramirent's Board of Directors is authorized to decide on the issuance of a maximum of 10,869,732 new shares and on the conveyance of a maximum of 10,869,732 own shares held by the Company.

By virtue of the authorization the Board of Directors also has the right to grant option rights, convertible bonds and/or other special rights referred to in Chapter 10, Section 1 of the Companies Act, which entitle to new shares or the Company's own shares against payment in such a manner that the subscription price of the shares is paid in cash or by using the subscriber's receivable to set off the subscription price. New shares may be issued and the Company's own shares held by the Company may be conveyed either against payment or for free.

The Board of Directors shall decide on all other terms and conditions related to the authorizations. The authorizations shall be valid until 17 March 2021.

DIRECTED SHARE ISSUES WITH OWN SHARES

On February 16, 2017 the Board decided, based on the share issue authorization granted by the AGM, to convey 18,920 of the company's own shares, held by the company, without cash payment to the key persons of the Group as a settlement of the Performance Share Program 2014. As the program was set to combine the objectives of the shareholders and the key persons of the Group in order to increase the value of the company, there was an especially weighty financial reason for the directed share conveyance.

In addition, the Board decided to convey a total of 228,344 of Ramirent Plc's treasury shares without consideration to the minority shareholders of Ramirent's subsidiary Safety Solutions Jonsereds AB as a part of the purchase price for the the non-controlling interest.

On May 9, 2017 the Board decided to convey a total of 149,147 of Ramirent Plc's treasury shares without consideration to the minority shareholders of Ramirent's subsidiary Safety Solutions Jonsereds AB as a part of the purchase price for the non-controlling interest.

The value of the issued shares, EUR 2,477,013, was recognized as an increase in the invested unrestricted equity fund.

SHAREHOLDERS

ON DECEMBER 31, 2017	NUMBER OF SHARES	% OF SHARES AND VOTING RIGHTS
Nordstjernan AB	21,863,716	20.11%
Oy Julius Tallberg Ab	12,207,229	11.23%
Ilmarinen Mutual Pension Insurance Company	2,304,905	2.12%
OP-Finland funds	2,022,802	1.86%
Aktia Funds	1,907,599	1.75%
Mandatum Life Insurance Company Limited	1,650,000	1.52%
Nordea Funds	922,150	0.85%
Föreningen Konstsamfundet rf	593,150	0.55%
Ramirent Oyj treasury shares	551,603	0.51%
The State Pension Fund	532,000	0.49%
Other shareholders	64,142,174	59.01%
Total	**108,697,328**	**100.00%**

ON DECEMBER 31, 2016	NUMBER OF SHARES	% OF SHARES AND VOTING RIGHTS
Nordstjernan AB	21,863,716	20.11%
Oy Julius Tallberg Ab	12,207,229	11.23%
Nordea Funds	5,036,675	4.63%
Ilmarinen Mutual Pension Insurance Company	3,445,154	3.17%
Varma Mutual Pension Insurance Company	2,340,865	2.15%
Aktia Funds	2,055,558	1.89%
OP-Finland funds	1,305,286	1.20%
Ramirent Oyj treasury shares	948,014	0.87%
Fondita Funds	820,000	0.75%
Pensionsförsäkringsaktiebolaget Veritas	600,000	0.55%
Other shareholders	58,074,831	53.43%
Total	**108,697,328**	**100.00%**

DIVIDENDS

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The dividend proposed by Ramirent's Board of Directors is included in retained earnings in the consolidated balance sheet. Retained earnings are reduced by the dividend payable only after it has been approved by the General Meeting of Shareholders.

The parent company's distributable equity on December 31 2017 amounted to EUR 245,975,831.02 of which the net result from the financial year 2017 is EUR 15,926,255.72.

The Board of Directors has decided to propose to the Annual General Meeting 2018 that a dividend of EUR 0.44 (0.40) per share be paid based on the adopted balance sheet for the financial year ended on December 31, 2017. The proposed dividend shall be paid in two installments. The first installment of EUR 0.22 per share will be paid to shareholders registered in the shareholders' register of the Company maintained by Euroclear Finland Ltd on the record date for dividend payment 19 March 2018. The first installment is to be paid on April 4, 2018 for shareholders whose shares are registered in Euroclear Finland Ltd and on April 5, 2018 for shareholders whose shares are registered in Euroclear Sweden AB. The second installment of EUR 0.22 per share will be paid to shareholders registered in the shareholders' register of the Company maintained by Euroclear Finland Ltd on the record date for dividend payment September 18, 2018. The second installment is to be paid on October 3, 2018 for shareholders whose shares are registered in Euroclear Finland Ltd and on October 4, 2018 for shareholders whose shares are registered in Euroclear Sweden AB. The Board of Directors is authorized to set a new dividend record date and payment date for the second installment of the dividend, in case the rules and regulations of the Finnish book-entry system would be changed, or otherwise so require, prior to the payment of the second installment of the dividend.

The proposed dividend represents a 75 % (195%) payout ratio for 2017 which is above Ramirent's long-term financial target to payout at least 50% of net profit in dividend. The proposed dividend is not reflected in the year 2017 financial statements.

The dividends paid in 2017 were EUR 0.40 per share totalling EUR 43,228,460.60.

4.3. FINANCIAL INCOME AND EXPENSES

P BORROWING COSTS

Interest and other costs related to interest–bearing liabilities are recognized as an expense in the profit or loss when incurred. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset form a part of the cost of that asset. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

RECOGNIZED IN INCOME STATEMENT

(EUR 1,000)	2017	2016
Financial income		
Dividend income on available–for–sale investments	81	31
Interest income on loans and receivables	582	574
Exchange rate gains on financial liabilities measured at amortized cost	8,049	8,573
Total	**8,712**	**9,179**
Financial expenses		
Interest expenses		
Bank loans	−6,400	−6,967
Other financial expenses	−4,124	−3,838
Interest expenses on derivative instruments	−1,133	−885
Exchange rate losses on financial liabilities measured at amortized cost	−9,433	−7,738
Total	**−21,091**	**−19,428**
Net financial income and expenses	**−12,379**	**−10,249**

4.4. FINANCIAL LIABILITIES

INTEREST–BEARING LIABILITIES ON DECEMBER 31, 2017

(EUR 1,000)	CURRENT	NON–CURRENT	TOTAL
Loans from financial institutions	2,273	74,770	77,043
Bond	–	99,789	99,789
Commercial papers	168,000	–	168,000
Total	**170,273**	**174,559**	**344,832**

INTEREST–BEARING LIABILITIES ON DECEMBER 31, 2016

(EUR 1,000)	CURRENT	NON–CURRENT	TOTAL
Loans from financial institutions	5,426	87,370	92,797
Bond	–	99,621	99,621
Commercial papers	155,000	–	155,000
Total	**160,426**	**186,941**	**347,418**

4.5. CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES

Ramirent classifies financial instruments as financial assets at fair value through profit or loss, loans and other receivables, available–for–sale financial assets and liabilities at amortized cost. The Group determines the classification of financial assets and liabilities at the date of the initial acquisition on the basis of the purpose for which the financial assets or liabilities were acquired. Purchases and sales of financial assets are recognized on the trade date.

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FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)

Financial assets are classified into this category when they are either held for trading trading or when they are designated as FVTPL. Derivatives that do not meet the hedge accounting criteria, such as foreign exchange forwards, are classified into this category.

Financial assets in this category are originally stated at fair value, with any gains or losses arising on remeasurement recognized in the income statement.

LOANS AND OTHER RECEIVABLES

Loans and other receivables are non–derivative financial assets, the settlements of which are fixed or can be determined and which are not quoted on active markets and which the company does not hold for trade. These include the financial assets that the company has received by transferring money, goods or services. Ramirent's loans and other receivables comprise the long-term loan receivable from the joint venture Fortrent as well as trade and other receivables.

Loans and other receivables are measured at amortized cost using the effective interest method. They are presented as non–current assets to the extent that they fall due more than 12 months after the reporting date.

Trade receivables are measured at amortized cost which is the originally invoiced amount minus any reduction for impairment or uncollectibility. Trade receivables are included in bad debt allowance when there is objective evidence that their value is impaired and that they may not be collectable. Trade receivables are analyzed client by client and receivable by receivable to determine whether they are collectable.

AVAILABLE–FOR–SALE FINANCIAL ASSETS

Available–for–sale financial assets are measured at fair value. The fair value of unlisted equity shares is based on valuations of external consultants or they are, provided that a fair value is not available, carried at original cost. Fair value changes of available–for–sale financial assets are recognized net of income taxes in other comprehensive income and presented in the revaluation fund.

LIABILITIES AT AMORTIZED COST

All financial liabilities are initially recognized at fair value. In subsequent periods they are measured at amortized cost using the effective interest method.

Transaction expenses directly attributable to the raising of loans from financial institutions, and which are clearly connected to a specific loan, are offset against the initial loan amount in the balance sheet and recognized as financial expenses in profit or loss using the effective interest method.

