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For immediate release

12 January 2015



HSS Hire Group Limited

Announcement of intention to float on the London Stock Exchange

Appointment of new directors

HSS Hire Group, a leading provider of tool and equipment hire and related services in the United Kingdom and Ireland, today announces its intention to proceed with an initial public offering (the "Offer" or "IPO"). The Company intends to apply for admission of the Shares to the premium listing segment of the Official List of the Financial Conduct Authority and to trading on the main market for listed securities of the London Stock Exchange (together "Admission"). The Offer will comprise an offer of Shares to institutional investors and an Intermediaries Offer to facilitate participation by retail investors.

In connection with the IPO, HSS also announces the appointment of Neil Sachdev as Deputy Independent Non-Executive Chairman, and Amanda Burton and Douglas Robertson as Independent Non-Executive Directors. These individuals bring significant additional experience to the HSS Board.

The Directors believe that HSS is the second largest provider of tool and equipment hire and related services in the United Kingdom based on revenues and the second largest provider of temporary power generation in the United Kingdom based on fleet size. HSS is also the second largest provider of powered access equipment in the United Kingdom based on fleet size. HSS has provided equipment hire services for more than 50 years, primarily focusing on the business to business market. Alongside traditional equipment hire, the Group offers a range of complementary, value-added services through its HSS OneCall, Reintec, TecServ and HSS Training businesses. The Group also offers specialist rental equipment under its ABird, Apex and UK Platforms brands.

As of 27 September 2014, HSS operates from over 265 locations, serviced by a delivery fleet of over 400 commercial vehicles and approximately 2,900 colleagues, through a well-established hub and spoke distribution network comprising a national distribution centre, 10 regional distribution centres, 25 local distribution centres and 230 trading locations, that aims to maximise equipment availability on an on-demand or next-day basis.

For the 52 week period ended 31 December 2011 to the 12 months ended 27 September 2014, Group revenue grew at a CAGR of 17% and adjusted EBITDA grew at a CAGR of 19%. HSS's market share in the UK increased from 3.6% to 4.7% over the same period.

BUSINESS HIGHLIGHTS

- **A leading player in a growing market with attractive structural growth characteristics.** The European Rental Association (“ERA”) estimates that total UK equipment hire market revenue will grow at a CAGR of 4.3% between 2014 and 2016. HSS is also well-placed to continue to benefit from structural growth resulting from the ongoing drive of larger businesses to outsource non-core activities. In addition, HSS is targeting the c. 48% market share held by SME independents through the roll-out of its successful Local Format Branch onto trade parks nationwide.
- **Distinctive and differentiated market position.** HSS concentrates on the less cyclical “maintain” and “operate” segments of the tool and equipment hire market, in contrast to providing large plant and heavy machinery geared to construction activities in the “new build” segment. The “maintain” segment refers to customer activities such as refurbishments, improvements and repairs while the “operate” portion of the market includes facilities management, transportation and cleaning, among others. The Directors believe that HSS's combination of products and services helps to differentiate the Group from its competitors, embed the Group more deeply with its customers and establish a “one-stop-shop” capability that enables HSS to capture a greater share of its customers' potential spending.
- **HSS has been recognised as a market-leading brand for tool and equipment hire** in the United Kingdom. As of September 2014, the Group had a Net Promoter Score (NPS) of 33 as measured by TNS (based on 591 customer interviews conducted between July and August 2014). The Directors believe the Group's NPS score is the market leading score amongst major United Kingdom tool and equipment hire providers.
- **An integrated and scalable distribution network** which centralises all hire stock on a single platform, with the efficient movement of equipment between branches creating a shared inventory that provides the Group with the ability to serve its customers “anytime, anywhere”. This structure helps to maximise equipment availability and increase utilisation of the asset fleet, which is critical to delivering high return on assets. Over the course of 2010-2012, the Group implemented a sophisticated hub-and-spoke distribution network, as a result of which the Group's range of tools and equipment can be made available to its customers at any branch generally within twenty-four hours of a customer placing an order.
- **Nationwide branch network with significant growth potential** through a roll-out of Local Format Branches in new locations in the UK targeting the c. 48% of the market still held by independents. These branches combine a local presence with access to full HSS customer support and a wider

range of tools and equipment for hire with greater availability than the Group's smaller competitors. As at 27 September 2014, HSS had opened 34 Local Format Branches and the Group plans to roll-out this format to grow its network from over 265 locations to over 500 locations across the UK and Ireland.

