

Customer story, UK

Excavator hire company



Financial support from SFS keeps leading UK excavator hire company on growth path

The challenge

In order to continuously optimise the productivity and efficiency of its equipment fleet, a successful excavator and plant hire company based in the South-West of England has a strict policy of machine replacement between two and three years. As some of their machines were approaching the end of this cycle, the business was seeking to acquire new excavators and dump trucks. It wanted to fund the investment without deploying its own working capital which was needed to ensure sustained maintenance of its fleet.

Our solution

With its in-depth knowledge of technology applications and their development paths, Siemens Financial Services (SFS) understood how the equipment upgrade could drive business growth and thereby provided the firm with a hire purchase agreement initially worth £500,000. Within 8 months, SFS further increased its financing volume to £3 million – a significant financial support which has allowed the business to acquire a combination of 37 excavators, including compact, midi and hydraulic machines, together with 34 dump trucks.

Making it easier

The bespoke financing solution provided by SFS accommodated the customer's unique business model, which demanded a one-off advance rental instead of the industry norm that involves paying a 10% deposit. Leveraging its financing expertise and understanding of the construction industry, SFS was able to craft flexible financing arrangements that aligned the finance payments with the expected revenues enabled by the new assets. The investment has helped strengthen the competitive position of the company, allowing it to deliver high quality services with enhanced work efficiency and productivity to its customers.

“Freeing up working capital and optimising cash flow remains an important priority for businesses while making essential investment. Working with an expert financier like Siemens not only provides companies with a flexible and reliable partner in business, but also allows them to acquire necessary equipment and technology to grow, innovate and work efficiently.”

Paul Rooney, Head of Construction Finance

