

Audited results for the year and unaudited results for the fourth quarter ended 30 April 2025

Performance¹	Fourth quarter			Year		
	<u>2025</u> \$m	<u>2024</u> \$m	<u>Growth²</u> %	<u>2025</u> \$m	<u>2024</u> \$m	<u>Growth²</u> %
Revenue	2,529	2,628	-4%	10,792	10,859	-1%
Rental revenue	2,334	2,313	1%	9,980	9,630	4%
Adjusted ³ EBITDA	1,147	1,141	1%	5,022	4,893	3%
Operating profit	523	561	-7%	2,557	2,654	-4%
Adjusted ³ profit before taxation	430	446	-3%	2,128	2,230	-5%
Profit before taxation	392	417	-6%	1,998	2,110	-5%
Adjusted ³ earnings per share	78.7¢	79.3¢	-1%	369.5¢	386.5¢	-4%
Earnings per share	71.9¢	74.4¢	-3%	346.5¢	365.8¢	-5%

Full-year highlights

- Record Group rental revenue up 4%²; revenue down 1%, impacted by lower sales of used equipment
- Operating profit of \$2,557m (2024: \$2,654m), with \$142m lower gains on disposal
- Adjusted³ profit before taxation of \$2,128m (2024: \$2,230m)
- Adjusted³ earnings per share of 369.5¢ (2024: 386.5¢)
- \$2.4bn of capital invested in the business (2024: \$4.3bn)
- Free cash inflow¹ of \$1,790m (2024: \$216m)
- Net debt to adjusted EBITDA leverage² of 1.6 times (2024: 1.7 times)
- Proposed final dividend of 72¢, making 108¢ for the full year (2024: 105¢)

¹ Throughout this announcement we refer to a number of alternative performance measures which provide additional useful information. The directors have adopted these to provide additional information on the underlying trends, performance and position of the Group. The alternative performance measures are not defined by IFRS and therefore may not be directly comparable with other companies' alternative performance measures but are defined and reconciled in the Glossary of Terms on page 34.

² Calculated at constant exchange rates applying current period exchange rates.

³ Adjusted results are stated before amortisation and non-recurring costs associated with the move of the Group's primary listing to the US.

Ashtead's chief executive, Brendan Horgan, commented:

The Group delivered record full year rental revenue and adjusted EBITDA, with growth of 4% and 3% respectively. I'd like to thank the team for these results, while leading with our safety-first culture and Engage for Life programme, which are continuing to drive improvements in our safety metrics.

We demonstrated the through-cycle, cash generative power of our business, delivering near record free cash flow of \$1.8bn for the year. Combined with sustained levels of profitability, this enabled us to invest \$2.4bn of capital in our growth runway, alongside our highest ever level of shareholder returns totalling \$886m across dividends and share buybacks.

We continue to take advantage of strong secular tailwinds and structural progression, within our \$87bn and growing industry. While completions continue to outpace starts in local non-residential construction, mega project activity continues to be robust, particularly in the data centre, semi-conductor and LNG space, with the pipeline projected to grow from c. \$840bn in the FY23 – FY25 timeframe, to more than \$1.3 trillion in the FY26 – FY28 timeframe. This growth comes alongside our operational success in progressing rate, as we deliver value and solutions to our customers through Sunbelt's extensive range of products, services and expertise.

We remain focused on delivering our Sunbelt 4.0 growth strategy and, after our first year, we continue to realise momentum and extract benefits from the foundational investments made throughout Sunbelt 3.0. We added over 42,000 new customers in the year on top of the 118,000 accounts opened during Sunbelt 3.0. These new customers represent market share gains and combined generated more than \$1.9bn of revenue in the year. Our cross-selling effectiveness has expanded with almost 50% of our revenue coming from customers renting both General Tool and three or more Specialty lines of business. We are achieving margin progression by driving improved efficiencies and even better customer experience. Our 401 locations added during Sunbelt 3.0 delivered an incremental \$1.9bn in revenue, growing c. 20% in the year, and c. \$900m in EBITDA. We continue to invest in our businesses' secular growth opportunities, and in our first year of Sunbelt 4.0, we added an additional 61 locations. I am proud of the team for driving world-class execution and positioning us for even more success.

We are on track to move the Group's primary listing to the US in the first quarter of calendar year 2026, and I would like to thank shareholders for their engagement and approval at last week's EGM.

The strength of our foundation and growth strategy is reflected in our results and guidance today. I am excited for FY26 and what lies ahead as we continue to advance our great company.

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Brendan Horgan and Alex Pease will hold a conference call for equity analysts to discuss the results and outlook at 10am (5am EST) on Tuesday, 17 June 2025. The call will be webcast live via the Company's website at www.ashtead-group.com and a replay will be available via the website shortly after the call concludes. A copy of this announcement and the slide presentation used for the call are available for download on the Company's website. The usual conference call for bondholders will begin at 3pm (10am EST).

Analysts and bondholders have already been invited to participate in the analyst and bondholder calls but any eligible person not having received details should contact the Company's PR advisers, H/Advisors Maitland (Audrey Da Costa) at +44 (0)20 7379 5151.

Forward-looking statements This announcement contains forward-looking statements. These have been made by the directors in good faith using information available up to the date on which they approved this report. The directors can give no assurance that these expectations will prove to be correct. Due to the inherent uncertainties, including both business and economic risk factors underlying such forward-looking statements, actual results may differ materially from those expressed or implied by these forward-looking statements. Except as required by law or regulation, the directors undertake no obligation to update any forward-looking statements whether as a result of new information, future events or otherwise.

Change in segment information

During the year, the Group has reassessed the basis of its segment information considering recent organisational changes. The Group operates under two primary geographic regions reflecting its North American activities and assets and its UK activities and assets. The North American business is further split operationally as General Tool and Specialty, reflecting the nature of its products and services and the management structure of the Group. As such, the Group has identified its reportable operating segments as North America General Tool, North America Specialty and UK, which we believe reflects better the basis upon which we review the performance of the business internally and aligns with the basis of our strategic growth plan, Sunbelt 4.0. Prior year comparative information has been restated to reflect these updated segments.

Trading results

	<u>Revenue</u>		<u>Segment EBITDA^{1,2}</u>		<u>Profit^{1,2}</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	\$m	\$m	\$m	\$m	\$m	\$m
North America General Tool	6,397.0	6,720.7	3,477.7	3,653.3	2,093.4	2,394.3
North America Specialty	3,487.4	3,250.4	1,672.1	1,438.4	1,134.5	968.4
UK	907.3	887.6	239.7	235.0	68.6	71.4
Central costs	-	-	(367.8)	(434.1)	(609.5)	(659.2)
	<u>10,791.7</u>	<u>10,858.7</u>	<u>5,021.7</u>	<u>4,892.6</u>	2,687.0	2,774.9
Financing costs					(559.0)	(544.5)
Adjusted profit before tax					2,128.0	2,230.4
Non-recurring costs					(15.4)	-
Amortisation					(114.4)	(120.9)
Profit before taxation					1,998.2	2,109.5
Taxation charge					(487.7)	(511.1)
Profit attributable to equity holders of the Company					<u>1,510.5</u>	<u>1,598.4</u>

Margins

<i>North America General Tool</i>	<i>54.4%</i>	<i>54.4%</i>	<i>32.7%</i>	<i>35.6%</i>
<i>North America Specialty</i>	<i>47.9%</i>	<i>44.3%</i>	<i>32.5%</i>	<i>29.8%</i>
<i>UK</i>	<i>26.4%</i>	<i>26.5%</i>	<i>7.6%</i>	<i>8.0%</i>
<i>Group</i>	<i>46.5%</i>	<i>45.1%</i>	<i>24.9%</i>	<i>25.6%</i>

¹ Segment performance is measured internally excluding central costs which support the business as a whole. Furthermore, the Group manages debt, including lease liabilities, centrally and therefore segment profit measures are presented before the application of lease accounting adjustments in accordance with IFRS 16 *Leases* but instead reflect the cash cost incurred in the period. The impact of lease accounting adjustments are included within the central costs line item above.

² Segment results presented are adjusted EBITDA and adjusted operating profit. A reconciliation of adjusted measures to statutory measures is provided in the Glossary of Terms on page 34.

North America General Tool

In the North American General Tool business, rental only revenue of \$4,903m (2024: \$4,852m) was 1% higher than the prior year, driven by both volume and rate improvement, demonstrating the benefits of our strategy of broadening our end markets. Organic performance (same-store and greenfields) was flat, while bolt-ons since 1 May 2023 contributed 1% of rental only revenue growth. Rental revenue increased 1% to \$5,890m (2024: \$5,826m). We estimate that hurricane response efforts contributed \$25 – 30m to General Tool rental revenue in the year. This hurricane impact, in part, mitigated the moderating local commercial construction market. North American General Tool total revenue, including new and used equipment, merchandise and consumable sales, was \$6,397m (2024: \$6,721m). As expected, this reflects a lower level of used equipment sales than last year (\$338m; 2024: \$720m), when we took advantage of improving fleet deliveries and strong second-hand markets to catch up on deferred disposals.

We continued to focus on the cost base which contributed to North America General Tool EBITDA of \$3,478m (2024: \$3,653m) and an EBITDA margin of 54.4% (2024: 54.4%). As anticipated, lower used equipment sales and second-hand values resulted in lower gains on sale. After higher depreciation on a larger fleet, this contributed to adjusted operating profit decreasing by 13% to \$2,093m (2024: \$2,394m) with a margin of 32.7% (2024: 35.6%).

North America Specialty

In the North American Specialty business, rental only revenue of \$2,383m (2024: \$2,154m) was 11% higher than the prior year, also driven by both volume and rate improvement, demonstrating the benefits of our strategy of growing our Specialty businesses. Organic growth (same-store and greenfields) was 10%, while bolt-ons since 1 May 2023 contributed 1% of rental only revenue growth. Rental revenue increased 8% to \$3,313m (2024: \$3,062m). We estimate that hurricane response efforts contributed \$60 – 70m to Specialty rental revenue in the year. North American Specialty total revenue, including new and used equipment, merchandise and consumable sales, was \$3,487m (2024: \$3,250m).

This performance combined with our focus on the cost base, lower scaffold erection and dismantling revenue and recovery in the Film & TV business, contributed to North American Specialty EBITDA of \$1,672m (2024: \$1,438m) and an EBITDA margin of 47.9% (2024: 44.3%). After higher depreciation on a larger fleet, this contributed to adjusted operating profit increasing by 17% to \$1,135m (2024: \$968m) with a margin of 32.5% (2024: 29.8%).

UK

The UK business generated rental only revenue of \$599m, up 2% on the prior year (2024: \$586m). Rental only revenue growth has been driven by both rate and volume improvement. Rental revenue increased 5% to \$778m (2024: \$742m), while total revenue increased 2% to \$907m (2024: \$888m).

In the UK, the focus remains on delivering operational efficiency and long-term, sustainable returns in the business. While we continue to improve rental rates, this remains an area of focus. The UK generated EBITDA of \$240m (2024: \$235m) at a margin of 26.4% (2024: 26.5%) and adjusted operating profit of \$69m (2024: \$71m) at a margin of 7.6% (2024: 8.0%).

Group

Group revenue was \$10,792m (2024: \$10,859m) during the year. This revenue and our focus on the cost base, but with lower used equipment sales, resulted in adjusted EBITDA increasing 3% to \$5,022m (2024: \$4,893m) and after higher depreciation and interest costs, adjusted operating profit decreased 3% to \$2,687m (2024: \$2,775m). The higher increase in the depreciation charge relative to revenue growth reflects lower utilisation of a larger fleet and the ongoing impact of life cycle fleet inflation, contributing to the decline in adjusted operating profit. In addition, increased financing costs due to higher average debt levels resulted in adjusted profit before tax being 5% lower than the comparative period.

Overall, including central costs, Group adjusted operating profit decreased to \$2,687m (2024: \$2,775m). We invested in the infrastructure of the business during Sunbelt 3.0 to support the growth of the business now and into the future. Our intention is to leverage this infrastructure during Sunbelt 4.0 as we look to improve operating performance. After increased net financing costs of \$559m (2024: \$545m), reflecting higher average debt levels, Group adjusted profit before tax was \$2,128m (2024: \$2,230m). After a tax charge of 24% (2024: 24%) of the adjusted pre-tax profit, adjusted earnings per share were 369.5¢ (2024: 386.5¢).

