



Speedy

PEEL HUNT CONFERENCE

October 2019

Speedy overview



Speedy

Hire – 60% revenue



Tools



Lifting



Survey



Power



Rail



Powered
access

Services – 40% revenue



Fuel



Training



Testing



Partnerships



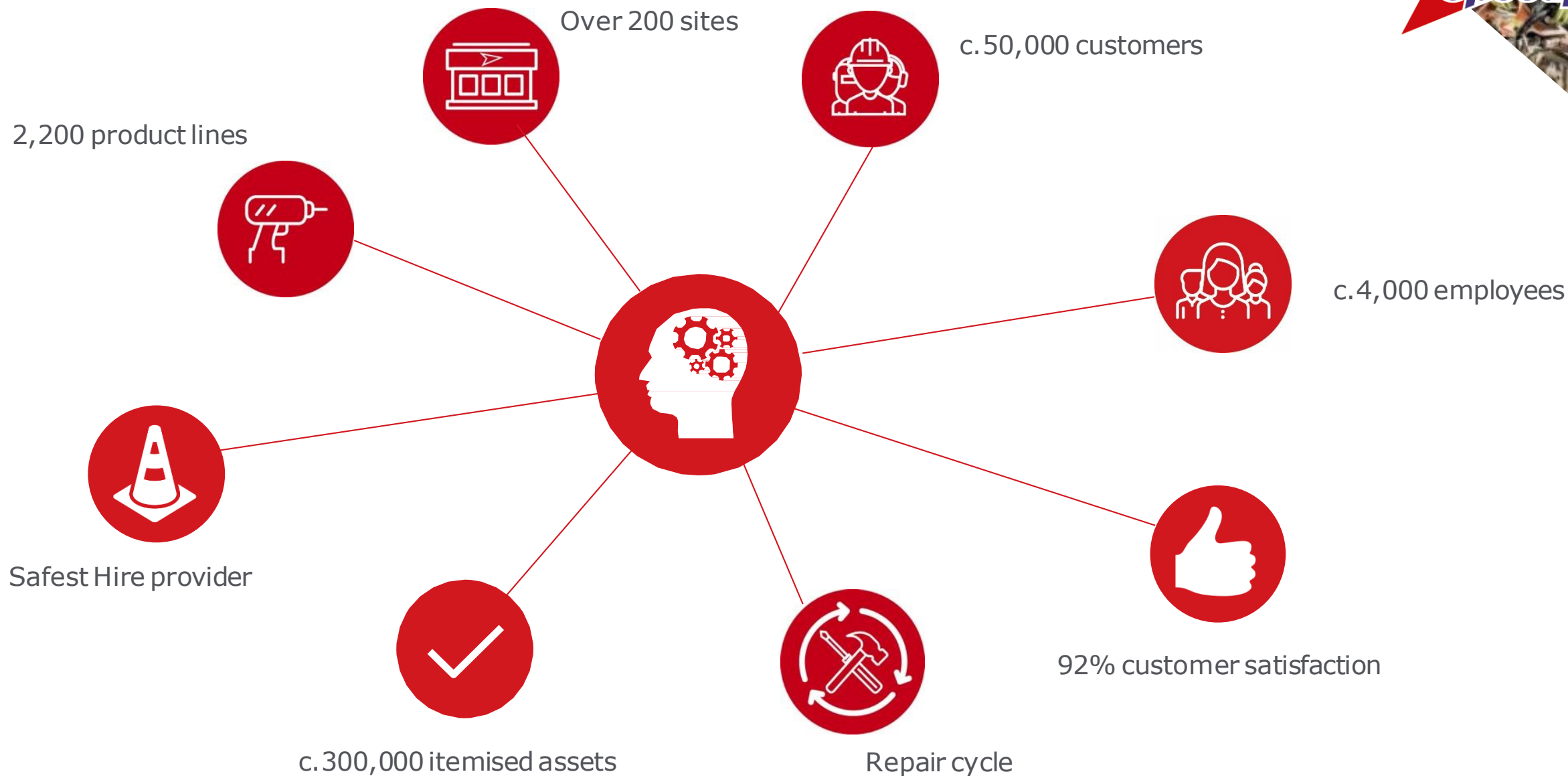
Product sales

Our vision is to become the best company in our sector to do business with and the best to work for

