Availability, Reliability, Ease

Half year results

11 December 2018

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The presentation contains forward looking statements which are necessarily subject to risks and uncertainties because they relate to future events. Our business and operations are subject to a variety of risks and uncertainties, many of which are beyond our control and, consequently, actual results may differ materially from those projected by any forward looking statements.

Some of the factors which may adversely impact some of these forward looking statements are discussed in the Principal Risks and Uncertainties section on pages 38-41 of the Group's Annual Report and Accounts for the year ended 30 April 2018 and in the unaudited results for the second quarter ended 31 October 2018 under "Current trading and outlook" and "Principal risks and uncertainties". Both these reports may be viewed on the Group's website at www.ashtead-group.com

This presentation contains supplemental non-GAAP financial and operating information which the Group believes provides valuable insight into the performance of the business. Whilst this information is considered as important, it should be viewed as supplemental to the Group's financial results prepared in accordance with International Financial Reporting Standards and not as a substitute for them.

HIGHLIGHTS

- Strong growth in revenue and profitability
- Organic growth story reflected in 15%[1] growth in fleet
- 80 locations added in the period as we broaden our geographic and product reach
- £362m spent on bolt-ons with a good pipeline
- Interim dividend increased 18% to 6.5p per share
- Outlook remains positive and trading is strong. We expect full year results ahead of our prior expectations

[1] At constant exchange rates

Financial review

GROUP REVENUE AND PROFIT

(£m)	2018	2017	Change[1]
Revenue	**2,250**	**1,899**	**19%**
- of which rental	2,074	1,774	18%
Operating costs	(1,151)	(965)	20%
EBITDA	**1,099**	**934**	**19%**
Depreciation	(397)	(343)	17%
Operating profit	**702**	**591**	**20%**
Net interest	(69)	(54)	28%
Profit before amortisation, exceptional items and tax	**633**	**537**	**19%**
Earnings per share (p)	**98.8p**	**70.2p**	**42%**
Margins			
- *EBITDA*	*49%*	*49%*	
- *Operating profit*	*31%*	*31%*	

[1] At constant exchange rates
[2] The results in the table above are the Group's underlying results and are stated before exceptional items and intangible amortisation

SUNBELT US REVENUE AND PROFIT

($m)	2018	2017	Change
Revenue	**2,500**	**2,084**	**20%**
- of which rental	2,329	1,974	18%
Operating costs	(1,222)	(1,007)	21%
EBITDA	**1,278**	**1,077**	**19%**
Depreciation	(431)	(374)	15%
Operating profit	**847**	**703**	**21%**
Margins			
- *EBITDA*	*51%*	*52%*	
- *Operating profit*	*34%*	*34%*	

SUNBELT CANADA REVENUE AND PROFIT

(C$m)	2018	2017	Change
Revenue	**167**	**91**	**84%**
- of which rental	140	75	87%
Operating costs	(100)	(54)	87%
EBITDA	**67**	**37**	**80%**
Depreciation	(31)	(16)	88%
Operating profit	**36**	**21**	**73%**
Margins			
- *EBITDA*	*40%*	*41%*	
- *Operating profit*	*22%*	*23%*	

A-PLANT REVENUE AND PROFIT

(£m)	2018	2017	Change
Revenue	**251**	**245**	**2%**
- of which rental	221	215	3%
Operating costs	(156)	(152)	2%
EBITDA	**95**	**93**	**3%**
Depreciation	(51)	(46)	11%
Operating profit	**44**	**47**	**-5%**
Margins			
- *EBITDA*	*38%*	*38%*	
- *Operating profit*	*18%*	*19%*	

CASH FLOW

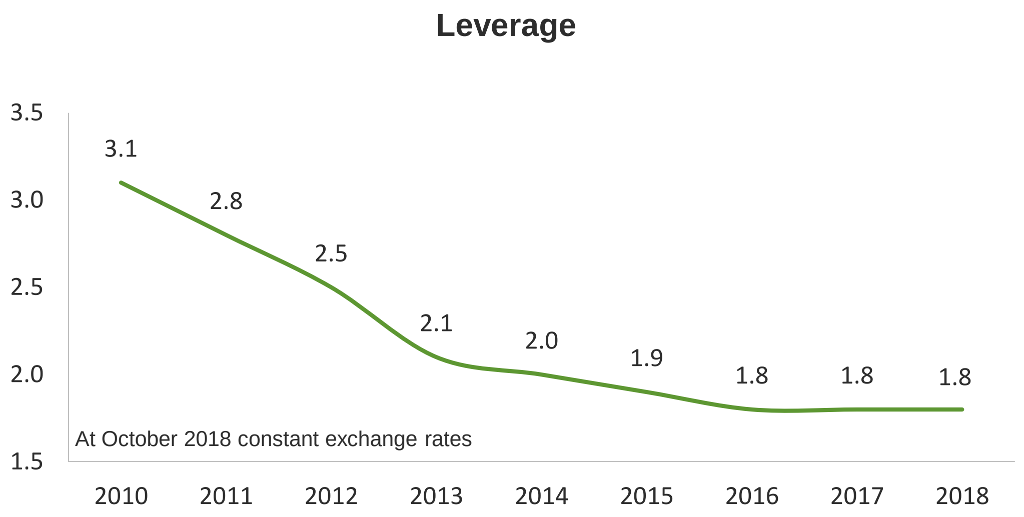
(£m)	2018	2017	Change[3]
EBITDA before exceptional items	1,099	934	19%
Cash conversion ratio[1]	*88%*	*90%*	
Cash inflow from operations[2]	**967**	**840**	**15%**
Replacement and non-rental capital expenditure	(348)	(279)	
Rental equipment and other disposal proceeds received	97	89	
Interest and tax paid	(83)	(134)	
Cash inflow before discretionary expenditure	**633**	**516**	
Growth capital expenditure	(611)	(453)	
Exceptional costs	-	(25)	
Free cash flow	**22**	**38**	
Business acquisitions	(335)	(262)	
Dividends paid	(133)	(113)	
Purchase of own shares by the Company / ESOT	(224)	(10)	
Increase in net debt	**(670)**	**(347)**	

[1] Cash inflow from operations as a percentage of EBITDA
[2] Before fleet changes and exceptional items
[3] At constant exchange rates

NET DEBT AND LEVERAGE

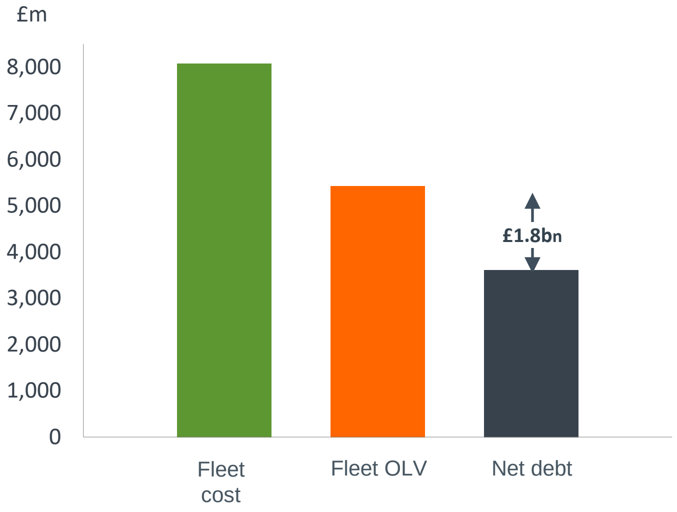
(£m)	October 2018	October 2017
Net debt at 30 April	**2,712**	**2,528**
Translation impact	200	(65)
Opening debt at closing exchange rates	**2,912**	**2,463**
Change from cash flows	670	347
Debt acquired	27	41
Non-cash movements	3	-
Net debt at period end	**3,612**	**2,851**
Comprising:		
First lien senior secured bank debt	1,854	1,596
Second lien secured notes	1,776	1,262
Finance lease obligations	5	5
Cash in hand	(23)	(12)
	3,612	**2,851**
Net debt to EBITDA leverage[1] (x)	**1.8**	**1.8**