- **Broad customer base that is well-diversified by service offering and end-markets with significant barriers to entry.** HSS caters to a long-standing and well-diversified customer base, comprising over 35,000 "live" accounts ranging from large, blue-chip companies to smaller, local businesses across a range of sectors. Over 90% of the Group's revenues in the 52 week period ended 28 December 2013 were generated from B2B customers including many of the UK's largest supermarkets, airports and facilities management companies. The Directors believe that the Group's focus on the customer experience and relationship, rather than on single contracts, is a significant driver of growth.
- **HSS has established a capital efficient business model which drives premium returns.** The Group has a strong focus on optimising its deployment of capital, only entering market segments where it believes returns are sufficiently attractive. This focus on capital efficiency has enabled the Group to deliver industry-leading returns on assets, which have increased from 21% in the 52 week period ended 31 December 2011 to 26% in the 52 week period ended 27 September 2014.
- **An experienced Board and long-standing executive team, supported by high quality operational management.** HSS's senior management team has strong asset rental and retail credentials and a track record of delivering organic growth, with revenues increasing from £177.0 million for the 52 week period ended 31 December 2011 to £271.6 million for the twelve months ended 27 September 2014.

CLEAR STRATEGY FOR GROWTH

The Group's strategy is to build on and leverage its existing leading market position in the UK tool and equipment rental market by:

- Developing and enhancing the HSS hub-and-spoke distribution network to further improve availability to customers and return on assets
- Targeting growth in local markets in both the UK and Ireland through a national roll-out of the successful Local Format Branch model, which was first introduced in 2012
- Cross-selling its "total equipment management" proposition to mature key account relationships
- Continuing to complement and accelerate the Group's growth through selective bolt on acquisitions.

Full details on HSS's strategic growth plans are provided on page 11 of this announcement.

Chris Davies, Chief Executive Officer of HSS, said:

"HSS has outperformed the UK tool and equipment hire market in recent years by offering its customers a powerful combination of safety, value, availability and support, delivered by c. 2,900 well-trained and motivated colleagues with a passion for delivering outstanding service. By focusing

on the more attractive and less cyclical “maintain” and “operate” segments of the market and building a sophisticated distribution network that has enabled a step change in availability and utilisation, we have established a track record of delivering industry leading growth and returns on assets.

“Having built a well-differentiated market position and a scalable business model underpinned by capital efficiency, we have an exciting opportunity ahead of us as we implement our growth plans. A public listing will put the business on the best footing to maximise our potential as the recovery in our markets gains momentum, enabling us to scale our model faster and accelerate our growth.”

Alan Peterson, Non-Executive Chairman of HSS, commenting on the new Board appointments, said:

“I am delighted to welcome Neil, Amanda and Douglas to the Board. Their combined experience and expertise will be invaluable to HSS in the next phase of its growth as a public company and the Group’s ability to attract Non-Executives of such high calibre underlines the strength of the business and its prospects.”

DETAILS OF THE OFFER

- The Offer will comprise an offer of Shares to certain institutional investors in the United Kingdom and elsewhere outside the United States, and in the United States only to Qualified Institutional Buyers, and an Intermediaries Offer to investors in the UK, the Channel Islands and the Isle of Man.
- The offer will comprise (i) an issue of New Shares by the Company and (ii) an offer of Existing Shares by funds managed by Exponent (“Exponent Shareholders”), co-investor Standard Life and certain directors and members of the senior management of the Company and other individuals (together the “Selling Shareholders”).
- The sell-down by the Selling Shareholders will provide such Selling Shareholders with a partial realisation of their investment in the Group.
- In addition, the Company intends to apply the entire primary proceeds of c. £103 million to reduce its current leverage and provide greater capacity for additional capital expenditure to drive future growth in the business, and for the payment of transaction fees;
- Each of the Company, its directors and members of its senior management, Exponent Shareholders, and certain other Selling Shareholders will agree to customary lock-up arrangements in respect of their holdings of Shares for specified periods of time following Admission.
- Immediately following completion of the Offer, it is expected that the Company will have a free float of at least 25% of the issued share capital of the Company.
- The Exponent Shareholders are expected to remain the Group’s largest shareholders following completion of the Offer.

- It is intended that an over-allotment option of up to 15% of the total offer size will be made available by the Exponent Shareholders and Standard Life.
- It is expected that Admission will take place in February 2015 and that, following Admission, the Company will be eligible for inclusion in the FTSE UK indices.
- In relation to the Offer and Admission, J.P. Morgan Securities plc, which conducts its UK investment banking activities as J.P. Morgan Cazenove (“J.P. Morgan Cazenove”), is acting as Global Co-ordinator, Joint Bookrunner and Sponsor. Numis Securities Limited ("Numis") is acting as Joint Bookrunner and Joh. Berenberg, Gossler & Co. KG, London Branch (“Berenberg”) is acting as Co-Lead Manager.

