ASHTEAD GROUP PLC

International Equipment Rental

from 413 locations

Results presentation - year ended 30 April 2006

Issued: 28th June 2006

Welcome

- George Burnett — Chief Executive
- Ian Robson — Finance Director

Overview

- Record full year underlying profits of £67.5m (2005: £22.4m)
- Profit before tax of £81.7m (2005: £32.2m)
- Broadly based:
  - Sunbelt - up 63% to $175.5m; A-Plant - up 22% to £13.9m
- Q4 profits also well ahead:
  - Sunbelt - up 63% to $37.1m; A-Plant - up 47% to £3.9m
- Final dividend of 1.0p per share making 1.5p for the year (2005: nil)
- Defined benefit pension plan is now in surplus
- Outlook remains positive with strong US market conditions continuing – very limited exposure to US housebuilding

Summary results – twelve months to 30 April

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	2006 £m	2005 £m	Change (at comparable rates)	Margins 2006	Margins 2005
Revenue	638.0	523.7	17.8%		
EBITDA +	224.7	169.5	28.0%	35.2%	32.4%
Operating profit +	111.1	67.1	58.6%	17.4%	12.8%
Underlying# profit before tax	67.5	22.4	178.8%	10.6%	4.3%
Underlying# basic EPS	12.2p	2.6p	323.5%		
Cash tax EPS o#	17.8p	6.7p	144.9%		
Return on capital employed *	18.0%	12.2%			

+ In 2006, before exceptional items
# Before exceptional items and fair value remeasurements related to embedded derivatives in long term debt instruments
o Underlying earnings before deferred tax divided by the weighted average number of shares in issue
* Last twelve months (LTM) operating profit before exceptional items divided by weighted average capital employed (net tangible assets plus net debt, pension fund deficit and deferred tax, less asset arising from fair value remeasurements of embedded derivatives), computed using a quarterly average

Summary results – three months to 30 April

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	2006	2005	Change	Margins	
	£m	£m	(at comparable rates)	2006	2005
Revenue	161.7	125.6	21.3%		
EBITDA +	54.4	39.8	28.1%	33.6%	31.7%
Operating profit +	25.7	15.0	58.1%	15.9%	12.0%
Underlying# profit before tax	14.5	4.2			
Underlying# basic EPS	3.4p	0.1p			
Cash tax EPS o#	3.9p	1.3p			
Return on capital employed *	18.0%	12.2%			

+ In 2006, before exceptional items
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o Underlying earnings before deferred tax divided by the weighted average number of shares in issue
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Revenue drivers

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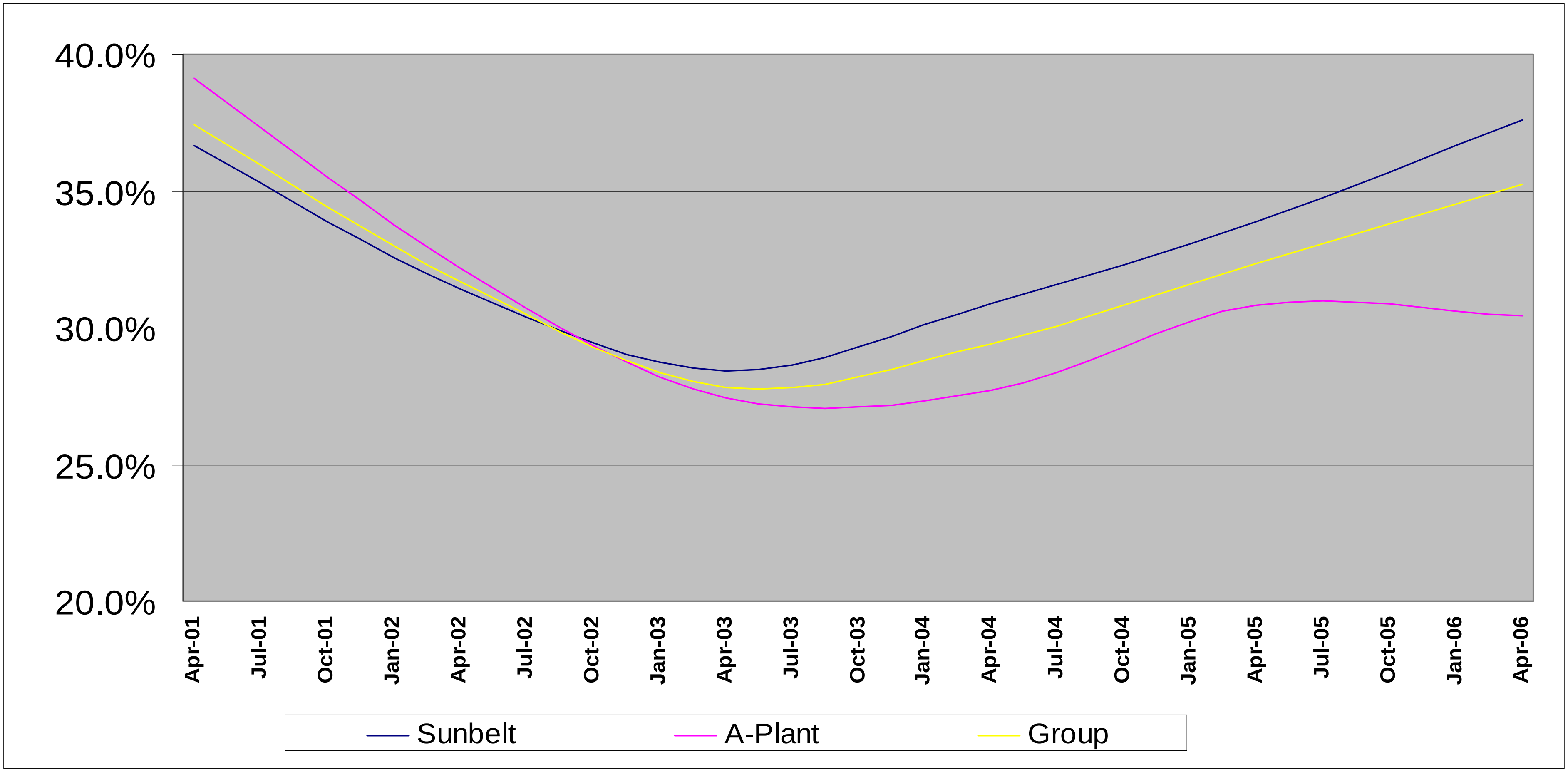
	Fourth quarter		Year	
	Sunbelt	A-Plant	Sunbelt	A-Plant
Average fleet size	+15.0%	+4.1%	+10.9%	+0.3%
Utilisation	+3.4%	+4.5%	+1.1%	+0.5%
Price	+10.0%	-2.3%	+11.8%	+0.3%
	+30.8%	+6.3%	+25.3%	+1.1%
Other	-3.7%	+1.7%	-1.5%	+1.7%
Total revenues	+27.1%	+8.0%	+23.8%	+2.8%