[1] At October 2018 constant exchange rates



Interest

Floating rate:	51%
Fixed rate:	49%



Operational review

STRONG REVENUE PERFORMANCE CONTINUES AS WE GAIN MARKET SHARE

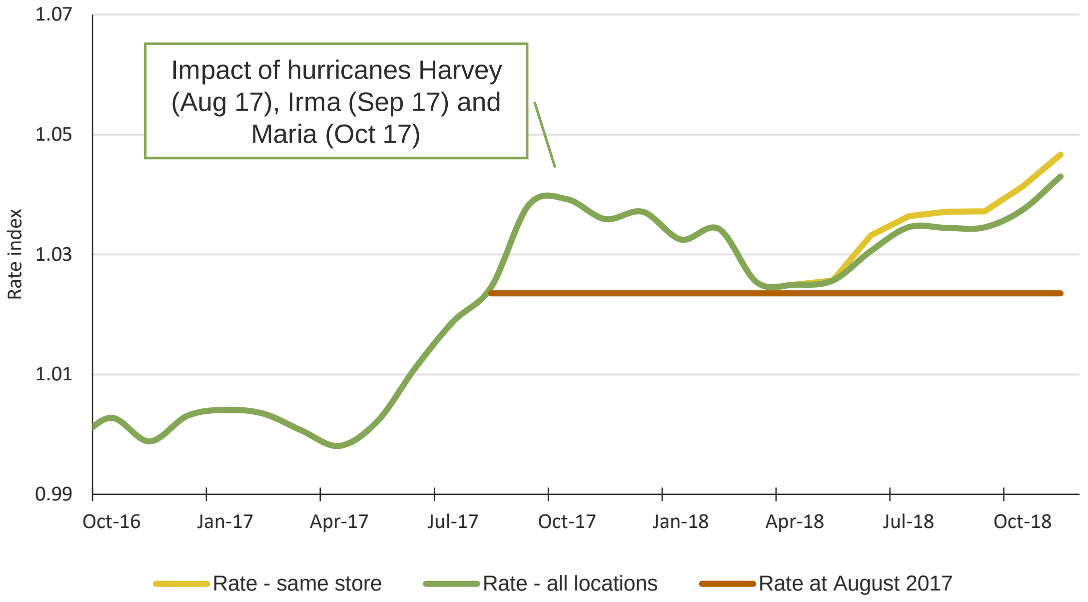
	2018/19 plan	Q1	Q2	6 months to October 2018
Organic growth	8 – 11%	17%	15%	16%
Bolt-ons	3 – 4%	2%	4%	3%
2017/18 growth outlook	11 – 15%	19%	19%	19%

Rental only revenue presented on a billing day basis

HURRICANE IMPACT

	Q2 2018	Q2 2017	
Underlying rental revenue	981	804	+22%
Hurricane	15	35	-57%
Rental revenue	996	839	+19%

Rental only revenue presented on a billing day basis



Hurricane activity

2017	Date	2018	Date
Harvey	August 17	Florence	September 18
Irma	September 17	Michael	October 18
Maria	October 17		

ENCOURAGING TRENDS CONTINUE

Mix beginning to stabilise

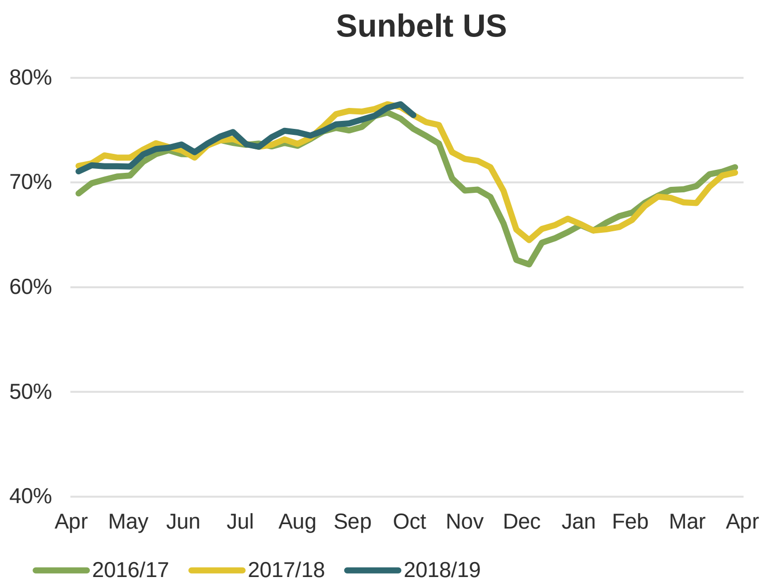
	Q2 2018	Q2 2017	H1 2018	H1 2017
Day	**9%**	**9%**	**9%**	**9%**
Week	**20%**	**21%**	**20%**	**21%**
Month	**71%**	**70%**	**71%**	**70%**

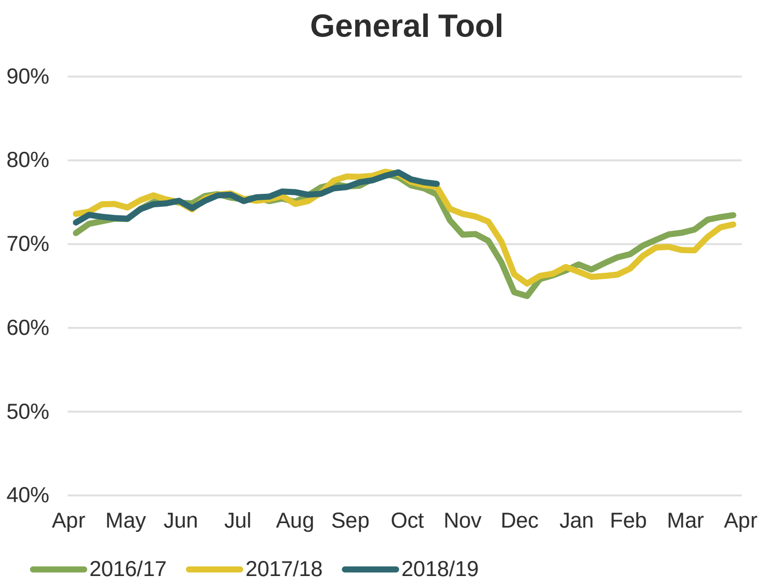
Good growth at strong margins

	Q1 2018	Q2 2018	H1 2018	H1 2017
Fleet on rent	+16%	+21%	+19%	+19%
Yield	+2%	-2%	nil%	-1%
EBITDA	51%	52%	51%	52%
EBITA	33%	35%	34%	34%
RoI	24%	24%	24%	23%

STRONG PHYSICAL UTILISATION

LONG TERM DEVELOPMENT OF THE SPECIALTY BUSINESS IS EVIDENT





Rental revenue ($m)*	General tool			Specialty		
	Rental revenue	% of business	CAGR	Rental revenue	% of business	CAGR
2015/16	2,247	78%		648	22%	
2016/17	2,561	79%		671	21%	
2017/18	3,011	78%		876	22%	
LTM October 2018	3,220	76%	15%	1,021	24%	20%

* 53% of our business is non-construction

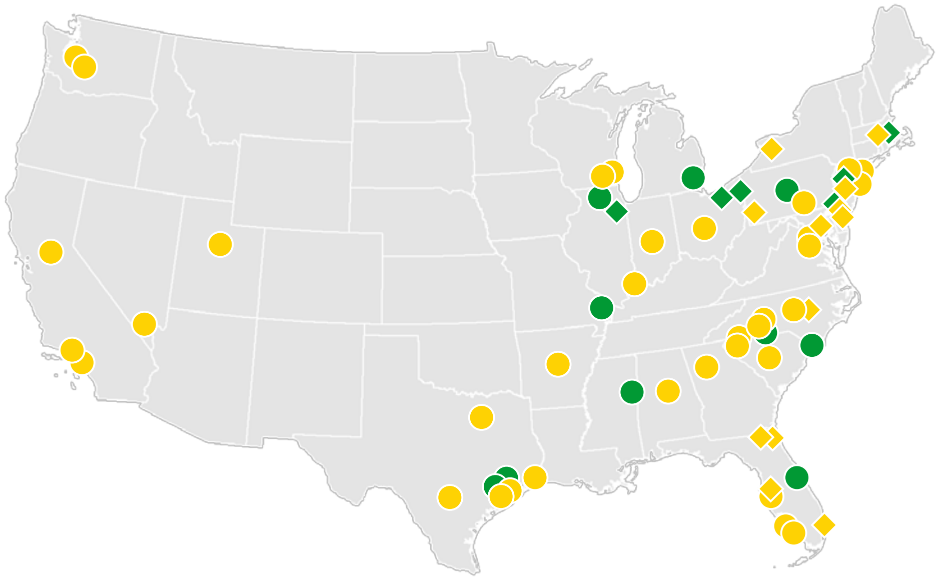
2021 EXPANSION PLAN ACCELERATED TO MAXIMISE OPPORTUNITY FROM MARKET CONSOLIDATION

