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19 July 2018

HSS Hire Group plc

(“HSS” or the “Group”)

Proposed Disposal of UK Platforms Limited

HSS announces that it has entered into a conditional agreement with Nationwide Platforms Limited (“Nationwide”), a wholly-owned subsidiary of the Loxam Group (“Loxam”), with respect to the sale of UK Platforms Limited (“UK Platforms”), for a total Enterprise Value of £60.5 million (the “Disposal”). HSS will use the majority of the proceeds from the sale to pay down debt.

The Disposal is consistent with HSS’s strategic agenda of delevering the Group through the reduction in overall debt and enabling greater focus on the core Tool Hire business. The Directors believe that the consideration represents an attractive valuation which will enable shareholder value to be realised.

As part of this transaction, HSS has entered into a long term strategic commercial agreement with Nationwide to provide powered access equipment to complement HSS’s existing fleet.

Due to its size, the Disposal constitutes a Class 1 transaction under the Listing Rules and is therefore subject to the approval of shareholders. A circular containing further details of the proposed Disposal and containing the notice convening a general meeting to consider a resolution to approve the Disposal, will be sent to HSS shareholders as soon as practicable.

Trading for the Group in the first half of 2018 is in line with management expectations; underlying revenue growth is greater than 7%, which, when combined with delivered cost initiatives, has materially benefited the Group’s performance. Net debt leverage continues to reduce and is around 3.8x⁽¹⁾ as at 30th June 2018 (June 2017: 4.3x).

Steve Ashmore, Chief Executive, commented:

“Since our Strategic Review last December we have made substantial progress against our strategic priorities by reducing costs, delivering major operational change, improving trading and re-financing. Today’s announcement is another step forward. It will accelerate progress against our strategic priorities, enabling further deleveraging through debt reduction and allow greater focus on our core Tool Hire business. The UK Platforms business has made an

excellent contribution to the Group over recent years, but considering our priorities and focus on tool hire we feel it will reach its full potential under new ownership. We will continue to provide our customers with all of their powered access needs through our existing fleet and the new strategic partnership with Nationwide.”

Notes:

(1) Net debt divided by LTM Adjusted EBITDA, as at 30th June 2018

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Disposal Highlights

- HSS has entered into a conditional agreement with Nationwide, a wholly-owned subsidiary of Loxam, with respect to the sale of UK Platforms for a total Enterprise Value of £60.5 million with net cash proceeds from the Disposal of approximately £47.5 million comprising:
 - cash consideration of £45.0 million;
 - repayment of approx. £4.5 million of intercompany debt; and
 - transaction expenses of approx. £2.0 million
- As at 30th December 2017, UK Platforms had total gross assets of £37.8 million and profit before tax of £6.2 million.
- The Disposal allows HSS to make significant progress on its strategic priorities and enable the realisation of shareholder value.
- The Disposal will allow HSS management to focus on core operations, in particular, on the Tool Hire business.
- The Directors believe that the consideration represents an attractive valuation which creates immediate value for shareholders, whilst at the same time enhancing the Group’s future prospects through reducing overall leverage, both in absolute terms and as a multiple of EBITDA.

- 80% of the net cash proceeds will be used to repay amounts borrowed under the Group's new term loan facility which will also help to reduce the interest expense for the Group going forward.
- The balance of the net proceeds will contribute towards capital expenditure in order for the Group to pursue its strategy of focusing on its core Tool Hire business, strengthening its commercial proposition and returning the Group to above historic performance levels.
- Completion of the Disposal, which is subject to approval by HSS shareholders, confirmation that it will not be referred to the Competition and Mergers Authority, and retention of key managers, is expected to occur in Q4 2018.
- HSS has entered into a transitional services agreement with Nationwide to provide certain services to UK Platforms for a limited period.
- A new long term strategic commercial agreement will be entered into with Nationwide to complement the existing HSS fleet and provide HSS customers with all of their powered access requirements.

Notes to editors:

About HSS Hire

HSS Hire Group plc provides tool and equipment hire and related services in the UK and Ireland through a nationwide network of over 250 locations. Focusing primarily on the maintain and operate segments of the market, over 90% of its revenues come from business customers. HSS is listed on the Main Market of the London Stock Exchange. For more information please see www.hsshiregroup.com.

About UK Platforms

UK Platforms Limited specialises in the provision of Powered Access equipment nationwide across the UK, providing working at height solutions and access platforms to the construction, facilities management, and service sectors. UK Platforms Limited was acquired from the Haulotte Group in 2013 and now has a fleet of c.3,000 powered access machines including a range of diesel and electric aerial work platforms including scissor lifts, boom lifts and telehandlers.

About Loxam

Loxam is the leading equipment rental company in Europe with unaudited proforma consolidated revenue of €1,435 million in 2017 and approximately 7,900 employees. LOXAM's network of more than 750 branches extends over 13 countries in Europe (France, Germany, the United Kingdom, Ireland, Belgium, Switzerland, Spain, Portugal, Luxemburg, the Netherlands, Denmark, Norway and Italy) as well as in the Middle East, Morocco and Brazil.

For more information please see www.loxam.com.

Disclaimer:

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