Looking forward, all three drivers can benefit UK rental revenue growth whereas in the US increased fleet size and price will predominate.

LTM EBITDA margin trends



Exceptional items and fair value remeasurements of embedded derivatives in long term debt

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	Cash	Non-cash	Total
	£m	£m	£m
Proceeds from Head & Engquist litigation settlement	11.3	-	11.3
Capital reorganisation	(5.3)	0.5	(4.8)
Fair value remeasurements re embedded derivatives	-	5.6	5.6
Profit on sale of scaffolding	2.9	-	2.9
Post acquisition integration costs	(0.8)	-	(0.8)
Total	8.1	6.1	14.2

Capital expenditure

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	30 April 2006 Growth	Maintenance	Total	2005 Total
Sunbelt in $m	81.1	176.8	257.9	152.7
Sunbelt in £m	44.6	97.3	141.9	79.9
A-Plant	14.1	38.0	52.1	35.4
Ashtead Technology	5.8	2.0	7.8	4.7
Total rental equipment	64.5	137.3	201.8	120.0
Other fixed assets			18.4	18.4
Total additions			220.2	138.4

Gross capital expenditure of approximately £250m is expected for 2006/7

Consistent free cashflow generation

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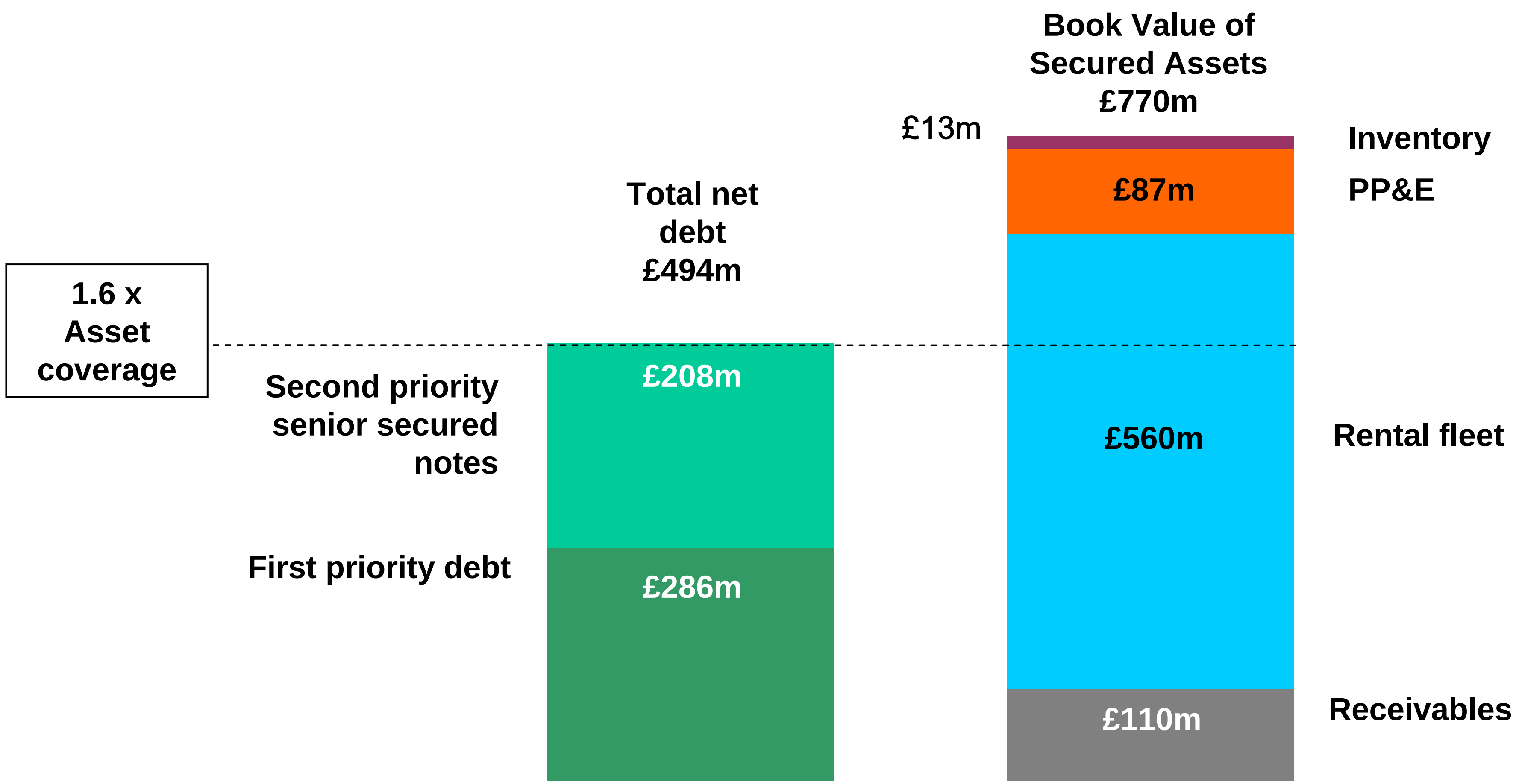
	Year ended 2006 £m	Year ended 2005 £m
EBITDA before exceptional items	**224.7**	**169.5**
Cash inflow from operations before exceptional items	**215.2**	**164.8**
Cash efficiency ratio	*95.8%*	*97.2%*
Maintenance rental capital expenditure	(149.9)	(95.6)
Non rental capital expenditure	(16.8)	(5.4)
Proceeds from sale of used rental equipment	50.4	35.9
Tax paid	(2.8)	(0.6)
Free cash flow before interest	**96.1**	**99.1**
Financing costs paid	(38.7)	(30.2)
Free cash flow after interest	**57.4**	**68.9**
Growth capital expenditure	(62.6)	(10.2)
Acquisitions and disposals	(44.2)	0.5
Issue of ordinary share capital	70.9	0.1
Other, including pension funding (£17.1m) and dividend of £2.0m	(24.1)	(5.7)
(Increase)/reduction in total debt	**(2.6)**	**53.6**