	2017/18	Q1 2018/19	Q2 2018/19	2018/19 to date
Number of greenfield locations				
- General tool	16	6	4	10
- Specialty	26	13	21	34
Total	**42**	**19**	**25**	**44**

	2017/18	Q1 2018/19	Q2 2018/19	2018/19 to date
Acquisition consideration ($m)				
- General tool	236	-	270	270
- Specialty	23	116	-	116
Total	**259**	**116**	**270**	**386**

- Since quarter end, we have completed a further two specialty acquisitions for $136m

EXPANSION FOCUSED ON BOTH GEOGRAPHIC AND PRODUCT OPPORTUNITIES



General tool

- Greenfield 10
- Acquisition 6

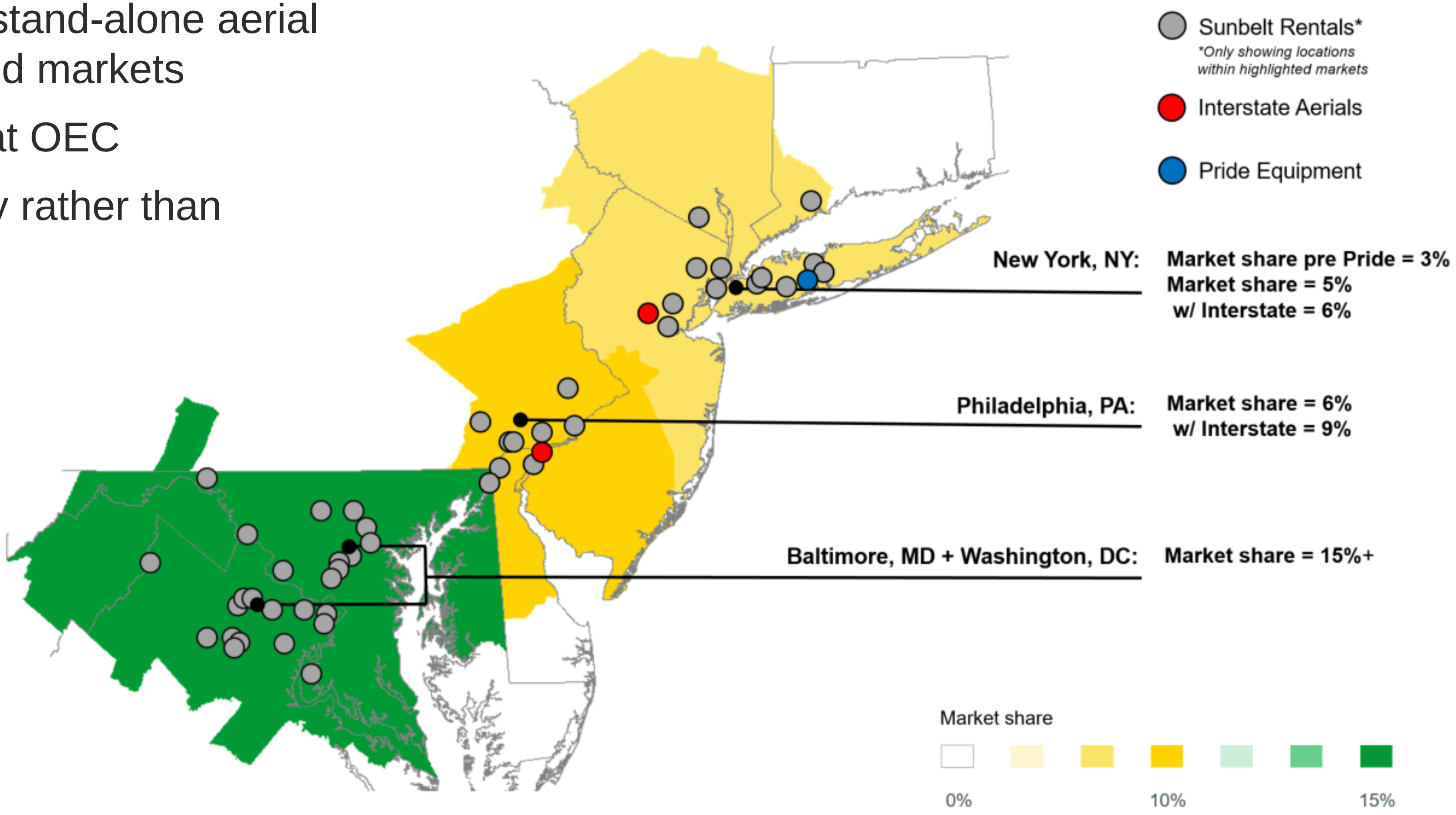
Specialty

- Greenfield 34
- Acquisition 13

- Power & HVAC
- Trench shoring
- Pump solutions
- Flooring solutions
- Climate control
- Industrial tool
- Ground protection
- General tool

CASE STUDY – INTERSTATE

- Accelerates cluster development in the New York and Philadelphia markets
- Consistent with strategy of stand-alone aerial businesses in large clustered markets
- Acquired c. $140m of fleet at OEC
- Benefit of acquiring capacity rather than adding fleet to market
- 750 unique customers
- Cross-selling opportunity



INTERSTATE ALREADY DEMONSTRATING THE REVENUE SYNERGY OPPORTUNITY FROM THE POWER OF SUNBELT

	Pre-acquisition utilisation	31 October utilisation
Interstate	60%	73%

		Monthly rate
19’ electric scissor	Interstate	80%
	Sunbelt area average	100%
60’ boom	Interstate	90%
	Sunbelt area average	100%
80’ boom	Interstate	90%
	Sunbelt area average	100%
135’ boom	Interstate	85%
	Sunbelt area average	100%

- Swift utilisation impact
- Gradual rate progress
- Clustered market platform
- Benefitting from added customer base and broader product offerings

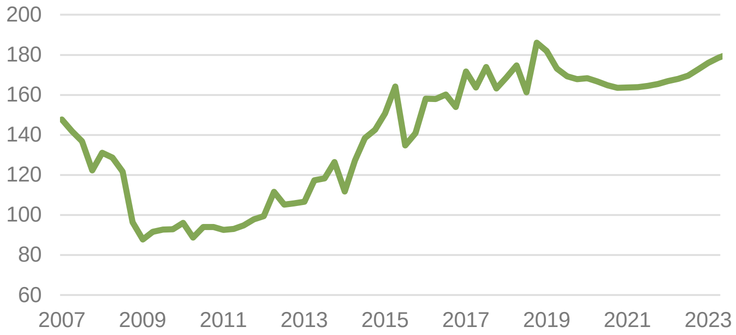
MARKETS REMAIN STRONG ACROSS ALL SECTORS

US rental revenue forecasts

	2017	2018	2019	2020	2021	2022
Industry rental revenue	+4%	+8%	+6%	+6%	+5%	+5%

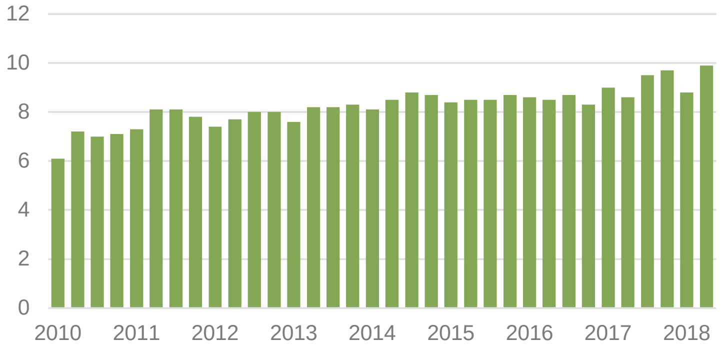
Source: IHS Markit (October 2018)

