

HSS posts strong Q1 results

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HSS Hire Service Group (“HSS Hire”), the national tool and equipment hire specialist, today announced fiscal 2010 first quarter revenue of £41.9m and EBITDA of £9.3m. Revenue grew 11% on a like for like basis over the same period of 2009. These results are strongly ahead of market performance and the group continues to trade profitably and perform well despite tough trading conditions.

Highlights

Current trading

- Revenue ahead 11% over Q1 2009 on a like for like basis driven by a mix of core and seasonal growth across all key customer segments
- Continued strong performance of Key Accounts
- Revenue growth coupled with strong cost control and increased productivity across branch and logistics operations has driven year on year EBITDA up 26% on a like for like basis over Q1 2009
- Branch network strengthened with opening of Oxford and Brighton Supercentres

Growth plans

- The group remains focused on organic growth, particularly through its regional and key accounts
- HSS continues to focus on its service-based offering as a manager and provider of outsourced equipment and training services for the building maintenance, cleaning, and refurbishment sectors. The company is also strong in facilities management, rail and industrial segments. This distinctive approach enables HSS to trade ahead of its construction based competitors.
- Beyond its organic growth targets, HSS recently strengthened its core HSS Training business through the acquisition of Hydrex Training in early May 2010, gaining increased footprint in the growing health & safety training sector.
 - o Hydrex Training, formerly MTR Training, is a well established health and safety training, development and consultancy business with particular capabilities in the rail sector. This acquisition is consistent with HSS Hire’s objective to further expand its training division and increase market share in the UK’s health and safety sector.

Background

- HSS’ development plan included the opening of 12 new stores over 2008 and 2009 including both new branches and Supercentres, with two major openings in the first quarter of 2010 - in Brighton and Oxford.
- The group remains at the forefront of innovation in the hire sector. 2009 saw the launch of LiveHire, an industry leading online facility for customers that provides real-time hire information, a dynamic and interactive new product which looks set to revolutionize the way in which the hire tool industry works.

Chris Davies, chief executive at HSS Hire comments:

“We are pleased with our results for the 2010 first quarter as they clearly demonstrate the positive

effects of our strategies. We are encouraged that growth is continuing across a range of markets and products. We remain focused on generating a strong revenue and cash performance, managing our portfolio and growing our business. Having demonstrated both increased profitability and strong growth HSS is well placed for continued success as the market improves over the months and years ahead.”

ENQUIRIES

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