Statutory profit before tax was \$1,998m (2024: \$2,110m). This is after non-recurring costs of \$15m (2024: \$nil) associated with the move of the Group's primary listing to the US and amortisation of \$114m (2024: \$121m). Included within the total tax charge is a tax credit of \$30m (2024: \$30m) which relates to the amortisation of intangibles and non-recurring costs. As a result, basic earnings per share were 346.5¢ (2024: 365.8¢).

Capital expenditure and acquisitions

Capital expenditure for the year was \$2,401m gross and \$1,873m net of disposal proceeds (2024: \$4,311m gross and \$3,404m net). As a result, the Group's rental fleet at 30 April 2025 at cost was \$19bn and our average fleet age was 49 months (2024: 45 months) on an original cost basis.

We invested \$137m (2024: \$905m) in five bolt-on acquisitions during the year, as we continue to both expand our footprint and diversify our end markets. Further details are provided in Note 15.

Return on Investment

The Group return on investment was 15% (2024: 16%). For North America General Tool, return on investment (excluding goodwill and intangible assets) in the 12 months to 30 April 2025 was 20% (2024: 25%), while for North America Specialty it was 30% (2024: 27%). The reduction in North America General Tool return on investment reflects principally the impact of lower utilisation of a larger fleet. In the UK, return on investment (excluding goodwill and intangible assets) was 7% (2024: 7%). Return on investment excludes the impact of IFRS 16.

Cash flow and net debt

The Group generated free cash flow of \$1,790m (2024: \$216m) during the year, which is after capital expenditure payments of \$2,707m (2024: \$4,445m). In December 2024, the Group launched a new share buyback programme of up to \$1.5bn over 18 months. During the year, we spent \$342m (2024: \$78m) on share buybacks under this programme.

Net debt at 30 April 2025 was \$10,331m (2024: \$10,655m). Excluding the effect of IFRS 16, net debt at 30 April 2025 was \$7,517m (2024: \$8,014m), while the ratio of net debt to adjusted EBITDA was 1.6 times (2024: 1.7 times) on a constant currency basis. The Group's target range for net debt to adjusted EBITDA is 1.0 to 2.0 times, excluding the impact of IFRS 16. Including the effect of IFRS 16, the ratio of net debt to adjusted EBITDA was 2.1 times (2024: 2.2 times) on a constant currency basis.

At 30 April 2025, availability under the senior secured debt facility was \$3,616m with an additional \$6,194m of suppressed availability – substantially above the \$475m level at which the Group's entire debt package is covenant free.

The Group's debt facilities are committed for an average of six years at a weighted average cost of 5%.

Dividends

The Company has a progressive dividend policy, which considers both profitability and cash generation, and results in a dividend that is sustainable across the cycle. Our intention has always been to increase the dividend as profits increase and be able to maintain it when profits decline. This, combined with the Board's decision to rebalance the split between the interim and final dividend, to broadly one third interim, two thirds final, and reflecting its confidence in the future, the Board is recommending a final dividend of 72.0¢ per share (2024: 89.25¢) making 108.0¢ for the year (2024: 105.0¢), an increase of 3%. If approved at the forthcoming Annual General Meeting, the final dividend will be paid on 10 September 2025 to shareholders on the register on 8 August 2025.

The dividend is declared in US dollars but will be paid in sterling unless shareholders elect to receive their dividend in US dollars. Those shareholders who wish to receive their dividend in US dollars and have not yet made an election may do so by contacting Computershare on +44 (0) 370 707 1496. The last day for election for the proposed final dividend is 22 August 2025.

Capital allocation

The Group remains disciplined in its approach to allocation of capital with the overriding objective being to enhance shareholder value.

Our capital allocation framework remains unchanged and prioritises:

- organic fleet growth;
 - same-stores;
 - greenfields;
- bolt-on acquisitions; and
- a progressive dividend with consideration to both profitability and cash generation that is sustainable through the cycle.

Additionally, we consider further returns to shareholders. In this regard, we assess continuously our medium-term plans which take account of investment in the business, growth prospects, cash generation, net debt and leverage. As we execute on Sunbelt 4.0, we expect a number of years of strong earnings and free cash flow generation. Given this outlook, we have the opportunity to enhance returns to shareholders, while maintaining leverage towards the middle of our target range of 1.0 to 2.0 times net debt to adjusted EBITDA (excluding the IFRS 16).

Guidance

Set out below is our guidance for 2025/26:

	<u>Guidance</u>
Rental revenue growth ¹	0% – 4%
Capital expenditure (gross) ²	\$1.8bn - \$2.2bn
Free cash flow ²	\$2.0bn - \$2.3bn

¹ Represents change in year-over-year rental revenue at constant exchange rates.

² Stated at C\$1=\$1.45 and £1=\$1.26.

Directors' responsibility statement on the annual report

The responsibility statement below has been prepared in connection with the Company's Annual Report & Accounts for the year ended 30 April 2025. Certain parts thereof are not included in this announcement.

We confirm that to the best of our knowledge:

- a) the consolidated financial statements, prepared in accordance with UK-adopted International Accounting Standards ('IFRS') in conformity with the requirements of the Companies Act 2006, give a true and fair view of the assets, liabilities, financial position and profit of the Group;
- b) the Strategic report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties that it faces; and
- c) the Annual Report and financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Group's position, performance, business model and strategy.

By order of the Board

Alan Porter
Company secretary
16 June 2025

**CONSOLIDATED INCOME STATEMENT
FOR THE THREE MONTHS AND YEAR ENDED 30 APRIL 2025**

	<u>Unaudited</u> Three months to 30 April		<u>Audited</u> Year to 30 April	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	\$m	\$m	\$m	\$m
Revenue				
Rental revenue	2,334.3	2,313.5	9,980.4	9,630.2
Sale of new equipment, merchandise and consumables	83.3	91.1	344.0	369.7
Sale of used rental equipment	<u>111.7</u>	<u>222.9</u>	<u>467.3</u>	<u>858.8</u>
	<u>2,529.3</u>	<u>2,627.5</u>	<u>10,791.7</u>	<u>10,858.7</u>
Operating costs				
Staff costs	(601.5)	(602.6)	(2,462.9)	(2,485.1)
Other operating costs	(701.7)	(718.4)	(2,936.3)	(2,845.2)
Used rental equipment sold	<u>(88.4)</u>	<u>(165.4)</u>	<u>(386.2)</u>	<u>(635.8)</u>
	<u>(1,391.6)</u>	<u>(1,486.4)</u>	<u>(5,785.4)</u>	<u>(5,966.1)</u>
EBITDA*	1,137.7	1,141.1	5,006.3	4,892.6
Depreciation	(586.9)	(551.3)	(2,334.7)	(2,117.7)
Amortisation of intangibles	<u>(27.9)</u>	<u>(28.6)</u>	<u>(114.4)</u>	<u>(120.9)</u>
Operating profit	522.9	561.2	2,557.2	2,654.0
Interest income	4.4	0.2	4.5	1.8
Interest expense	<u>(135.1)</u>	<u>(144.4)</u>	<u>(563.5)</u>	<u>(546.3)</u>
Profit on ordinary activities before taxation	392.2	417.0	1,998.2	2,109.5
Taxation	<u>(80.9)</u>	<u>(92.3)</u>	<u>(487.7)</u>	<u>(511.1)</u>
Profit attributable to equity holders of the Company	<u>311.3</u>	<u>324.7</u>	<u>1,510.5</u>	<u>1,598.4</u>
Basic earnings per share	<u>71.9¢</u>	<u>74.4¢</u>	<u>346.5¢</u>	<u>365.8¢</u>
Diluted earnings per share	<u>72.0¢</u>	<u>73.9¢</u>	<u>345.8¢</u>	<u>363.7¢</u>

* EBITDA is presented here as an alternative performance measure as it is commonly used by investors and lenders. This and other adjusted alternative performance measures are detailed in the Glossary of Terms on page 34.

All revenue and profit is generated from continuing operations.

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS AND YEAR ENDED 30 APRIL 2025**

	<u>Unaudited</u> Three months to 30 April		<u>Audited</u> Year to 30 April	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	\$m	\$m	\$m	\$m
Profit attributable to equity holders of the Company	311.3	324.7	1,510.5	1,598.4
Items that will not be reclassified to profit or loss:				
Remeasurement of the defined benefit pension plan	-	(22.6)	-	(22.6)
Movement on equity instruments held at fair value	-	-	(25.5)	-
Tax on items that will not be reclassified to profit or loss	<u>(1.8)</u>	<u>5.6</u>	<u>0.9</u>	<u>5.6</u>
	<u>(1.8)</u>	<u>(17.0)</u>	<u>(24.6)</u>	<u>(17.0)</u>
Items that may be reclassified subsequently to profit or loss:				
Foreign currency translation differences	106.2	(40.4)	54.8	(17.6)
Loss on cash flow hedge	<u>0.1</u>	<u>-</u>	<u>0.3</u>	<u>0.2</u>
	<u>106.3</u>	<u>(40.4)</u>	<u>55.1</u>	<u>(17.4)</u>
Total other comprehensive income / (loss) for the period	<u>104.5</u>	<u>(57.4)</u>	<u>30.5</u>	<u>(34.4)</u>
Total comprehensive income for the period	<u>415.8</u>	<u>267.3</u>	<u>1,541.0</u>	<u>1,564.0</u>

CONSOLIDATED BALANCE SHEET AT 30 APRIL 2025

	<u>Audited</u>	
	<u>2025</u>	<u>2024</u>
	\$m	\$m
Current assets		
Inventories	147.2	162.0
Trade and other receivables	1,831.1	1,850.2
Current tax asset	23.1	13.0
Cash and cash equivalents	<u>21.0</u>	<u>20.8</u>
	<u>2,022.4</u>	<u>2,046.0</u>
Non-current assets		
Property, plant and equipment		
- rental equipment	11,312.1	11,450.8
- other assets	<u>1,919.2</u>	<u>1,797.7</u>
	13,231.3	13,248.5
Right-of-use assets	2,523.1	2,425.6
Goodwill	3,276.7	3,211.5
Other intangible assets	398.0	485.9
Other non-current assets	240.2	189.3
Current tax asset	-	<u>44.5</u>
	<u>19,669.3</u>	<u>19,605.3</u>
Total assets	<u>21,691.7</u>	<u>21,651.3</u>
Current liabilities		
Trade and other payables	1,195.0	1,482.9
Current tax liability	8.7	10.1
Lease liabilities	298.8	273.8
Provisions	<u>60.8</u>	<u>42.5</u>
	<u>1,563.3</u>	<u>1,809.3</u>
Non-current liabilities		
Lease liabilities	2,553.3	2,406.8
Long-term borrowings	7,500.1	7,995.1
Provisions	102.0	75.4
Deferred tax liabilities	2,239.8	2,224.2
Other non-current liabilities	64.6	55.5
Net defined benefit pension plan liability	<u>0.5</u>	<u>0.4</u>
	<u>12,460.3</u>	<u>12,757.4</u>
Total liabilities	<u>14,023.6</u>	<u>14,566.7</u>
Equity		
Share capital	81.8	81.8
Share premium account	6.5	6.5
Capital redemption reserve	20.0	20.0
Own shares held by the Company	(1,170.7)	(818.7)
Own shares held by the ESOT	(35.0)	(43.5)
Cumulative foreign exchange translation differences	(208.7)	(263.5)
Retained reserves	<u>8,974.2</u>	<u>8,102.0</u>
Equity attributable to equity holders of the Company	<u>7,668.1</u>	<u>7,084.6</u>
Total liabilities and equity	<u>21,691.7</u>	<u>21,651.3</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2025