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw–down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre–payment for liquidity services and amortized over the period of the facility to which it relates.

Financial liabilities are included in both non–current and current liabilities and they can be interest or non–interest–bearing. Other liabilities comprise of contingent considerations and other liabilities for the purchase prices of acquired subsidiaries and business operations.

EFFECTIVE INTEREST METHOD

The effective interest method is a method of calculating the amortized cost of a debt instrument and allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash inflows or outflows (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income or expense is recognized on an effective interest basis for debt instruments other than those classified as at fair value through profit or loss.

CASH FLOW HEDGES

The hedging instruments are initially recognized at fair value on the date of entering the derivative contract. After the initial recognition they are re–measured at fair values, which are based on quoted market prices and rates by the banks. The change of the fair value is recognized in other comprehensive income and presented in the revaluation fund to the extent that the hedging is effective. The ineffective part of the hedging is recognized as financial income or expenses in profit or loss immediately.

Amounts recognized as other comprehensive income are transferred to profit or loss when the hedged transaction affects profit or loss. If the hedging instrument expires, or is sold, or if its designation as a hedge is revoked, any cumulative gain or loss previously recognized in other comprehensive income remains in other comprehensive income until the forecast transaction affects profit or loss. If the forecast transaction in no longer expected to occur, the cumulative gain or loss previously recognized in other comprehensive income is transferred to profit or loss.

The hedging relationship is documented according to the requirement of IAS 39 and the hedging instruments are subject to prospective and retrospective testing of effectiveness.

Hedge accounting is applied for interest rate swaps. The hedged item comprises the future cash flow on interest expenses payable on interest–bearing debt.

Hedge accounting is not applied for the foreign exchange forwards, and thus they have been classified as financial instruments at fair value through profit or loss. Their fair value changes are recognized fully as financial income or expenses in profit or loss.

4.6. CARRYING AMOUNTS OF FINANCIAL ASSETS AND LIABILITIES BY CATEGORIES

(EUR 1,000)	NOTE	2017	2016
Receivables			
Non-current loan receivables	3.3.	10,153	12,926
Trade receivable	3.6.	123,747	116,676
Allowance for credit loss	5.1.	-8,780	-7,969
Total		**125,119**	**121,633**
Available-for-sale financial assets			
Other shares	3.4.	89	101
Cash and cash equivalents	**4.1.**	**6,896**	**1,570**
Financial liabilities measured at amortized cost			
Committed loans from financial institutions	4.4.	74,770	87,370
Bond	4.4.	99,789	99,621
Bank overdrafts	4.4.	2,273	5,426
Commercial papers	4.4.	168,000	155,000
Deferred payments on acquisitions		1,893	3,543
Trade payables	3.10.	40,271	33,012
Total		**386,996**	**383,973**
Financial liabilities at fair value through profit or loss			
Contingent considerations	4.7.	3,110	3,902
Interest rate swaps (market value)	4.8.	-480	-741
Foreign exchange forwards (market value)	4.8.	-276	-346

4.7. FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

DECEMBER 31, 2017

(EUR 1,000)	LEVEL 1	LEVEL 2	LEVEL 3
Interest rate derivatives	-	-480	-
Foreign exchange derivatives	-	-276	-
Contingent consideration non-current	-	-	3,110

DECEMBER 31, 2016

(EUR 1,000)	LEVEL 1	LEVEL 2	LEVEL 3
Interest rate derivatives	-	-741	-
Foreign exchange derivatives	-	-346	-
Contingent consideration non-current	-	-	2,824
Contingent consideration current	-	-	1,078

The table above analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

RECONCILIATION OF LEVEL 3 FAIR VALUES

(EUR 1,000)	
Carrying value January 1, 2016	**10,098**
Exchange differences	116
Payments	-1,441
Reclassification as deferred payment	-4,205
Recognized in other operating income	-1,000
Discount interest recognized in financial expenses	334
Carrying value December 31, 2016	**3,902**
Exchange differences	-83
Payments	-1,823
Discount interest recognized in financial expense	1,114*
Carrying value December 31, 2017	**3,110**

* Additional non-cash interest costs of EUR 0.8 million were recognized due to a change in the redemption schedule of the non-controlling shareholders' shares of Safety Solutions Jonsereds AB.

CHANGE IN FAIR VALUES OF CONTINGENT CONSIDERATIONS

Cost of a business combination includes in certain acquisitions also a contingent consideration, which is recognized at fair value. Subsequent changes in fair value are recognized to profit or loss. The management's assessment of the fair value of contingent consideration liability is based on acquisition specific agreed terms and time value of money. Typically contingent consideration is based on financial performance of the acquired business during the pre–agreed measurement period.

In 2016 the Group has derecognized a portion of contingent consideration liability due to the actual consideration being lower than the carrying amount of the liability. The amount that was derecognized was EUR 1.0 million and it was recognized in other operating income.

4.8. FAIR VALUES VERSUS CARRYING AMOUNTS OF FINANCIAL ASSETS AND LIABILITIES

(EUR 1,000)	NOTE	CARRYING AMOUNT 2017	FAIR VALUE 2017	CARRYING AMOUNT 2016	FAIR VALUE 2016
FINANCIAL ASSETS					
Non–current loan receivables	3.3.	10,153	10,153	12,926	12,926
Available–for–sale financial assets	3.4.	89	89	101	101
Trade receivables	3.6.	114,966	114,966	108,707	108,707
Cash and cash equivalents	4.1.	6,896	6,896	1,570	1,570
Total		**132,105**	**132,105**	**123,304**	**123,304**
FINANCIAL LIABILITIES					
Loans from financial institutions	4.4.	77,043	77,043	92,797	92,797
Bond	4.4.	99,789	104,344	99,621	106,159
Commercial papers	4.4.	168,000	168,000	155,000	155,000
Contingent considerations and deferred payments on acquisitions	4.7.	5,003	5,003	7,446	7,446
Trade payables	3.10.	40,271	40,271	33,012	33,012
Total		**390,106**	**394,662**	**387,875**	**394,413**
Cross currency and interest rate swaps (nominal and fair value)		115,000	–480	97,656	–741
Foreign exchange forwards (nominal and fair value)		58,277	–276	61,106	–346

FINANCIAL IMPACT OF NETTING FOR INSTRUMENTS SUBJECT TO AN ENFORCABLE MASTER NETTING AGREEMENT

The Group has entered into master netting agreements with all of its derivative instrument counterparties.

DECEMBER 31, 2017

(EUR 1,000)		OFFSETTING DERIVATIVE INSTRUMENTS		
	GROSS AMOUNT OF RECOGNIZED FINANCIAL INSTRUMENTS	RELATED LIABILITIES (–) OR ASSETS (+) SUBJECT TO MASTER NETTING AGREEMENTS	COLLATERAL RECEIVED (–) OR GIVEN (+)	NET EXPOSURE
Derivative assets	39	–39		–
Derivative liabilities	–794	39		–756

DECEMBER 31, 2016

(EUR 1,000)		OFFSETTING DERIVATIVE INSTRUMENTS		
	GROSS AMOUNT OF RECOGNIZED FINANCIAL INSTRUMENTS	RELATED LIABILITIES (–) OR ASSETS (+) SUBJECT TO MASTER NETTING AGREEMENTS	COLLATERAL RECEIVED (–) OR GIVEN (+)	NET EXPOSURE
Derivative assets	37	–37	–	–
Derivative liabilities	–1,124	37	–	–1,087

4.9. RECONCILIATION OF MOVEMENTS OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

(EUR 1,000)	2016	CASH FLOW	NON CASH FLOW RELATED CHANGES			2017
			EXCHANGE DIFFERENCES	FAIR VALUE CHANGES	OTHER CHANGES	
Non-current interest-bearing liabilities	186,991	−12,015	-585		168	174,559
Current interest-bearing liabilities	160,426	9,847				170,273
Total	**347,418**	**−2,168**	**−585**		**168**	**344,832**

5. RISK MANAGEMENT

5.1. FINANCIAL RISK MANAGEMENT

FINANCIAL RISK MANAGEMENT PRINCIPLES

Ramirent is subject to certain financial risks in its business activities. Main financial risks are foreign exchange rate risk, interest rate risk, funding and liquidity risks, counterparty risk and credit risk. In order to control those financial risks and to reduce their adverse effects on the business activities, assets and liabilities and results, Ramirent has adopted a risk management policy which is described in the Finance Policy approved by the Board of Directors.

The Finance Policy defines risk management principles for the risks which have been concluded to have the most potential impact on the Group. It also provides an overall framework for the financial activities of the Ramirent Group, with the aim of setting objectives, and defines the strategy of managing the financial risks, as well as clarifies the organizational assignment of risk management responsibilities (management of the risk delegated within the Group and the roles and responsibilities in order to handle the risk defined in terms of a risk mandate).