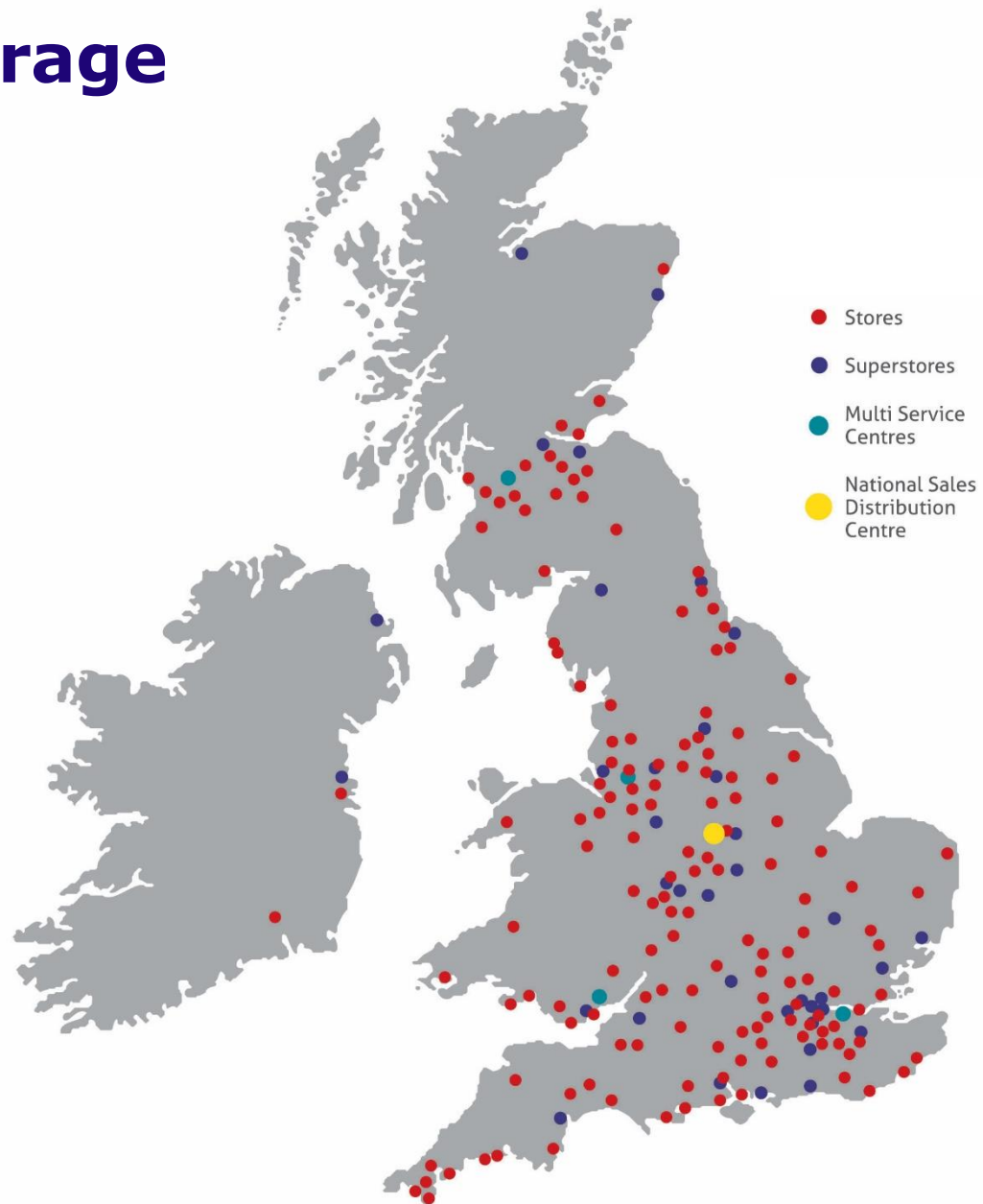
Our mission is to provide safe, reliable hire equipment and services to enable successful delivery of customer projects

Speedy at a glance

Speedy



Network coverage



Speedy

Why invest in Speedy

The logo for Speedy is a red arrow pointing right, with the word "Speedy" in white, italicized, sans-serif font. To the right of the logo is a photograph of a construction worker wearing an orange high-visibility vest and a hard hat, working on a construction site.

Speedy

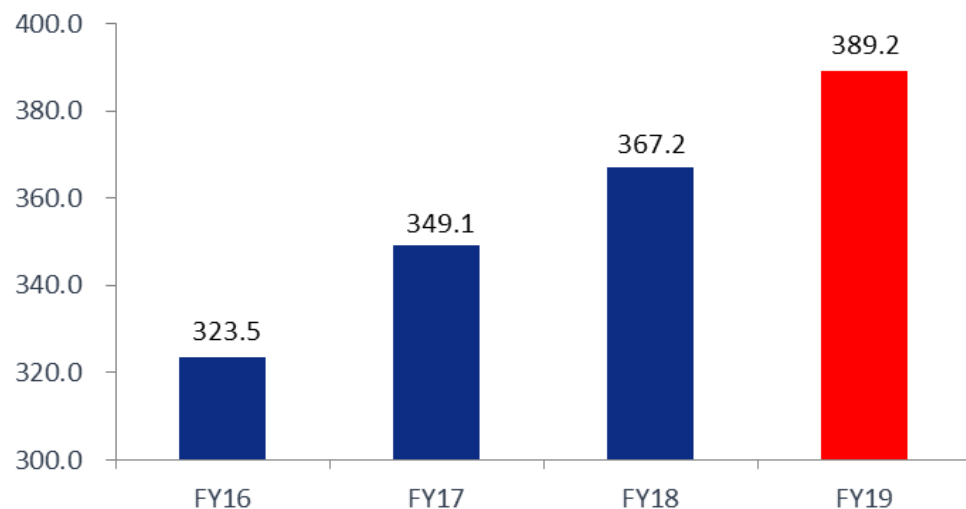
- Supply 85 of the UK's top 100 contractors, as well as local trades and industries
- Significant scale infrastructure projects started/ in pipeline
- The UK construction rental market remains highly fragmented and competitive
- Top five players have c.30% share (Speedy share is c.7%. Addressable market c.£2.0bn)
- Speedy has a lower market share with SME contractors, hence a significant opportunity
- Safest UK hire provider
- Innovate to make our customer projects more successful
- Constantly improving asset availability; fundamental to great customer service
- Strong balance sheet and banking facility headroom - grow the business organically and value enhancing acquisitions
- Focus on growing Services – currently 40% revenue