Debt – leverage continues to reduce

	2006	2005
	£m	£m
Net debt brought forward	482.3	532.2
Exchange movement	3.7	(15.1)
Opening net debt at closing rates of exchange	486.0	517.1
Change in net debt from cash flow	2.6	(53.6)
Other non-cash movements	5.0	18.8
Net debt carried forward	**493.6**	**482.3**
Availability under ABL facility	**$283.0**	**$157.0**
Key ratios		
12 months EBITDA before exceptional items	224.7	169.5
Net debt to EBITDA	2.2x	2.85x
EBITDA to cash interest	5.8x	5.6x

Substantial asset coverage



Sunbelt – strong trading results

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	2006 $m	2005 $m	Change	2006 £m	2005 £m	Change
Revenue	818.7	661.1	+23.8%	461.2	355.0	+29.9%
EBITDA	307.9	224.0	+37.4%	173.4	120.3	+44.2%
Margin	*37.6%*	*33.9%*		*37.6%*	*33.9%*	
Operating profit	175.5	107.9	+62.7%	98.9	57.9	+70.7%
Margin	*21.4%*	*16.3%*		*21.4%*	*16.3%*	
Net tangible assets	809.2	664.7	+21.7%	445.2	348.0	+27.9%
ROI *	*23.1%*	*16.3%*				

∗ Last twelve months (LTM) operating profit before exceptional items divided by weighted average capital employed (net tangible assets plus net debt, pension fund deficit and deferred tax), computed using a quarterly average

Sunbelt – utilisation remains robust

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Utilisation is a time based utilisation measure computed as the value of major (cost over $7,500) equipment on rent as a percentage of the total value of major equipment in the fleet at the measurement date.