According to Ramirent's Finance Policy financial risk management strives to secure sufficient funding for operational needs and to minimize the funding costs and the effects of foreign exchange rate, interest rate and other financial risks cost–effectively. The policy outlines the financing and financial risk management responsibilities covering also the use of financial instruments to hedge the selected risk exposures and acceptable risk levels.

Ramirent's Board of Directors has the overall responsibility for establishing norms and guidelines for Ramirent's financial risk exposure. The operative management, namely CEO and CFO, controls that the risk management has been conducted in an appropriate way in the Group.

The overall operative financial risk management has been centralized to the Group Treasury of Ramirent. Group Treasury acts as the in–house bank and is, in general, the counterparty for all financial transactions within the Group and also mainly externally. Group Treasury is responsible for implementation of the Finance Policy and monitoring the financial risks of the Group. Ramirent's Group Treasury is responsible for managing Group–level foreign exchange, interest rate, liquidity and funding risks in close co–operation with the business entities.

The management of Ramirent business entities is responsible for monitoring the financial risk exposures and managing the financial risks of the business entities according to the Finance Policy and other instructions given by Group Treasury.

FOREIGN EXCHANGE RATE RISK

Ramirent is an international Group operating in Northern, Eastern and Central European countries. The sales and rental income of the business entities accrue predominantly in their local currency. The purchases of the Group companies are mainly in local currency and partly in euros, while the major part of investment arises in euros. The Group is also exposed to foreign exchange risks through intra–group purchases and sales, internal funding and net investments in foreign–currency entities.

TRANSACTION RISK

Ramirent's policy is to reduce the effects of foreign exchange rate fluctuations on the Group. This is done by spreading the purchases, sales and financial contracts over time and fixing the rates of major exposures for certain periods of time. When determining the exposures to be hedged the contracted and 12–month forecasted cash flows and dividend receivables are taken into account. The hedging of transaction exposure is done by using currency forward contracts. Business entities' counterparty in hedging transaction is the parent company of the Group. Group Treasury consolidates and hedges centrally, if necessary, the business entity exposures externally by external borrowing in corresponding currencies and by external currency forward contracts.

The largest transaction exposures derive from foreign purchases and intra–group funding. Due to Ramirent's size of business operations in Sweden, Norway as well in Poland, it is exposed to foreign exchange rate risks mainly

caused by the fluctuations of the Swedish Krona (SEK), the Norwegian Krona (NOK) and the Polish Zloty (PLN), especially in intra–group funding. Group Treasury hedges the exposures externally with foreign currency nominated borrowings and foreign exchange forward contracts.

On December 31, 2017, Ramirent had outstanding foreign exchange forwards of EUR 58.3 (61.1) million (nominal value) with a market value of EUR -0.3 (-0.3) million.

The Group's exposure to foreign currency risk as of December 31 was as follows based on notional amounts.

EUR EXPOSURE IN COMPANIES REPORTING IN FOREIGN CURRENCY

(EUR 1,000)	2017	2016
Trade receivables	108	511
Trade payables	−2,073	−1,237
Total	**−1,965**	**−726**

INTEREST–BEARING DEBT BY CURRENCY

(EUR 1,000)	2017	2016
EUR	344,832	331,514
SEK	–	1,604
NOK	–	14,120
DKK	–	179
Total	**344,832**	**347,418**

SENSITIVITY ANALYSIS

The following table demonstrates the sensitivity of the Group's profit for the year and equity to changes of +/–10% in exchange rates resulting from financial instruments such as financial assets and liabilities and foreign exchange derivative instruments included in the balance sheet at the end of the financial year. This analysis assumes that all other variables remain constant.

(EUR 1,000)	2017	2016
+/–10% change in EUR/SEK	-/+ 126	-/+ 466
+/–10% change in EUR/NOK	-/+ 716	-/+ 762
+/–10% change in EUR/PLN	-/+ 39	-/+ 136
+/–10% change in EUR/DKK	-/+ 490	-/+ 340
+/–10% change in EUR against other currencies	-/+ 616	-/+ 597
+/–10% change in EUR Total	**-/+ 1 988**	**-/+ 2 301**

TRANSLATION RISK

Translation risk arises from the fact that, the financial needs of Group companies are funded partly through equity. In addition, the parent company provides internal funding in local currencies. Ramirent has decided not to hedge currently the foreign exchange rate risk associated with net investment exposures.

INTEREST RATE RISK

Ramirent is exposed to interest rate risk mainly through its interest–bearing debt. The interest rate risk exposure represents the uncertainty of profit of a company due to changes in interest rates. To reduce the interest rate risk affecting Ramirent's profitability, interest rates are fixed for certain periods of time and fixing dates are spread over time.

The interest rate risk is minimized when the Group's interest rate position of financial instruments is neutralizing the interest rate sensitivity. The duration (average interest fixing period) for the Group's consolidated net borrowing is used to measure the interest rate risk exposure.

Group Treasury is responsible for interest rate risk management in Ramirent Group. Guideline of the interest rate risk exposure management in Ramirent's Finance Policy is that the periods of interest rates shall be diversified. Interest rate swaps and swaptions may only be used to fix the floating rate of underlying loans. Ramirent applies hedge accounting for all interest rate derivatives. The actual average interest rate fixing period of interest–bearing debt on December 31 2017 was 19.9 months and the hedging level for variable rate loans was 62%. Group Treasury is responsible for monitoring and updating the estimated interest rate benchmark position of Ramirent.

On December 31 2017, Ramirent had outstanding interest rate swaps of EUR 115.0 (97.7) million (nominal value) with a market value of EUR −0.5 (−0.7) million.

WEIGHTED AVERAGE MATURITY AND AVERAGE INTEREST RATE ON DECEMBER 31, 2017

(EUR 1,000)	WEIGHTED AVERAGE MATURITY (YEARS)	WEIGHTED AVERAGE INTEREST RATE (%)
Loans from financial institutions	3.9	1.38%
Bond	1.2	4.38%
Commercial papers	0.2	0.39%

WEIGHTED AVERAGE MATURITY AND AVERAGE INTEREST RATE ON DECEMBER 31, 2016

(EUR 1,000)	WEIGHTED AVERAGE MATURITY (YEARS)	WEIGHTED AVERAGE INTEREST RATE (%)
Loans from financial institutions	4.7	1.53%
Bond	2.2	4.38%
Commercial papers	0.1	0.39%

The repricing and maturity schedule of outstanding interest–bearing debt and interest rate hedges is shown below.

INTEREST RATE HEDGE COVERAGE OVER TIME (BALANCES AT PERIOD ENDS) ON DECEMBER 31 2017

(EUR 1,000)	2017	2018	2019	2020	2021	2022	LATER
Debt, fixed rate	99,789	99,961	–	–	–	–	–
Debt, variable rate	245,043	74,827	74,883	74,939	73,995	–	–
Interest rate hedges	115,000	115,000	115,000	85,000	20,000	–	–

INTEREST RATE HEDGE COVERAGE OVER TIME (BALANCES AT PERIOD ENDS) ON DECEMBER 31 2016

(EUR 1,000)	2016	2017	2018	2019	2020	2021	LATER
Debt, fixed rate	99,621	99,789	99,961	–	–	–	–
Debt, variable rate	247,797	87,636	87,656	87,656	87,656	75,000	–
Interest rate hedges	97,656	85,000	85,000	85,000	65,000	–	–

SENSITIVITY ANALYSIS

The following table demonstrates the sensitivity of Ramirent's profit or loss for 2017 and equity as at December 31 2017 to possible changes in interest rates. A change of 1 percentage point in interest rates at the reporting date would have increased/decreased profit or loss and other comprehensive income by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for 2016.

DECEMBER 31, 2017	PROFIT OR LOSS		EQUITY (OTHER COMPREHENSIVE INCOME)	
(EUR 1,000)	1 PERCENTAGE POINT INCREASE	1 PERCENTAGE POINT DECREASE	1 PERCENTAGE POINT INCREASE	1 PERCENTAGE POINT DECREASE
Variable rate instruments	−1,646	–	–	–
Interest rate swaps	837	−200	2,604	−2,491
Cash flow sensitivity (net)	**−809**	**−200**	**2,604**	**−2,491**

DECEMBER 31, 2016	PROFIT OR LOSS		EQUITY (OTHER COMPREHENSIVE INCOME)	
(EUR 1,000)	1 PERCENTAGE POINT INCREASE	1 PERCENTAGE POINT DECREASE	1 PERCENTAGE POINT INCREASE	1 PERCENTAGE POINT DECREASE
Variable rate instruments	−2,481	134	–	–
Interest rate swaps	977	−327	2,835	−1,273
Cash flow sensitivity (net)	**−1,504**	**−193**	**2,835**	**−1,273**

The testing for the equity change was carried out by re–pricing the future interest flows of the outstanding interest rate swap agreements with one percentage point higher/lower rate than interest rates prevailing at the reporting date by net present value method. Some of Ramirent's interest rate swaps have floating rates zero floors. Since all the outstanding interest rate swaps are effective, they have all been assumed to affect equity.