	Share capital \$m	Share premium account \$m	Capital redemption reserve \$m	Own shares held by the Company \$m	Own shares held by the ESOT \$m	Cumulative foreign exchange translation differences \$m	Retained reserves \$m	Total \$m
Audited								
At 1 May 2023	81.8	6.5	20.0	(740.9)	(38.8)	(245.9)	6,925.3	6,008.0
Profit for the year	-	-	-	-	-	-	1,598.4	1,598.4
Other comprehensive income:								
Foreign currency translation differences	-	-	-	-	-	(17.6)	-	(17.6)
Loss on cash flow hedge	-	-	-	-	-	-	0.2	0.2
Remeasurement of the defined benefit pension plan	-	-	-	-	-	-	(22.6)	(22.6)
Tax on defined benefit pension scheme	-	-	-	-	-	-	5.6	5.6
Total comprehensive income for the year	-	-	-	-	-	(17.6)	1,581.6	1,564.0
Dividends paid	-	-	-	-	-	-	(436.6)	(436.6)
Own shares purchased by the ESOT	-	-	-	-	(29.9)	-	-	(29.9)
Own shares purchased by the Company	-	-	-	(77.8)	-	-	-	(77.8)
Share-based payments	-	-	-	-	25.2	-	22.3	47.5
Tax on share-based payments	-	-	-	-	-	-	9.4	9.4
At 30 April 2024	<u>81.8</u>	<u>6.5</u>	<u>20.0</u>	<u>(818.7)</u>	<u>(43.5)</u>	<u>(263.5)</u>	<u>8,102.0</u>	<u>7,084.6</u>
Profit for the year	-	-	-	-	-	-	1,510.5	1,510.5
Other comprehensive income:								
Foreign currency translation differences	-	-	-	-	-	54.8	-	54.8
Loss on cash flow hedge	-	-	-	-	-	-	0.3	0.3
Movement on equity instruments held at fair value	-	-	-	-	-	-	(25.5)	(25.5)
Tax on movement on equity instruments held at fair value	-	-	-	-	-	-	0.9	0.9
Total comprehensive income for the year	-	-	-	-	-	54.8	1,486.2	1,541.0
Dividends paid	-	-	-	-	-	-	(546.6)	(546.6)
Own shares purchased by the ESOT	-	-	-	-	(85.5)	-	-	(85.5)
Own shares purchased by the Company	-	-	-	(352.0)	-	-	-	(352.0)
Share-based payments	-	-	-	-	94.0	-	(65.3)	28.7
Tax on share-based payments	-	-	-	-	-	-	(2.1)	(2.1)
At 30 April 2025	<u>81.8</u>	<u>6.5</u>	<u>20.0</u>	<u>(1,170.7)</u>	<u>(35.0)</u>	<u>(208.7)</u>	<u>8,974.2</u>	<u>7,668.1</u>

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 APRIL 2025

	<u>2025</u> \$m	<u>Audited</u> <u>2024</u> \$m
Cash flows from operating activities		
Cash generated from operations before changes in rental equipment	4,943.1	4,541.0
Payments for rental property, plant and equipment	(2,251.2)	(3,759.2)
Proceeds from disposal of rental property, plant and equipment	<u>461.7</u>	<u>831.7</u>
Cash generated from operations	3,153.6	1,613.5
Financing costs paid	(554.9)	(513.1)
Tax received	44.5	-
Tax paid	<u>(469.3)</u>	<u>(245.8)</u>
Net cash generated from operating activities	<u>2,173.9</u>	<u>854.6</u>
Cash flows from investing activities		
Acquisition of businesses	(147.4)	(875.6)
Disposal of businesses	-	1.9
Financial asset investments	-	(15.0)
Payments for non-rental property, plant and equipment	(455.6)	(685.6)
Proceeds from disposal of non-rental property, plant and equipment	<u>61.2</u>	<u>47.5</u>
Net cash used in investing activities	<u>(541.8)</u>	<u>(1,526.8)</u>
Cash flows from financing activities		
Drawdown of loans	1,309.4	3,616.3
Redemption of loans	(1,832.1)	(2,275.0)
Repayment of principal under lease liabilities	(138.0)	(133.7)
Dividends paid	(544.2)	(436.1)
Purchase of own shares by the ESOT	(85.5)	(29.9)
Purchase of own shares by the Company	<u>(341.9)</u>	<u>(78.4)</u>
Net cash (used in)/generated from financing activities	<u>(1,632.3)</u>	<u>663.2</u>
Decrease in cash and cash equivalents	(0.2)	(9.0)
Opening cash and cash equivalents	20.8	29.9
Effect of exchange rate differences	<u>0.4</u>	<u>(0.1)</u>
Closing cash and cash equivalents	<u>21.0</u>	<u>20.8</u>
<u>Reconciliation of net cash flows to net debt</u>		
Decrease in cash and cash equivalents in the period	0.2	9.0
(Decrease)/increase in debt through cash flow	<u>(660.7)</u>	<u>1,207.6</u>
Change in net debt from cash flows	(660.5)	1,216.6
Exchange differences	24.6	(9.7)
Debt acquired	28.1	154.5
Deferred costs of debt raising	10.1	8.7
New lease liabilities	<u>274.0</u>	<u>325.3</u>
(Decrease)/increase in net debt in the period	<u>(323.7)</u>	<u>1,695.4</u>
Net debt at 1 May	<u>10,654.9</u>	<u>8,959.5</u>
Net debt at 30 April	<u>10,331.2</u>	<u>10,654.9</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. General information

Ashtead Group plc ('the Company') is a company incorporated and domiciled in England and Wales and listed on the London Stock Exchange. The condensed consolidated financial statements as at, and for the year ended 30 April 2025, comprise the Company and its subsidiaries ('the Group') and are presented in US dollars.

The condensed consolidated financial statements for the year ended 30 April 2025 were approved by the directors on 16 June 2025.

This preliminary announcement of the results for the year ended 30 April 2025 contains information derived from the forthcoming 2024/25 Annual Report & Accounts and does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The statutory accounts for the year ended 30 April 2025 were approved by the directors on 16 June 2025 and will be delivered to shareholders, filed with the Registrar of Companies and made available on the Group's website at www.ashtead-group.com in July 2025. The auditor's report on those accounts was unqualified, did not include a reference to any matter by way of emphasis and did not contain a statement under Section 498(2) or (3) of the Companies Act 2006.

Details of principal risks and uncertainties are given in the Review of Fourth Quarter, Balance Sheet and Cash Flow accompanying these condensed consolidated financial statements

The condensed consolidated financial statements for the year ended 30 April 2025 have been audited by the Group's auditors. The Group's auditors have not audited the fourth quarter results.

2. Basis of preparation

The financial statements for the year ended 30 April 2025 have been prepared in accordance with relevant UK-adopted International Accounting Standards ('IFRS'), including the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and the accounting policies set out in the Group's Annual Report & Accounts for the year ended 30 April 2024.

In preparing the financial statements, the exchange rates used in respect of the pound sterling (£) and Canadian dollar (C\$) are:

	<u>Pound sterling</u>		<u>Canadian dollar</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Average for the three months ended 30 April	1.29	1.26	0.70	0.74
Average for the year ended 30 April	1.28	1.26	0.72	0.74
At 30 April	1.34	1.25	0.72	0.73

The directors have adopted various alternative performance measures to provide additional useful information on the underlying trends, performance and position of the Group. The alternative performance measures are not defined by IFRS and therefore may not be directly comparable with other companies' alternative performance measures but are defined within the Glossary of Terms on page 34.

The financial statements have been prepared on the going concern basis. The Group's internal budgets and forecasts of future performance, available financing facilities and facility headroom (see Note 12), provide a reasonable expectation that the Group has adequate resources to continue in operation for the foreseeable future and consequently the going concern basis continues to be appropriate in preparing the financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

3. Segmental analysis

The Group's externally reportable segments reflect the internal reporting structure of the Group, which is the basis on which resource allocation decisions are made by management in the pursuit of strategic objectives.

During the period, the Group has reassessed the basis of its segmental information considering recent organisational changes. The Group operates under two primary geographic regions reflecting its North American activities and assets, and its UK activities and assets. The North American business is further split by General Tool and Specialty, reflecting the nature of its products and services and the management structure of the Group. As such, the Group has identified its reportable operating segments as North America – General Tool, North America – Specialty and UK which we believe reflects better the basis upon which we review the performance of the business internally and aligns with the basis of our strategic growth plan, Sunbelt 4.0.

The Group manages debt (including lease liabilities) and taxation centrally, rather than by business unit. Accordingly, segmental results are stated excluding the impact of IFRS 16 lease accounting. Furthermore, segment results are stated before interest and taxation which are reported as central Group items. This is consistent with the way the chief executive reviews the business.

Segmental information for the year ended 30 April 2024 has been restated to reflect these updated segments.

Three months to 30 April 2025 (unaudited)

	<u>North America</u>			<u>Central costs</u>	<u>Group</u>
	<u>General Tool</u>	<u>Specialty</u>	<u>UK</u>	<u>\$m</u>	<u>\$m</u>
	<u>\$m</u>	<u>\$m</u>	<u>\$m</u>		
Revenue					
Rental revenue	1,378.1	767.8	188.4	-	2,334.3
Sale of new equipment, merchandise and consumables	40.6	22.9	19.8	-	83.3
Sale of used rental equipment	<u>79.4</u>	<u>19.5</u>	<u>12.8</u>	<u>-</u>	<u>111.7</u>
	<u>1,498.1</u>	<u>810.2</u>	<u>221.0</u>	<u>-</u>	<u>2,529.3</u>
Adjusted segment EBITDA	802.1	384.3	56.1	(95.2)	1,147.3
Depreciation	<u>(350.1)</u>	<u>(132.0)</u>	<u>(42.3)</u>	<u>(62.5)</u>	<u>(586.9)</u>
Adjusted operating profit	<u>452.0</u>	<u>252.3</u>	<u>13.8</u>	<u>(157.7)</u>	560.4
Net financing costs					(130.7)
Non-recurring costs					(9.6)
Amortisation					<u>(27.9)</u>
Profit before taxation					392.2
Taxation					<u>(80.9)</u>
Profit attributable to equity shareholders					<u>311.3</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

3. Segmental analysis (continued)

Three months to 30 April 2024 (unaudited) (restated)

	<u>North America</u>			Central	
	General		UK	costs	Group
	<u>Tool</u>	<u>Specialty</u>	<u>UK</u>	<u>costs</u>	<u>Group</u>
	\$m	\$m	\$m	\$m	\$m
Revenue					
Rental revenue	1,373.9	751.2	188.4	-	2,313.5
Sale of new equipment, merchandise and consumables	47.2	20.4	23.5	-	91.1
Sale of used rental equipment	<u>179.2</u>	<u>25.7</u>	<u>18.0</u>	<u>-</u>	<u>222.9</u>
	<u>1,600.3</u>	<u>797.3</u>	<u>229.9</u>	<u>-</u>	<u>2,627.5</u>
Adjusted segment EBITDA	855.9	351.6	62.1	(128.5)	1,141.1
Depreciation	(333.1)	(117.8)	(41.7)	(58.7)	(551.3)
Adjusted operating profit	<u>522.8</u>	<u>233.8</u>	<u>20.4</u>	<u>(187.2)</u>	589.8
Net financing costs					(144.2)
Non-recurring costs					-
Amortisation					(28.6)
Profit before taxation					417.0
Taxation					(92.3)
Profit attributable to equity shareholders					<u>324.7</u>

Year to 30 April 2025 (audited)

	<u>North America</u>			Central	
	General		UK	costs	Group
	<u>Tool</u>	<u>Specialty</u>	<u>UK</u>	<u>costs</u>	<u>Group</u>
	\$m	\$m	\$m	\$m	\$m
Revenue					
Rental revenue	5,889.7	3,312.8	777.9	-	9,980.4
Sale of new equipment, merchandise and consumables	169.5	95.7	78.8	-	344.0
Sale of used rental equipment	<u>337.8</u>	<u>78.9</u>	<u>50.6</u>	<u>-</u>	<u>467.3</u>
	<u>6,397.0</u>	<u>3,487.4</u>	<u>907.3</u>	<u>-</u>	<u>10,791.7</u>
Adjusted segment EBITDA	3,477.7	1,672.1	239.7	(367.8)	5,021.7
Depreciation	(1,384.3)	(537.6)	(171.1)	(241.7)	(2,334.7)
Adjusted operating profit	<u>2,093.4</u>	<u>1,134.5</u>	<u>68.6</u>	<u>(609.5)</u>	2,687.0
Net financing costs					(559.0)
Non-recurring costs					(15.4)
Amortisation					(114.4)
Profit before taxation					1,998.2
Taxation					(487.7)
Profit attributable to equity shareholders					<u>1,510.5</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

3. Segmental analysis (continued)

Year to 30 April 2024 (audited) (restated)