ENQUIRIES

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NOTES TO EDITORS

GROUP BUSINESSES

The Group's core businesses are:

- HSS Hire: The Group provides an extensive range of tools and equipment for hire across approximately 1,600 product lines driven by customer demand. Equipment categories include powered access, lifting and handling, heating, cooling and drying, lighting and power, breaking and drilling and site works.
- HSS OneCall: In response to the Group's customers' specific demands, the Group works with a network of more than 300 suppliers to source approximately 2,000 lines of equipment that the Group does not hold as a part of its hire fleet.
- HSS Training: The Group's specialist training business is aimed at meeting the training requirements of its customers, offering 240 industry-recognised technical and safety courses at 36 training venues throughout the United Kingdom and Ireland.

The Group's primary specialist businesses are:

- ABird and Apex: ABird, acquired in October 2012, is the Group's specialist provider of temporary power generation and distribution equipment and services. The Group further expanded its temporary power operation through the March 2014 acquisition of Apex, a leading Scottish generator hire company. The Directors believe that the Group is now the second largest provider of temporary power generation in the United Kingdom based on fleet size.
- UK Platforms: In June 2013 the Group acquired UK Platforms, a specialist powered access business which, combined with the powered access operations of its HSS Hire business, has created the second largest provider of powered access equipment in the United Kingdom based on fleet size as reported by Cranes & Access magazine.
- Reintec and TecServ: As an alternative to the traditional hire contract, the Group offers equipment management solutions to the contract cleaning market under the Reintec and TecServ brands. With these services, HSS provides customers with the benefits of management, maintenance, compliance and cost efficiency services and expertise.

THE GROUP'S KEY STRENGTHS

The Directors believe that the Group's key strengths are as follows:

Leading market position in attractive, growing and resilient markets

The Group focuses on the “maintain” and “operate” segments of the tool and equipment hire market, as opposed to providing large plant and other heavy machinery and equipment geared to construction activities in the more cyclical “new build” market segment. The Directors believe that the “maintain” and “operate” segments offer the Group greater opportunities to provide value-added services and additional specialist product categories, drive organic growth and generate higher and more stable returns.

The Directors believe that there is opportunity for consolidation within these markets and that there are structural growth drivers supporting them: as of 2011, the European Rental Association reported that 48% of the market for tool and equipment hire in the United Kingdom and Ireland is currently held by local independent companies, while the continuing drive to outsource should allow the Group to grow its sophisticated equipment management services for larger customers.

The Directors believe the Group’s scale and service platform positions it to offer a market-leading service compared with both local independent and national operators through delivery of its key focus areas of safety, value, availability and support.

The Group has accelerated organic growth by entering new markets in response to observed customer demand. This strategy has seen the Group enter the contract cleaning market through the establishment of the Reintec and TecServ businesses and the temporary power market through the acquisitions of ABird and Apex.

Differentiated business model drives new customer growth and high customer loyalty

The Directors believe that the Group’s leading market positions are underpinned by a number of competitive advantages that drive customer growth and retention. These include the Group’s size and scale, national reach and presence, broad service offering, innovation capabilities, and reputation for quality, reliability, safety and consistency.

(i) Customer-led innovation and “one-stop-shop” approach

The Directors believe the Group is a key partner to many of its customers, which tend to work only with a few select suppliers and value the Group’s established logistics platform, the quality and condition of its equipment, high levels of availability and its ability to quickly deliver customer specific services through its “one-stop-shop” set-up.

As a consequence of this service proposition, a number of the Group’s customers mandate that their sub-contractors use the Group as a preferred supplier on commercial terms and service levels that have been agreed in advance. The Group has successfully implemented this model with customers including Sainsbury’s, Asda, Heathrow Airports Limited and Gatwick Airport.

Additionally, the Group has expanded its services to provide “total equipment management” solutions to its customers. The Group acts as the managing agent for some of its customers’ equipment needs, managing extensive supply chains alongside its own hired equipment and

customer owned assets through a single dedicated desk, which has the effect of driving down costs and increasing service quality.

The Directors believe that the Group's strong and stable base of suppliers has played a significant role in helping the Group to deliver market leading services to its customers. For example, the Group's HSS OneCall business sources from over 300 suppliers to make equipment that the Group does not own available for hire to its customers. HSS OneCall has enabled the Group to be a single source of supply for customers who would otherwise source products from competitors and has allowed the Group to focus its investment in the areas of highest demand and financial return while offering its customers a broader range of tools and equipment.

(ii) Leading customer interface with a range of channels to market

The Directors believe that the Group has a leading customer interface, which is underpinned by a variety of channels to market, that drives customer growth and high levels of client satisfaction and retention. The Group serves its customers through its branch network, including new Local Format Branches (as described below); call centres; on the road representatives; project specific on-site branches; employee implants at the customer; and strong e-commerce platforms.