FUNDING RISK

Funding risk is the risk that refinancing of the existing debt portfolio and/or raising new funding will not be available, or is available at high price. The aim is to minimize Ramirent's refinancing risk by spreading debt and debt facility maturities over time and by securing refinancing early enough.

Ramirent's goal is to secure the availability of sufficient funding for conducting its various operations at all times. A further goal is to minimize funding costs over time. According to the Finance Policy, Ramirent shall use multiple sources of funding to secure its long–term financing at favourable terms. The goal is that no single financial institution shall provide more than 50% of the total funding of the Group.

According to the Finance Policy, in the long term perspective Ramirent shall not to be obliged to amortize during any one year more than 30% of the total interest–bearing debt, and if such situations occur, the Group Treasury is obliged to start negotiations to alter this structure no later than eighteen months before the planned amortization.

As of the end of 2017, Ramirent had funding from a drawn committed term loan in total of EUR 75.0 million and committed revolving credit facilities in total of EUR 320.0 million under two different agreements with financial institutions and un-drawn committed term loan facility in total of EUR 50.0 million with European Investment Bank. Ramirent issued an inaugural unsecured senior bond of EUR 100.0 million in 2013. In addition, an uncommitted EUR 250.0 million domestic commercial paper program was used in 2017.

The average maturity of the committed debt facilities as of December 31 2017 was 3.3 years. Ramirent's borrowing facilities with financial institutions will mature in 2020, 2021 and 2022. The bond will mature in 2019.

As at December 31 2017 Ramirent was in compliance with all covenants and other terms of its debt instruments.

LIQUIDITY RISK

Liquidity risk is the risk that existing funds and borrowing facilities become insufficient to meet the Group's business needs or high extra costs are incurred for arranging them. The objective of the liquidity risk management in Ramirent Group is to minimize the risk by having a well–balanced liquidity reserve to hedge against foreseen and unforeseen liquidity requirements. The parent company raises most of Ramirent's interest–bearing debt centrally. Ramirent seeks to reduce liquidity risk by keeping sufficient amount of credit facilities available. Ramirent's liquidity risk is reduced also by efficient cash management procedures and cash management structures such as cash pools and overdraft facilities. In the long–run the principal source of liquidity is expected to be cash flow generated by the operations.

Ramirent's Finance Policy states that liquidity reserves shall equal at minimum of 8% of the forecasted rolling 12–month net sales or EUR 50 million, whichever of the two is higher, plus the total outstanding amount of the commercial papers, to cover the operative and risk liquidity requirement. In addition, there shall be a strategic liquidity reserve that management of the Ramirent Group estimates for the foreseeable future. Top management shall constantly review the optimal level of the strategic liquidity requirement to allow the company to react effectively.

The liquidity reserve should be available within three banking days, without paying any extra fee, penalty or similar cost at any time. At year–end 2017, Ramirent had EUR 208.9 (153.9) million or 28.9 (23.1)% of net sales of committed liquidity reserves readily available.

The table below summarizes the contractual maturities of financial liabilities and including interest payments at balance sheet date:

DECEMBER 31, 2017

(EUR 1,000)

Non-derivative financial liabilities	CONTRACTUAL CASH FLOWS	2018	2019	2020	2021	2022	LATER
Committed loans from financial institutions	-79,783	-1,013	-1,050	-1,238	-1,425	-75,058	-
Bond	-105,347	-4,375	-100,972	-	-	-	-
Commercial papers	-168,118	-168,118	-	-	-	-	-
Bank overdrafts	-2,292	-2,292	-	-	-	-	-
Contingent considerations and deferred payments on acquisitions	-5,603	-444	-3,086	-592	-1,481	-	-
Trade payables	-40,271	-40,271	-	-	-	-	-
Total	-401,414	-216,512	-105,108	-1,829	-2,906	-75,058	-
Derivative financial liabilities							
Interest rate swaps (fair value)	-480	-174	-174	-110	-19	-5	-
Foreign exchange forwards (fair value)	-276	-276	-	-	-	-	-
Total	-756	-450	-174	-110	-19	-5	-
Total	**-402,170**	**-216,962**	**-105,282**	**-1,939**	**-2,925**	**-75,063**	**-**

DECEMBER 31, 2016

(EUR 1,000)

Non-derivative financial liabilities	CONTRACTUAL CASH FLOWS	2017	2018	2019	2020	2021	LATER
Committed loans from financial institutions	-98,673	-1,367	-1,587	-1,806	-2,025	-14,900	-76,988
Bond	-113,125	-4,375	-4,375	-104,375	-	-	-
Commercial papers	-155,087	-155,087	-	-	-	-	-
Bank overdrafts	-5,486	-5,486	-	-	-	-	-
Contingent considerations and deferred payments on acquisitions	-9,232	-2,824	-457	-3,654	-610	-1,688	-
Trade payables	-33,012	-33,012	-	-	-	-	-
Total	-414,615	-202,151	-6,419	-109,834	-2,635	-16,588	-76,988
Derivative financial liabilities							
Interest rate swaps (fair value)	-741	-285	-169	-169	-106	-13	-
Foreign exchange forwards (fair value)	-346	-346	-	-	-	-	-
Total	-1,087	-631	-169	-169	-106	-13	-
Total	**-415,702**	**-202,782**	**-6,588**	**-110,003**	**-2,741**	**-16,601**	**-76,988**

CREDIT RISK

OPERATIONAL CREDIT RISK

Credit risk is defined as the possibility of a customer not fulfilling its commitments towards Ramirent. The Group has a Credit Risk Management Principle that sets the guidelines for credit management and controls it in all Group companies. According to the Group Credit Risk Management Principle, the operative management of each operating Ramirent entity is responsible for setting specific local procedures to evaluate and manage credit risk. The Group Credit Risk Management Principle identifies occasions when a customer can be classified as a high risk–profile customer for which Ramirent applies stricter terms such as lower credit limit amounts. To decrease credit risk, customers may be required to place securities or guarantees.

Customer credit risks are diversified as Ramirent's sales are generated by a large number of customers. Thus there was no major customer credit risk concentration at end of financial year 2017. The quality of receivables is evaluated by the aging of the receivables and based on customer specific analysis.

The carrying amount of financial assets represents the maximum credit exposure.

ANALYSIS OF TRADE RECEIVABLES BY AGE

(EUR 1,000)	GROSS 2017	ACCUMULATED ALLOWANCE FOR BAD DEBT 2017	GROSS 2016	ACCUMULATED ALLOWANCE FOR BAD DEBT 2016
Undue trade receivables	83,741	–	85,554	–
Trade receivables 1–30 days overdue	26,139	–	18,410	–
Trade receivables 31–90 days overdue	5,062	–	5,031	-445
Trade receivables 91–180 days overdue	1,854	-1,830	1,150	-1,150
Trade receivables 181–360 days overdue	1,906	-1,906	1,338	-1,338
Trade receivables more than 360 days overdue	5,043	-5,043	5,194	-5,036
Total	**123,747**	**-8,780**	**116,676**	**-7,969**

THE MOVEMENT IN THE ALLOWANCE FOR BAD DEBT IN RESPECT OF TRADE RECEIVABLES DURING THE YEAR

(EUR 1,000)	2017	2016
Allowance for bad debt on January 1	-7,969	-9,348
Exchange rate differences	-12	78
Increase during the financial year	-5,318	-3,659
Decrease due to actual credit losses during the financial year	2,753	4,045
Decrease due to customer payments during the financial year	1,766	916
Net movement of allowance for bad debt during the financial year	**-881**	**1,379**
Allowance for bad debt on December 31	**-8,780**	**-7,969**

FINANCIAL COUNTERPARTY RISK

Financial counterparty risk is defined as the risk of banks or financial institutions not being able to fulfil their undertakings to the Ramirent Group. The financial counterparty risk is minimized by selecting instruments with a high degree of liquidity and counterparties with a high credit rating. Ramirent co–operates only with counterparties judged to be capable of meeting their undertakings to Ramirent.

Group Treasury manages the main part of the credit risk related to financial transactions and financial counterparties by having three to five main financial institutions and by efficient cash and financial asset management so that Ramirent does not have any major risk concentration in any financial counterparty.

CASH FLOW HEDGES

The main derivative instruments used by the company for the financial years 2017 and 2016 were interest rate and foreign currency derivatives. They have been used as hedging instruments in accordance with the company's finance policy.

Ramirent Group uses interest rate derivatives to reduce the volatility of interest expenses in the income statement and to adjust the duration of the debt portfolio. Interest rate derivative agreements have been designated as hedges of forecasted transactions, i.e. cash flow hedges.

All the interest rate derivatives are directly linked to underlying funding transactions and they meet the qualifications for hedge accounting, and thus they are designated as cash flow hedges. Under cash flow hedging, Ramirent has predetermined the interest expense cash flow between 2018 and 2022.