	<u>North America</u>			Central	
	General	Specialty	UK	costs	Group
	<u>Tool</u>	<u>Specialty</u>	<u>UK</u>	<u>costs</u>	<u>Group</u>
	<u>\$m</u>	<u>\$m</u>	<u>\$m</u>	<u>\$m</u>	<u>\$m</u>
Revenue					
Rental revenue	5,825.9	3,061.9	742.4	-	9,630.2
Sale of new equipment, merchandise and consumables	174.4	115.5	79.8	-	369.7
Sale of used rental equipment	<u>720.4</u>	<u>73.0</u>	<u>65.4</u>	<u>-</u>	<u>858.8</u>
	<u>6,720.7</u>	<u>3,250.4</u>	<u>887.6</u>	<u>-</u>	<u>10,858.7</u>
Adjusted segment EBITDA	3,653.3	1,438.4	235.0	(434.1)	4,892.6
Depreciation	(1,259.0)	(470.0)	(163.6)	(225.1)	(2,117.7)
Adjusted operating profit	<u>2,394.3</u>	<u>968.4</u>	<u>71.4</u>	<u>(659.2)</u>	2,774.9
Net financing costs					(544.5)
Non-recurring costs					-
Amortisation					(120.9)
Profit before taxation					2,109.5
Taxation					(511.1)
Profit attributable to equity shareholders					<u>1,598.4</u>

	<u>North America</u>			Central	
	General	Specialty	UK	items	Group
	<u>Tool</u>	<u>Specialty</u>	<u>UK</u>	<u>items</u>	<u>Group</u>
	<u>\$m</u>	<u>\$m</u>	<u>\$m</u>	<u>\$m</u>	<u>\$m</u>
At 30 April 2025 (audited)					
Segment assets	<u>10,082.5</u>	<u>3,594.9</u>	<u>1,198.3</u>	<u>6,771.9</u>	21,647.6
Cash					21.0
Taxation assets					<u>23.1</u>
Total assets					<u>21,691.7</u>
At 30 April 2024 (audited) (restated)					
Segment assets	<u>10,016.5</u>	<u>3,733.2</u>	<u>1,163.2</u>	<u>6,660.1</u>	21,573.0
Cash					20.8
Taxation assets					<u>57.5</u>
Total assets					<u>21,651.3</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

4. Operating costs and other income

	<u>Unaudited</u> Three months to 30 April		<u>Audited</u> Year to 30 April	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	\$m	\$m	\$m	\$m
<i>Staff costs:</i>				
Salaries	546.4	545.9	2,242.0	2,265.1
Social security costs	42.8	44.5	172.8	172.3
Other pension costs	<u>12.3</u>	<u>12.2</u>	<u>48.1</u>	<u>47.7</u>
	<u>601.5</u>	<u>602.6</u>	<u>2,462.9</u>	<u>2,485.1</u>
<i>Other operating costs:</i>				
Vehicle costs	165.4	159.4	708.2	658.0
Spares, consumables & external repairs	152.6	133.0	584.5	547.8
Facility costs	29.8	30.3	115.4	115.7
Other external charges	<u>353.9</u>	<u>395.7</u>	<u>1,528.2</u>	<u>1,523.7</u>
	<u>701.7</u>	<u>718.4</u>	<u>2,936.3</u>	<u>2,845.2</u>
<i>Used rental equipment sold</i>	<u>88.4</u>	<u>165.4</u>	<u>386.2</u>	<u>635.8</u>
<i>Depreciation and amortisation:</i>				
Depreciation of tangible assets	532.1	498.9	2,121.9	1,913.6
Depreciation of right-of-use assets	54.8	52.4	212.8	204.1
Amortisation of intangibles	<u>27.9</u>	<u>28.6</u>	<u>114.4</u>	<u>120.9</u>
	<u>614.8</u>	<u>579.9</u>	<u>2,449.1</u>	<u>2,238.6</u>
	<u>2,006.4</u>	<u>2,066.3</u>	<u>8,234.5</u>	<u>8,204.7</u>

5. Net financing costs

	<u>Unaudited</u> Three months to 30 April		<u>Audited</u> Year to 30 April	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	\$m	\$m	\$m	\$m
<i>Interest income:</i>				
Net income on the defined benefit pension plan asset	-	0.2	-	0.9
Other interest	<u>4.4</u>	<u>-</u>	<u>4.5</u>	<u>0.9</u>
	<u>4.4</u>	<u>0.2</u>	<u>4.5</u>	<u>1.8</u>
<i>Interest expense:</i>				
Bank interest payable	23.5	38.0	122.0	175.1
Interest payable on senior notes	69.9	69.8	279.4	232.3
Interest payable on lease liabilities	37.8	33.7	147.0	128.0
Non-cash unwind of discount on liabilities	1.2	0.6	5.0	2.2
Amortisation of deferred debt raising costs	<u>2.7</u>	<u>2.3</u>	<u>10.1</u>	<u>8.7</u>
	<u>135.1</u>	<u>144.4</u>	<u>563.5</u>	<u>546.3</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

6. Taxation

The tax charge for the year has been determined by applying the expected effective tax rates in each jurisdiction for the year as a whole, based on the tax rates in force as at 30 April 2025 of 25% in the US (2024: 25%), 26% in Canada (2024: 25%) and 25% in the UK (2024: 25%). This results in a blended effective rate for the Group as a whole of 24% (2024: 24%) for the year.

The tax charge of \$488m (2024: \$511m) on the profit before taxation of \$1,998m (2024: \$2,110m) can be explained as follows:

	Year to 30 April	
	<u>2025</u>	<u>2024</u>
	\$m	\$m
Current tax		
- current tax on income for the year	494.6	294.9
- adjustments to prior year	<u>(14.8)</u>	<u>(3.9)</u>
	<u>479.8</u>	<u>291.0</u>
Deferred tax		
- origination and reversal of temporary differences	13.9	236.1
- adjustments to prior year	<u>(6.0)</u>	<u>(16.0)</u>
	<u>7.9</u>	<u>220.1</u>
Tax charge	<u>487.7</u>	<u>511.1</u>
Comprising:		
- US	471.6	504.1
- Canada	10.6	3.7
- UK	<u>5.5</u>	<u>3.3</u>
	<u>487.7</u>	<u>511.1</u>

Following its state aid investigation, in April 2019 the European Commission announced its decision that the Group Financing Exemption in the UK controlled foreign company ('CFC') legislation constitutes state aid in some circumstances. In common with the UK Government and other UK-based international companies, the Group did not agree with the decision and lodged a formal appeal with the General Court of the European Union. The Group's appeal was stayed while the appeals put forward by the UK Government and ITV plc proceeded. Despite the UK Government appealing the European Commission's decision, His Majesty's Revenue & Customs ("HMRC") was required to assess the tax liability which would arise if the decision was not appealed successfully, which was paid by the Group.

On 8 June 2022 the General Court of the European Union dismissed the appeals put forward by the UK Government and ITV plc. However, they appealed the decision to the Court of Justice of the European Union. The Court of Justice of the European Union held a hearing on the case in January 2024 and the Advocate-General's opinion was published in April 2024, proposing that the Court of Justice of the European Union set aside the judgement of the General Court and annul the decision made by the European Commission. On 19 September 2024, the Court of Justice of the European Union followed the recommendation of the Advocate-General's opinion and annulled the European Commission decision. As a result of the Court of Justice of the European Union decision to annul the European Commission decision, HMRC issued a reversal notice in March 2025 and refunded the entire amount of \$50m, including interest, in the fourth quarter.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

7. Earnings per share

Basic and diluted earnings per share for the three and twelve months ended 30 April 2025 have been calculated based on the profit for the relevant period and the weighted average number of ordinary shares in issue during that period (excluding shares held by the Company and the ESOT over which dividends have been waived). Diluted earnings per share is computed using the result for the relevant period and the diluted number of shares (ignoring any potential issue of ordinary shares which would be anti-dilutive). These are calculated as follows:

	<u>Unaudited</u> Three months to 30 April		<u>Audited</u> Year to 30 April	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Profit for the financial period (\$m)	<u>311.3</u>	<u>324.7</u>	<u>1,510.5</u>	<u>1,598.4</u>
Weighted average number of shares (m) - basic	<u>433.4</u>	<u>436.6</u>	<u>435.9</u>	<u>437.0</u>
- diluted	<u>434.0</u>	<u>439.0</u>	<u>436.9</u>	<u>439.5</u>
Basic earnings per share	<u>71.9¢</u>	<u>74.4¢</u>	<u>346.5¢</u>	<u>365.8¢</u>
Diluted earnings per share	<u>72.0¢</u>	<u>73.9¢</u>	<u>345.8¢</u>	<u>363.7¢</u>

A reconciliation to adjusted earnings per share is included in the Glossary of Terms on page 34.

8. Dividends

A final dividend in respect of the year ended 30 April 2024 of 89.25¢ (2024: 85.0¢) per share was paid to shareholders during the year resulting in a cash outflow of \$387m (2024: \$368m). The interim dividend in respect of the year ending 30 April 2025 of 36¢ (2024: 15.75¢) per share announced on 10 December 2024 was paid on 7 February 2025 to shareholders and cost \$157m (2024: \$68m).

In addition, the directors are proposing a final dividend in respect of the year ended 30 April 2025 of 72¢ (2024: 89.25¢) per share, reflecting the Board's decision to rebalance the split between the interim and final dividend, to broadly one third interim, two thirds final, which will absorb \$308m of shareholders' funds, based on the 428m shares qualifying for dividend on 16 June 2025. Subject to approval by shareholders, it will be paid on 10 September 2025 to shareholders who are on the register of members on 8 August 2025.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

9. Property, plant and equipment

	<u>2025</u>		<u>2024</u>	
	Rental equipment	Total	Rental equipment	Total
<u>Net book value</u>	\$m	\$m	\$m	\$m
At 1 May	11,450.8	13,248.5	9,649.1	11,041.1
Exchange differences	48.5	56.4	(13.4)	(16.0)
Reclassifications	(7.3)	-	1.1	-
Additions	1,945.9	2,401.5	3,624.0	4,310.7
Acquisitions	56.0	59.0	440.8	466.9
Disposals	(367.7)	(412.2)	(610.0)	(640.6)
Depreciation	<u>(1,814.1)</u>	<u>(2,121.9)</u>	<u>(1,640.8)</u>	<u>(1,913.6)</u>
At 30 April	<u>11,312.1</u>	<u>13,231.3</u>	<u>11,450.8</u>	<u>13,248.5</u>

10. Right-of-use assets

	<u>2025</u>			<u>2024</u>		
	Property leases	Other leases	Total	Property leases	Other leases	Total
<u>Net book value</u>	\$m	\$m	\$m	\$m	\$m	\$m
At 1 May	2,390.5	35.1	2,425.6	2,184.8	21.2	2,206.0
Exchange differences	4.5	2.2	6.7	(4.1)	(0.1)	(4.2)
Additions	198.0	4.8	202.8	294.6	21.8	316.4
Acquisitions	28.0	-	28.0	99.2	-	99.2
Remeasurement	85.7	-	85.7	71.8	-	71.8
Disposals	(11.4)	(1.5)	(12.9)	(58.5)	(1.0)	(59.5)
Depreciation	<u>(204.6)</u>	<u>(8.2)</u>	<u>(212.8)</u>	<u>(197.3)</u>	<u>(6.8)</u>	<u>(204.1)</u>
At 30 April	<u>2,490.7</u>	<u>32.4</u>	<u>2,523.1</u>	<u>2,390.5</u>	<u>35.1</u>	<u>2,425.6</u>

Included within depreciation is an impairment charge of \$nil (2024: \$6m).

11. Lease liabilities

	30 April <u>2025</u> \$m	30 April <u>2024</u> \$m
Current	298.8	273.8
Non-current	<u>2,553.3</u>	<u>2,406.8</u>
	<u>2,852.1</u>	<u>2,680.6</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

12. Borrowings

	30 April <u>2025</u> \$m	30 April <u>2024</u> \$m
Non-current		
First priority senior secured bank debt	1,345.7	1,848.0
1.500% senior notes, due August 2026	548.7	547.8
4.375% senior notes, due August 2027	597.6	596.6
4.000% senior notes, due May 2028	597.0	596.0
4.250% senior notes, due November 2029	596.1	595.3
2.450% senior notes, due August 2031	745.3	744.6
5.500% senior notes, due August 2032	739.9	738.8
5.550% senior notes, due May 2033	744.0	743.4
5.950% senior notes, due October 2033	744.6	744.1
5.800% senior notes, due April 2034	<u>841.2</u>	<u>840.5</u>
	<u>7,500.1</u>	<u>7,995.1</u>

The senior secured bank debt is secured by way of fixed and floating charges over substantially all the Group's property, plant and equipment, inventory and trade receivables and is committed until November 2029. The senior notes are guaranteed by Ashtead Group plc and all its principal subsidiary undertakings.