Dodge construction starts
Indexed: 2000=100



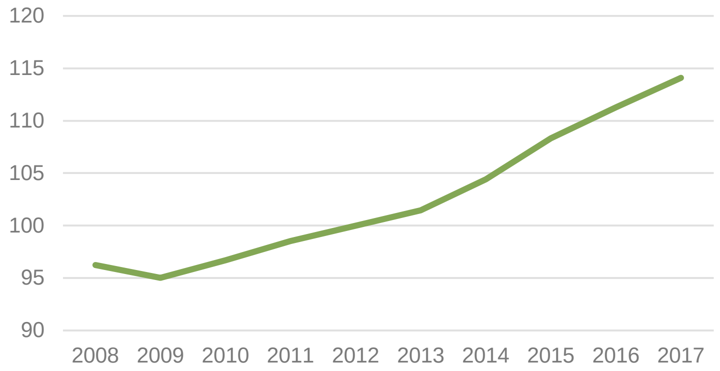
Source: Dodge Data & Analytics (November 2018)

ABC Construction Backlog Indicator



Source: Associated Builders and Contractors (September 2018)

Real personal consumption expenditures
Indexed: 2012=100



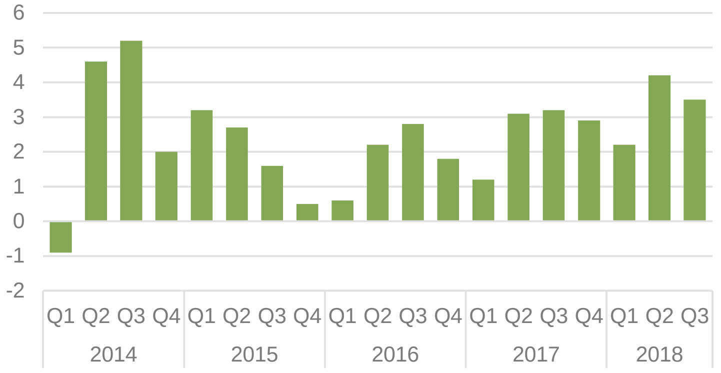
Source: Bureau of Economic Analysis (November 2018)

Square footage under roof rental opportunity

$4 MRO p/sq ft	**~2-3%** MRO spend
87bn Sq ft under roof	**$7-10bn** Addressable market

Source: Capital Markets Day presentation – April 2018

Real GDP
Percentage change from preceding quarter



Seasonally adjusted annual rates
Source: Bureau of Economic Analysis (October 2018)

SUNBELT CANADA

C$m	2018	2017	% growth
Rental revenue	140	75	87%
EBITDA	67	37	80%
EBITA	36	21	73%
EBITDA margin	*40%*	*41%*	
EBITA margin	*22%*	*23%*	

Canadian rental revenue forecasts

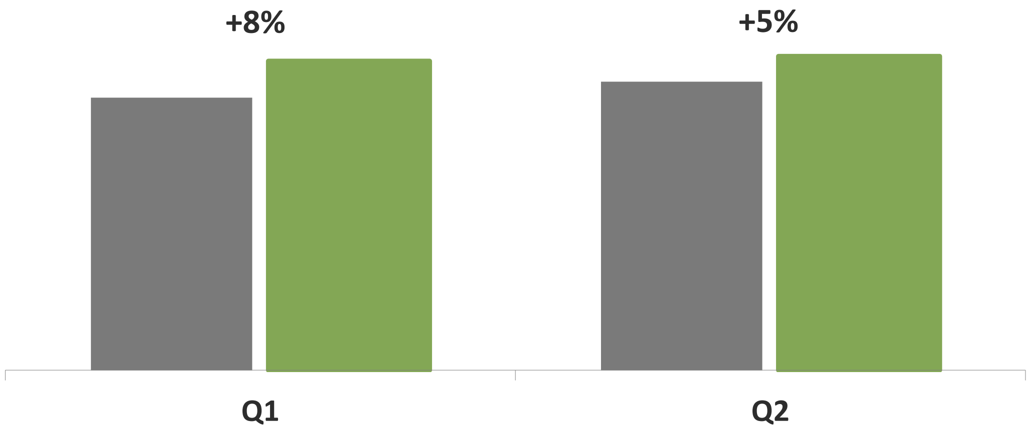
	2017	2018	2019	2020	2021	2022
Industry rental revenue	+4%	+4%	+5%	+5%	+4%	+3%

Source: IHS Markit (October 2018)

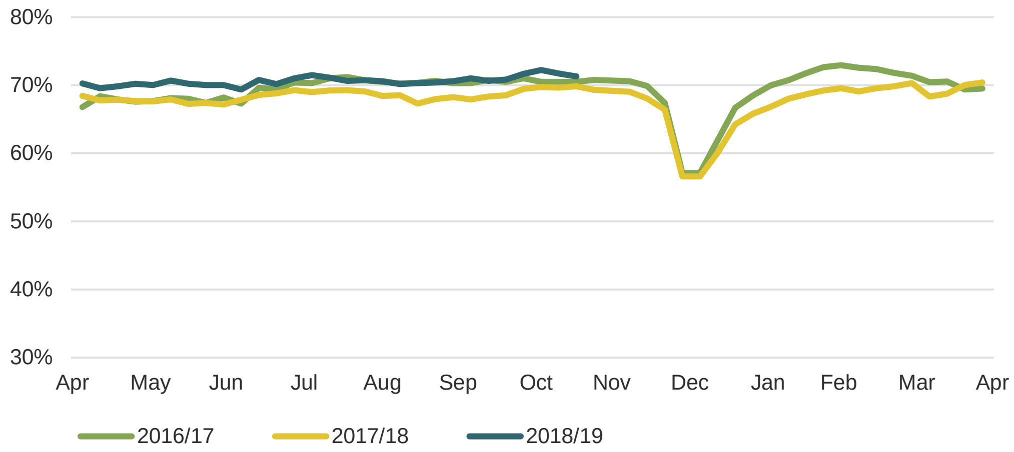
- Pro forma rental revenue growth of 21%
- Continued expansion with four acquisitions completed with consideration of C$100m
- Introduction of specialty business
- Low market share in growing market

A-PLANT REVENUE DRIVERS

Average fleet on rent



Physical utilisation



Year over year change in yield

Margins

	Q1 2018	Q2 2018	H1 2018	H1 2017
EBITDA	38%	38%	38%	38%
EBITA	18%	18%	18%	19%

GROUP FLEET OUTLOOK FOR 2018/19

			2018 Actual	2019 H1	2019 Original guidance[1]	2019 Revised guidance[1]
Sunbelt US ($m)	- rental fleet	- replacement	347	242	300 – 400	400 – 500
		- growth	921	828	850 – 950	1,000 – 1,100
	- non-rental fleet		142	87	120	140
			1,410	1,157	1,270 – 1,470	1,540 – 1,740
Sunbelt Canada (C$m)	- rental fleet	- replacement	21	22	10 – 20	20 – 30
		- growth	55	98	100 – 110	120 – 130
	- non-rental fleet		15	14	10	20
			91	134	120 – 140	160 – 180
A-Plant (£m)	- rental fleet	- replacement	77	30	55 – 65	55 – 65
		- growth	60	32	25 – 30	25 – 30
	- non-rental fleet		27	16	40	40
			164	78	120 – 135	120 – 135
Group (£m)	Capital outlook (gross)		1,239	1,063	1,170 – 1,350	1,400 – 1,580
	Disposal proceeds		(158)	(100)	(105 – 135)	(150 – 180)
	Capex outlook (net)		1,081	963	1,065 – 1,215	1,250 – 1,400