Prospective effectiveness testing is conducted on a constant basis. Retrospective testing is conducted on a quarterly basis to review the effectiveness of hedging transactions. Cash flow hedges have been effective both during 2017 and 2016.

Gains and losses accumulated in other comprehensive income are recycled in the income statement within

financial income or expenses during the periods when the hedged item affects profit or loss. Movements in hedging reserve are presented in other comprehensive income. For 2017, interest rate hedge effect to other comprehensive income was EUR 0.2 (0.3) million (after taxes).

5.2. CAPITAL MANAGEMENT

The targets of capital management in Ramirent have been adopted by the Board of Directors in the Finance Policy and in the strategic plan. Ramirent's target is to have a strong financial position that provides financial stability, relatively independently of the economic cycles and external financing possibilities. This enables Ramirent to make long–term business decisions and to act effectively over a business cycle. In addition the company is to earn a sustainable return that is higher than the market cost of its capital.

Ramirent launched its new strategy and set financial targets for 2018-2020 on November 30, 2017. With the new strategy Ramirent aims to focus on capital efficient profitable growth in its core business – general equipment rental and related services. The objective of the Group strategy for 2018-2020 is to drive further profitability improvement by having a disciplined focus on profitable businesses, performance management, process excellence, capital efficiency and people leadership.

In connection with the new strategy Ramirent also updated its financial targets:

THE NEW FINANCIAL TARGETS

Indicator	Target	Previous indicator & target
EPS growth (CAGR)	double digit % 2018-2020	net sales growth > GDP +2%-points p.a.
ROCE	16% by the end of 2020	ROE 12% per fiscal year
Dividend payout ratio	> 50% of net profit	> 40% of net profit
Net debt to EBITDA	< 2.5x at end of each fiscal year	< 2.5x at end of each fiscal year

Ramirent's business is capital intensive and the investments in new fleet and efficient use of existing fleet reflect the growth possibilities and the profitability. The amount of Ramirent's future capital expenditure depends on a number of factors, including general economic conditions and growth prospects. The business is cyclical, but if investments are halted, the effects on cash flow are relatively immediate. The timing and amount of investments are key factors in the achievement the targeted capital structure.

Ramirent aims to pay an ordinary dividend each year that corresponds to at least 50% of the annual earnings per share. The Board has proposed that the Annual General Meeting in 2018 resolves in favour of paying a dividend of EUR 0.44 cent per share, which corresponds to 75 % of the annual net profit. Total dividend distribution during the past 5 years corresponds with 103 % of the accumulated net profit for the past five years.

In 2017 the Annual General Meeting adopted the Board's proposal that a dividend of EUR 0.40 per share be paid based on the adopted balance sheet for the financial year ended on December 31, 2016. The dividend was paid in two installments. The date of record for the first installment of EUR 0.20 per share was March 20, 2017 and the dividend was paid on April 4 2017 for shareholders whose shares were registered in Euroclear Finland Ltd and on April 5, 2017 for shareholders whose shares were registered in Euroclear Sweden AB. The date of record for the second installment of EUR 0.20 per share was September 18, 2017 and the dividend was paid on October 3, 2017 for shareholders whose shares were registered in Euroclear Finland Ltd and on October 4, 2017 for shareholders whose shares were registered in Euroclear Sweden AB.

Capital structure of the Group is reviewed by the Board on a regular basis. The Net Debt to EBITDA –ratio and other financial target measures are reviewed regularly.

THE NET DEBT TO EBITDA –RATIO AS OF DECEMBER 31 2017 AND 2016

(EUR 1,000)	2017	2016
Interest–bearing liabilities	344,832	347,418
Cash and cash equivalents	–6,896	–1,570
Net debt	337,936	345,848
Earnings before interest, taxes, depreciation and amortization (EBITDA)	205,490	169,050
Net Debt to EBITDA	1.6x	2.0x

RECONCILIATION OF NET DEBT	2017	2016
Net debt at January 1	345,848	280,855
Decrease/(increase) in cash during the year	–5,327	–999
Repayments of non–current debt	–12,015	–4,026
Borrowings and repayments of current debt (net)	9,847	70,181
Exchange rate differences	–585	–325
Non–cash movements:		
– deferred costs of raising debt	168	163
Increase/(decrease) in net debt during the year	–7,912	64,993
Net debt at December 31	337,936	345,848

6. INCOME TAXES

P

Income taxes consist of current income taxes and deferred income taxes.

Current income taxes include income taxes for the current fiscal year as well as adjustments to the current income taxes for previous fiscal years in terms of tax expenses or tax refunds that had not been recognized in the prior year profit or loss. The income tax charge for the current fiscal year is the sum of the current income taxes recorded in each Group company, which are calculated on the company specific taxable income using the tax rates prevailing in the different countries where the Group companies are operating.

Deferred income taxes are calculated on all temporary differences between the carrying value and the tax bases of assets and liabilities. The main temporary differences arise from the depreciation difference on non–current assets, the measurement at fair value of derivative financial instruments, defined benefit pension plans, tax losses carried forward and the measurement at fair value in business combinations. Deferred income taxes are not recognized on subsidiary retained earnings to the extent that it is not probable that the timing difference will materialize in the foreseeable future.

Deferred income taxes are calculated using the country specific tax rates enacted or substantially enacted in local tax laws as at balance sheet date. Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Income taxes on items recognized in other comprehensive income are also recognized in other comprehensive income.

6.1. INCOME TAXES RECOGNIZED IN THE INCOME STATEMENT

(EUR 1,000)	2017	2016
Current income tax for the year	−12,325	−6,908
Income tax for prior years	793	−381
Deferred income taxes	−1,981	1,016
Total income taxes	**−13,514**	**−6,273**

RECONCILIATION OF INCOME TAX TO THE FINNISH CORPORATE INCOME TAX RATE

(EUR 1,000)		
Earnings before taxes (EBT)	76,966	28,104
Income tax at Finnish tax rate on profit before tax	−15,393	−5,621
Impact of different tax rate outside Finland	320	472
Impact of tax non−deductible expenses	−1,316	−807
Impact of tax exempt income	441	365
Income tax for prior years	793	−381
Impact of change in tax rates on deferred taxes	1,007	408
Impact on non−recognition of deferred income tax assets on current year losses	−149	−264
Impact on recognition of deferred income tax assets recognized on prior years losses	227	–
Net results of joint venture and associated companies	198	261
Benefit arising from previously unrecognized tax losses used to reduce current tax expense	237	–
Other items	120	−707
Total income taxes	**−13,514**	**−6,273**
Effective tax rate	-17.6 %	-22.3 %

The impact of tax exempt income in 2016 is affected by derecognition of previously recognized contingent consideration liability due to the actual consideration being lower than the carrying amount of the liability.

Deferred tax assets and liabilities have been measured using the tax rates applicable on 2018 and onwards. Changes in tax rates have taken place in Norway and Slovakia in 2017. In 2018 tax rates will change in Norway and Latvia.

TAX EFFECTS OF COMPONENTS IN OTHER COMPREHENSIVE INCOME

	2017			2016		
(EUR 1,000)	BEFORE TAXES	TAX	AFTER TAXES	BEFORE TAXES	TAX	AFTER TAXES
Translation differences	−8,643	–	−8,643	−3,285	–	−3,285
Actuarial gains/(losses) on defined benefit plans	−1,682	370	−1,312	−1,205	265	−940
Cash flow hedges	274	−55	219	404	−81	323
Share of other comprehensive income in associates and joint ventures	−1,290	–	−1,290	3,348	–	3,348
Total	**−11,341**	**315**	**−11,026**	**−739**	**184**	**−555**

6.2. DEFERRED TAXES

MOVEMENT IN DEFERRED TAX ASSETS IN 2017

(EUR 1,000)	BALANCE ON JAN 1	RECOGNIZED IN INCOME STATEMENT	RECOGNIZED IN OTHER COMPREHENSIVE INCOME	EXCHANGE DIFFERENCES	ACQUISITIONS/ DISPOSALS	RECLASSIFICATION	BALANCE ON DEC 31
Tax losses carried forward	2,388	−2,134	–	−27	–	–	227
Fair value adjustments	646	−40	−55	–	–	–	551
Pension obligations	1,904	–	370	−50	–	–	2,224
Other temporary differences	1,506	1,680	–	19	–	–	3,205
Total	**6,445**	**−494**	**315**	**−58**	**–**	**–**	**6,208**
Effect of netting	−5,867						−5,054
Deferred tax assets reported in financial statements	578						1,154