Financial KPIs

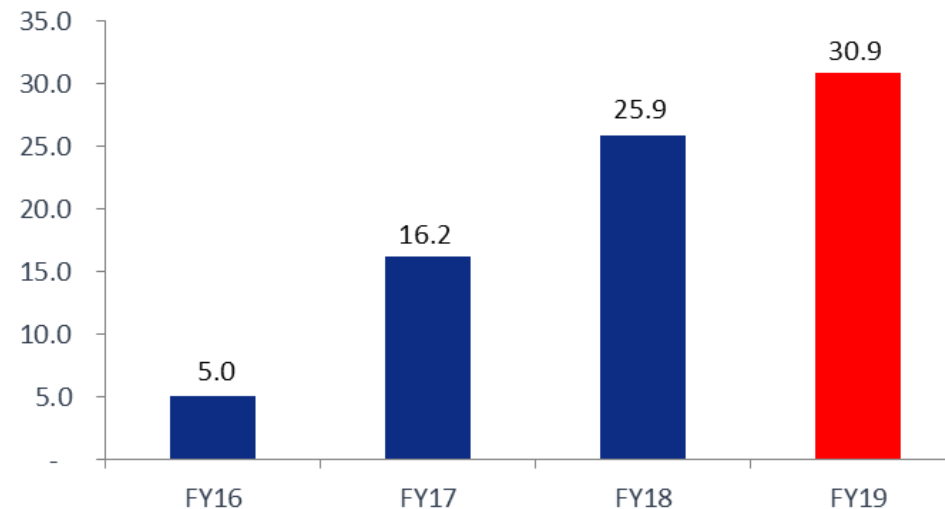


Speedy

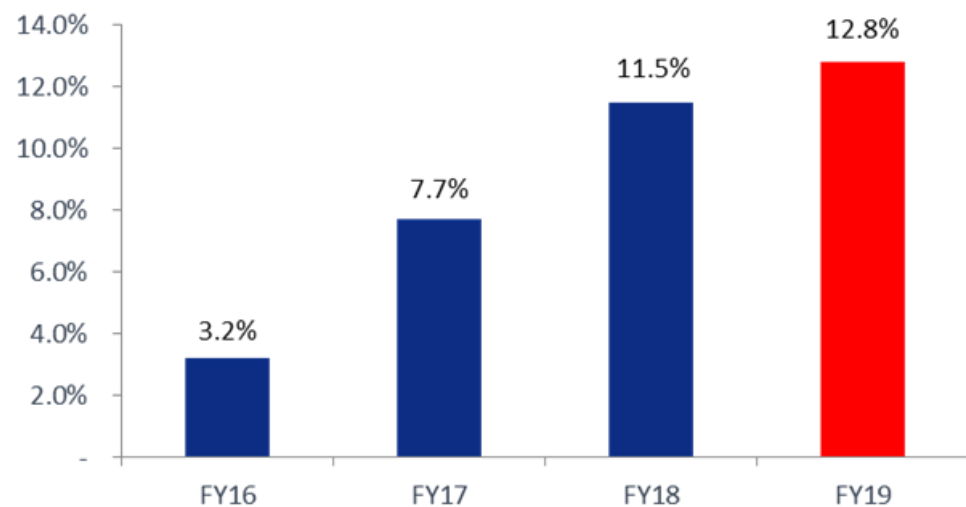
Revenue (pre-disposals) (£m)



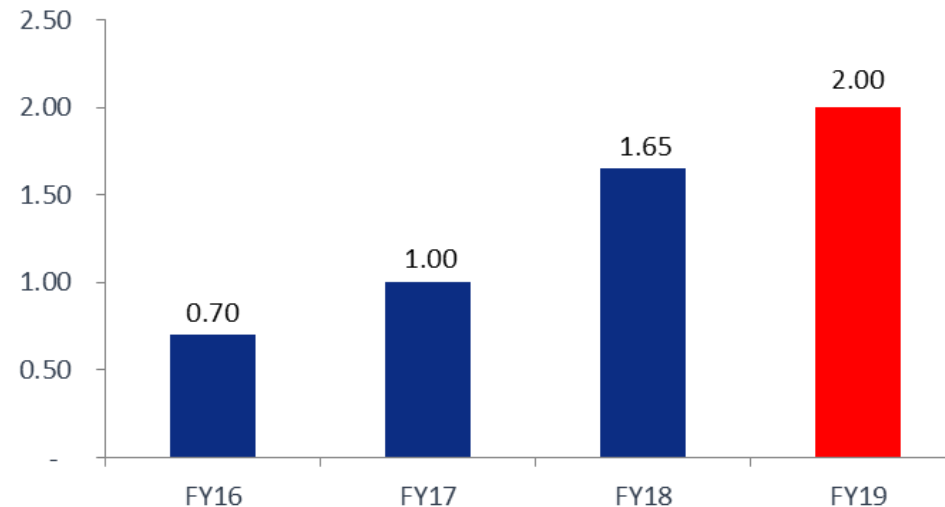
Adjusted PBT* (£m)



Group ROCE* (%)



Dividend (pence per share)