[1] Stated at £1 = $1.30 and £1 = C$1.70

CAPITAL ALLOCATION

1. Organic growth
   - £1,063m invested in business
   - 47 greenfields opened
   - In line with original plan

2. Bolt-on acquisitions
   - £362m spent on bolt-ons
   - Good pipeline

3. Returns to shareholders
   - Interim dividend increased 18% to 6.5p per share
   - Completed £425m of original buyback programme, with a total of £675m anticipated to be spent under December 2017 programme
   - Minimum of £500m to be spent on buybacks in 2019/20

SUMMARY

- A strong first half with good revenue and profit growth
- We continue to execute well on our 2021 plan as witnessed by our market share gains
- We have added a number of greenfields and bolt-ons and have flexed our original 2021 plan to reflect the market opportunities
- Financing underpins our long-term platform for further responsible growth
- Orderly CEO succession process finalised to support the future success of the Group
- We now expect full year results ahead of our prior expectations
- The Board continues to look to the medium term with confidence

Appendices

DIVISIONAL PERFORMANCE – Q2

	Revenue			EBITDA			Profit		
	2018	2017	Change[1]	2018	2017	Change[1]	2018	2017	Change[1]
Sunbelt US ($m)	1,333	1,117	19%	688	580	18%	461	386	19%
Sunbelt Canada (C$m)	90	71	27%	38	28	38%	22	17	31%
Sunbelt US (£m)	1,025	850	21%	529	442	20%	355	294	21%
A-Plant	125	126	-1%	48	48	-1%	22	24	-10%
Sunbelt Canada	53	43	24%	22	17	35%	13	10	28%
Group central costs	-	-	-	(4)	(4)	-3%	(4)	(4)	-3%
	1,203	1,019	18%	595	503	18%	386	324	19%
Net financing costs							(38)	(26)	44%
Profit before amortisation, exceptional items and tax							348	298	17%
Amortisation and exceptional items							(12)	(34)	-64%
Profit before taxation							336	264	27%
Taxation							(84)	(93)	-10%
Profit after taxation							252	171	47%
Margins									
- *Sunbelt US*				*52%*	*52%*		*35%*	*35%*	
- *A-Plant*				*38%*	*38%*		*18%*	*19%*	
- *Sunbelt Canada*				*42%*	*39%*		*24%*	*24%*	
- *Group*				*49%*	*49%*		*32%*	*32%*	

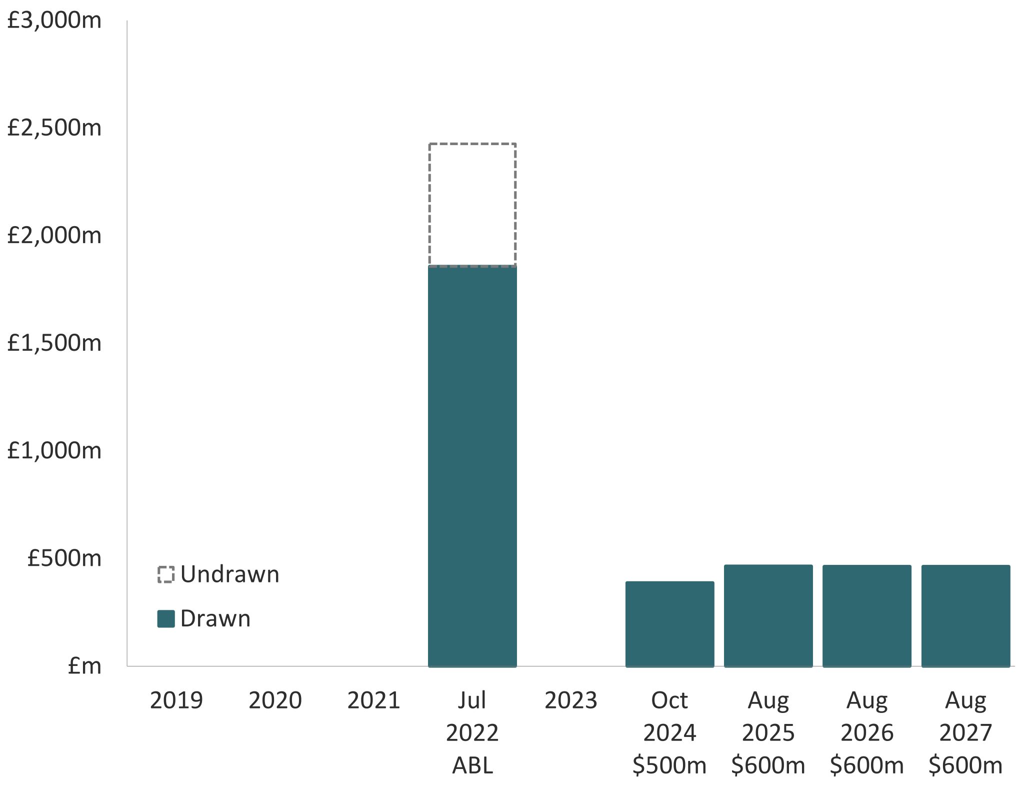
[1] As reported

DIVISIONAL PERFORMANCE – LTM

	Revenue			EBITDA			Profit		
	2018	2017	Change[1]	2018	2017	Change[1]	2018	2017	Change[1]
Sunbelt US ($m)	4,569	3,823	20%	2,264	1,910	19%	1,438	1,192	21%
Sunbelt Canada (C$m)	300	132	127%	98	53	85%	44	25	72%
Sunbelt US (£m)	3,406	2,991	14%	1,688	1,495	13%	1,071	934	15%
A-Plant	477	464	3%	170	169	0%	68	80	-16%
Sunbelt Canada (£m)	174	79	121%	56	32	79%	25	15	66%
Group central costs	-	-	-	(16)	(15)	10%	(16)	(15)	9%
	4,057	3,534	15%	1,898	1,681	13%	1,148	1,014	13%
Net financing costs							(124)	(110)	13%
							1,024	904	13%
Amortisation and exceptional items							(45)	(60)	-25%
Profit before taxation							979	844	16%
Taxation							130	(294)	nm
Profit after taxation							1,109	550	102%
Margins									
- *Sunbelt US*				*50%*	*50%*		*31%*	*31%*	
- *A-Plant*				*36%*	*36%*		*14%*	*17%*	
- *Sunbelt Canada*				*33%*	*40%*		*15%*	*19%*	
- *Group*				*47%*	*48%*		*28%*	*29%*	

[1] As reported
nm – not meaningful

ROBUST AND FLEXIBLE DEBT STRUCTURE



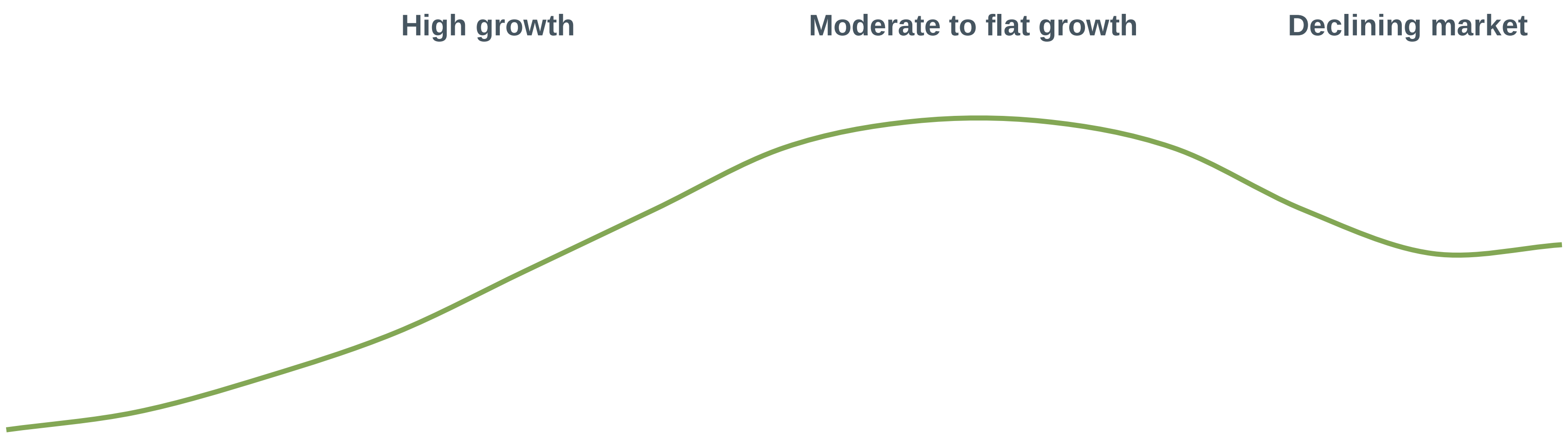
- Debt facilities committed for average of 6 years
- No amortisation
- No financial monitoring covenants whilst availability exceeds $310m (October 2018: $826m)