MOVEMENT IN DEFERRED TAX LIABILITIES IN 2017

(EUR 1,000)	BALANCE ON JAN 1	RECOGNIZED IN INCOME STATEMENT	RECOGNIZED IN OTHER COMPREHENSIVE INCOME	EXCHANGE DIFFERENCES	ACQUISITIONS/ DISPOSALS	RECLASSIFICATION	BALANCE ON DEC 31
Adjustments to fair value of non−current assets due to business combinations	13,911	−1,034	–	−1,008	57	–	11,926
Accumulated depreciation in excess of plan	36,909	1,799	–	−500	–	–	38,208
Other taxable temporary differences	2,473	723	–	−289	–	–	2,907
Total	**53,293**	**1,488**	**–**	**−1,797**	**57**	**–**	**53,041**
Effect of netting	−5,867						−5,054
Deferred tax liabilities reported in financial statements	42,427						47,987

MOVEMENT IN DEFERRED TAX ASSETS IN 2016

(EUR 1,000)	BALANCE ON JAN 1	RECOGNIZED IN INCOME STATEMENT	RECOGNIZED IN OTHER COMPREHENSIVE INCOME	EXCHANGE DIFFERENCES	ACQUISITIONS/ DISPOSALS	RECLASSIFICATION	BALANCE ON DEC 31
Tax losses carried forward	1,352	1,003	–	33	–	–	2,388
Fair value adjustments	664	138	−81	−75	–	–	646
Pension obligations	1,618	–	265	21	–	–	1,904
Other temporary differences	853	701	–	−47	–	–	1,506
Total	**4,487**	**1,842**	**184**	**−69**	**–**	**–**	**6,445**
Effect of netting	−3,635						−5,867
Deferred tax assets reported in financial statements	852						578

MOVEMENT IN DEFERRED TAX LIABILITIES IN 2016

(EUR 1,000)	BALANCE ON JAN 1	RECOGNIZED IN INCOME STATEMENT	RECOGNIZED IN OTHER COMPREHENSIVE INCOME	EXCHANGE DIFFERENCES	ACQUISITIONS/ DISPOSALS	RECLASSIFICATION	BALANCE ON DEC 31
Adjustments to fair value of non–current assets due to business combinations	15,028	–1,826	–	709	–	–	13,911
Accumulated depreciation in excess of plan	34,910	2,636	–	–637	–	–	36,909
Other taxable temporary differences	2,880	1	–	–408	–	–	2,473
Total	**52,818**	**811**	**–**	**–336**	**–**	**–**	**53,293**
Effect of netting	–3,635						–5,867
Deferred tax liabilities reported in financial statements	49,183						47,427

E

Consolidated financial statements include deferred tax assets on tax losses carried forward in subsidiaries that have been loss-making in current or earlier financial periods. Group management has assessed the subsidiaries' potential to utilize these losses during the utilization period in each subsidiary. This assessment is based on the best available information of the future outlook in the subsidiaries. A deferred tax asset is not recognized in case there is not sufficient certainty about the subsidiaries' potential to utilize the losses. Total amount of unused tax losses for which no deferred tax asset is recognized is 3.6 (7.1) EUR million.

7. GROUP STRUCTURE AND CONSOLIDATION PRINCIPLES

7.1. CONSOLIDATION PRINCIPLES

The accounting policies applied to the consolidated financial statements in general are described in this section.

P

SUBSIDIARIES

The consolidated financial statements include the parent company Ramirent Plc and all companies over which Ramirent has control. Being in control means the power to direct the activities of the company and ability to obtain benefits from these activities.

The group entities apply uniform accounting policies. The subsidiaries are listed in note 7.2.

The consolidated financial statements are prepared using the acquisition method of accounting, according to which the separately identified assets, liabilities and contingent liabilities of the acquired company are measured at their fair value at the date of acquisition.

The date of acquisition is the date when control is gained over the subsidiary. A subsidiary is consolidated from the date of acquisition until the date when the parent company loses control over the subsidiary. If control over the subsidiary is lost, the remaining investment is measured at fair value through the profit or loss. In addition, amounts previously recognized in other comprehensive income in respect of the disposed subsidiary are reclassified to the profit or loss. If the parent company retains control, impacts from changes in ownership in a subsidiary are recognized directly in the Group's equity.

The difference between the acquisition cost, possible equity belonging to the non-controlling interests and the acquired company's net identifiable assets and liabilities measured at fair value is goodwill. It represents a consideration made by the acquirer in anticipation of future economic benefits from assets that cannot be individually identified and separately recognized as assets. Any contingent consideration will be measured at fair value and subsequently re-measured through the profit or loss. All acquisition-related costs, such as professional fees, are expensed through the profit or loss. Non-controlling interest in the acquiree is measured acquisition-by-acquisition either at fair value or at value, which is equal to the proportional share of the non–controlling interest in the identifiable net asset acquired.

The net assets acquired are denominated in the functional currencies of the acquired subsidiaries and translated to the parent company's functional currency the euro at the exchange rates prevailing at the last day of the financial year. The result of this is that goodwill on all acquisitions measured in any other currency than the euro is subject to exchange rate differences, which causes

fluctuation of goodwill and any fair value adjustment amount when translated to the parent company's functional currency the euro.

All internal transactions, balances and internal unrealized profits as well as internal distribution of profit are eliminated. Unrealized losses are eliminated in the same way as unrealized profits, but only to the extent that there is no evidence of impairment.

FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION

The result and financial position of each individual Group company is measured in the currency of the primary economic environment in which the company is operating (functional currency). The consolidated financial statements are presented in euro, which is the functional currency of the Group's parent company Ramirent Plc.

The initial transactions in foreign currency are recorded in the functional currency at the exchange rates prevailing at the dates of the transactions. Receivables and liabilities denominated in foreign currencies are translated to functional currency by using the exchange rates prevailing at the reporting date. Foreign currency exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies for operating items are recognized in other operating expenses in the income statement, whereas those stemming from financing items are recognized in financial income and expenses in the income statement.

The income statements of the Group's subsidiaries, whose functional currency is not the euro, are translated into euros based on the average exchange rate of the financial period. Their statements of financial position, with the exception of net result, are translated to euros at the exchange rates prevailing at the reporting date. The difference arising due to the consolidation process between the net result for the financial period in the consolidated income statement and that in the consolidated balance sheet is recognized as translation differences in other comprehensive income and presented in translation differences in equity in the consolidated balance sheet. Exchange rate differences arising from the elimination of the acquired net assets of the foreign subsidiaries at the acquisition date are also recognized as translation differences in other comprehensive income and presented in translation differences in equity in the consolidated balance sheet. When a subsidiary is disposed, any translation difference relating to the disposed subsidiary and previously presented in equity is transferred to the income statement as part of the gain or loss of the sale or liquidation.

7.2. SUBSIDIARIES

SUBSIDIARIES DECEMBER 31, 2017

	COUNTRY	NATURE OF ACTIVITY	PLC'S DIRECT HOLDING	GROUP HOLDING
Ramirent Internal Services AB	Sweden	Operating	100%	100%
Ramirent Shared Services AS	Estonia	Operating	100%	100%
Safety Solutions Jonsereds AB	Sweden	Operating	85.73%	85.73%
Ramirent Finland Oy	Finland	Operating	100%	100%
Ramirent AB	Sweden	Operating	100%	100%
Ramirent Safe Access AB	Sweden	Operating	0%	100%
Ramirent AS	Norway	Operating	100%	100%
Bautas AS	Norway	Dormant	0%	100%
Ramirent A/S	Denmark	Operating	100%	100%
Ramirent Baltic AS	Estonia	Operating	100%	100%
Ramirent AS Rigas filiale	Latvia	Operating	0%	100%
Ramirent AS Vilniaus filialas	Lithuania	Operating	0%	100%
Ramirent S.A.	Poland	Operating	100%	100%
Ramirent s.r.o.	Czech Republic	Operating	100%	100%
Ramirent spol. s.r.o.	Slovakia	Operating	100%	100%
Disposed or merged in 2017				
C6 Invest AS	Norway	Real estate company		
Ramirent Module Systems AS	Norway	Operating		

7.3. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

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Associated companies are entities over which Ramirent has significant influence but no control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights.

Joint arrangements are arrangements in which Ramirent has joint control with one or more parties. Ramirent applies IFRS 11 to all joint arrangements. Under IFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. Ramirent has assessed the nature of its joint arrangements and determined them to be joint ventures.

Investments in associates and joint ventures are accounted for using the equity method of accounting. Under the equity method of accounting, investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. Dividends received or receivable from associated companies and joint ventures are recognized as a reduction in the carrying amount of the investment. When the Group's share of losses in an equity accounted investment equals or exceeds its interests in the entity (which includes any long-term interests that, in substance, form part of the Group's net investment in the entity), the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the entity. Acquisition related costs are included in the investment value for arrangements carried out before 2016. Starting from 2016 Ramirent applies the principles of IFRS 3 Business Combinations for joint operations that constitute a business. Acquisition related costs are expensed through profit or loss when incurred.

Accounting policies of the associated companies and joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

The share of the profit or loss from associated companies and joint ventures is presented separately in the consolidated income statement. Ramirent's investment in associated companies and joint ventures includes goodwill identified on acquisition.