Sunbelt – US markets forecast to remain good

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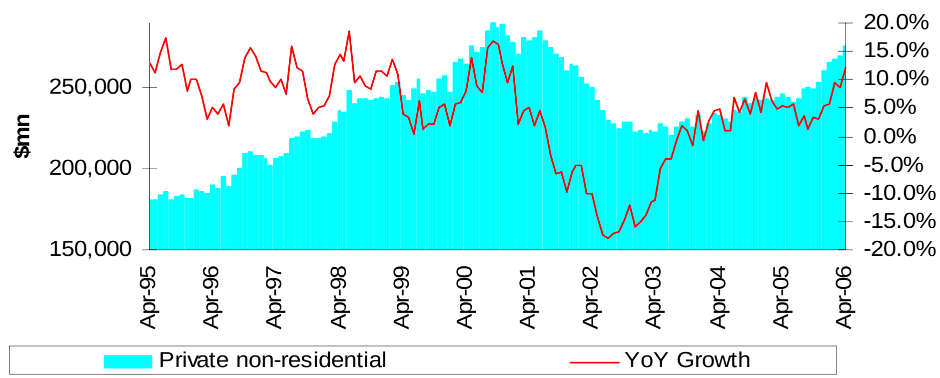
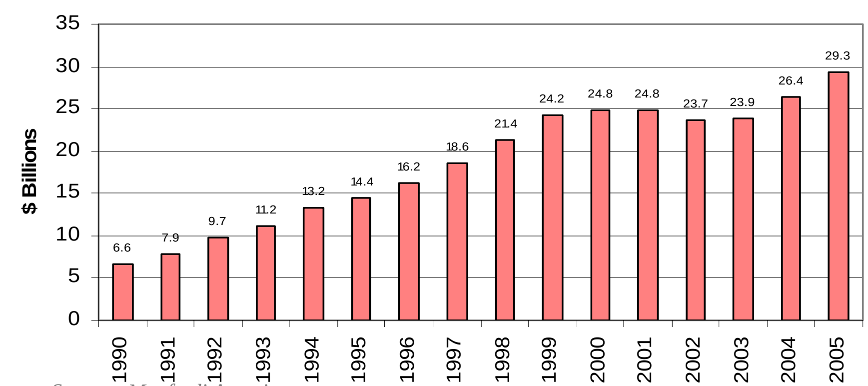
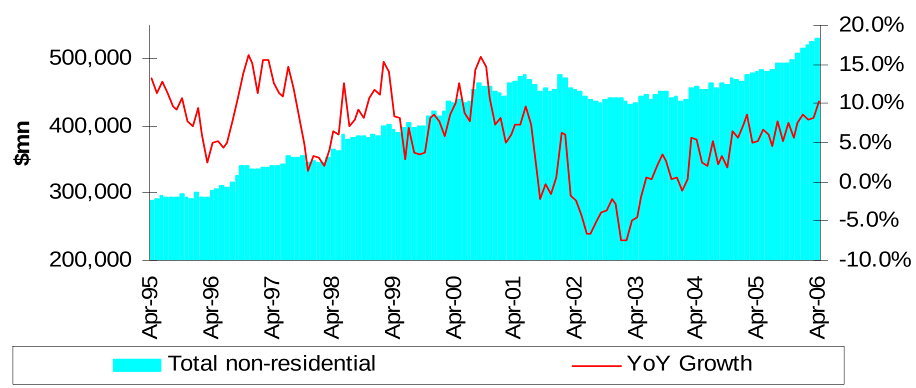


Source: U.S Dept of Commerce



Source: Manfredi Associates



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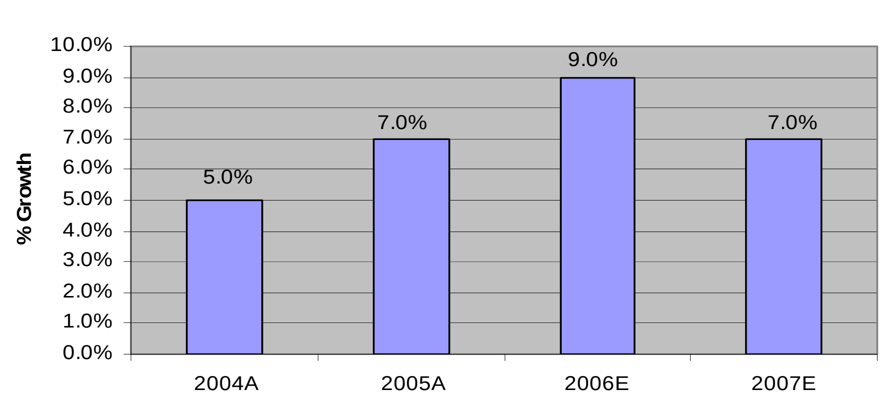
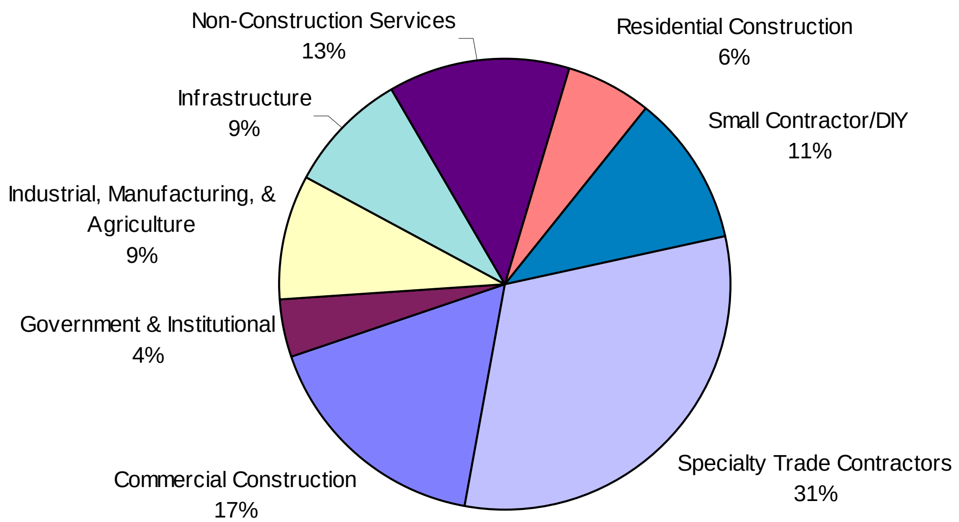


Source: Dodge Analytics McGraw-Hill

Sunbelt – House builders just 6% of revenues



According to McGraw-Hill Construction's Q1 '06 report:

- Residential construction will remain flat in 2006 at $379 billion before declining 6% in '07 and by 2% in '08
- Non-residential construction and non-building/engineering construction will both continue to grow at a healthy pace
- Non-residential construction growth is forecast at 9% in '06, 7% in '07 and 2% in '08
- Building/engineering construction is forecast to grow 3% in '06, 2% in '07 and to remain flat in 2008

Residential - single family homes and other additions, repairs & remodeling of residential construction
Commercial – offices, industrial buildings, warehouses & other general non-residential construction
Speciality Trade Contractors – electrical, mechanical, painting, concrete, steel erection and fabrication
Government & Institutional – hospitals, education, federal, state & municipal authorities
Industrial, Manufacturing & Agricultural – large & smaller manufacturers, landscapers
Infrastructure – contractors associated with roads, bridges, rail, water, power & other infrastructure works
Non-construction services – principally maintenance to customers such as hotels, recreational buildings, retail malls etc.
Small contractor/DIY – sole proprietorship businesses & homeowners

Sunbelt – continuing to take market share – shift from ownership to rental

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Growth in rental revenues	Q2 2004	Q3 2004	Q4 2004	Q1 2005	Q2 2005	Q3 2005	Q4 2005	Q1 2006
United Rentals	+3.5%	+4.7%	+9.4%	+9.9%	+11.5%	+13.0%	+18.0%	+15.0%
Atlas Copco (RSC)	+8.0%	+11.0%	+14.0%	+13.0%	+14.0%	+13.0%	+20.0%	+25.0%
Hertz	+10.2%	+12.8%	+15.1%	+16.9%	+20.5%	+21.9%	+22.3%	+27.2%
Sunbelt	**+11.1%**	**+18.4%**	**+19.0%**	**+11.4%**	**+16.4%**	**+22.2%**	**+34.1%**	**+28.8%**
NES Rentals	-2.7%	+5.0%	+10.8%	+4.8%	Nil	- 0.2%	+4.1%	+13.5%
NationsRent	+8.2%	+11.1%	+5.8%	+7.9%	+5.9%	+ 2.6%	+10.2%	+11.2%
Head & Engquist	+3.3%	+4.2%	+13.2%	+14.0%	+16.0%	+19.7%	+24.3%	+33.0%
Neff Rental				+14.4%	+17.9%	+18.9%	+24.4%	+29.3%

Notes:

1. Source – company filings and press releases. For Ashtead we use the nearest equivalent to the calendar quarters reported by the other companies who all have 31 December year ends.
2. Hertz publishes only total equipment revenue figures .
3. Sunbelt's same store rental revenue growth for quarter one was 18.8%, United Rentals same store revenue growth for quarter one was 14.0%.
4. Quarterly information only available for Neff since Q1 2005
5. NES Rentals same store revenues were up 17% during the first quarter of 2006 as compared to the same period in 2005.

Sunbelt – operating developments

- Progress continues to be broadly based with all regions and product groups continuing to drive forward
- Substantial investments made to drive growth:
  - Rental fleet, greenfields & acquisitions
  - 22 new profit centres
  - $81m in growth capital expenditure
  - excellent return on $100m acquisition spend
- Hurricane benefits continue – new Mississippi store opened
- Non-residential construction forecast to grow by 8% on average in 2006 & 2007

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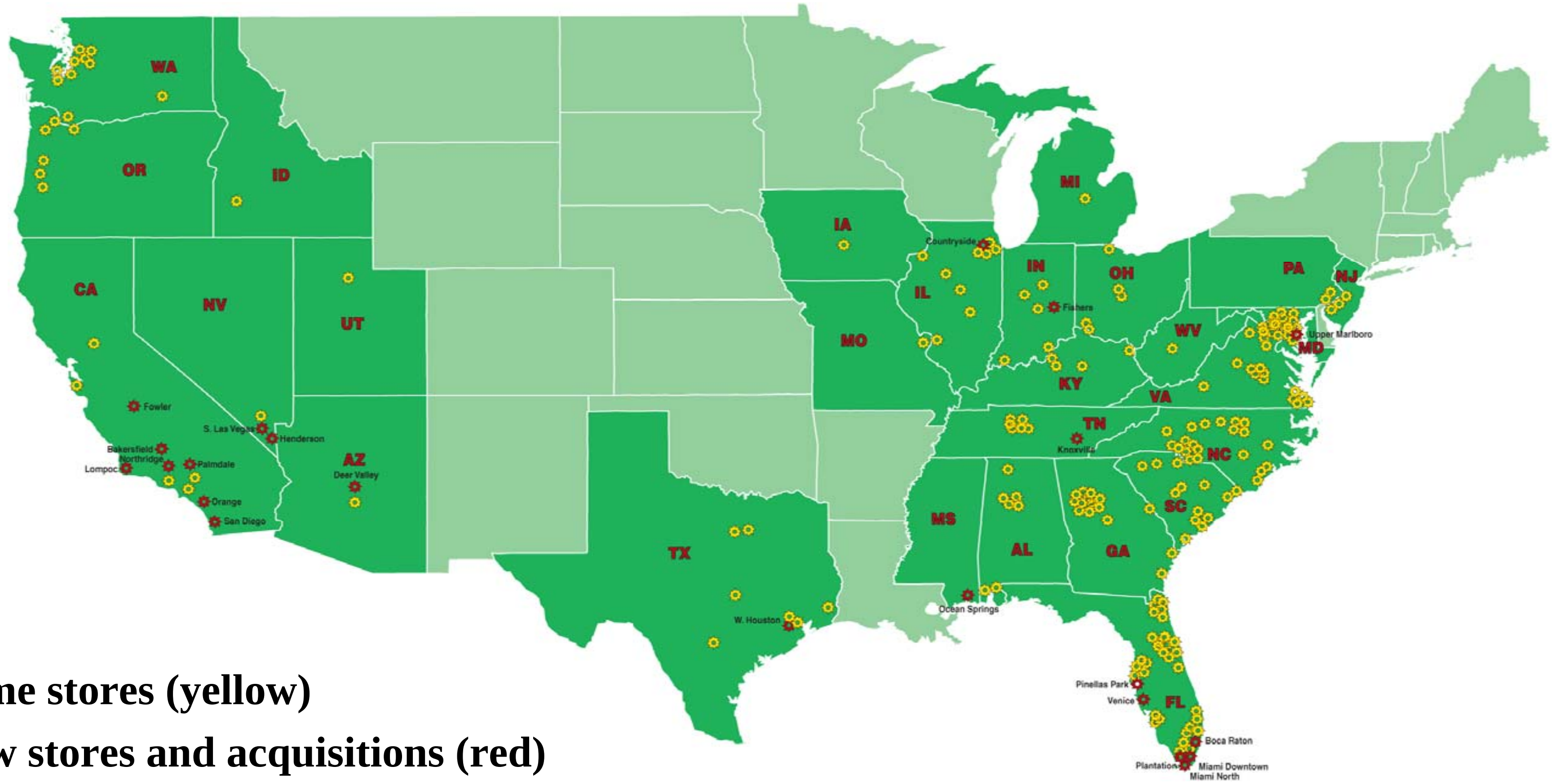
Sunbelt today – clustering continues