CASH FLOW FUNDS ORGANIC FLEET GROWTH HEALTHY EBITDA MARGINS ENSURE SIGNIFICANT TOP LINE CASH GENERATION THROUGH THE CYCLE

(£m)	LTM Oct-18	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
EBITDA before exceptional items	**1,898**	**1,733**	**1,504**	**1,178**	**908**	**685**	**519**	**381**	**284**	**255**	**356**	**364**	**310**	**225**	**170**
EBITDA margin	47%	47%	47%	46%	45%	42%	38%	34%	30%	30%	30%	33%	35%	35%	32%
Cash inflow from operations before fleet changes and exceptionals	**1,808**	**1,681**	**1,444**	**1,071**	**841**	**646**	**501**	**365**	**280**	**266**	**374**	**356**	**319**	**215**	**165**
Cash conversion ratio	95%	97%	96%	91%	93%	94%	97%	96%	99%	104%	104%	94%	97%	96%	97%
Replacement capital expenditure	(585)	(517)	(527)	(562)	(349)	(335)	(329)	(272)	(203)	(43)	(236)	(231)	(245)	(167)	(101)
Disposal proceeds	169	161	161	180	103	102	96	90	60	31	92	93	78	50	36
Interest and tax	(157)	(208)	(151)	(85)	(95)	(56)	(48)	(57)	(71)	(54)	(64)	(83)	(69)	(41)	(31)
Cash flow before discretionary items	**1,235**	**1,117**	**927**	**604**	**500**	**357**	**220**	**126**	**66**	**200**	**166**	**135**	**83**	**57**	**69**
Growth capital expenditure	(864)	(706)	(608)	(672)	(588)	(406)	(254)	(135)	-	-	-	(120)	(63)	(63)	(10)
M&A	(432)	(359)	(421)	(68)	(242)	(103)	(34)	(22)	(35)	(1)	89	(6)	(327)	(44)	1
Exceptional costs	-	(25)	-	-	-	(2)	(16)	(3)	(12)	(8)	(9)	(10)	(69)	(20)	(6)
Cash flow available to equity holders	**(61)**	**27**	**(102)**	**(136)**	**(330)**	**(154)**	**(84)**	**(35)**	**19**	**191**	**246**	**(1)**	**(376)**	**(70)**	**54**
Dividends paid	(161)	(141)	(116)	(82)	(61)	(41)	(20)	(15)	(15)	(13)	(13)	(10)	(7)	(2)	-
Share issues/returns	(382)	(168)	(55)	(12)	(21)	(23)	(10)	(4)	-	-	(16)	(24)	144	69	-
	(604)	**(282)**	**(273)**	**(230)**	**(412)**	**(218)**	**(114)**	**(53)**	**4**	**178**	**217**	**(35)**	**(239)**	**(3)**	**54**

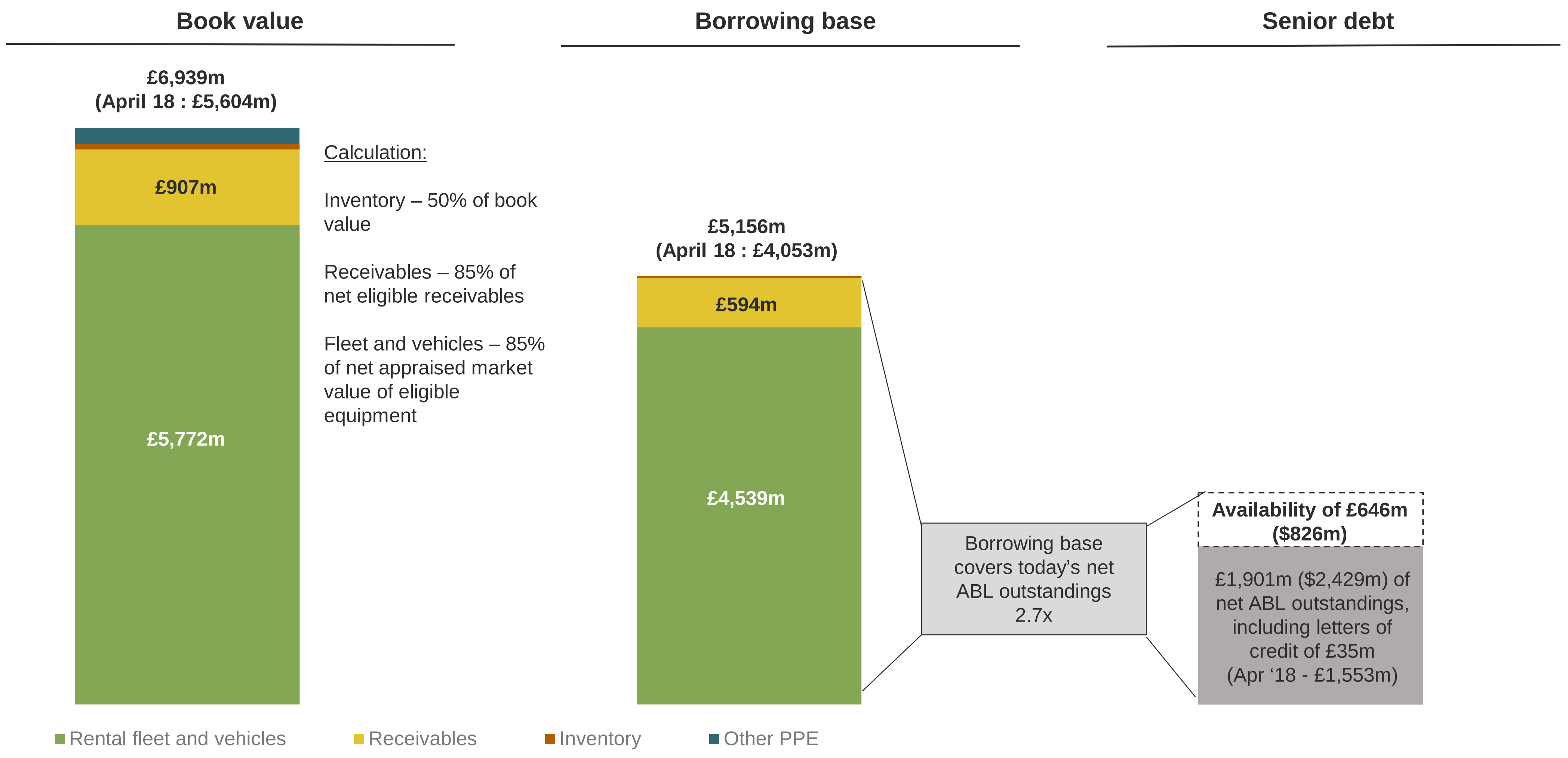
CYCLICAL CASH GENERATION

CASH POSITIVE AS GROWTH MODERATES – HIGHLY GENERATIVE DURING DOWNTURN



	2011	2012	2013	2014	2015	2016	2017	2018	Moderate growth	Cyclical downturn
Cash flow from operations	280	365	501	646	841	1,071	1,444	1,681	Growing	Decreasing but remains positive
Capital expenditure	225	476	580	741	1,063	1,240	1,086	1,239	Moderating	Significantly reduced
Sunbelt average fleet growth	-	+9%	+16%	+21%	+29%	+24%	+18%	+17%	Low (<15%)	Flat to declining
Free cash flow	54	(13)	(50)	(51)	(88)	(68)	319	386	Positive	Highly positive
Leverage (absent significant M&A)	2.9x	2.3x	1.9x	1.8x	1.8x	1.7x	1.7x	1.6x	1.5x – 2.0x	Initial increase, subsequent decline
Dividend	3.0p	3.5p	7.5p	11.5p	15.25p	22.5p	27.5p	33.0p	Increasing	Maintained