JOINT VENTURES

Ramirent has two joint ventures: Fortrent Oy with subsidiaries operating in Russia and Ukraine and Fehmarnbelt Solution Services A/S in Denmark. Fehmarnbelt Solution Services A/S was established with Zeppelin Rental GmbH to serve the cross-border Fehmarnbelt tunnel construction project. As the project have been postponed the operations of Fehmarnbelt Solution Services A/S have not yet started.

(EUR 1,000)	2017	2016
Investments in joint ventures	7,785	8,082
Carrying value on December 31	**7,785**	**8,082**

INFORMATION ON THE JOINT VENTURE FORTRENT

			INTEREST HELD	
NAME OF COMPANY	INDUSTRY	DOMICILE	2017	2016
Fortrent Oy	Equipment rental	Helsinki	50%	50%

(EUR 1,000)	2017	2016
Opening net assets	12,159	2,801
Result for the period	2,078	2,663
Other comprehensive income	−2,579	6,696
Closing net assets	11,658	12,159
Interest in joint venture (50%)	5,829	6,080
Transaction costs	1,358	1,358
Carrying value December 31	**7,187**	**7,438**
Loans granted to Fortrent	**10,153**	**12,926**

Fortrent is the leading company in the construction machinery and equipment rental markets in Russia and Ukraine. Fortrent is owned and controlled jointly by Cramo Plc (50 percent) and Ramirent (50 percent). Ramirent has classified its interest in Fortrent as a joint venture. Ramirent presents its share of the profit of the joint venture above EBIT using the equity method of accounting.

Summarized financial information on Fortrent is presented in the following table. Fortrent prepares its consolidated financial statements in accordance with IFRS and there are no major differences to Ramirent's accounting policies.

FORTRENT'S SUMMARIZED STATEMENT OF FINANCIAL POSITION

(EUR 1,000)	DECEMBER 31, 2017	DECEMBER 31, 2016
Non–current assets		
Goodwill	5,023	5,421
Intangible assets	3,666	4,760
Property, plant and equipment	21,630	24,513
Deferred tax assets	1,658	2,287
Total non–current assets	**31,977**	**36,981**
Current assets		
Cash and cash equivalents	447	351
Other current assets	6,129	6,838
Total current assets	**6,576**	**7,189**
TOTAL ASSETS	**38,553**	**44,171**
Non–current liabilities		
Interest–bearing liabilities	20,306	25,852
Other non–current liabilities (Deferred tax liability)	2,589	2,893
Total non–current liabilities	**22,895**	**28,746**
Current liabilities		
Other current liabilities	4,000	3,266
Total current liabilities	**4,000**	**3,266**
TOTAL LIABILITIES	**26,895**	**32,011**
NET ASSETS	**11,658**	**12,159**

FORTRENT'S SUMMARIZED STATEMENT OF COMPREHENSIVE INCOME

(EUR 1,000)	JAN–DEC 2017	JAN–DEC 2016
TOTAL INCOME	**32,226**	**29,578**
Materials and Services	−8,963	−9,615
Other expenses	−11,754	−10,356
Depreciation	−6,980	−6,477
Operating result before amortization (EBITA)	**4,529**	**3,130**
Amortization	−788	−702
Operating profit (EBIT)	**3,741**	**2,428**
Interest income	78	39
Interest expense	−604	−724
Other financial income and expenses (net)	−628	1,156
Earnings before taxes (EBT)	**2,588**	**2,900**
Income taxes	−509	−238
RESULT FOR THE PERIOD	**2,078**	**2,663**
Other comprehensive income	−2,580	6,696
TOTAL COMPREHENSIVE INCOME	**−502**	**9,358**

Fortrent has classified the part of the loan receivables from the Russian and Ukrainian subsidiaries as net investment in foreign subsidiaries. Translation differences arising from this part of the loans have been booked to Other Comprehensive Income. Part of the loans is payable in accordance with an agreed schedule and this part of the loans is reclassified as normal loan and the related exchange rate differences are recycled into P&L. The effect to the net profit for 2017 was EUR -0.2 (1.0) million.

Fortrent had commitments amounting to EUR 269 (177) thousand.

Average number of personnel (FTE) was 324 (331).

7.4. ACQUISITIONS AND DISPOSALS

ACQUISITIONS OF SUBSIDIARIES AND BUSINESS OPERATIONS EXECUTED IN 2017 AND 2016

No major acquisitions were executed in 2017 nor in 2016.

DISPOSALS OF SUBSIDIARIES AND BUSINESS OPERATIONS EXECUTED IN 2017 AND 2016

On 1 November 2017 Ramirent finalized the agreement for the sale and lease back of the Norwegian real estate company C6 Invest AS. The company owns Ramirent's hub in Enebakk, Norway. The sales transaction resulted in EUR 1.3 million capital gain that was recognized for 2017. The lease back agreement is interpreted as an operating lease.

7.5. PRESENTATION OF CONSOLIDATED STATEMENT OF INCOME

IAS 1 Presentation of financial statements does not define "operating result". Ramirent presents operating result (EBIT) in the consolidated statement of income and has defined it as total of net sales and other operating income from which expenses for materials and services, employee benefit and other operating expenses as well as depreciation, amortization and impairment charges are subtracted. The share of result in associates and joint ventures is also included in the operating result. Foreign currency differences stemming from working capital items are included in the operating result

7.6. NEW ACCOUNTING STANDARDS

Ramirent has not yet adopted the following standards or interpretations that the IASB has issued but are not yet effective. Ramirent will adopt them as from their effective dates, if the effective date is the same as the beginning of the financial year, or if the effective date is different, they will be adopted as from the beginning of the following financial year.

IFRS 15 REVENUE FROM CONTRACTS WITH CUSTOMERS

Ramirent adopts IFRS 15 "Revenue from contracts with customers" from January 1, 2018. In the consolidated financial statements for 2016 Ramirent disclosed preliminary results of the assessment of the effects of the new standard. During 2017 Ramirent continued assessment and preparations for adopting the new standard using the full retrospective method in accordance with IAS 8.

Preparations have included e.g. analyzing contracts, clarifying revenue recognition principles and training of responsible people to understand the requirements of the new standard.

IFRS 15 standard introduces a five phase model to be applied in revenue recognition. According to the standard revenue recognition is based on transfer of control. This may affect the timing of revenue recognition and amounts that are recognized, compared to current principles in accordance with IAS 18.

Ramirent has identified the following revenue streams for its operations:

1. Rental sales (63% of net sales in 2017)
2. Service sales (28% of net sales in 2017)
3. Sales of equipment (4% of net sales in 2017)
4. Sales of inventories (5% of net sales in 2017).

All Ramirent operating segments provide rental and services to their customers and sell equipment and inventories, but the sales mix can be different between operating segments and varies from year to year.

Primary activity in Ramirent relates to rental business, which is in scope of IAS 17 Leases and later, when effective, in scope of IFRS 16. IFRS 15 does not have any effect on net sales that are in scope of Leases standard. IFRS 15 shall be applied to services sales, sales of used rental equipment and inventories. IFRS 15 has thus effect to approximately 40% of Ramirent's sales.

Services are provided related to rental of machinery and equipment and separately. They comprise a wide range of different kind of services, e.g. work site planning, logistics, on-site support, training and assembly and disassembly services. In the assessment it was concluded that IFRS 15 does not change the current practice for recognizing revenue from services.

Sales of equipment comprise sales of used machinery and equipment that Ramirent has held for rental to others and sells in the course of its ordinary activities. Sales of inventories comprise sales of fuel, merchandise and consumables. In the assessment it was concluded that IFRS 15 does not change the current practice for recognizing revenue from sales of used rental equipment and inventories.

According to IFRS 15 transaction prices in the contracts shall be allocated to performance obligations based on stand-alone selling prices. Under IAS 18 Ramirent has considered rental and services in a contract as separately identifiable components and allocated revenues to them separately. There is not any significant difference to the allocation under IFRS 15. Ramirent's contracts with customers that are in scope of IFRS 15 do not include variable considerations or any significant financing components.

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In Ramirent costs related either to incremental costs of obtaining a contract with a customer or costs to fulfil a contract have not been identified.

Implementation of IFRS 15 will not result in any material differences in the timing of the revenue recognition or in the amounts to be recognized, compared to the current principles. IFRS 15 will have an effect on both qualitative and quantitative disclosures in the financial statements which will be increasing and be more detailed compared to the current disclosures.

IFRS 9 FINANCIAL INSTRUMENTS

Ramirent will adopt IFRS 9 "Financial instruments" from January 1, 2018. The new standard introduces new requirements for the classification and measurement of financial instruments, impairment of financial instruments and hedge accounting. The standard introduces a new, expected loss impairment model that will require more timely recognition of expected credit losses. There will not be any major changes to the classification of financial liabilities. The Group has prepared a model for calculating expected credit losses in accordance with IFRS 9. There will not be any significant impact on valuation of Ramirent's financial instruments but there will be some impact on presentation and disclosures.

Ramirent has decided that available for sale financial assets will be classified as assets measured at fair value through profit or loss.