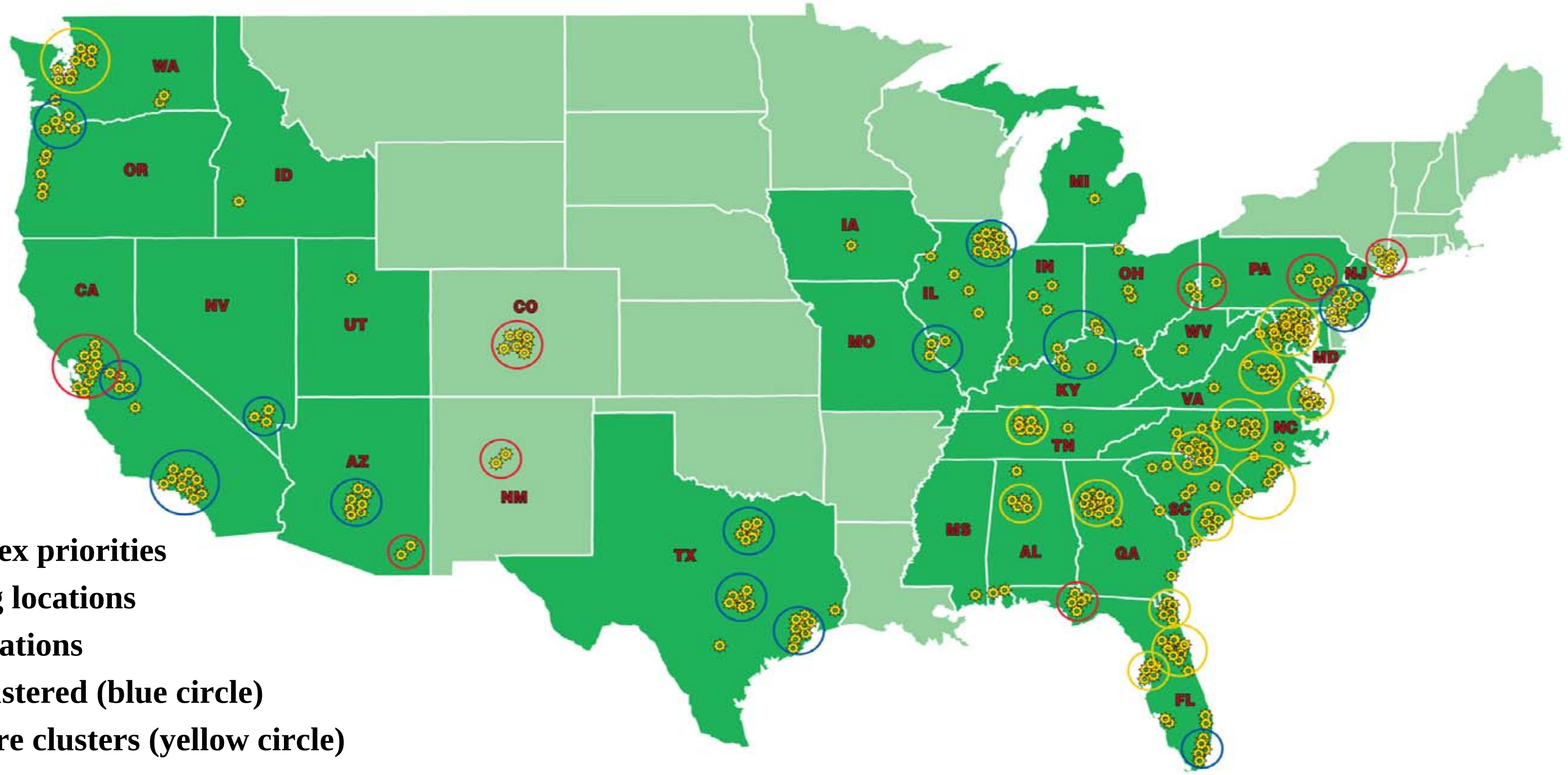
- **209 Profit Centers, 28 states, estimated 75% of US population served.**