The Group's HSS.com website won "Website of the Year" at the 2014 Hire Awards of Excellence, and during 2013 and 2014 the Group had more than 60% online rental market share as measured by Hitwise each month against HSS's competitor set for visits to its website. HSS LiveHire, the Group's online business management system, provides customers with a simple, web-based tool that delivers transparency and control of tool and equipment hire. In March 2015, the Group plans to expand its e-commerce offering through an "all-in-one" platform designed to enable all of the Group's equipment and services to be managed via a single platform on mobiles, tablets and desktops, including real-time stock availability and "smart" applications for tracking equipment performance.

The Directors believe that the Group's focus on the customer experience and relationship, rather than on single contracts, is a significant driver of growth.

Integrated and scalable distribution network

The Group has designed its distribution network so that the Group can provide customers with consistent levels of service and high levels of tool and equipment availability. The Group's extensive network has a national reach with a widespread local presence, allowing the Group to better serve its customers locally and nationally. The Directors believe that this unique operational footprint in the UK equipment rental industry will help the Group achieve higher fleet utilisation, increased productivity and better service levels.

The Group's local presence is supplemented by its Local Format Branch strategy, through which the Group has introduced new branches designed to focus on customer experience and sales. This new branch format combines a local presence with access to full HSS customer support and a wider and more comprehensive range of tools and equipment for hire than those of the Group's smaller competitors. The Directors believe that this combination of local presence with access to customer support and a wide product range enables the Group to retain and grow its customer base and, in turn, helps the Group drive its long-term profitability.

The Directors believe that the Group's hub-and-spoke distribution / logistics system reduces the cost of opening new branches compared to competitors, whose branches operate on a standalone basis and so require the maintenance of a large, standalone fleet to manage transport and distribution. The hub-and-spoke model also makes it possible to expand the Group's geographical footprint further than would be sustainable by a conventional model as well as shortening lead times for the availability of equipment.

This structure has helped the Group to reduce unutilised inventory and enabled the Group's selling branches to operate from smaller premises with fewer staff and lower property overheads, and to focus their activities on sales and customer service.

Diversified customer base, operations and markets with significant barriers to entry

The Group's operations benefit from a broad and long-standing customer base, a diverse service offering, various end-markets and an extensive geographical network.

- *Diverse customer base:* The Group has over 35,000 "live" accounts, ranging from customers it classifies as key accounts that offer the potential to contribute over £100,000 a year in revenues; regional customers that typically contribute between £20,000 and £100,000 a year in revenues; and local customers that typically contribute less than £20,000 a year in revenues. While the Group's top 20 customers provided approximately 17% of its revenues for the 52 week period ended 28 December 2013, no single customer contributed over 3% of its revenues during the period.
- *Diverse product and service offering:* With a strong presence in both the core equipment and specialist rental market coupled with its wide product range and OneCall service offering, the Group is able to offer a "one-stop-shop" to its existing and potential tool and equipment hire customers. The Group's diverse offering, currently consisting of approximately 1,600 product lines, enables the Group to satisfy its customers' needs, often in a single customised package. Moreover, the Group's broad service offering has enabled it to sell multiple add-on services to its customers. These include training and products and services within the Reintec, UK Platforms, ABird and Apex portfolios. The Directors believe the Group's broad product offering and focus on cross-selling will help drive sustainable revenue growth.
- *Diverse end-markets:* The Group's customers' businesses range from facilities management to retail and commercial fit-out, property, utilities and waste, infrastructure (e.g. major airports) and energy services markets. The Group's diverse customer base has helped the Group to withstand adverse conditions in any single market segment.

Capital efficient business model drives premium returns

The Directors believe the Group's focus on capital efficiency differentiates its operations from those of its industry peers and has enabled the Group to deliver industry-leading returns on assets. The Group's returns on assets have increased from 21% in the 52 week period ended 31 December 2011 to 26% in the 52 week period ended 27 September 2014. Over this period the Group has increased Adjusted EBITDA margins, achieving an average margin of 24% over this period.

The Directors believe the Group has a well invested asset base, with a total of £91.5 million invested in hire fleet expansion from 30 December 2012 to 27 September 2014. Over this period the ratio of hire fleet capital expenditure to hire fleet depreciation was c. 2.0x and this is reflected in the significant growth in the Group's asset base.

Strong management team

The Group's senior management team is led by the Group's chief executive officer, Chris Davies, who has extensive experience in managing multi-site businesses across both the retail and trade sectors, integrating acquisitions and driving growth. The Group's chief operating officer, John Gill, sales and marketing director, Fiona Perrin, and chief financial officer, Steve Trowbridge, all share a similar breadth and depth of industry experience, and together with the Group's chief executive officer have an average tenure at the Group of more than six years.

