

London, 25 April 2014

## HSS Hire Group announces results for FY '13

HSS Hire Group ("HSS" or "the Group") today announces its full-year financial results for the 52 weeks ending 28 December 2013.

### Financial Highlights

- 24% increase in revenue to £226m (2012: £182m)
- 36% increase in EBITDA to £55m\* (2012: £40m)
- 27% Return on Assets (2012: 20%)

Alan Peterson, Chairman at HSS Hire Group commented:

"2013 was a strong year for HSS. The team achieved strong organic growth across all our customer groups, product ranges, geographies and services; this was complemented by our strategy to acquire promising specialist businesses whilst also reinvesting in our future growth. We are confident that we will continue to enhance value by achieving our target of occupying number one or two positions in our key markets. At the same time, we will continue to monitor opportunities to add further growth and value through selective acquisitions."

Chris Davies, Chief Executive Officer at HSS Hire Group commented:

"I am pleased with the financial performance during 2013. Over the last twelve months we have continued to deliver on our targets and produce industry-leading return on assets. This strong performance is the result of our highly diversified customer base and focus on growth over the long-term - underpinned by a consistent strategy of optimising the network, driving operational efficiency, investing in people and systems and delivering added-value services."

### Trading and Operational Highlights

- Continued focus on resilient hire markets, in the 'fit-out', 'maintain' and 'operate' segments.
- Organic growth supplemented by acquisitions: specialist powered access business UK Platforms; visual signboard provider, MTS in Ireland; cleaning equipment technical services provider, TecServ; and by the development of power generation business ABird, acquired at the end of 2012.
- Sustained investment in the size and quality of the rental fleet, network, infrastructure and systems of all Group businesses, with total capital expenditure of £38m (2012: £26m).
- Distribution network further strengthened with the addition of 20 new branches including further HSS local format branches designed to serve local trades with a range of kit to be collected as well as next day delivery of the total HSS range.
- Acceleration of technology innovation at ABird Power Solutions under the RFM Smart Equipment brand – delivering complete control over generators from smartphones, tablets and desktops.
- Opening the HSS Academy: a purpose-built training facility providing residential sales and service training to colleagues.

### Developments after the reporting period

#### Successful Group refinancing

In February 2014, HSS completed the offering of £200m in aggregate principal amount of 6.75% senior secured notes due 2019. The term of the senior secured notes is 5.5 years and they mature in August 2019. This offering enabled the Group to improve its capital structure, paying down existing facilities and some of its shareholder loans. Alongside the senior secured notes issue, the Group secured a £60m Revolving Credit Facility providing ample liquidity to meet the future investment and development needs of the Group.

### HSS completes acquisition of Apex Generators

On March 31 2014, HSS acquired Scottish generator hire company, Apex Generators Ltd, to strengthen the Group's existing specialist power division - enabling service to a wider geographical area and greater ability to fulfill national power solutions contracts.

### HSS introduces Activ' Shield Bar

HSS has commenced a programme to fit UK Platforms' powered access booms with anti-entrapment technology from manufacturer, Haulotte, responding to the need to protect operators from risk of crush and aid escape from entrapment. This will be completed during 2014 as part of a commitment to provide "safety as standard".

### **Conference call**

A conference call for Senior Secured Notes investors will be held at 14:00hrs BST on Friday 25 April 2014. If you would like to participate in this call, please register by email using the following email address: [investors@hss.com](mailto:investors@hss.com).

Download HSS's 2013 Annual Report at [www.hsshiregroup.com/financial-results](http://www.hsshiregroup.com/financial-results).

### **Further information**

For further information please visit: [www.hsshiregroup.com](http://www.hsshiregroup.com). If you would like to be added to our distribution list for announcements relating to the Senior Secured Notes, please email: [investors@hss.com](mailto:investors@hss.com).

### Further enquiries:

Fiona McFadden, Head of PR, Founded  
fiona.mcfadden@founded.com +44 (0)7786 736 706 / +44 (0)20 3747 3800

Robert Halls, Corporate Development Manager, HSS Hire  
rhalls@hss.com +44(0)7792 153 525

### Notes to Editors:

HSS Hire Group provides tools, equipment and related services in the UK and Ireland through a nationwide network of over 250 locations. HSS was acquired by Exponent Private Equity in October 2012. For more information please see [www.hsshiregroup.com](http://www.hsshiregroup.com).

\* EBITDA adjusted to remove certain exceptional costs.

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