Our debt facilities are committed for the long term, with an average maturity of six years and a weighted average interest cost (including non-cash amortisation of deferred debt raising costs) of 5%.

There is one financial performance covenant under the first priority senior credit facility. That is the fixed charge ratio (comprising EBITDA before exceptional items less net capital expenditure paid in cash over the sum of scheduled debt repayments plus cash interest, cash tax payments and dividends paid in the last twelve months) which, must be equal to, or greater than, 1.0. This covenant does not apply when availability exceeds \$475m. At 30 April 2025, availability under the senior secured bank facility was \$3,616m (\$2,771m at 30 April 2024), with an additional \$6,194m of suppressed availability, meaning that the covenant did not apply at 30 April 2025 and is unlikely to apply in forthcoming quarters.

Fair value of financial instruments

Financial assets and liabilities are measured in accordance with the fair value hierarchy and assessed as Level 1, 2 or 3 based on the following criteria:

- Level 1: fair value measurement based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: fair value measurements derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: fair value measurements derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

Fair value of derivative financial instruments

At 30 April 2025, the Group had no derivative financial instruments. The embedded prepayment options included within the senior notes are either closely related to the host debt contract or immaterial and hence, are not accounted for separately. These loan notes are carried at amortised cost.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

12. Borrowings (continued)

Fair value of non-derivative financial assets and liabilities

The table below provides a comparison, by category of the carrying amounts and the fair values of the Group's non-derivative financial assets and liabilities.

			At 30 April 2025		At 30 April 2024	
			Book	Fair	Book	Fair
			<u>value</u>	<u>value</u>	<u>value</u>	<u>value</u>
			\$m	\$m	\$m	\$m
Long-term borrowings						
- first priority senior secured bank debt	Level 1		1,345.7	1,345.7	1,848.0	1,848.0
- 1.500% senior notes	Level 1		550.0	528.4	550.0	498.1
- 4.375% senior notes	Level 1		600.0	594.9	600.0	571.5
- 4.000% senior notes	Level 1		600.0	586.1	600.0	559.9
- 4.250% senior notes	Level 1		600.0	579.1	600.0	549.9
- 2.450% senior notes	Level 1		750.0	636.9	750.0	596.5
- 5.500% senior notes	Level 1		750.0	743.8	750.0	719.9
- 5.550% senior notes	Level 1		750.0	740.6	750.0	719.2
- 5.950% senior notes	Level 1		750.0	757.8	750.0	739.7
- 5.800% senior notes	Level 1		<u>850.0</u>	<u>850.4</u>	<u>850.0</u>	<u>828.3</u>
Total long-term borrowings			7,545.7	7,363.7	8,048.0	7,631.0
Discount on issue of debt			(12.4)	-	(14.0)	-
Deferred costs of raising finance			<u>(33.2)</u>	<u>-</u>	<u>(38.9)</u>	<u>-</u>
			<u>7,500.1</u>	<u>7,363.7</u>	<u>7,995.1</u>	<u>7,631.0</u>
Other financial instruments ¹						
Contingent consideration	Level 3		18.0	18.0	31.4	31.4
Financial asset investments	Level 3		31.5	31.5	57.0	57.0
Cash and cash equivalents	Level 1		<u>21.0</u>	<u>21.0</u>	<u>20.8</u>	<u>20.8</u>

¹ The Group's trade and other receivables, trade and other payables, excluding contingent consideration, and lease liabilities are not shown in the table above. The carrying amounts of these financial assets and liabilities approximate their fair values.

Contingent consideration is a Level 3 financial liability. Future anticipated payments to vendors in respect of contingent consideration are initially recorded at fair value which is the present value of the expected cash outflows of the obligations. The obligations are dependent upon the future financial performance of the businesses acquired. The fair value is estimated based on internal financial projections prepared in relation to the acquisition with the contingent consideration discounted to present value using a discount rate in line with the Group's cost of debt. The movement since 30 April 2024 can be attributed to \$13m of payments (see Note 14) and \$5m released, offset by \$1m of discount unwind and \$4m of additions through business acquisitions (see Note 15).

Financial asset investments are measured at fair value and are Level 3 financial assets. These assets are measured at fair value through other comprehensive income. Their fair values are estimated based on the latest transaction price and any subsequent investment-specific adjustments. During the year, one of the Group's investments failed to secure additional funding and commenced Chapter 7 bankruptcy proceedings in August 2024. As a result, the Group has estimated the fair value of its investment as \$nil and consequently recognised a movement in the fair value of the equity investment of \$25m through other comprehensive income.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

13. Share capital

Ordinary shares of 10p each:

	30 April <u>2025</u> Number	30 April <u>2024</u> Number	30 April <u>2025</u> \$m	30 April <u>2024</u> \$m
Issued and fully paid	<u>451,354,833</u>	<u>451,354,833</u>	<u>81.8</u>	<u>81.8</u>

During the year, the Company purchased 6.0m ordinary shares at a total cost of \$352m (£275m) under the Group's share buyback programme announced by the Company in December 2024, which are held in treasury. At 30 April 2025, 20.1m (April 2024: 14.1m) shares were held by the Company (\$1,171m; April 2024: \$819m) and a further 0.5m (April 2024: 0.9m) shares were held by the Company's Employee Share Ownership Trust (\$35m; April 2024: \$43m).

14. Notes to the cash flow statement

a) Cash flow from operating activities

	Year to 30 April	
	<u>2025</u> \$m	<u>2024</u> \$m
Operating profit	2,557.2	2,654.0
Depreciation	2,334.7	2,117.7
Amortisation	<u>114.4</u>	<u>120.9</u>
EBITDA	5,006.3	4,892.6
Profit on disposal of rental equipment	(81.1)	(223.0)
Profit on disposal of other property, plant and equipment	(18.3)	(22.0)
Decrease in inventories	15.1	21.2
Increase in trade and other receivables	(52.2)	(177.1)
Increase in trade and other payables	44.5	2.5
Exchange differences	0.1	(0.7)
Other non-cash movement	<u>28.7</u>	<u>47.5</u>
Cash generated from operations before changes in rental equipment	<u>4,943.1</u>	<u>4,541.0</u>

b) Analysis of net debt

Net debt consists of total borrowings and lease liabilities less cash and cash equivalents. Borrowings exclude accrued interest. Non-US dollar denominated balances are translated to US dollars at rates of exchange ruling at the balance sheet date.

	1 May <u>2024</u> \$m	Cash flow \$m	Non-cash movements				30 April <u>2025</u> \$m
			Exchange movement \$m	Debt acquired \$m	New lease liabilities \$m	Other movements \$m	
Long-term borrowings	7,995.1	(522.7)	17.5	0.1	-	10.1	7,500.1
Lease liabilities	<u>2,680.6</u>	<u>(138.0)</u>	<u>7.5</u>	<u>28.0</u>	<u>274.0</u>	-	<u>2,852.1</u>
Total liabilities from financing activities	10,675.7	(660.7)	25.0	28.1	274.0	10.1	10,352.2
Cash and cash equivalents	<u>(20.8)</u>	<u>0.2</u>	<u>(0.4)</u>	-	-	-	<u>(21.0)</u>
Net debt	<u>10,654.9</u>	<u>(660.5)</u>	<u>24.6</u>	<u>28.1</u>	<u>274.0</u>	<u>10.1</u>	<u>10,331.2</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

14. Notes to the cash flow statement (continued)

	1 May 2023 \$m	Cash flow \$m	Non-cash movements				30 April 2024 \$m
			Exchange movement \$m	Debt acquired \$m	New lease liabilities \$m	Other movements \$m	
Long-term borrowings	6,595.1	1,341.3	(5.3)	55.3	-	8.7	7,995.1
Lease liabilities	<u>2,394.3</u>	<u>(133.7)</u>	<u>(4.5)</u>	<u>99.2</u>	<u>325.3</u>	<u>-</u>	<u>2,680.6</u>
Total liabilities from financing activities	8,989.4	1,207.6	(9.8)	154.5	325.3	8.7	10,675.7
Cash and cash equivalents	<u>(29.9)</u>	<u>9.0</u>	<u>0.1</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(20.8)</u>
Net debt	<u>8,959.5</u>	<u>1,216.6</u>	<u>(9.7)</u>	<u>154.5</u>	<u>325.3</u>	<u>8.7</u>	<u>10,654.9</u>

Details of the Group's cash and debt are given in Notes 11 and 12 and the Review of Fourth Quarter, Balance Sheet and Cash Flow accompanying these condensed consolidated financial statements.

c) Acquisitions

	2025 \$m	2024 \$m
Cash consideration paid:		
- acquisitions in the period	134.3	845.6
- contingent consideration	<u>13.1</u>	<u>30.0</u>
	<u>147.4</u>	<u>875.6</u>

During the year, five businesses were acquired with cash paid of \$134m (2024: \$846m), after taking account of net cash acquired of \$2m (2024: \$6m). Further details are provided in Note 15.

Contingent consideration of \$13m (2024: \$30m) was paid relating to prior year acquisitions.

15. Acquisitions

The Group undertakes bolt-on acquisitions to complement its organic growth strategy. During the year, the following acquisitions were completed:

- i) On 21 May 2024, Sunbelt US acquired the business and assets of RentalMax, LLC ('RentalMax'). RentalMax is a general tool business operating in Illinois.
- ii) On 25 June 2024, Sunbelt Canada acquired the business and assets of Wave Equipment Ltd. ('Wave'). Wave is a general tool business operating in Ontario.
- iii) On 3 December 2024, Sunbelt UK acquired the entire share capital of JLLive Ltd, JLLighting Limited and DigiSet Limited (together 'JL'). JL is a specialty business.
- iv) On 12 March 2025, Sunbelt US acquired the business and assets of Hawkeye Equipment Rentals, Inc. ('Hawkeye'). Hawkeye is a general tool business operating in California.
- v) On 16 April 2025, Sunbelt Canada acquired the business and assets of R N L Rental Network Ltd. ('Rental Network'). Rental Network is a general tool business operating in British Columbia.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

15. Acquisitions (continued)

The following table sets out the fair value of the identifiable assets and liabilities acquired by the Group. The fair values have been determined provisionally at the balance sheet date.

	Fair value to the Group \$m
Net assets acquired	
Trade and other receivables	6.9
Property, plant and equipment	
- rental equipment	56.0
- other assets	3.0
Right-of-use assets	28.0
Deferred tax	(0.3)
Creditors	(1.8)
Debt	(0.1)
Lease liabilities	(28.0)
Intangible assets	<u>24.7</u>
	<u>88.4</u>
Consideration:	
- cash paid and due to be paid (net of cash acquired)	137.3
- contingent consideration	<u>4.1</u>
	<u>141.4</u>
 Goodwill	 <u>53.0</u>

The goodwill arising can be attributed to the key management personnel and workforce of the acquired businesses, the benefits through advancing our clusters and leveraging cross-selling opportunities, and to the synergies and other benefits the Group expects to derive from the acquisitions. The synergies and other benefits include elimination of duplicate costs, improving utilisation of the acquired rental fleet, using the Group's financial strength to invest in the acquired business and drive improved returns through a semi-fixed cost base and the application of the Group's proprietary software to optimise revenue opportunities. \$46m of the goodwill is expected to be deductible for income tax purposes.

The gross value and the fair value of trade receivables at acquisition was \$7m.

Due to the operational integration of acquired businesses post-acquisition, in particular due to the merger of some stores, the movement of rental equipment between stores and investment in the rental fleet, it is not practical to report the revenue and profit of the acquired businesses post-acquisition. The revenue and operating profit of these acquisitions from 1 May 2024 to their date of acquisition was not material.

16. Events after the balance sheet date

On 4 June 2025, Sunbelt US acquired the business and assets of MPC Solutions, LLC ('MPC'). MPC is a specialty business operating in North America.

The initial accounting for this acquisition is incomplete given the proximity to the year end. Had this acquisition taken place on 1 May 2024, its contribution to revenue and operating profit would not have been material.