* Before amortisation and exceptional items

Highlights FY19



Speedy

Achieving strategic goals

- Growing services revenue
- Strong growth in SME revenues
- Digital transformation gaining momentum
- Two acquisitions completed in the year for £31m

Improving returns

- Utilisation increased to 57.0% (2018: 55.4%)
- Operating profit margin up to 8.3% (2018: 7.8%)
- ROCE* increased to 12.8% (2018: 11.5%)
- Full year dividend up 21.2% to 2.00p

Strong platform for future growth

- Strong balance sheet and leverage
- Fleet age reduced to 3.3 years (2018: 3.8 years)
- Digital investment underway

* Before amortisation and exceptional items

Trading update – 3 October 2019

- H1 FY20 revenue up c.6%
- Hire and services revenue up c.1% and c.13% respectively
- Contract wins and extensions
- Net debt c.£86m (31 March 2019: £89.4m)





Speedy

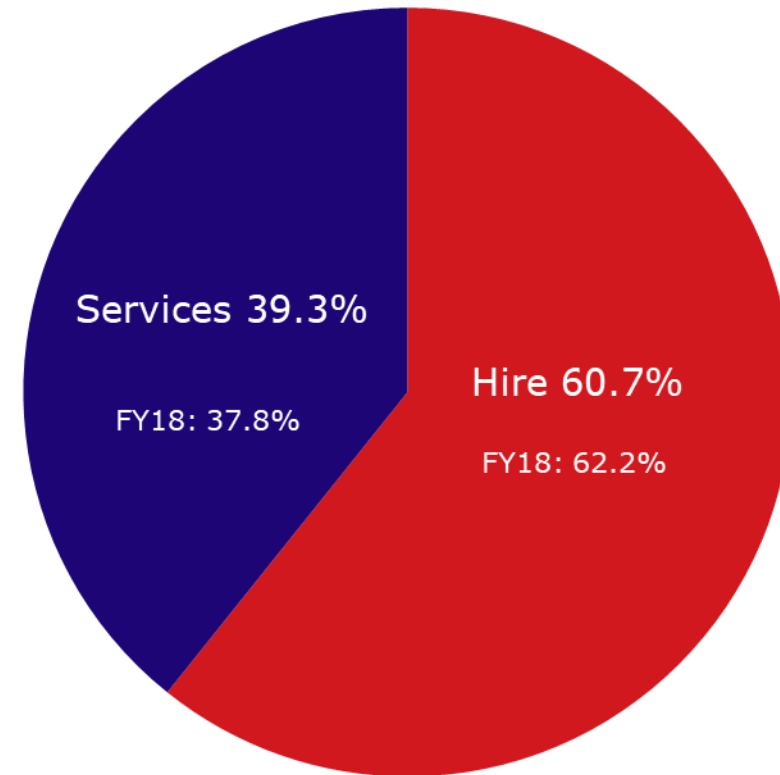
A red and white Speedy delivery van is parked in a large industrial warehouse. The van has the 'Speedy' logo on its side. A worker in an orange high-visibility jacket is standing next to the open rear cargo door, loading or unloading yellow containers. In the foreground on the right, a red scissor lift is partially visible, also featuring the 'Speedy' logo and the text 'SECURE STEP'. The warehouse has a high ceiling with skylights and industrial lighting. A grey diagonal overlay covers the left side of the image, containing the 'Speedy' logo and the text 'Strategy update'.

Strategy update

Revenue mix

Speedy

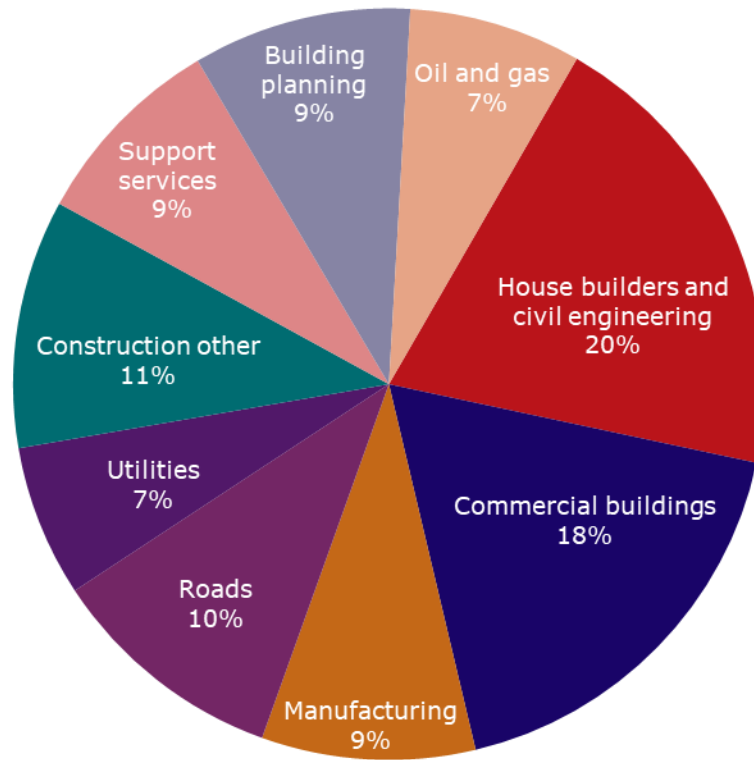
- Strategic objective to grow services revenue faster than hire revenue:
 - Diversification
 - ROCE enhancing
 - Lower risk
- Hire revenue includes:
 - Transport charges
 - Repair charges