*** Same stores (yellow)**

*** New stores and acquisitions (red)**

Controlled organic growth



Current capex priorities

- **Existing locations**
- **New locations**
  - **- Unclustered (blue circle)**
  - **- Mature clusters (yellow circle)**

Longer term

- **Selected new markets (red circle)**

A-Plant – significant growth in operating profit

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	2006 £m	2005 £m	Change
Revenue	160.7	156.3	+2.8%
EBITDA	48.9	48.2	+1.5%
Margin	*30.4%*	*30.8%*	
Operating profit	13.9	11.3	+22.0%
Margin	*8.6%*	*7.3%*	
Net tangible assets	189.0	180.6	+4.6%
ROI*	*7.1%*	*5.7%*	

*Last twelve months (LTM) operating profit divided by weighted average capital employed (net tangible assets plus net debt, pension fund deficit and deferred tax) computed using a quarterly average

A–Plant – stable market conditions

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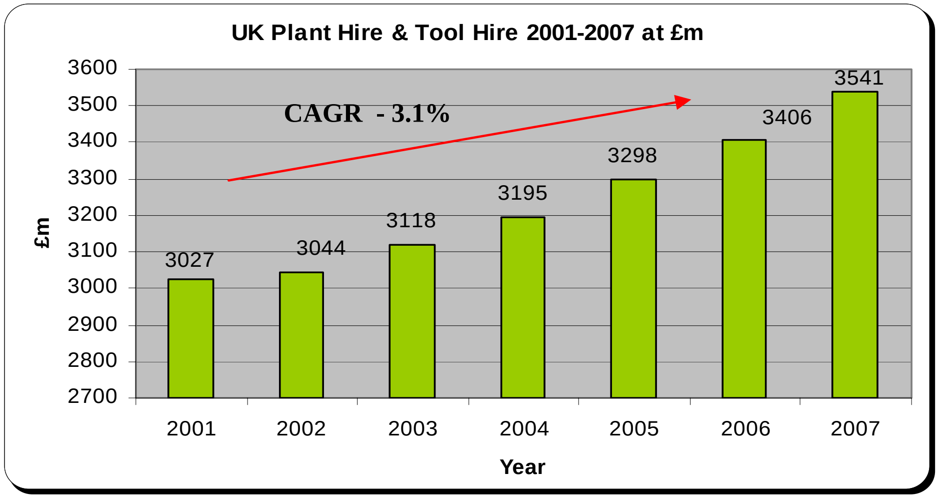

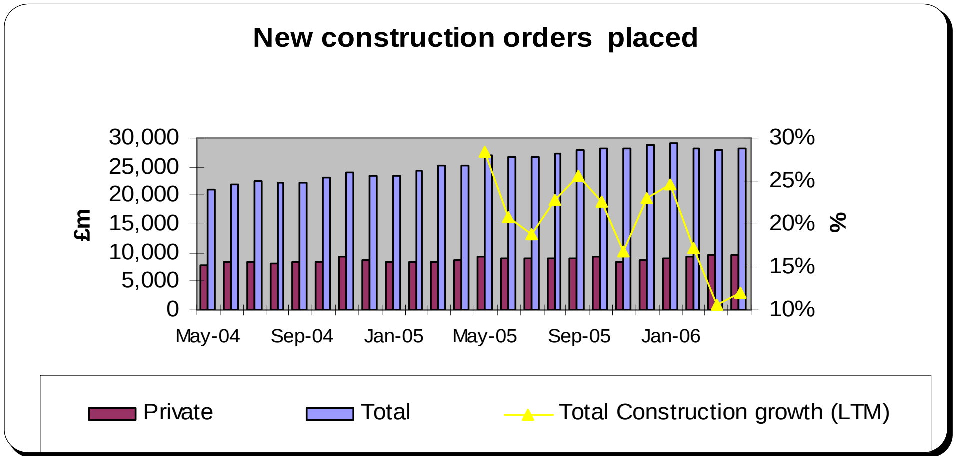

The Bank of England June 2006 Agents Summary of Business Conditions states:

- Construction output growth remains steady
- Government sponsored work aiding demand
- Some slow down in public sector spending, offset by increase in commercial construction
- Housing market recovering, although rise in building activity patchy

A-Plant – operating developments

- Restructured sales force now delivering significant benefits on increasing trend:

	Revenues	Profits
– Q1	-0.5%	+23%
– Q2	-1.7%	-7%
– Q3	+6.1%	£1.1m v £0.1m
– Q4	+8.0%	+47%
– Full year	+2.8%	+22%

- Winner of Hire Association Europe's "Excellence in Training award"
- Major account business now drives 39% of A-Plant's revenues providing earnings visibility (contracts last up to 5 years)
- Health & Safety regulations continuing to drive increased outsourcing