$826M OF AVAILABILITY AT 31 OCTOBER 2018



- Borrowing base reflects July 2018 asset values

DEBT AND COVENANTS

Debt

Facility	Interest rate	Maturity
$3.1bn first lien revolver	LIBOR + 125-175 bps	July 2022
$500m second lien notes	5.625%	October 2024
$600m second lien notes	4.125%	August 2025
$600m second lien notes	5.250%	August 2026
$600m second lien notes	4.375%	August 2027
Capital leases	~7%	Various

Ratings

	S&P	Moody's	Fitch
Corporate family	BB+	Baa3	BBB-
Second lien	BBB-	Baa3	BBB-

Availability

- Covenants are not measured if availability is greater than $310 million

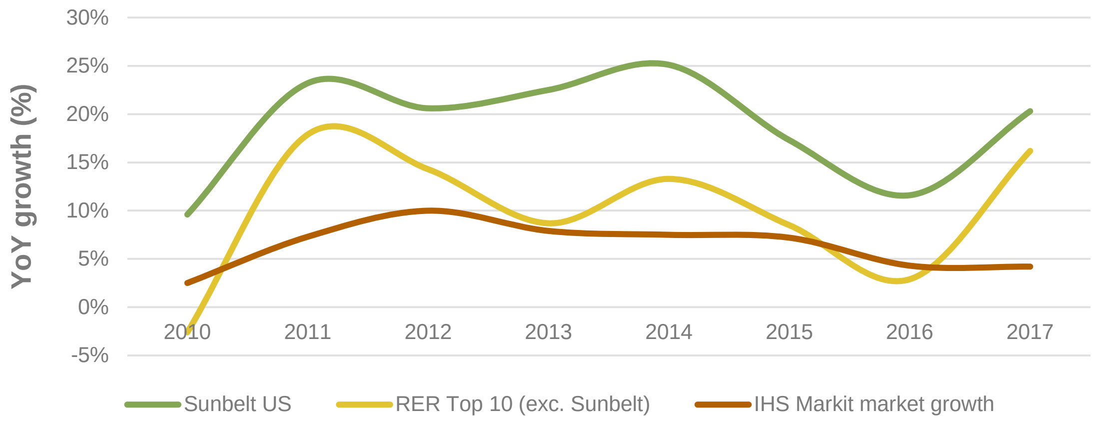
Fixed charge coverage covenant

- EBITDA less net cash capex to interest paid, tax paid, dividends paid and debt amortisation must equal or exceed 1.0x
- Greater than 1.0x at October 2018

US MARKET SHARE

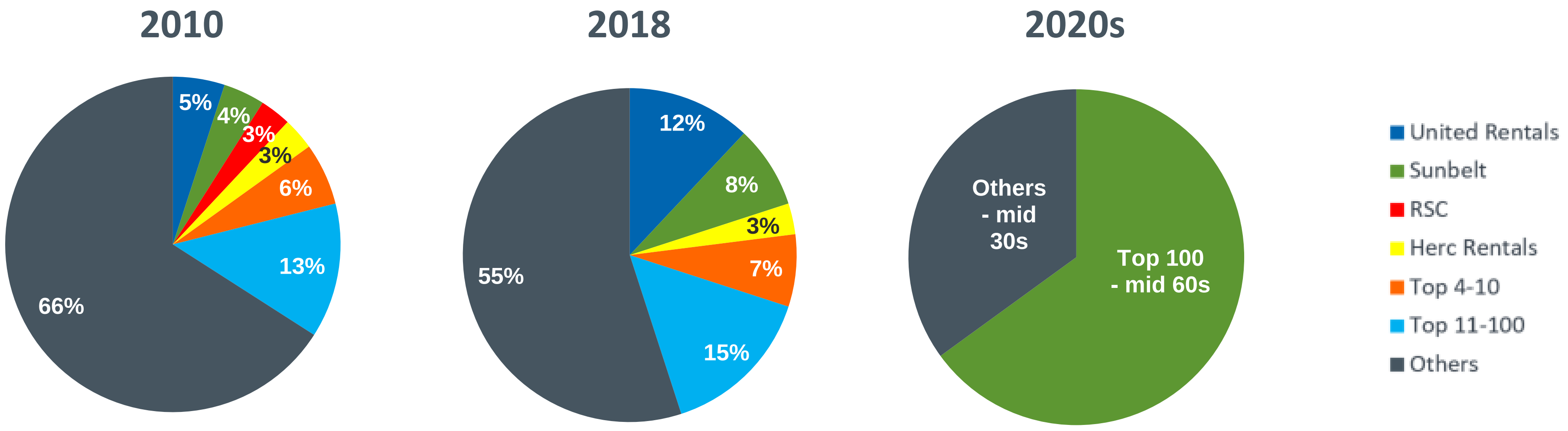
THE BIG ARE GETTING BIGGER AND WILL CONTINUE TO LEVERAGE SCALE

Rental revenue growth (2010 – 2017)