REVIEW OF FOURTH QUARTER, BALANCE SHEET AND CASH FLOW

Fourth quarter (unaudited)

	<u>Revenue</u>		<u>Segment EBITDA</u> ^{1,2}		<u>Profit</u> ^{1,2}	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	\$m	\$m	\$m	\$m	\$m	\$m
North America General Tool	1,498.1	1,600.3	802.1	855.9	452.0	522.8
North America Specialty	810.2	797.3	384.3	351.6	252.3	233.8
UK	221.0	229.9	56.1	62.1	13.8	20.4
Central costs	-	-	(95.2)	(128.5)	(157.7)	(187.2)
	<u>2,529.3</u>	<u>2,627.5</u>	<u>1,147.3</u>	<u>1,141.1</u>	560.4	589.8
Financing costs					(130.7)	(144.2)
Adjusted profit before tax					429.7	445.6
Non-recurring costs					(9.6)	-
Amortisation					(27.9)	(28.6)
Profit before taxation					<u>392.2</u>	<u>417.0</u>
 <i><u>Margins as reported</u></i>						
<i>North America General Tool</i>			53.5%	53.5%	30.2%	32.7%
<i>North America Specialty</i>			47.4%	44.1%	31.1%	29.3%
<i>UK</i>			25.4%	27.0%	6.2%	8.9%
<i>Group</i>			45.4%	43.4%	22.2%	22.4%

¹ Segment performance is measured internally excluding central costs which support the business as a whole. Furthermore, the Group manages debt, including lease liabilities, centrally and therefore segment profit measures are presented before the application of lease accounting adjustments in accordance with IFRS 16 *Leases* but instead reflect the cash cost incurred in the period. The impact of lease accounting adjustments are included within the central costs line item above.

² Segment results presented are adjusted EBITDA and adjusted operating profit. A reconciliation of adjusted measures to statutory measures is provided in the Glossary of Terms on page 34.

Group revenue for the quarter decreased 4% to \$2,529m (2024: \$2,628m) reflecting planned lower sales of used equipment. Adjusted profit before tax for the quarter decreased to \$430m (2024: \$446m).

North American General Tool rental only revenue in the quarter was in line with the prior year, while total revenue was 6% below prior year due to planned lower sales of used equipment. Adjusted segment EBITDA was \$802m (2024: \$856m).

North American Specialty rental only revenue in the quarter was 4% higher than a year ago, while total revenue was 2% higher than a year ago reflecting the impact of lower erection and dismantling revenue compared with the prior year. Adjusted segment EBITDA was \$384m (2024: \$352m), which benefitted from the reversal of a receivables provision recognised in the fourth quarter of the prior year for a customer which has now exited Chapter 11 bankruptcy protection.

The UK generated rental only revenue in the quarter of \$143m (2024: \$146m), 2% lower than the prior year, while total revenue was \$221m (2024: \$230m). Adjusted segment EBITDA was \$56m (2024: \$62m).

Group adjusted EBITDA increased 1% to \$1,147m (2024: \$1,141m) while adjusted operating profit decreased 5% to \$560m (2024: \$590m). After financing costs of \$131m (2024: \$144m), Group adjusted profit before tax was \$430m (2024: \$446m).

After non-recurring costs of \$10m (2024: \$nil) and amortisation of \$28m (2024: \$29m), statutory profit before taxation was \$392m (2024: \$417m).

Balance sheet

Property, plant and equipment

Capital expenditure in the year totalled \$2,401m (2024: \$4,311m) with \$1,946m invested in the rental fleet (2024: \$3,624m). Expenditure on rental equipment was 81% of total capital expenditure with the balance relating to the delivery vehicle fleet, property improvements and IT equipment. Capital expenditure by division was:

	<u>Replacement</u>	<u>2025 Growth</u>	<u>Total</u>	<u>2024 Total</u>
North America General Tool	909.3	485.2	1,394.5	2,490.3
North America Specialty	285.7	127.4	413.1	915.1
UK	<u>128.1</u>	<u>10.2</u>	<u>138.3</u>	<u>218.6</u>
Total rental equipment	<u>1,323.1</u>	<u>622.8</u>	1,945.9	3,624.0
Delivery vehicles, property improvements & IT equipment			<u>455.6</u>	<u>686.7</u>
Total additions			<u>2,401.5</u>	<u>4,310.7</u>

In the North American General Tool business, \$485m of rental equipment capital expenditure was spent on growth while \$909m was invested in replacement of existing fleet, while in the North American Specialty business, \$127m of rental equipment capital expenditure was spent on growth while \$286m was invested in replacement of existing fleet. The growth proportion is estimated based on the assumption that replacement capital expenditure in any period is equal to the original cost of equipment sold. In a period of inflation, this understates replacement capital expenditure and overstates growth capital expenditure. Life cycle inflation is c. 20%.

The average age of the Group's serialised rental equipment, which constitutes the substantial majority of our fleet, at 30 April 2025 was 49 months (2024: 45 months) on an original cost basis. The North America General Tool fleet had an average age of 48 months (2024: 44 months), the North America Specialty fleet had an average age of 53 months (2024: 48 months) and the UK fleet had an average age of 54 months (2024: 50 months).

	<u>Rental fleet at original cost</u>				
	<u>30 April 2025</u>	<u>30 April 2024</u>	<u>LTM Average</u>	<u>LTM rental Revenue</u>	<u>LTM dollar Utilisation</u>
North America General Tool	12,523	11,940	12,350	5,889	48%
North America Specialty	4,494	4,391	4,501	3,313	74%
UK	<u>1,521</u>	<u>1,414</u>	<u>1,470</u>	<u>778</u>	<u>53%</u>
	<u>18,538</u>	<u>17,745</u>	<u>18,321</u>	<u>9,980</u>	

Dollar utilisation was 48% for North America General Tool (2024: 51%), 74% for North America Specialty (2024: 74%) and 53% for the UK (2024: 53%). The decrease in North America General Tool dollar utilisation is due principally to lower physical utilisation and fleet inflation.

Trade receivables

Receivable days at 30 April 2025 were 47 days (2024: 50 days). The bad debt charge for the last twelve months ended 30 April 2025 as a percentage of total turnover was 0.3% (2024: 0.8%). Trade receivables at 30 April 2025 of \$1,481m (2024: \$1,528m) are stated net of allowances for bad debts and credit notes of \$102m (2024: \$141m), with the provision representing 6% (2024: 8%) of gross receivables.

Trade and other payables

Group payable days were 64 days at 30 April 2025 (2024: 60 days) with capital expenditure related payables totalling \$225m (2024: \$512m). Payment periods for purchases other than rental equipment vary between seven and 60 days and for rental equipment between 30 and 120 days.

Cash flow and net debt

	Year to 30 April	
	<u>2025</u>	<u>2024</u>
	\$m	\$m
Adjusted EBITDA	<u>5,021.7</u>	<u>4,892.6</u>
Cash inflow from operations before non-recurring costs and changes in rental equipment	4,953.5	4,541.0
<i>Cash conversion ratio*</i>	98.6%	92.8%
Rental capital expenditure	(2,251.2)	(3,759.2)
Payments for non-rental capital expenditure	(455.6)	(685.6)
Rental equipment disposal proceeds	461.7	831.7
Other property, plant and equipment disposal proceeds	61.2	47.5
Tax paid (net)	(424.8)	(245.8)
Financing costs	<u>(554.9)</u>	<u>(513.1)</u>
Free cash flow	<u>1,789.9</u>	<u>216.5</u>
Non-recurring costs	(10.4)	-
Business acquisitions	(147.4)	(875.6)
Business disposals	-	1.9
Financial asset investments	-	(15.0)
Total cash generated/(absorbed)	<u>1,632.1</u>	<u>(672.2)</u>
Dividends	(544.2)	(436.1)
Purchase of own shares by the ESOT	(85.5)	(29.9)
Purchase of own shares by the Company	<u>(341.9)</u>	<u>(78.4)</u>
Decrease/(increase) in net debt due to cash flow	<u>660.5</u>	<u>(1,216.6)</u>

* Cash inflow from operations before non-recurring costs and changes in rental equipment as a percentage of adjusted EBITDA.

Cash inflow from operations before non-recurring costs and the net investment in the rental fleet was \$4,954m (2024: \$4,541m). The conversion ratio for the period was 99% (2024: 93%).

Total payments for capital expenditure (rental equipment and other PPE) during the year were \$2,707m (2024: \$4,445m). Disposal proceeds received totalled \$523m (2024: \$879m), giving net payments for capital expenditure of \$2,184m in the year (2024: \$3,566m). Financing costs paid totalled \$555m (2024: \$513m) while tax payments (net) were \$425m (2024: \$246m). Financing costs paid typically differ from the charge in the income statement due to the timing of interest payments in the period and non-cash interest charges.

Accordingly, the Group generated free cash flow of \$1,790m (2024: \$216m) and, after non-recurring costs of \$10m (2024: \$nil), acquisition and investment related expenditure of \$147m (2024: \$889m), a cash flow of \$1,632m (2024: outflow of \$672m), before returns to shareholders.

Net debt

	<u>2025</u>	<u>2024</u>
	\$m	\$m
First priority senior secured bank debt	1,345.7	1,848.0
1.500% senior notes, due 2026	548.7	547.8
4.375% senior notes, due 2027	597.6	596.6
4.000% senior notes, due 2028	597.0	596.0
4.250% senior notes, due 2029	596.1	595.3
2.450% senior notes, due 2031	745.3	744.6
5.500% senior notes, due 2032	739.9	738.8
5.550% senior notes, due 2033	744.0	743.4
5.950% senior notes, due 2033	744.6	744.1
5.800% senior notes, due 2034	<u>841.2</u>	<u>840.5</u>
Total external borrowings	7,500.1	7,995.1
Lease liabilities	<u>2,852.1</u>	<u>2,680.6</u>
Total gross debt	10,352.2	10,675.7
Cash and cash equivalents	(21.0)	(20.8)
Total net debt	<u>10,331.2</u>	<u>10,654.9</u>

Net debt at 30 April 2025 was \$10,331m with the decrease since 30 April 2024 reflecting the cash inflow set out above, partially offset by additional lease commitments as we continue our greenfield and bolt-on expansion. The Group's adjusted EBITDA for the year ended 30 April 2025 was \$5,022m. Excluding the impact of IFRS 16, the ratio of net debt to adjusted EBITDA was 1.6 times (2024: 1.7 times) on a constant currency and a reported basis as at 30 April 2025. Including the impact of IFRS 16, the ratio of net debt to adjusted EBITDA was 2.1 times (2024: 2.2 times) as at 30 April 2025.

Financial risk management

The Group's trading and financing activities expose it to various financial risks that, if left unmanaged, could adversely impact current or future earnings. Although not necessarily mutually exclusive, these financial risks are categorised separately according to their different generic risk characteristics and include market risk (foreign currency risk and interest rate risk), credit risk and liquidity risk.

Market risk

The Group's activities expose it primarily to interest rate and currency risk. Interest rate risk is monitored on a continuous basis and managed, where appropriate, through the use of interest rate swaps whereas the use of forward foreign exchange contracts to manage currency risk is considered on an individual non-trading transaction basis. The Group is not exposed to commodity price risk or equity price risk as defined in IFRS 7.

Interest rate risk

The Group has fixed and variable rate debt in issue with 82% of the drawn debt at a fixed rate as at 30 April 2025, excluding lease liabilities. The Group's accounting policy requires all borrowings to be held at amortised cost. As a result, the carrying value of fixed rate debt is unaffected by changes in credit conditions in the debt markets and there is therefore no exposure to fair value interest rate risk. The Group's debt that bears interest at a variable rate comprises all outstanding borrowings under the senior secured credit facility. Pricing is based on leverage and average availability according to a grid, varying from the applicable interest rate plus 125bp to 137.5bp. The applicable interest rate is based on SOFR for US dollar loans, CORRA for Canadian dollar loans and SONIA for sterling loans. At 30 April 2025, the borrowing rate was the applicable interest rate plus 125bp.

The Group periodically utilises interest rate swap agreements to manage and mitigate its exposure to changes in interest rates. However, during the year ended and as at 30 April 2025, the Group had no such swap agreements outstanding. The Group may, at times, hold cash and cash equivalents, which earn interest at a variable rate.

At 30 April 2025, based upon the amount of variable rate debt outstanding, the Group's pre-tax profits would change by approximately \$13m for each one percentage point change in interest rates applicable to the variable rate debt and, after tax effects, equity would change by approximately \$10m.