The senior management team has a strong track record of organic growth, with revenue increasing from £177.0 million for the 52 week period ended 31 December 2011 to £271.6 million for the twelve months ended 27 September 2014.

FINANCIAL HIGHLIGHTS

	52 week period ended			39 week period ended		52 week period ended
	31 December 2011	29 December 2012	28 December 2013	28 September 2013	27 September 2014	27 September 2014
(in millions of £)						
Revenue	177.0	181.6	226.7	163.5	208.5	271.6
Cost of sales	(53.8)	(60.3)	(73.5)	(51.1)	(73.7)	(96.0)
Gross profit	123.2	121.3	153.2	112.4	134.8	175.6
Distribution costs	(26.0)	(23.6)	(28.7)	(20.7)	(26.2)	(34.3)
Administrative expenses	(86.3)	(93.9)	(104.1)	(76.2)	(90.0)	(118.0)
Other operating income	1.1	1.2	1.0	0.8	0.9	1.2
Adjusted EBITDA	41.9	41.3	56.2	41.0	51.8	67.0
Less: Exceptional items	(3.5)	(9.9)	(3.9)	(2.9)	(1.0)	(2.0)
Less: Depreciation and amortisation	(26.4)	(26.5)	(31.0)	(21.8)	(31.3)	(40.4)
Total operating profit	12.0	5.0	21.4	16.3	19.5	24.5

DIVIDEND POLICY

The Directors intend to adopt a progressive dividend policy, alongside earnings growth, with a medium term target of 3 to 4.5 times normalised earnings cover (being the Group's net income before amortisation and exceptional items, after the deduction of a standard rate of tax as a multiple of aggregate dividends paid for the relevant period).

CLEAR GROWTH STRATEGY

The Directors believe that the Group is well-positioned to continue its growth, due to its business model and distribution network that underpins its leading market position in attractive, growing and resilient markets.

The Group's strategy is to build on and leverage its existing leading market position in the UK tool and equipment rental market.

Develop and enhance the Group's hub-and-spoke distribution network

The Directors believe that the Group is well-positioned to benefit from the growth opportunities provided by its national hub-and-spoke distribution network. The Directors believe that this unique operational footprint in the UK equipment rental industry will help the Group achieve higher fleet utilisation, increased productivity and better service levels. The Directors also believe that the higher levels of asset availability made possible by this distribution model will continue to attract new customers and enable it to capture a greater "share of wallet" from its existing customers.

The Group has a strong commitment to further developing the reach of its network at the local level and plans to continue its Local Format Branch roll-out in new locations in the UK, initially focused on London and the south east of England. The Directors believe that the addition of these branches will challenge the market share of local, incumbent competitors, as these branches will provide a differentiated offering, primarily driven by the Group's scale and greater asset availability from its national hub-and-spoke distribution model. The Group plans to adopt a retail-focused approach to match the footprint and successful growth model of wider trade peers, including a number in the home improvement sector and in trade tool and accessories retail. As at 27 September 2014, HSS had opened 34 Local Format Branches and the Group plans to roll-out this format to grow to a network of over 500 branches across the UK and Ireland.

The Group plans to continue to expand its Apex, ABird and UK Platforms businesses across the United Kingdom and Ireland to address a larger customer base.

Build sustainable revenue growth driven by customer demand

The Group intends to continue its organic growth through a combination of acquiring new customers and capturing an increased share of its existing customers' equipment hire spending. The Group intends to achieve these goals by continuing its investment in its hire fleet and by continuing to build a sustainable revenue base with new and existing customers by tailoring the Group's product and service offering to best address individual customer requirements. In particular, the Group plans to focus on driving local account growth, through targeted local sales programmes and the Local Format Branch roll-out. In addition, the Group intends to cross-sell its "total equipment management" proposition to its mature key account relationships.

Drive operational efficiency

Through a consistent focus on high quality engineering and continued cost rationalisation, the Group intends to improve the efficiency of its overall operations while driving increased profitability and maintaining its industry leading return on assets, which was 30% for the 52 week period ended 28 December 2013. To that end, the Group has entered into partnership with Unipart, a leading

logistics management company, to support the implementation of the “HSS Way”, a proprietary programme of operational best practices, across the Group’s distribution centres.

Invest in colleagues and technology

The Group intends to extend the training and development offered by the HSS Academy, the Group’s dedicated in-house training centre providing residential courses for the Group’s sales colleagues that was launched in 2013. The Directors believe HSS Academy is the first of its kind in the United Kingdom equipment rental market.

