

9 November 2017

ASX: EHL ('EMECO' OR 'THE COMPANY')

Emeco notes ratings updates

Emeco notes that Fitch Ratings (**Fitch**) has upgraded the Company's Long-Term Issuer Default Rating to "B-" (from "CCC") following the announcement of the Company's fully underwritten accelerated non-renounceable entitlement offer and the acquisition of Force Equipment (the **Transaction**).

Fitch cited Emeco's improving financial profile as it realises the benefits from the recent mergers with Andy's and Orionstone and the acquisition of Force Equipment. The rating reflects improving rental market conditions, Emeco's commitment to reduce leverage and increased earnings.

Emeco also notes that since the announcement of the Transaction, Moody's Investors Service (**Moody's**) has affirmed Emeco's "Caa1" corporate family and senior secured debt ratings, whilst upgrading its ratings outlook to positive (from stable). S&P Global Ratings (**S&P**) has also affirmed Emeco's "B-" corporate credit and senior secured debt issue ratings and upgraded its ratings outlook to stable (from negative).

Emeco Managing Director and CEO, Mr Ian Testrow, said: "The acquisition of Force Equipment represents an important step in realising Emeco's strategy of becoming the world's leading provider of rental equipment. The acquisition has compelling financial benefits, further strengthening Emeco's balance sheet and reducing pro forma net debt / FY17 run rate operating EBITDA to 3.2x (down from 3.9x). Emeco continues to pursue a stronger balance sheet and is targeting net debt / operating EBITDA of 1.5x by FY20."

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Investor enquiries

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Established in 1972, Emeco is the world's largest, independent mining equipment rental business and currently services major resource projects across Australia, Canada and Chile. Emeco pursues a best in class asset management strategy and operates a global fleet of equipment from a range of original equipment manufacturers to deliver the most effective equipment rental and maintenance solutions for its customers. Emeco is a publicly listed company on the Australian Securities Exchange (ASX:EHL).