Currency risk

Currency risk is predominantly translation risk as there are no significant transactions in the ordinary course of business that take place between foreign entities. The Group's reporting currency is US dollars. The majority of our assets, liabilities, revenue and costs are denominated in US dollars, but Canadian dollars and sterling make up 27% of our net assets. Fluctuations in the value of Canadian dollars and pounds sterling with respect to US dollars may have an impact on our financial condition and results of operations as reported in US dollars. The Group's financing is arranged such that the majority of its debt and interest expense is in US dollars. At 30 April 2025, 90% of its debt (including lease liabilities) was denominated in US dollars.

The Group's exposure to exchange rate movements on trading transactions is limited. All Group companies invoice revenue in their respective local currency and generally incur expense and purchase assets in their local currency. Consequently, the Group does not routinely hedge either forecast foreign exchange exposures or the impact of exchange rate movements on the translation of overseas profits into dollars. Where the Group does hedge, it maintains appropriate hedging documentation. Foreign exchange risk on significant non-trading transactions is considered on an individual basis.

Based on the current currency mix of our profits and on current sterling and Canadian and US dollar debt levels, interest and exchange rates at 30 April 2025, a 1% change in the US dollar to sterling and Canadian dollar exchange rates would impact adjusted pre-tax profit by \$0.7m and equity by approximately \$21m.

Credit risk

The Group's principal financial assets are cash and bank balances and trade and other receivables. The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

The Group has a large number of unrelated customers, serving over 900,000 during the financial year. Each business segment manages its own exposure to credit risk according to the economic circumstances and characteristics of the markets they serve. The Group believes that management of credit risk on a devolved basis enables it to assess and manage credit risk more effectively. However, broad principles of credit risk management practice are observed across the Group, such as the use of credit reference agencies and the maintenance of credit control functions.

Liquidity risk

Liquidity risk is the risk that the Group could experience difficulties in meeting its commitments to creditors as financial liabilities fall due for payment.

The Group uses both short and long-term cash forecasts to assist in monitoring cash flow requirements ensuring sufficient cash is available to meet operational needs. The Group monitors available facilities against forward requirements on a regular basis.

The Group generates significant free cash flow (defined as cash flow from operations less capital expenditure net of proceeds of asset disposals, interest paid and tax paid). This free cash flow before investment is available to the Group to invest in growth capital expenditure, acquisitions, dividend payments and other returns to shareholders or to reduce debt.

In addition to the strong free cash flow from normal trading activities, additional liquidity is available through the Group's senior secured debt facility. At 30 April 2025, availability under the \$4.75 billion facility was \$3,616m (\$2,771m at 30 April 2024), which compares with the threshold of \$475m, above which the covenant does not apply.

Principal risks and uncertainties

The Group faces a number of risks and uncertainties in its day-to-day operations and it is management's role to mitigate and manage these risks. The Board has established a formal risk management process which has identified the following principal risks and uncertainties which could affect employees, operations, revenue, profits, cash flows and assets of the Group.

Economic conditions

Potential impact

In the longer term, there is a link between levels of economic activity and demand for our services. The most significant end market which affects our business is construction. The construction industry is cyclical and typically lags the general economic cycle by between 12 and 24 months.

The economic uncertainties resulting from the impact of pandemics is considered as part of this risk.

Mitigation

- Prudent management through the different phases of the cycle.
- Flexibility in the business model.
- Capital structure and debt facilities arranged in recognition of the cyclical nature of our market and able to withstand market shocks.

Change

Our business continues to be well positioned to benefit from supportive end markets. However, while market forecasts are predicting continued growth both in terms of starts and the rental market, supported by the emergence of 'mega projects', there remains some uncertainty and potential volatility in end market conditions, including arising from the uncertainty associated with tariffs. At all times, we remain cognisant of market dynamics and uncertainties to ensure that we take actions to ensure the Group is positioned to take advantage of opportunities.

Competition

Potential impact

The already competitive market could become even more competitive and we could suffer increased competition from large national competitors or smaller regional or local companies resulting in reduced market share and lower revenue.

This could negatively affect rental rates and physical utilisation. Continuing industry consolidation could also have a similar effect.

Mitigation

- Create commercial advantage by providing the highest level of service, consistently and at a price which offers value.
- Differentiation of service.
- Enhance the barriers to entry to newcomers provided by our platform: industry-leading technology, experienced personnel and a broad network and equipment fleet.
- Regularly estimate and monitor our market share and track the performance of our competitors.

Change

Our markets continue to be competitive but the big continue to get bigger. We have a 11% market share in North America and a 10% market share in the UK.

Cyber security

Potential impact

A cyber-attack or serious uncured failure in our systems could result in us being unable to deliver service to our customers and / or the loss of data. In particular, we are heavily dependent on technology for the smooth running of our business given the large number of both units of equipment we rent and our customers. As a result, we could suffer reputational loss, revenue loss and financial penalties.

This is the most significant factor in our business continuity planning.

Mitigation

- Stringent policies surrounding security, user access, change control and the ability to download and install software.
- Testing of cyber security including red team exercises, system penetration testing and internal phishing and other training exercises undertaken.
- Use of antivirus and malware software, firewalls, email scanning and internet monitoring as an integral part of our security plan.
- Use of firewalls and encryption to protect systems and any connections to third parties.
- Use of multi-factor authentication.
- Continued focus on development of IT strategy taking advantage of cloud technology available.
- Separate near-live back-up data centres which are designed to be able to provide the necessary services in the event of a failure at a primary site.

Change

The Group remains vigilant with regards to cyber security, with a significant and ongoing investment in resource and tooling to maintain and where appropriate, enhance our posture. As part of these activities, we consider the risks arising from the continuing evolution of artificial intelligence tools. Nevertheless, cyber security remains a continually evolving area and a priority for the Group.

In relation to business continuity, our plans have been subject to continued review and update during the year and our disaster recovery plans are tested regularly.

Health and safety

Potential impact

A failure to comply with laws and regulations governing health and safety and ensure the highest standards of health and safety across the Group could result in accidents which may result in injury to or fatality of an individual, claims against the Group and/or damage to our reputation.

Mitigation

- Maintain appropriate health and safety policies and procedures regarding the need to comply with laws and regulations and to reasonably guard our employees against the risk of injury.
- Induction and training programmes reinforce health and safety policies.
- Programmes to support our customers exercising their responsibility to their own workforces when using our equipment.
- Maintain appropriate insurance coverage.

Change

Health and safety remains a key focus area for the Group and an area of continuous improvement in order to consider what actions can be implemented to further reduce the risks within our business.

In terms of reportable incidents, the TRIR was 0.89 (2024: 1.14) in North America General Tool and 0.54 (2024: 0.53) in North America Specialty. The RIDDOR reportable rate was 0.14 (2024: 0.19) in the UK.

People and culture

Potential impact

Retaining and attracting good people is key to delivering superior performance and customer service and maintaining and enhancing our culture.

Excessive staff turnover is likely to impact on our ability to maintain the appropriate quality of service to our customers and would ultimately impact our financial performance adversely.

At a leadership level, succession planning is required to ensure the Group can continue to inspire the right culture, leadership and behaviours and meet its strategy objectives. Furthermore, it is important that our remuneration policies reflect the Group's North American focus and enable us to retain and enhance our strong leadership team.

Mitigation

- Provide well-structured and competitive reward and benefit packages that ensure our ability to attract and retain the employees we need.
- Ensure that our staff have the right working environment and equipment to enable them to do the best job possible and maximise their satisfaction at work.
- Invest in training and career development opportunities for our people to support them in their careers.
- Ensure succession plans are in place and reviewed regularly which meet the ongoing needs of the Group.

Change

Recruiting, retention and training continue to be key priorities for the business.

Our compensation and incentive programmes have continued to evolve to reflect market conditions, the economic environment and the results of our employee engagement surveys.

Inclusion programmes are established across the business to enhance our efforts to attract and retain the best people.

Environmental

Potential impact

As part of Sunbelt 4.0, the Group has made a long-term commitment to reduce its Scope 1 and 2 carbon intensity by 50% by 2034, compared to a baseline of 2024, on a journey to Net Zero by 2050. Failure to achieve these goals could adversely impact the Group and its stakeholders.

In terms of the Group's assessment of the broader environmental impacts of our activities, we also consider the upstream and downstream impacts of our operations and note that a significant part of our Scope 3 emissions arises from our rental fleet, which today is reliant on diesel engines. Over time, 'greener' alternatives will become available as technology advances. If we do not remain at the forefront of technological advances, and invest in the latest equipment, our rental fleet could become obsolete.

In addition, we need to comply with the numerous laws governing environmental protection matters. These laws regulate such issues as wastewater, storm water, solid and hazardous wastes and materials, and air quality. Breaches potentially create hazards to our employees, damage to our reputation and expose the Group to, amongst other things, the cost of investigating and remediating contamination and also fines and penalties for non-compliance.

Mitigation

- Policies and procedures in place at all our stores regarding the need to adhere to local laws and regulations.
- Procurement policies reflect the need for the latest available emissions management and fuel efficiency tools in our fleet.
- Collaboration with key suppliers to develop and pilot new technologies.
- Lower carbon vehicle transition plan.
- Real estate and facility standards to reduce emissions from our operations.
- Monitoring and reporting of GHG emissions.

Change

The work of the Health, Safety and Environmental departments, and the Sustainability and operational audit teams, continue to assess environmental compliance.

Our 2023/24 Scope 1 and 2 GHG emissions have been independently validated, and we will obtain assurance over our 2024/25 Scope 1 and 2 data prior to the publication of the Group's 2024/25 Sustainability Report

In 2024/25 our Scope 1 and 2 GHG emission intensity ratios reduced to 40.6 (2024: 42.2).

Laws and regulations

Potential impact

Breaches of laws or regulations governing the Group's activities could result in criminal prosecution, substantial claims and loss of reputation.

Mitigation

- Maintaining a legal function to oversee management of these risks and to achieve compliance with relevant legislation.
- Group-wide modern slavery, business ethics and ethical sourcing policies and whistle-blowing arrangements.
- Evolving policies and practices to take account of changes in legal obligations.
- Training and induction programmes ensure our staff receive appropriate training and briefing on the relevant policies.

Change

We monitor regulatory and legislative changes to ensure our policies and practices reflect them and we comply with relevant legislation.

Our whistle-blowing arrangements are well established and the Company Secretary reports matters arising to the Audit Committee and the Board during the course of the year.

During the year 3,952 people in North America and 676 people in the UK underwent induction training. In addition, training programmes were undertaken in safety and business ethics.

OPERATING STATISTICS

	<u>Number of rental stores</u>		<u>Staff numbers</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
North America – General Tool	781	752	12,695	12,956
North America – Specialty	588	569	6,444	6,968
UK	191	190	4,326	4,384
Central	-	-	1,576	1,650
Group	<u>1,560</u>	<u>1,511</u>	<u>25,041</u>	<u>25,958</u>

GLOSSARY OF TERMS

The glossary of terms below sets out definitions of terms used throughout this announcement. Included are a number of alternative performance measures ('APMs') which the directors have adopted in order to provide additional useful information on the underlying trends, performance and position of the Group. The directors use these measures, which are common across the industry, for planning and reporting purposes. These measures are also used in discussions with the investment analyst community and credit rating agencies. The APMs are not defined by IFRS and therefore may not be directly comparable with other companies' APMs and should not be considered superior to or a substitute for IFRS measures.