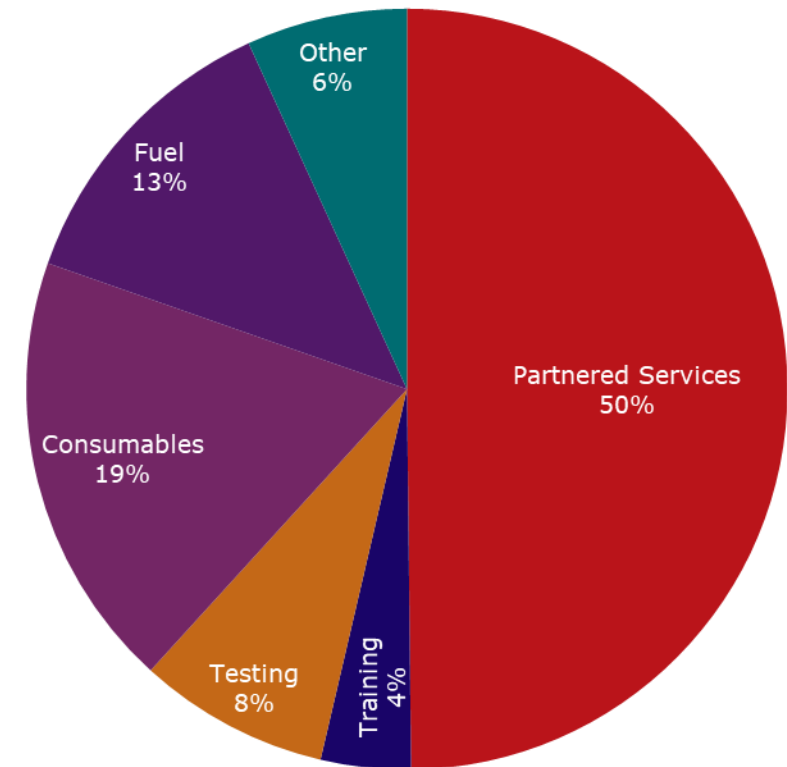
Revenue analysis

Speedy

Hire by business sector



Services

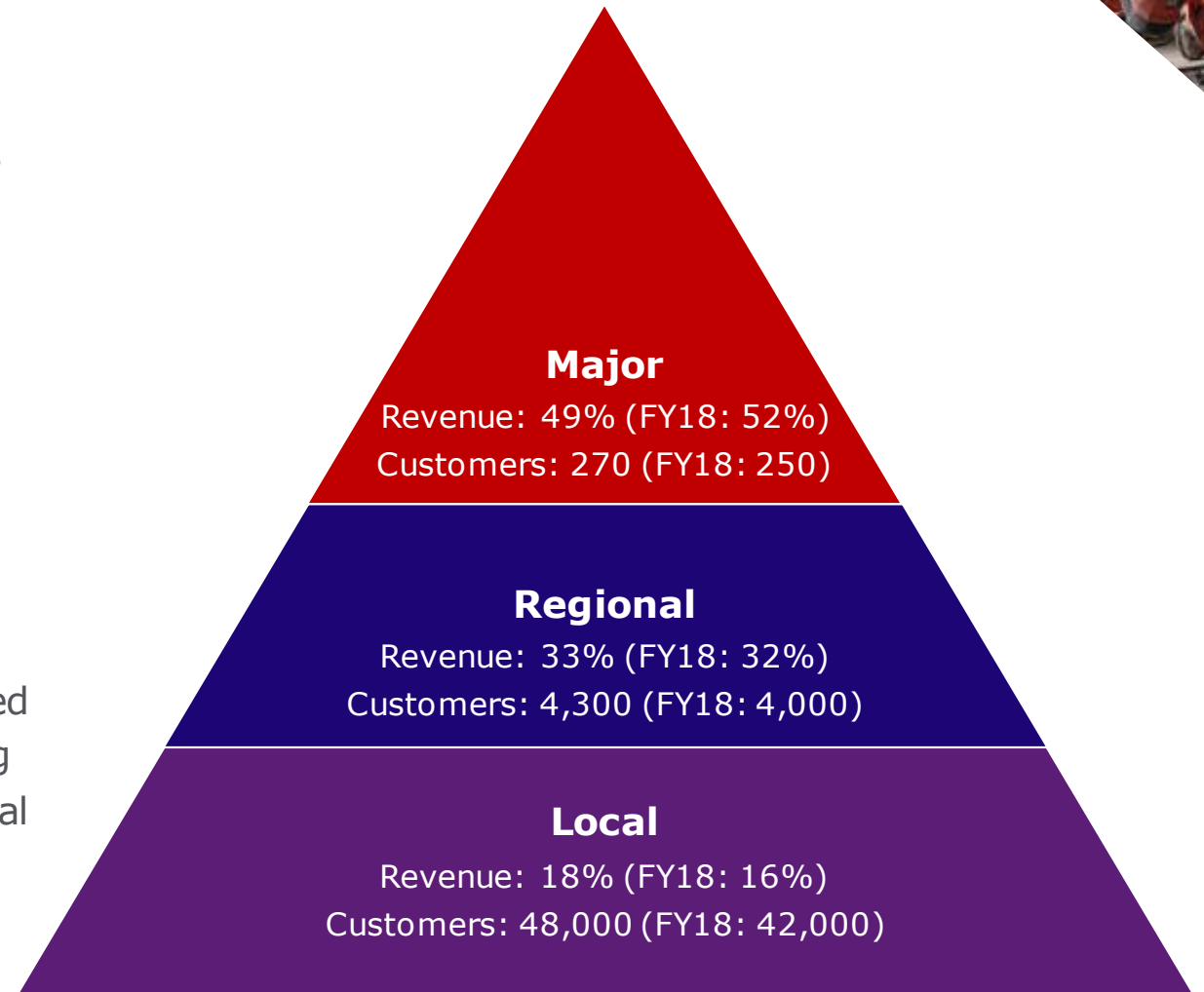


Customer segmentation



Speedy

- Strong market share with major and regional customers based on:
 - National footprint
 - Product range
 - Innovation
 - Health and safety
 - Relationships
- Growing SME market share
- Customer Relationship Centre (CRC) provides a dedicated service to our SME customers; reactivating down trading and dormant accounts; supporting specialist and seasonal marketing campaigns
- Increase in SME revenue has offset revenue lost from Carillion liquidation, in January 2018



Customer service culture

The Speedy logo is a red arrow pointing right, with the word "Speedy" in blue italicized font inside the arrow.

- Real-time customer satisfaction surveys undertaken at multiple points of the customer journey
- 400,000 surveys conducted to date, highest ever satisfaction score in March 2019 at 92.4%
- Low scores followed up within an hour; root cause analysis undertaken to prevent reoccurrence
- Same day service launched in London January 2018
 - Unique in the hire industry
 - Order by 3pm with same day delivery guaranteed, or a week's free hire
 - Rolled out nationally on 1 May 2018
 - London deliveries now guaranteed within four hours

Customer Satisfaction



Raveometer



Top Talking Points

Category	Insights
Process	1529
People	1449
Product	155
Place	66



Geason training

Speedy

- Acquisition completed in December 2018
- 1,500 learners on programme
- Apprentices, NVQs and short courses
- Speedy training offering extended to a full end-to-end training solution with the addition of professional training and Apprenticeship Levy funding support
- Geason provide expertise and management support to enable growth of Speedy training business
- Geason are opening centres in existing Speedy depots during FY20, maximising the synergy opportunities