The Group also intends to continue to invest and develop the services provided by HSS LiveHire, and expand its e-commerce offering through an “all-in-one” web offering and smart phone application that will provide clients with complete account management capabilities for all Group services on a variety of devices. The Directors believe this next generation e-commerce platform will promote increased online sales, particularly in its account base, enable the Group to lead online click and collect and enhance customer loyalty.

Develop the Group’s customer-driven service proposition

With a continued focus on customer partnership and collaboration, the Group intends to further develop and broaden its customer service offering. The Directors believe that this will accelerate the Group’s organic growth through entry into new markets and create innovative new solutions that will address both present and anticipated future customer needs. The Directors believe that the Group’s specialist services businesses are particularly well-positioned to increase their market share.

The Group also intends to grow its HSS OneCall and HSS Training businesses. These businesses are not capital intensive and provide the opportunity to increase the Group’s profitability and capital returns by growing its offering of these value-added services.

Complement and accelerate the Group’s growth through strategic acquisitions

The Group regularly evaluates opportunities to acquire businesses in order to strengthen its competitive position. The Group makes acquisition decisions centrally and pursues opportunities that complement its organic growth plans and strategic goals on terms acceptable to the Group. The Directors believe that the Group has historically demonstrated a strong track record in identifying, executing and swiftly integrating acquisitions and intend to continue to capitalise on this experience to grow through selective bolt on acquisitions.

BOARD OF DIRECTORS

Chaired by Alan Peterson, the Board of Directors has been further strengthened ahead of the proposed IPO by the appointment of three Independent Non-Executive Directors:

Non-Executive Chairman	Alan Peterson
Deputy Independent Non-Executive Chairman	Neil Sachdev
Chief Executive Officer	Chris Davies
Chief Financial Officer	Steve Trowbridge
Chief Operating Officer	John Gill
Group Sales and Marketing Director	Fiona Perrin
Non-Executive Director	Thomas Sweet-Escott

Independent Non-Executive Director	Amanda Burton
Independent Non-Executive Director	Douglas Robertson

Director biographies

Alan Peterson (Non-Executive Chairman)

Alan has served as the Group's chairman since December 2012. His experience over the last 25 years includes involvement in a number of public and private equity backed businesses across the United Kingdom, Europe and North America. He has held the role of chief executive officer and chairman in a number of manufacturing, industrial and retail companies, such as Enterprise Group PLC, Azelis Holdings SA, Rockware Group and Meyer International PLC.

Neil Sachdev (Deputy Independent Non-Executive Chairman)

Neil joined Tesco PLC in 1978, rising to the position of property director before joining J Sainsbury PLC as commercial director in March 2007. He was subsequently appointed property director in June 2010 and he held this position until leaving J Sainsbury PLC in March 2014. He was chairman of the Institute of Grocery Distribution until April 2014. He is currently chairman of Market Tech Limited (Camden Market), chairman of Martins Properties (Chelsea Limited) and is a non-executive director of Medico-Dental Holdings Limited and Intu Properties plc.

Chris Davies (Chief Executive Officer)

Chris joined the Group as chief executive officer in 2006. Previously, he had been appointed by the private buyers of the Hunter Boot Company as its chief executive officer in order to rebuild the company out of administration. Prior to gaining experience in private equity and management buy-ins, Chris was managing director for Disney Stores Europe between 2003 and 2005 and worked for Staples Inc. as vice president of Merchandising (Europe) from 2001, having been managing director for the United Kingdom from 1998. He started his management career at the builders' merchants, Harcros, in 1989. As group finance director, he later oversaw the sale of Harcros to Jewsons.

Steve Trowbridge (Chief Financial Officer)

Steve joined the Group in 2008 as group financial controller and was promoted to finance director in 2011, before being appointed chief financial officer in 2014. Prior to joining the Group, he held a number of positions at Thomson Reuters, including investor relations manager and most recently as senior head of finance. He previously worked as an equity analyst at SG Securities, and as a finance manager at Cable & Wireless.

John Gill (Chief Operating Officer)

John joined the Group as chief financial officer in February 2009 and was appointed chief operating officer in 2014. Before joining the Group he served as finance director at Screwfix Direct Ltd, a subsidiary of Kingfisher plc, from June 2006. Prior to that, John held a number of roles at Kingfisher plc, including those of senior corporate development manager, head of corporate development and head of corporate strategy. He worked for GE Capital between 1995 and 2000, ultimately serving as the finance director of the French operations of their asset leasing company, European Equipment Finance, and then finance manager of mergers & acquisitions for GE Capital.