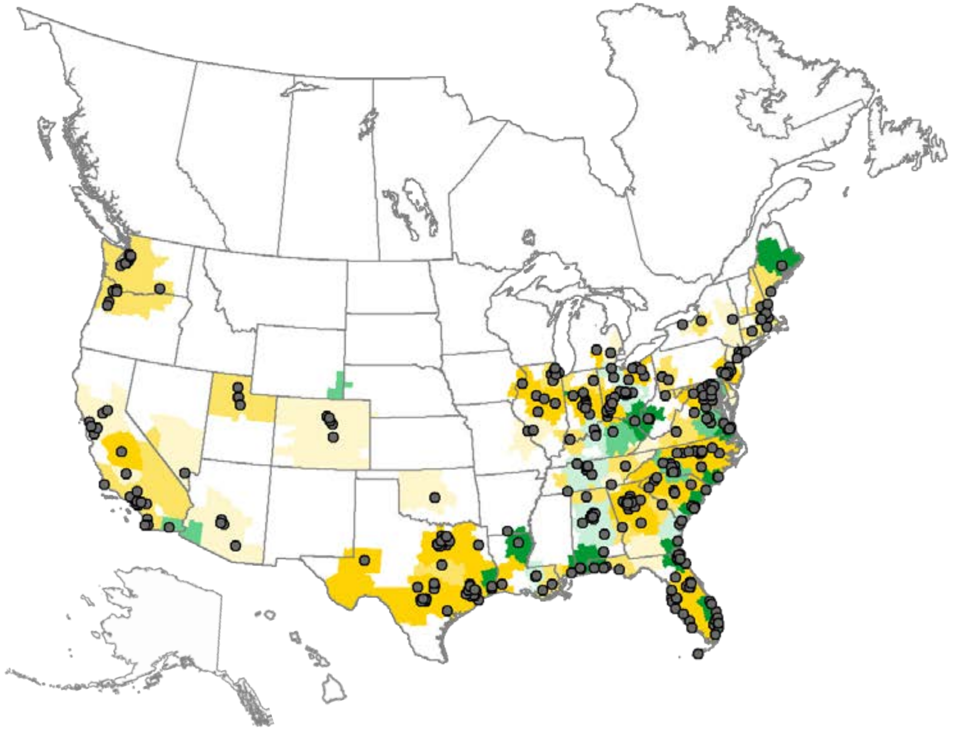
2010 – 2017 CAGR in revenue

Sunbelt	19%
Top 10 (exc. Sunbelt)	10%
Market	6%

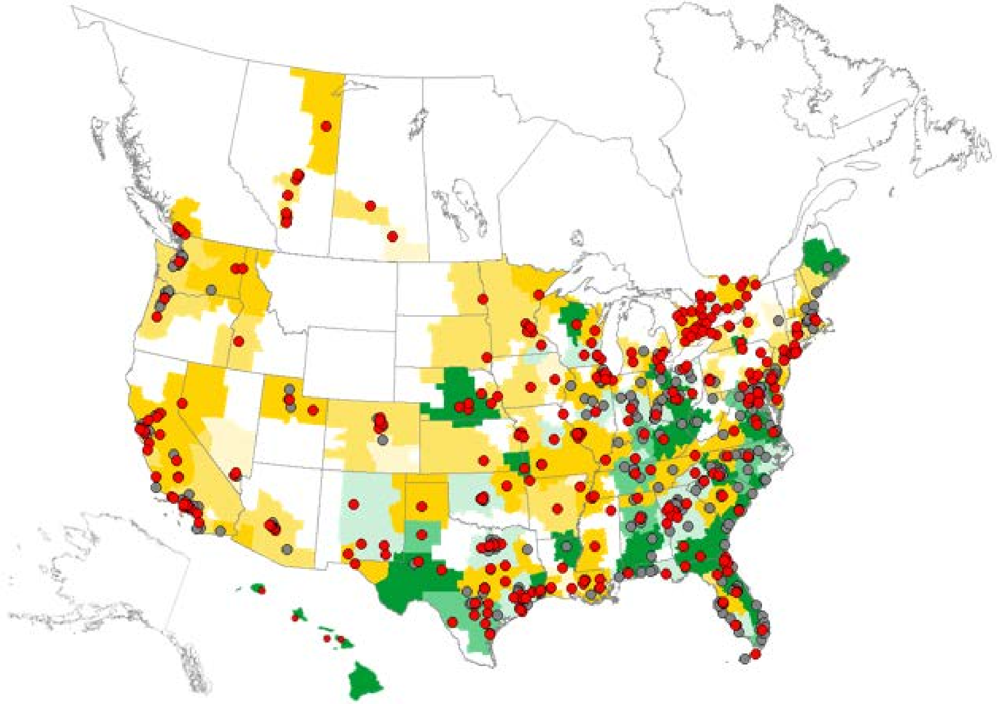


WE HAVE INCREASED OUR FOOTPRINT AND GAINED SIGNIFICANT MARKET SHARE

April 2012



April 2018



•market share

•0% •10% •15%

stores – April 2012

store growth –
May 2012 to April 2018

WORKING CLUSTER

Baltimore/Washington DC

Fleet Size	$299m
GT Locations	21
Specialty Locations	10
EBITA	44%
ROI	31%

Small GT location

Parkville, MD

Fleet Size	$6m
Rental	$4m
Employees	8
ROI%	32%
EBITA	44%

Large GT location

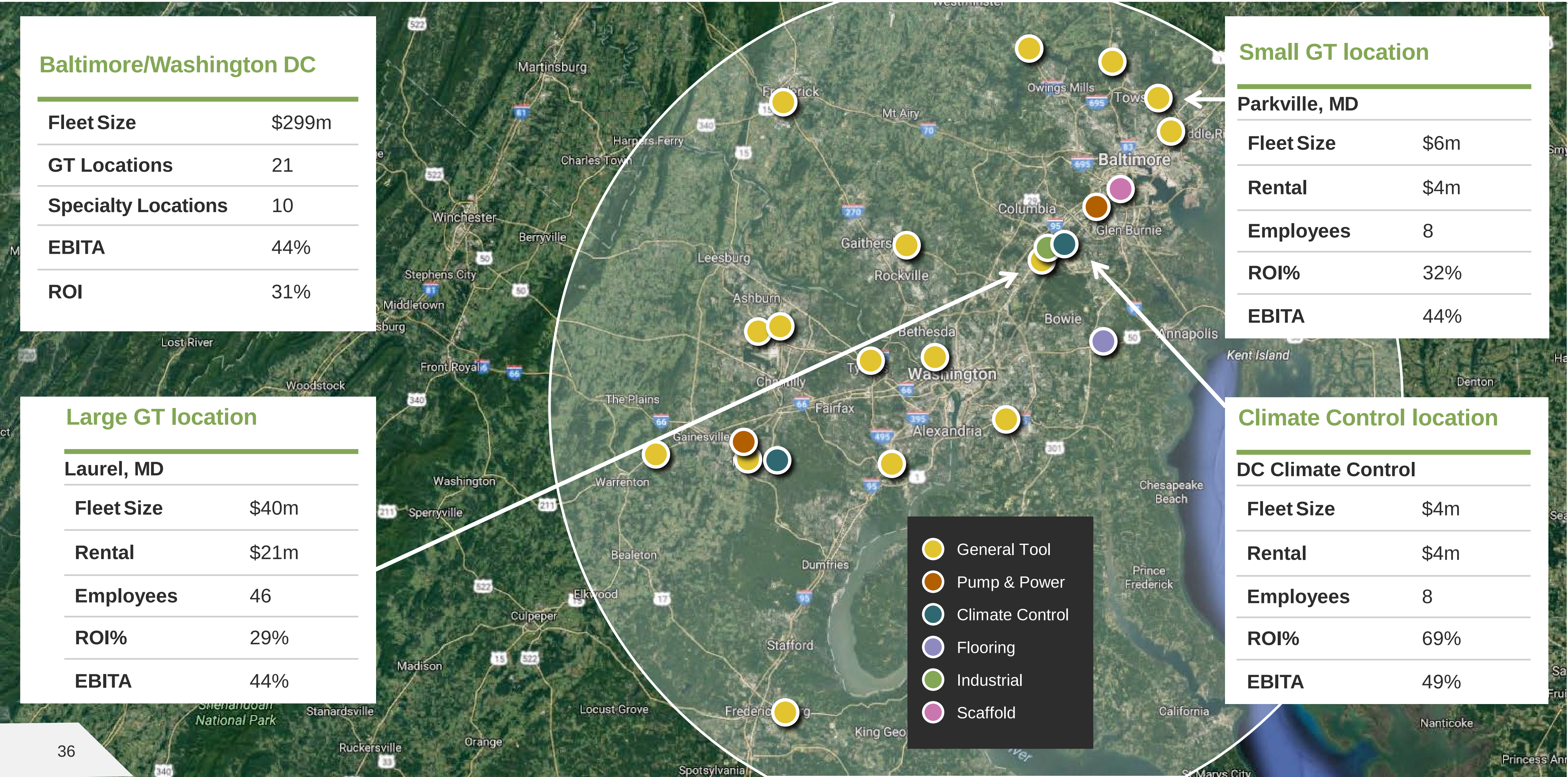
Laurel, MD

Fleet Size	$40m
Rental	$21m
Employees	46
ROI%	29%
EBITA	44%

Climate Control location

DC Climate Control

Fleet Size	$4m
Rental	$4m
Employees	8
ROI%	69%
EBITA	49%



MARGIN EVOLUTION AS STORES AND CLUSTERS MATURE

Individual store evolution

		EBITA margin %	
Store vintage	**Locations**	**2016**	**2018**
Mature stores (up to FY11)	325	39	40
Initial openings (FY12-FY16)	207	30	36
Recent openings (FY17-FY18)	126	N/A	32
EBITA margin excluding central costs	658	36	38
Central overheads		(5)	(7)
EBITA margin as reported		31	31

Source: Capital Markets Day presentation – April 2018

Cluster evolution

Profile	Non-construction	EBITA %[1]	ROI[2]
Mature	>60%	41%	29%
Mid-Term	c. 40%	35%	22%
Early	c. 20%	32%	19%

Source: Capital Markets Day presentation – April 2018
Top 100 markets
[1] EBITA margin calculated excluding central overheads
[2] RoI calculated with reference to profit centre contribution, excluding central overheads. Average investment excludes goodwill and intangible assets.

SIGNIFICANT OPPORTUNITY TO BUILD OUT FURTHER CLUSTERS

	USA				Canada		
Rental markets	**Top 25**	**26-50**	**51-100**	**100-210**	**Top 10**	**11-25**	**26-76**
Rental market %	57%	19%	15%	9%	64%	22%	14%
Cluster definition	>15	>10	>4	>1	>10	>4	>1
Clustered	5 markets 113 stores	5 markets 58 stores	5 markets 28 stores	12 markets 30 stores	1 market 9 stores	0	2 markets 8 stores
Non-clustered	20 markets 192 stores	20 markets 116 stores	42 markets 80 stores	41 markets 41 stores	6 markets 27 stores	4 markets 8 stores	2 markets 2 stores
No presence	0	0	3	57	3	11	47

Source: Capital Markets Day presentation – April 2018

IMPORTANT TO NOT LOSE SIGHT OF THROUGH THE CYCLE KEY METRICS