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Adjusted segment EBITDA	Operating profit	<p>Adjusted segment EBITDA is operating profit by segment before depreciation, amortisation and non-recurring costs associated with the move of the Group's primary listing to the US. Adjusted segment EBITDA is calculated excluding the impact of IFRS 16. A reconciliation of adjusted segment EBITDA to operating profit is shown below:</p> <table><thead><tr><th></th><th colspan="2">Fourth quarter</th><th colspan="2">Twelve months</th></tr><tr><th></th><th>2025</th><th>2024</th><th>2025</th><th>2024</th></tr><tr><th></th><th>\$m</th><th>\$m</th><th>\$m</th><th>\$m</th></tr></thead><tbody><tr><td>Adjusted segment EBITDA</td><td></td><td></td><td></td><td></td></tr><tr><td>- North America – General Tool</td><td>802.1</td><td>855.9</td><td>3,477.7</td><td>3,653.3</td></tr><tr><td>- North America – Specialty</td><td>384.3</td><td>351.6</td><td>1,672.1</td><td>1,438.4</td></tr><tr><td>- UK</td><td>56.1</td><td>62.1</td><td>239.7</td><td>235.0</td></tr><tr><td>Impact of IFRS 16</td><td>71.9</td><td>63.9</td><td>278.4</td><td>254.3</td></tr><tr><td>Other central costs</td><td>(167.1)</td><td>(192.4)</td><td>(646.2)</td><td>(688.4)</td></tr><tr><td>Adjusted EBITDA</td><td>1,147.3</td><td>1,141.1</td><td>5,021.7</td><td>4,892.6</td></tr><tr><td>Non-recurring costs</td><td>(9.6)</td><td>-</td><td>(15.4)</td><td>-</td></tr><tr><td>EBITDA</td><td>1,137.7</td><td>1,141.1</td><td>5,006.3</td><td>4,892.6</td></tr><tr><td>Depreciation</td><td>(586.9)</td><td>(551.3)</td><td>(2,334.7)</td><td>(2,117.7)</td></tr><tr><td>Amortisation</td><td>(27.9)</td><td>(28.6)</td><td>(114.4)</td><td>(120.9)</td></tr><tr><td>Operating profit</td><td>522.9</td><td>561.2</td><td>2,557.2</td><td>2,654.0</td></tr></tbody></table>		Fourth quarter		Twelve months			2025	2024	2025	2024		\$m	\$m	\$m	\$m	Adjusted segment EBITDA					- North America – General Tool	802.1	855.9	3,477.7	3,653.3	- North America – Specialty	384.3	351.6	1,672.1	1,438.4	- UK	56.1	62.1	239.7	235.0	Impact of IFRS 16	71.9	63.9	278.4	254.3	Other central costs	(167.1)	(192.4)	(646.2)	(688.4)	Adjusted EBITDA	1,147.3	1,141.1	5,021.7	4,892.6	Non-recurring costs	(9.6)	-	(15.4)	-	EBITDA	1,137.7	1,141.1	5,006.3	4,892.6	Depreciation	(586.9)	(551.3)	(2,334.7)	(2,117.7)	Amortisation	(27.9)	(28.6)	(114.4)	(120.9)	Operating profit	522.9	561.2	2,557.2	2,654.0
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Free cash flow	Net cash generated from operating activities	<p>Free cash flow is net cash generated from operating activities adjusted for non-recurring costs less non-rental net property, plant and equipment expenditure. Non-rental net property, plant and equipment expenditure comprises payments for non-rental capital expenditure less disposal proceeds received in relation to non-rental asset disposals.</p> <table><tr><th></th><th>2025</th><th>2024</th></tr><tr><th></th><th>\$m</th><th>\$m</th></tr><tr><td>Net cash generated from operating activities</td><td>2,174</td><td>855</td></tr><tr><td>Non-recurring costs</td><td>10</td><td>-</td></tr><tr><td>Payments for non-rental property, plant and equipment</td><td>(455)</td><td>(686)</td></tr><tr><td>Proceeds from disposal of non-rental property, plant and equipment</td><td>61</td><td>47</td></tr><tr><td>Free cash flow</td><td>1,790</td><td>216</td></tr></table> <p>This measure shows the cash retained by the Group prior to non-recurring costs, discretionary expenditure on acquisitions and returns to shareholders.</p>		2025	2024		\$m	\$m	Net cash generated from operating activities	2,174	855	Non-recurring costs	10	-	Payments for non-rental property, plant and equipment	(455)	(686)	Proceeds from disposal of non-rental property, plant and equipment	61	47	Free cash flow	1,790	216																																												
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Growth at constant exchange rates	None	<p>Calculated by applying the current period exchange rate to the comparative period result. The relevant foreign currency exchange rates are provided within Note 2, Basis of preparation, to the financial statements. This measure is used as a means of eliminating the effects of foreign exchange rate movements on the period-on-period changes in reported results.</p> <table><tr><th></th><th>2025</th><th>2024</th><th>%</th></tr><tr><th></th><th>\$m</th><th>\$m</th><th></th></tr><tr><td>Rental revenue</td><td></td><td></td><td></td></tr><tr><td>As reported</td><td>9,980</td><td>9,630</td><td>4%</td></tr><tr><td>Retranslation effect</td><td>-</td><td>(3)</td><td></td></tr><tr><td>At constant currency</td><td>9,980</td><td>9,627</td><td>4%</td></tr><tr><td>Adjusted profit before tax</td><td></td><td></td><td></td></tr><tr><td>As reported</td><td>2,128</td><td>2,230</td><td>-5%</td></tr><tr><td>Retranslation effect</td><td>-</td><td>(1)</td><td></td></tr><tr><td>At constant currency</td><td>2,128</td><td>2,229</td><td>-5%</td></tr></table>		2025	2024	%		\$m	\$m		Rental revenue				As reported	9,980	9,630	4%	Retranslation effect	-	(3)		At constant currency	9,980	9,627	4%	Adjusted profit before tax				As reported	2,128	2,230	-5%	Retranslation effect	-	(1)		At constant currency	2,128	2,229	-5%																									
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Leverage	None	<p>Leverage calculated at constant exchange rates uses the period end exchange rate for the relevant period and is determined as net debt divided by last 12-month ('LTM') adjusted EBITDA.</p> <table><thead><tr><th></th><th colspan="2">2025</th><th colspan="2">2024</th></tr><tr><th></th><th>Excluding IFRS 16</th><th>Including IFRS 16</th><th>Excluding IFRS 16</th><th>Including IFRS 16</th></tr></thead><tbody><tr><td>Net debt (\$m)</td><td></td><td></td><td></td><td></td></tr><tr><td>As reported and at constant currency</td><td><u>7,517</u></td><td><u>10,331</u></td><td><u>8,014</u></td><td><u>10,655</u></td></tr><tr><td>Adjusted EBITDA (\$m)</td><td></td><td></td><td></td><td></td></tr><tr><td>As reported</td><td>4,743</td><td>5,022</td><td>4,637</td><td>4,893</td></tr><tr><td>Retranslation effect</td><td><u>11</u></td><td><u>12</u></td><td><u>(5)</u></td><td><u>(6)</u></td></tr><tr><td>At constant currency</td><td><u>4,754</u></td><td><u>5,034</u></td><td><u>4,632</u></td><td><u>4,887</u></td></tr><tr><td>Leverage</td><td></td><td></td><td></td><td></td></tr><tr><td>As reported</td><td>1.6</td><td>2.1</td><td>1.7</td><td>2.2</td></tr><tr><td>At constant currency</td><td>1.6</td><td>2.1</td><td>1.7</td><td>2.2</td></tr></tbody></table> <p>This measure is used to provide an indication of the strength of the Group's balance sheet and is widely used by investors and credit rating agencies. It also forms part of the remuneration targets of the Group and has been identified as one of the Group's key performance indicators.</p>		2025		2024			Excluding IFRS 16	Including IFRS 16	Excluding IFRS 16	Including IFRS 16	Net debt (\$m)					As reported and at constant currency	<u>7,517</u>	<u>10,331</u>	<u>8,014</u>	<u>10,655</u>	Adjusted EBITDA (\$m)					As reported	4,743	5,022	4,637	4,893	Retranslation effect	<u>11</u>	<u>12</u>	<u>(5)</u>	<u>(6)</u>	At constant currency	<u>4,754</u>	<u>5,034</u>	<u>4,632</u>	<u>4,887</u>	Leverage					As reported	1.6	2.1	1.7	2.2	At constant currency	1.6	2.1	1.7	2.2
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Return on Investment ('Rol')	None	<p>LTM adjusted operating profit divided by the LTM average of the sum of net tangible and intangible fixed assets, plus net working capital but excluding net debt and tax. Rol is calculated excluding the impact of IFRS 16.</p> <p>Rol is used by management to help inform capital allocation decisions within the business and has been identified as one of the Group's key performance indicators. It also forms part of the remuneration targets of the Group.</p> <p>A reconciliation of Group Rol is provided below:</p> <table><thead><tr><th></th><th>2025 \$m</th><th>2024 \$m</th></tr></thead><tbody><tr><td>Adjusted operating profit</td><td>2,687</td><td>2,775</td></tr><tr><td>IFRS 16 impact</td><td><u>(74)</u></td><td><u>(59)</u></td></tr><tr><td>Adjusted operating profit (excluding IFRS 16)</td><td><u>2,613</u></td><td><u>2,716</u></td></tr><tr><td>Average net assets</td><td><u>17,989</u></td><td><u>16,657</u></td></tr><tr><td>Return on investment</td><td>15%</td><td>16%</td></tr></tbody></table> <p>Rol for the businesses is calculated in the same way, but excludes goodwill and intangible assets:</p> <table><thead><tr><th></th><th>North America General Tool \$m</th><th>North America Specialty \$m</th><th>UK \$m</th></tr></thead><tbody><tr><td>Adjusted segment operating profit (excluding IFRS 16)</td><td>2,093</td><td>1,135</td><td>69</td></tr><tr><td>Average net assets, excluding goodwill and intangibles</td><td>10,378</td><td>3,776</td><td>1,053</td></tr><tr><td>Return on investment</td><td>20%</td><td>30%</td><td>7%</td></tr></tbody></table>		2025 \$m	2024 \$m	Adjusted operating profit	2,687	2,775	IFRS 16 impact	<u>(74)</u>	<u>(59)</u>	Adjusted operating profit (excluding IFRS 16)	<u>2,613</u>	<u>2,716</u>	Average net assets	<u>17,989</u>	<u>16,657</u>	Return on investment	15%	16%		North America General Tool \$m	North America Specialty \$m	UK \$m	Adjusted segment operating profit (excluding IFRS 16)	2,093	1,135	69	Average net assets, excluding goodwill and intangibles	10,378	3,776	1,053	Return on investment	20%	30%	7%																					
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Other terms used within this announcement include:

- **Adjusted:** adjusted results are results stated before non-recurring costs associated with the move of the Group's primary listing to the US and the amortisation of acquired intangibles. A reconciliation is shown above.
- **Availability:** represents the headroom on a given date under the terms of our \$4.75bn asset-backed senior bank facility, taking account of current borrowings.

- **Capital expenditure:** represents additions to rental equipment and other property, plant and equipment (excluding assets acquired through a business combination).
- **Cash conversion ratio:** represents cash flow from operations before non-recurring costs and changes in rental equipment as a percentage of Adjusted EBITDA. Details are provided within the Review of Fourth Quarter, Balance Sheet and Cash Flow section.
- **Dollar utilisation:** dollar utilisation is trailing 12-month rental revenue divided by average fleet size at original (or 'first') cost measured over a 12-month period. Dollar utilisation has been identified as one of the Group's key performance indicators. Details are shown within the Review of Fourth Quarter, Balance Sheet and Cash Flow section.
- **EBITDA and EBITDA margin:** EBITDA is earnings before interest, tax, depreciation and amortisation. A reconciliation of EBITDA to profit before tax is shown on the income statement. EBITDA margin is calculated as EBITDA divided by revenue. Progression in EBITDA margin is an important indicator of the Group's performance and this has been identified as one of the Group's key performance indicators.
- **Fleet age:** original cost weighted age of serialised rental assets. Serialised rental assets constitute the substantial majority of our fleet.
- **Fleet on rent:** quantity measured at original cost of our rental fleet on rent. Fleet on rent has been identified as one of the Group's key performance indicators.
- **Net debt:** net debt is total borrowings (bank, bonds) and lease liabilities less cash balances, as reported. This measure is used to provide an indication of the Group's overall level of indebtedness and is widely used by investors and credit rating agencies. An analysis of net debt is provided in Note 14.
- **Operating profit and operating profit margin:** Operating profit is earnings before interest and tax. A reconciliation of operating profit to profit before tax is shown on the income statement. Operating profit margin is calculated as operating profit divided by revenue. Progression in operating profit margin is an important indicator of the Group's performance.
- **Organic:** organic measures comprise all locations, excluding locations arising from a bolt-on acquisition completed after the start of the comparative financial period.
- **Rental only revenue:** rental revenue excluding loss damage waiver, environmental fees, erection and dismantling revenue and revenue from rental equipment delivery and collection.
- **Same-store:** same-stores are those locations which were open at the start of the comparative financial period.
- **Segment profit:** operating profit before amortisation and non-recurring costs by segment.
- **Suppressed availability:** represents the amount on a given date that the asset base exceeds the facility size under the terms of our \$4.75bn asset-backed senior bank facility.