Fiona Perrin (Group Sales and Marketing Director)

Fiona joined the Group as Sales and Marketing Director in May 2007, having previously worked for five years at Rentokil Initial where she set up and managed the group wide division "Initial

Integrated Services” before launching the Initial brand online worldwide. Prior to this she was the European marketing director of the datacentre company, Digiplex. Fiona began her career in advertising, before moving into corporate publishing, setting up a marketing communications agency in 1994 specialising in the outsourcing market.

Thomas Sweet-Escott (Non-Executive Director)

Thomas co-founded Exponent in 2004. He is primarily responsible for investments in the financial services sector and also serves on the boards of thetrainline.com. He has previously served on the boards of V. Group and Lowell, and worked for 3i in London and in Madrid.

Amanda Burton (Independent Non-Executive Director)

Amanda is the senior independent non-executive director of Monitise PLC and a non-executive director of Copthorn Holdings Ltd, and she chairs the remuneration committee for both companies. Until December 2014 she served as the chief operating officer of Clifford Chance LLP. She was also previously the senior independent non-executive director of Galliford Try PLC and a non-executive director of Fresca Group Limited.

Douglas Robertson (Independent Non-Executive Director)

Douglas is finance director of SIG plc. He was previously finance director of Umeco plc from 2007 until 2011, and finance director of Seton House Group Limited from 2002 until 2007. He has also held a variety of divisional finance director roles within Williams plc and was previously managing director of Tesa Group, Chubb's hotel security division.

Forward looking statements

This announcement contains "forward-looking" statement, beliefs or opinions. These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond the control of the Company and all of which are based on the Directors' current beliefs and expectations about future events. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as "believes", "expects", "may", "will", "could", "should", "shall", "risk", "intends", "estimates", "aims", "plans", "predicts", "projects", "anticipates", "continues", "assumes", "positioned" or "anticipates" or the negative thereof, other variations thereon or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. Forward-looking statements may and often do differ materially from actual results. They appear in a number of places throughout this announcement and include statements regarding the intentions, beliefs or current expectations of the Directors or the Company with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company's business concerning, amongst other things, the results of operations, financial condition, liquidity, prospects, growth and strategies of the Company and the industry in which it operates. These forward-looking statements and other statements contained in this announcement regarding matters that are not historical facts involve predictions. No assurance can be given that such future results will be achieved; actual events or results may differ materially as a result of risks and uncertainties facing the Company. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed or implied in such forward-looking statements. The forward-looking statements contained in this announcement speak only as of the date of this announcement. The Company disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this announcement to reflect any change in its expectations or any change in events, conditions or circumstances on which such statements are based unless required to do so by applicable law, the Prospectus Rules, the Listing Rules or the Disclosure Rules and Transparency Rules of the FCA.

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update, review or revise any forward looking statements contained in this announcement whether as a result of new information, future developments or otherwise.

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This contents of this announcement, which have been prepared by and are the sole responsibility of the Company, has been approved by J.P. Morgan Securities plc of 25 Bank Street, Canary Wharf, London E14 5JP, United Kingdom solely for the purposes of section 21(2)(b) of the Financial Services and Markets Act 2000, as amended.

The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this announcement or its completeness, accuracy or fairness.

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The Shares referred to herein may not be offered or sold in the United States unless registered under the US Securities Act of 1933, as amended (the "Securities Act") or offered in a transaction exempt from, or not subject to, the registration requirements of the Securities Act. The offer and sale of Shares referred to herein has not been and will not be registered under the Securities Act or under the applicable securities laws of Australia, Canada or Japan. Subject to certain exceptions, the Shares referred to herein may not be offered or sold within Australia, Canada or Japan or to, or for the account or benefit of any national, resident or citizen of Australia, Canada or Japan. There will be no public offer of the Shares in the United States, Australia, Canada or Japan.

This announcement is addressed to and is only directed and being communicated at: (A) if in the European Economic Area ("EEA"), persons who are "qualified investors" within the meaning of Article 2(1)(e) of Directive 2003/71/EC (as amended, including by Directive 2010/73/EU to the extent implemented in the relevant member state of the EEA and any relevant implementing measure in each relevant member state) ("Qualified Investors"); and (B) if in the UK, persons who are Qualified Investors and who (i) have professional experience in matters relating to investments so as to qualify them as "investment professionals" under Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order"); or (ii) are persons who are high net worth entities falling within Article 49(2)(a) to (d) of the Order; and/or (C) persons to whom it may otherwise lawfully be communicated (all such persons referred to in (A), (B) and (C) together being "Relevant Persons").

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This announcement is an advertisement for the purposes of the UK Prospectus Rules of the FCA and not a prospectus. Any purchase or subscription of Shares in the proposed Offer should be made solely on the basis of the information contained in

the Prospectus to be issued by the Company in connection with the Offer and Admission. Before purchasing any Shares, persons viewing this announcement should ensure that they fully understand and accept the risks which will be set out in the Prospectus when published. The information in this announcement is for background purposes only and does not purport to be full or complete. No reliance should be placed by any person for any purpose whatsoever on the information contained in this announcement or its accuracy, fairness or completeness. The information in this announcement is subject to change.