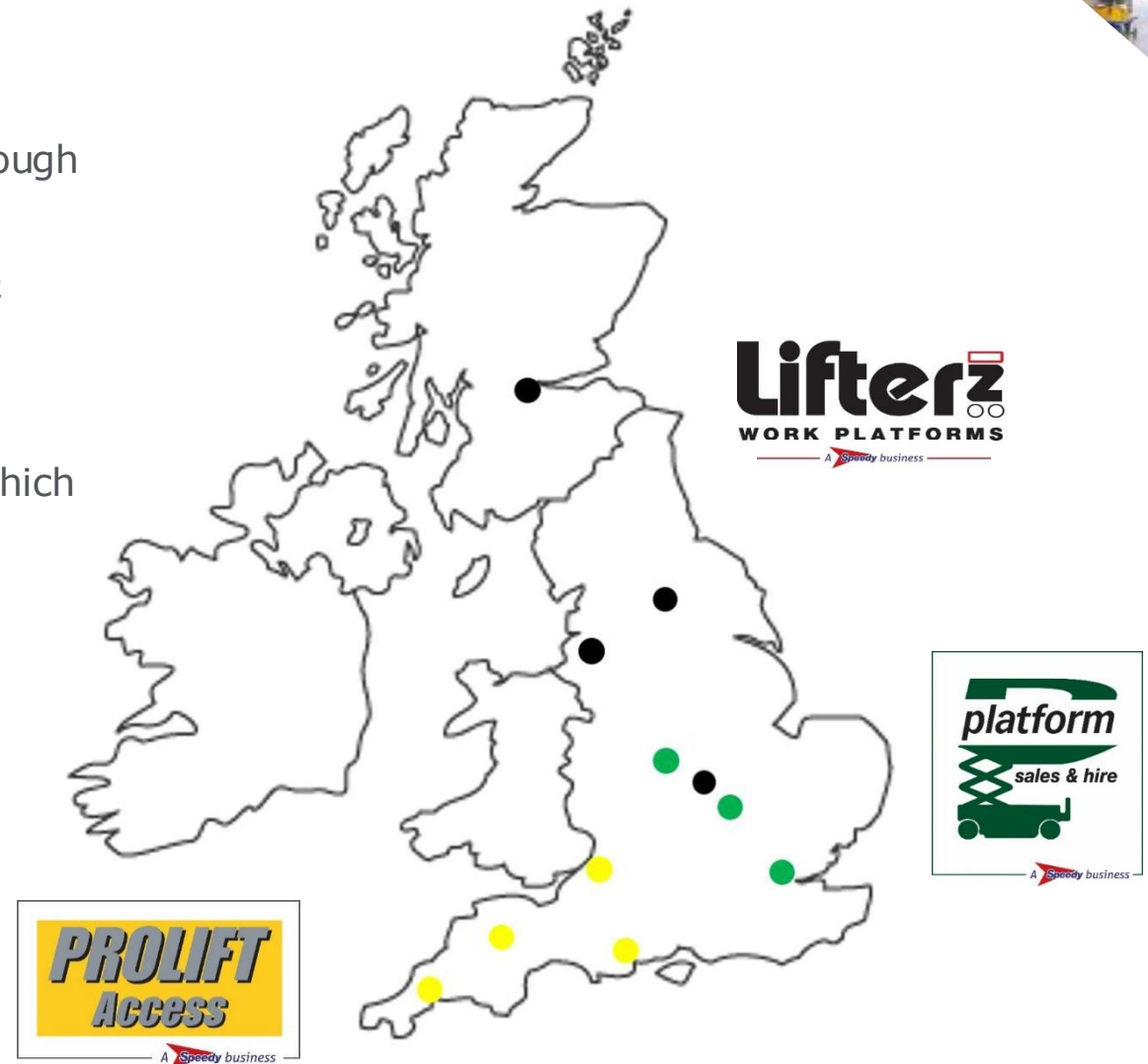


GEASON
TRAINING
— A Speedy business —

Powered access

Speedy

- Larger powered access equipment historically serviced through rehire
- Prolift and Platform Sales & Hire acquired November 2017; South West and Midlands based
- Lifterz acquired on 20 March 2019; Yorkshire based
- National footprint in powered access now complete from which to service major customers
- £52m invested in acquisitions and organic capex
- Over 8,000 machines; second largest UK fleet



International

Speedy

- Middle East business performed strongly in the year
- Increase in activity levels predominantly through rehire and consumable sales
- Capex increased to £2.7m (2018: £0.5m) to support growth and develop specialist offering for the onshore market
- Business development activities increased during the year in order to diversify client base and operations
- Kazakhstan JV performed strongly in the year due to increased shutdown activity



People

- 4,063 employees (2018: 3,755); 246 employees joined through acquisition
- Underlying headcount remained broadly flat at 3,817 despite growing International business; 605 employees (2018: 517)
- All employees participate in a bonus scheme and receive an annual performance review
- High performance development programmes in place to nurture talent
- Regular employee events, spot rewards and recognition to reward excellent performance
- Employee engagement survey indicates strong engagement; response rate increased to 74% from 67%



Speedy

Safety and sustainability

Speedy

- Safest hire provider in the industry based on reported accident rates:
 - Lowest recorded RIDDOR accident frequency rate of 0.10 per 100,000 hours
 - Lowest recorded major accident frequency at 0.01
- Awarded a RoSPA Gold Award for the fifth year running
- Accredited to Fleet Operator Recognition Scheme (FORS) Gold
- CSR remains integral to our business objectives and strategy
- Winner of the 2018 LEEA Sustainable Solution of the Year Award
- Winner of the Best Sustainability and CSR Initiative at the HAE Awards in April 2019
- Winner of the Safe Fleet of the Year at the Fleet News Awards 2019



FTSE4Good



Summary and outlook

Speedy

- **Achieving strategic goals:**

- Strong growth in SME revenues
- Growing services revenues
- Two acquisitions completed in the year for £31m

- **Improving returns:**

- Operating profit margin up to 8.3% (2018: 7.8%)
 - ROCE increased to 12.8% (2018: 11.5%)
 - Strong balance sheet and leverage
- Investment in digital technology transforming the way the business is managed
 - Excellent customer satisfaction scores
 - **Strong platform for future growth**





Speedy



A red and white Speedy Ford Transit van is parked on a dirt road at a construction site. Two workers in orange high-visibility gear and hard hats are standing next to the van, looking at a tablet. A yellow excavator is visible in the background. The scene is set against a blue sky with clouds. A grey diagonal overlay covers the left side of the image, containing the Speedy logo and the text 'Our digital journey'.

Our digital journey

Speedy value proposition



Speedy

Customer value proposition

Provide safe, reliable hire equipment and services to enable successful delivery of customer projects