A-Plant - utilisation well ahead in second half

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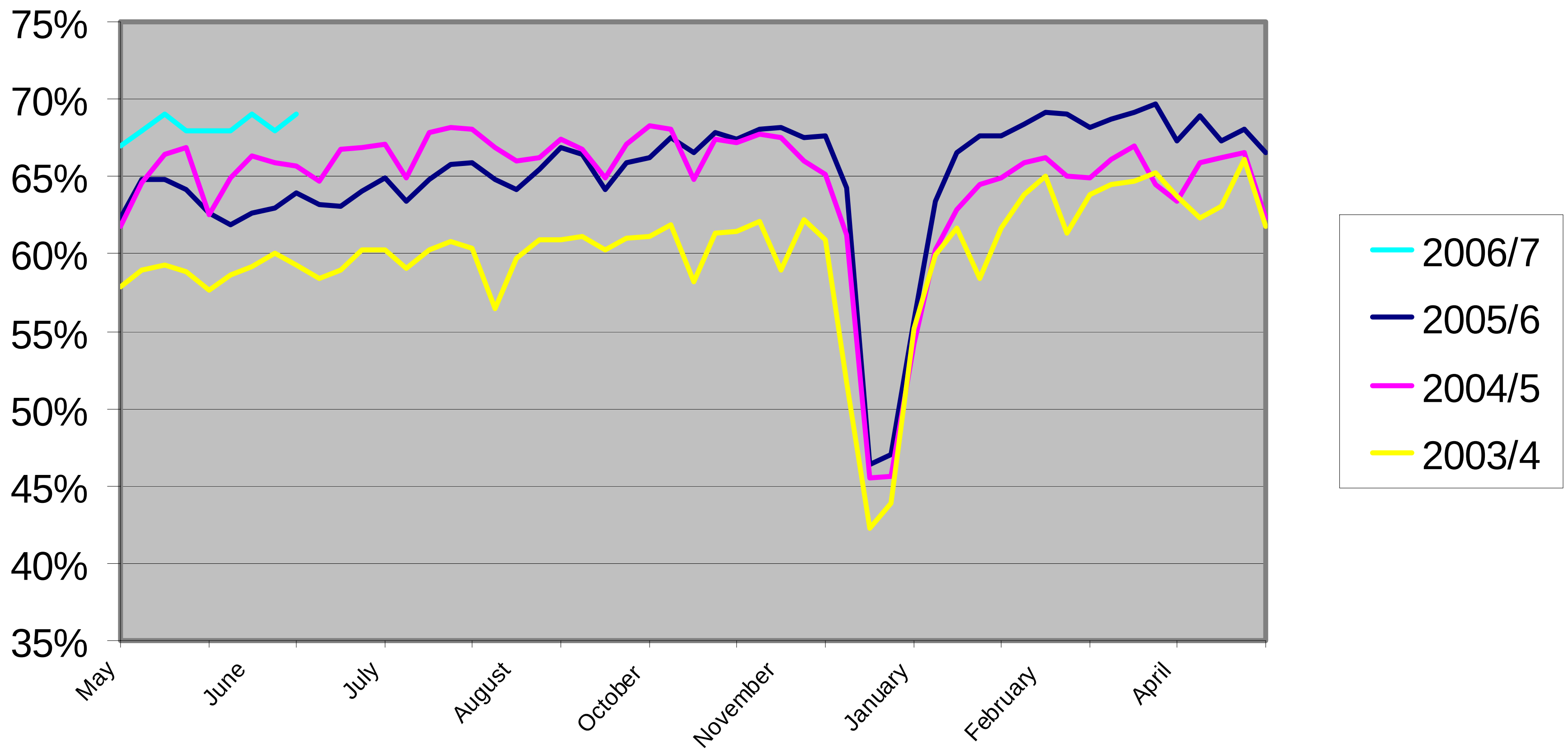

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Technology – results

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	2006 £m	2005 £m	Change (at constant rates)
Revenue	16.1	12.4	+26.0%
EBITDA	8.0	6.5	+19.8%
Margin	*49.4%*	*52.1%*	
Operating profit	4.0	3.4	+17.5%
Margin	*25.0%*	*27.1%*	
Net tangible assets	12.6	8.5	+43.5%
ROI *	*35.1%*	*40.2%*	

* Last twelve months (LTM) operating profit divided by weighted average capital employed (net tangible assets plus net debt, pension fund deficit and deferred tax) computed using a quarterly average

Technology – operating developments

- Increased investment by oil majors has driven strong growth in Technology's offshore business worldwide
- Significant investment made in the onshore sales force – future opportunity
- In onshore environmental the new stores opened in Atlanta & Hitchin in 2004/5 & in Chicago in 2005/6 saw good growth
- Further onshore openings are planned
- Good market conditions are expected to continue

In summary

- Record results as we took advantage of continuing strong US markets
- A-Plant returned to positive revenue and profits growth (after several years of rationalisation) with this trend continuing into the new financial year
- Substantial investment made to accelerate Sunbelt's future growth
- Conversion from ownership to rental continues
- Guidance for next year: capex of c£250m
- CEO succession announced – appointment of Geoff Drabble
- 4th largest equipment rental company in the world
- Board expects "significant progress" in 2006/7