Ramirent's has elected not to restate comparative periods but to recognize the effect of the adoption of IFRS 9 as a transition adjustment to the opening equity of January 1, 2018.

IFRS 16 LEASES

Ramirent will adopt IFRS 16 "Leases" from January 1, 2019. The standard will significantly increase the amount of leases that will be recognized as an asset and a liability in the lessee's balance sheet.

Ramirent is currently analyzing the impacts of the new standard. IFRS 16 requires that lessees capitalize most leases as a right-of-use asset in the balance sheet and recognize a liability to cover the lease payments. The standard also requires to recognize depreciation on the right-of-use asset and interest expense on the lease liability instead of operating lease expense. The standard includes recognition exemptions for short-term leases and leases for which the underlying asset is of low value. Ramirent has preliminarily elected not to calculate a right-of-use asset and a lease liability for short-term leases and leases for which the underlying asset is of low value.

Ramirent's operating leases relate mainly to premises. The rest of the lease agreements relate to split-rental and re-rental agreements of rental machinery and leases of equipment and vehicles in own use. The length of premises agreements varies from short-term to more than ten years. Ramirent's preliminary plan is not to include short-term lease agreements and lease agreements with indefinite term and short termination period related to premises in the calculation of the right-of-use asset. Split-rent and re-rent agreements are often short-term or include variable lease payments and such agreements will not be included in the calculation.

For lessors guidance related to classification of leases as finance leases and operating leases in the currently effective IAS 17 is materially the same also in the new IFRS 16.

The standard will affect primarily the accounting for the group's operating leases. As at the reporting date, the group has non-cancellable operating lease commitments of EUR 82.0 million, see note 8.2. The group estimates that approximately 5-10% of these relate to payments for short-term and low value leases which will be recognized on a straight-line basis as an expense in profit or loss.

However, the group has not yet assessed what other adjustments, if any, are necessary for example because of the change in the definition of the lease term and the different treatment of variable lease payments and of extension and termination options.

Ramirent continues the impact analysis during 2018

OTHER NEW AND AMENDED STANDARDS

Annual Improvements to IFRSs (2014-2016 cycle) (effective for financial years beginning on or after January 1 2017 for IFRS12 and on or after January 1 2018 for IFRS 1 and IAS 28). IFRS 12 clarifies that the disclosure requirements in IFRS 12, other than those relating to summarized financial information for subsidiaries, joint ventures and associates, apply to an entity's interests in other entities that are classified as held for sale or discontinued operations in accordance with IFRS 5. This change may have effect in the future, if interests in other entities are classified as held for sale or discontinued operations in accordance with IFRS 5. Other changes in the annual improvements will not have any material impact on Ramirent's financial reporting.

Other changes or amendments to other published IFRS standards and IFRIC's will not have any material impact on Ramirent's financial reporting.

7.7. EXCHANGE RATES APPLIED

	AVERAGE RATES 2017	AVERAGE RATES 2016	CLOSING RATES 2017	CLOSING RATES 2016
Currency				
CZK	26.3272	27.0343	25.5350	27.0210
DKK	7.4387	7.4454	7.4449	7.4344
NOK	9.3286	9.2927	9.8403	9.0863
PLN	4.2563	4.3636	4.1770	4.4103
SEK	9.6369	9.4673	9.8438	9.5525

8. OTHER NOTES

8.1. RELATED PARTY TRANSACTIONS

Ramirent's related parties are the key management, joint ventures Fortrent Oy and Fehmarnbelt Solution Services A/S, and one major shareholder, Nordstjernan Group. Key management consists of the members of the Board of Directors, the CEO and the members of the Group Executive Management Team. Until 8/2016 the group management comprised of the Executive Management Team and the Group Management Team. The list of subsidiaries is presented in note 7.2. The associated company Rogaland Montasje Bygg AS was sold in 2016.

EMPLOYEE BENEFITS FOR KEY MANAGEMENT (ACCRUAL BASIS)

(EUR 1,000)	2017	2016
Short–term employee benefits	–3,133	–2,763
Termination benefits	–	–1,139
Post–employment benefits	–115	–77
Share–based payments	–1,899	–279
Total	**–5,147**	**–4,258**

BENEFITS PAID TO THE BOARD MEMBERS AND THE CEO

(EUR 1,000)	2017	2016
Appleton, Kevin	–37	–36
Bengtsson, Erik	–32	
Bergh, Kaj–Gustaf	–36	–34
Carlsson, Ann	–34	
Frumerie, Anette	–8	–36
Lundahl, Ulf	–68	–68
Lönnevall, Tobias	–42	–41
Paulsson, Mats O	–8	–36
Renlund, Susanna	–50	–48
Rosén, Magnus	–	–610
Kolunsarka, Tapio	–653	–397
Total	**–966**	**–1,307**

The employee benefits paid to the CEOs total EUR 653 (1,007) thousand. Benefits comprise of annual base salary and fringe benefits, EUR 484 (578) thousand, bonus for year 2016 54 (0), a separate pension insurance, EUR 115 (77) thousand and a compensation for long-term incentive programs, EUR 0 (63) thousand. The payments in 2016 include also payments for the previous CEO. The payments in 2016 include also redundancy payments totalling EUR 290 thousand.

Employee benefits of CEO include a voluntary defined contribution pension plan. Company makes agreed annual payments to plan, which are invested to a Capital Redemption agreement. Payments to Capital Redemption agreement including return is presented as financial assets at fair value through profit or loss. Change in fair value is presented in financial items. These assets are pledged as security for the given pension promise. No separate agreement regarding early retirement has been made.

Company recognizes as annual pension cost the amounts paid to the plan and the obligation related to pension promise is presented as other non-current liabilities. The obligation is also effected by the changes in fair value of the Capital Redemption agreement, which are accounted for as an adjustment to pension cost, since obligation relates to defined contribution plan and investment including return are intended to fulfil the pension promise.

POST–EMPLOYMENT BENEFITS FOR THE CEO, ACCRUAL BASIS

The post–employment benefits are included in the paid amount presented above.

(EUR 1,000)	2017	2016
Voluntary pension plan in Finland	–115	–77
Total pension plans	**–115**	**–77**

Ramirent did not have any other transactions than the above employee benefits with Key Management during years 2017 and 2016. There were no outstanding loan receivables from Key Management either on December 31, 2017 or December 31 2016.

TRANSACTIONS WITH AND RECEIVABLES FROM OTHER RELATED PARTIES

(EUR 1,000)	2017	2016
Companies owned by Nordstjernan Group		
Sales of rental services	58,927	61,128
Current receivables	11,032	8,946
Fortrent Oy		
Interest income	302	362
Non–current loan receivables	10,153	12,926

8.2. COMMITMENTS AND CONTINGENT LIABILITIES

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The Group's obligations in terms of future minimum non–cancellable leasing payments are reported as off–balance sheet notes information. The notes information contains the future minimum non–cancellable leasing payments. Split–rental and re–renting agreements are used for short–term leasing of rental machinery and equipment. Their expenses are included in material and service expenses in profit or loss.

OFF–BALANCE SHEET COMMITMENTS ON DECEMBER 31, 2017

(EUR 1,000)	TO SECURE OWN BORROWINGS	TO SECURE OTHER OWN OBLIGATIONS	TO SECURE THIRD PARTY OBLIGATIONS	TOTAL
Suretyships	–	4,807	–	4,807

OFF–BALANCE SHEET COMMITMENTS ON DECEMBER 31, 2016

(EUR 1,000)	TO SECURE OWN BORROWINGS	TO SECURE OTHER OWN OBLIGATIONS	TO SECURE THIRD PARTY OBLIGATIONS	TOTAL
Suretyships	–	2,828	239	3,067

NON–CANCELLABLE MINIMUM FUTURE OPERATING LEASE PAYMENTS

(EUR 1,000)	2017	2016
Payable < 1 year from balance sheet date	25,221	25,240
Payable 1–5 years from balance sheet date	42,450	46,852
Payable > 5 years from balance sheet date	14,352	9,970
Future gross operating lease payments	**82,023**	**82,062**

OPERATING LEASE EXPENSES IN THE INCOME STATEMENT

(EUR 1,000)	2017	2016
Lease payments expensed in the income statement	32,634	31,477
Net lease expenses in the income statement	**32,634**	**31,477**
Group share of commitments in joint ventures	134	89

Committed investments in rental equipment at the end of 2017 totalled EUR 23.7 million (EUR 30.5 million in 2016).

8.3. DISPUTES AND LITIGATIONS

Ramirent's management is not aware of any disputes and/or litigation processes that would significantly affect the company's operating performance and/or financial position in an adverse manner in case of negative outcomes from the company's point of view.

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€700,000,000 3.25% Senior Secured Notes due 2025
€450,000,000 3.75% Senior Secured Notes due 2026
€250,000,000 5.75% Senior Subordinated Notes due 2027

Joint Bookrunners

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