Helps customer perform a job

On-time
On-budget
Safely
Quality
Responsibly

The more important the job and the better our solution, the better the CVP

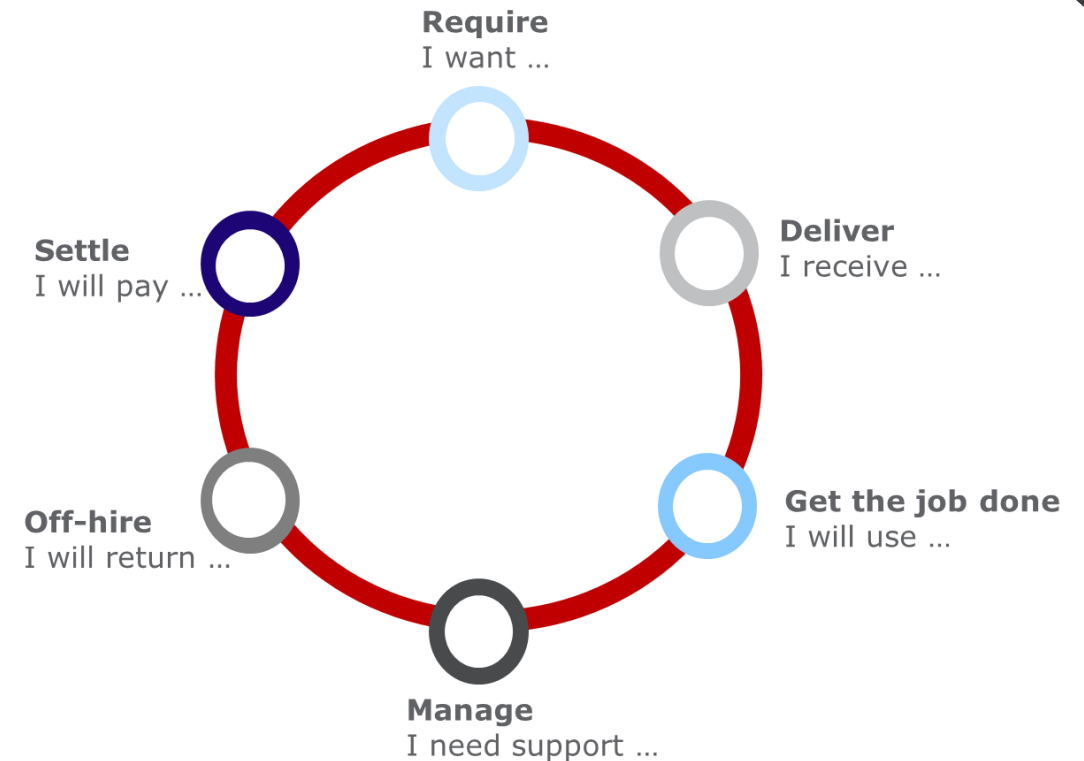
Delivery and collection service
Price and ease of transaction
Compliance/ training/ HSSEQ
Fleet of reliable equipment
Environmentally friendly equipment

Speedy's digital vision and objectives



Speedy

- Complementary to our current offering
- Be the easiest transaction possible for our customers – any place, any time, any device purchasing, hiring and off hiring
- Reduce the cost to serve through automation and intelligence
- Self serve, educate and personalise approach
- All aspects of the customer journey considered
- Smart “things” to replace dumb assets when technology allows
- Be customer led



Digital journey to date

Speedy

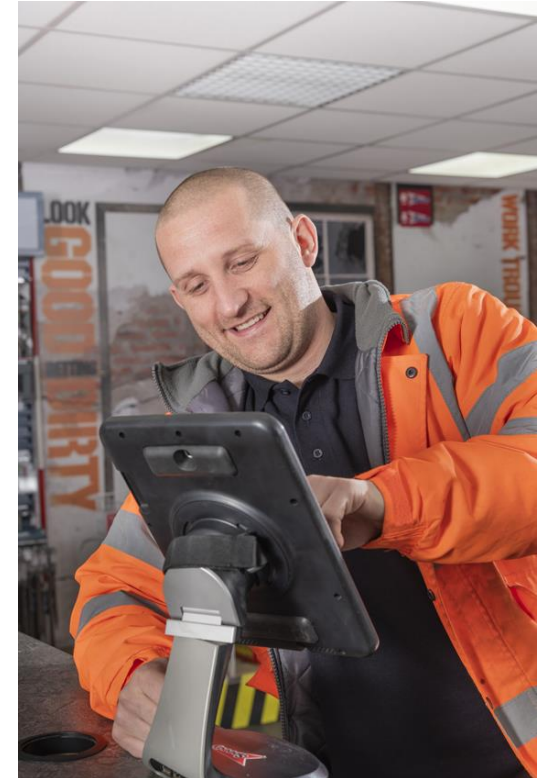
- The creation of self service dashboards throughout the organisation and customer base
- Introduction of electronic proof of delivery and proof of collection
- Use of artificial intelligence and machine learning
 - Asset optimisation
 - Revenue maximisation
 - Logistics improvement
- Asset Replenishment Programme (ARP)
- Trunking automation
- Developed open interface (API) framework
- Punch out integration for customer electronic transaction



Digital journey to date

Speedy

- Creation of Speedy mobile app:
 - On hire – click and collect, click and deliver – service promise backed
 - Off hire – time stamped to reduce queries
 - On-line asset availability
 - Depot finder and contact
 - Delivery and collection tracking
 - Inspection checker
- Improved website
- Alignment with App functionality
- Proof of concept on sensor technology
- Four unique products
- Set up of data quality team to drive data quality improvement initiatives



Digital journey next steps

The logo for 'Speedy' is written in a stylized, italicized blue font with a white outline, set against a red arrow-shaped background pointing to the right. Behind the logo, a photograph of a construction site is visible, showing a yellow excavator and a red truck on a dirt road under a blue sky.

Speedy

- Implementation of Dynamics 365 Finance and Operations, and Customer Engagement
- Technical refresh of My Speedy to improve integration capability
- Hand Arm Vibration led product selector on web and App
- Work on culture and compliance behaviours to increase system accuracy
- Sell benefits to customers to drive usage up
- Continue to develop ARP capability and increase products within scope
- Data quality and move to specific product codes – high quality product information and linking of products

Digital journey future roadmap

Speedy

- Develop products available to transact digitally to include partnered services
- App functionality developments:
 - Use of notifications for managing hire duration and inspections
 - Breakdown and exchange reporting
 - Customer order workflow approval
 - Immediate ID verification and credit checking
 - “What3words” potential integration
- Internet of things sensor use case development as technology matures
- Consider partner relationships to consider end to end ecosystems
- Work with strategic customers to understand their personalised requirements





Speedy

Q&A

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