

London, 10 September 2014

## **HSS Hire Group announces first half-year 2014 results**

### **‘Strong growth continues across all regions, customer groups and product categories’**

HSS Hire Group (“HSS” or “the Group”) today announced financial results for the 26 weeks ended 28 June 2014.

#### **First half financial highlights**

- Turnover increased by 33% to £130.6 million (2013: £98.4m)
  - Driven primarily by 19% organic growth
  - Supplemented by 13% increase from the specialist acquisitions of UK Platforms, Apex and TecServ
- EBITDA increased by 34% to £28.9 million\* (2013: £21.6m)

#### **Second quarter financial highlights**

- Turnover increased by 36% to £67.7 million (2013: £49.8m)
- EBITDA increased by 35% to £15.3 million\* (2013: £11.3m)
- Acquisition of specialist generator hire business, Apex Generators, completed
- Revenue underpinned by strong organic growth supplemented by the specialist acquisitions of Apex (acquired March 2014); TecServ (acquired November 2013); UK Platforms (acquired June 2013).

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

“The Group has achieved a strong first half performance, with our long-term strategy continuing to drive revenue and EBITDA growth. In all customer groups, regions and product categories we have achieved organic growth – supplemented by positive contributions from our specialist acquisitions. We continue to invest in our business with an unswerving focus on customer needs.

“The Group is performing well and on track to deliver against management expectations for the full year.”

#### **First half trading and operational highlights**

- Revenue underpinned by strong organic growth, supplemented by the specialist acquisitions of Apex (acquired March 2014); TecServ (acquired November 2013); UK Platforms (acquired June 2013).
- Branch network further strengthened with the addition of eight new HSS local format branches providing local trades with a range of kit for collection and next day delivery from HSS’s national hire fleet. These branches are trading in line with expectations.
- The long-term investments in the branch network, fleet and strategic acquisitions continue to deliver profitable growth.
- Expansion of UK Platforms, the specialist powered access provider acquired in June 2013, into Scotland.

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- Expansion of Powered Access and Power Solutions into Ireland.
- Continued strategic investment in hire fleet of £38.8m in H1 2014 (2013: £14.1m), responding to strong customer demand observed during the end of 2013 and through H1 2014.
- Partnership established with Unipart Group to optimise engineering services capabilities and further improve logistics operations.

### Conference call

A conference call for Senior Secured Notes investors will be held at 13:00hrs BST on Wednesday 10 September 2014. Investors or analysts who are not yet registered for this call can register to receive dial in details at: <http://www.hsshiregroup.com/investors-section-landing/>.

### Further information

For further information please visit: [www.hsshiregroup.com](http://www.hsshiregroup.com). Download HSS's full H1 2014 Report at [www.hsshiregroup.com/financial-results](http://www.hsshiregroup.com/financial-results). If you would like to be added to our distribution list for announcements relating to the Senior Secured Notes, please email: [hss@fairvuepartners.com](mailto:hss@fairvuepartners.com).

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### Notes to Editor

\* EBITDA adjusted to remove certain exceptional costs.

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).

### HSS completes acquisition of Apex Generators

On March 31, 2014, HSS acquired the Scottish generator hire company, Apex Generators Ltd, to strengthen the Group's existing specialist power division – which includes the ABird business - enabling service to a wider geographical area and greater ability to fulfill national power solutions contracts. In 2013 Apex had a turnover of c. £3.7m and EBITDA of c. £1.5m.

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Acquisitions made by the Group during 2013:

- Specialist powered access provider, UK Platforms
- Visual signboard company, MTS Ireland
- Cleaning equipment technical services provider, TecServ

#### Branch opening programme

- HSS Hire Group's branch network was expanded during H1 with eight new "local format branches".

#### **Cautionary statement**

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The HSS Group nor any issuer within the HSS Group undertakes any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You should not place undue reliance on forward-looking statements, which speak only as of the date of this announcement.