The IPO timetable, including the date of Admission may be influenced by things such as market conditions. There is no guarantee that the Offer and Admission will occur and you should not base your financial decisions on the Company's intentions in relation to the Offer and Admission at this stage. Acquiring investments to which this announcement relates may expose an investor to a significant risk of losing all of the amount invested. Persons considering making such investments should consult an authorised person specialising in advising on such investments. This announcement does not constitute a recommendation concerning the IPO. The value of Shares can decrease as well as increase. Potential investors should consult a professional advisor as to the suitability of the Offer for the entity or person concerned. Past performance cannot be relied upon as a guide to future performance.

J.P. Morgan Cazenove, which is authorised by the Prudential Regulation Authority ("PRA") and regulated by the FCA and the PRA, Numis, which is authorised and regulated by the FCA, and Berenberg, which is authorised by the German Federal Financial Supervisory Authority (BaFin) and subject to limited regulation by the FCA, are each acting exclusively for the Company and no-one else in connection with the Offer. They will not regard any other person as their respective clients in relation to the Offer and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients, nor for providing advice in relation to the Offer, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

In connection with the Offer, each of the Banks and any of their respective affiliates, acting as investors for their own accounts, may subscribe for or purchase Shares and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such Shares and other securities of the Company or related investments in connection with the Offer or otherwise. Accordingly, references in the Prospectus, once published, to the Shares being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by any of the Banks and any of their respective affiliates acting as investors for their own accounts. In addition they may enter into financing arrangements and swaps in connection with which they or their affiliates may from time to time acquire, hold or dispose of Shares. None of the Banks nor any of their respective affiliates do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

None of the Banks or any of their respective affiliates, directors, officers, limited or unlimited partners, employees, advisers or agents accepts any responsibility or liability whatsoever for, or makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of the information in this announcement (or whether any information has been omitted from the announcement) or any other information relating to the Company, its subsidiaries or associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of this announcement or its contents or otherwise arising in connection therewith.

In connection with the Offer, J.P. Morgan Securities plc, as stabilising manager (the "Stabilising Manager"), or any of its agents, may (but will be under no obligation to), to the extent permitted by applicable law, over-allot Shares or effect other transactions with a view to supporting the market price of the Shares at a higher level than that which might otherwise prevail in the open market. The Stabilising Manager is not required to enter into such transactions and such transactions may be effected on any stock market, over-the-counter market, stock exchange or otherwise and may be undertaken at any time during the period commencing on the date of the commencement of conditional dealings of the Shares on the London Stock Exchange and ending no later than 30 calendar days thereafter. However, there will be no obligation on the Stabilising Manager or any of its agents to effect stabilising transactions and there is no assurance that stabilising transactions will be undertaken. Such stabilising measures, if commenced, may be discontinued at any time without prior notice. In no event will measures be taken to stabilise the market price of the Shares above the offer price. Save as required by law or regulation, neither the Stabilising Manager nor any of its agents intends to disclose the extent of any over-allotments made and/or stabilisation transactions conducted in relation to the Offer.

In connection with the Offer, the Stabilising Manager may, for stabilisation purposes, over-allot Shares up to a maximum of 15 per cent. of the total number of Shares comprised in the Offer. For the purposes of allowing the Stabilising Manager to cover short positions resulting from any such over-allotments and/or from sales of Shares effected by it during the stabilisation period, it is expected that certain existing shareholders will grant to the Stabilising Manager, on behalf of the Banks, an option (the "Over-Allotment Option") pursuant to which the Stabilising Manager may purchase or procure purchasers for additional Shares up to a maximum of 15 per cent. of the total number of Shares comprised in the Offer (the "Over-Allotment Shares") at the offer price. The Over-Allotment Option will be exercisable in whole or in part, upon notice by the Stabilising Manager, at any time for 30 calendar days after the commencement of conditional trading of the Shares on the London Stock Exchange. Any Over-Allotment Shares made available pursuant to the Over-Allotment Option will be sold on the same terms and conditions as the Shares being sold or issued in the Offer and will form a single class for all purposes with the other Shares. Save as required by law or regulation, neither the Stabilising Manager nor any of its agents intends to disclose the extent of any over-allotments made and/or stabilisation transactions conducted in relation to the Offer.

Certain figures contained in this announcement, including financial information, have been subject to rounding adjustments. Accordingly, in certain instances, the sum or percentage change of the numbers contained in this announcement may not conform exactly with the total figure given.