ASHTEAD GROUP PLC

International Equipment Rental

from 415 locations

Quarter three results - 31 January 2006

Issued :7th March 2006

Welcome

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

Overview

- Record third quarter profit of £12.8m* (2005 - loss of £0.1m)
- Sunbelt Q3 revenues up 31%, EBITA up 88%*
- A-Plant Q3 revenues up 6%, EBITA rises from £0.1m to £1.1m
- Nine month profit increases from £18.2m to £53.0m*
- Sunbelt's nine months EBITA rises 62.6% to $138.4m* (2005 - $85.1m)
- A-Plant's nine months EBITA rises 14.7% to £10.0m (2005 - £8.7m)
- Pension deficit of £18m to be fully funded in the fourth quarter
- LTM ROI rises to 16.9%

* Before exceptional items

Summary results – nine months to 31 January

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	2006	2005	Change	Margins	
	£m	£m	(at comparable rates)	2006	2005
Revenue	476.3	398.1	16.7%		
EBITDA +	170.3	129.7	27.9%	35.8%	32.6%
Operating profit +	85.4	52.1	58.7%	17.9%	13.1%
Profit before tax +	53.0	18.2	174.6%	11.1%	4.6%
Basic EPS +	8.8p	2.5p	219.8%		
Cash tax EPS o	13.9p	5.4p	139.7%		
Return on capital employed *	16.9%	11.5%			

+ In 2006, before exceptional items

o Earnings before exceptional items and deferred tax divided by the weighted average number of shares in issue

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

Summary results – three months to 31 January

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	2006	2005	Change	Margins	
	£m	£m	(at comparable rates)	2006	2005
Revenue	162.5	123.4	23.9%		
EBITDA +	53.9	36.6	37.5%	33.1%	29.7%
Operating profit +	24.1	10.9	98.0%	14.8%	8.9%
Profit before tax +	12.8	-0.1		7.8%	0.0%
Basic EPS +	2.0p	-0.3p			
Cash tax EPS o	3.5p	-0.1p			
Return on capital employed *	16.9%	11.5%			

+ In 2006, before exceptional items

o Earnings before exceptional items and deferred tax divided by the weighted average number of shares in issue

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

Revenue drivers

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	Third quarter		Nine months	
	Sunbelt	A-Plant	Sunbelt	A-Plant
Average fleet size	+15.1%	+1.1%	+9.6%	-1.0%
Utilisation	+0.9%	+2.8%	+0.9%	-0.8%
Price	+15.5%	+0.2%	+11.7%	+1.3%
	+34.1%	+4.1%	+23.6%	-0.6%
Other	-3.1%	+2.0%	-0.8%	+1.7%
Total revenues	+31.0%	+6.1%	+22.8%	+1.1%

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

LTM EBITDA margin trends

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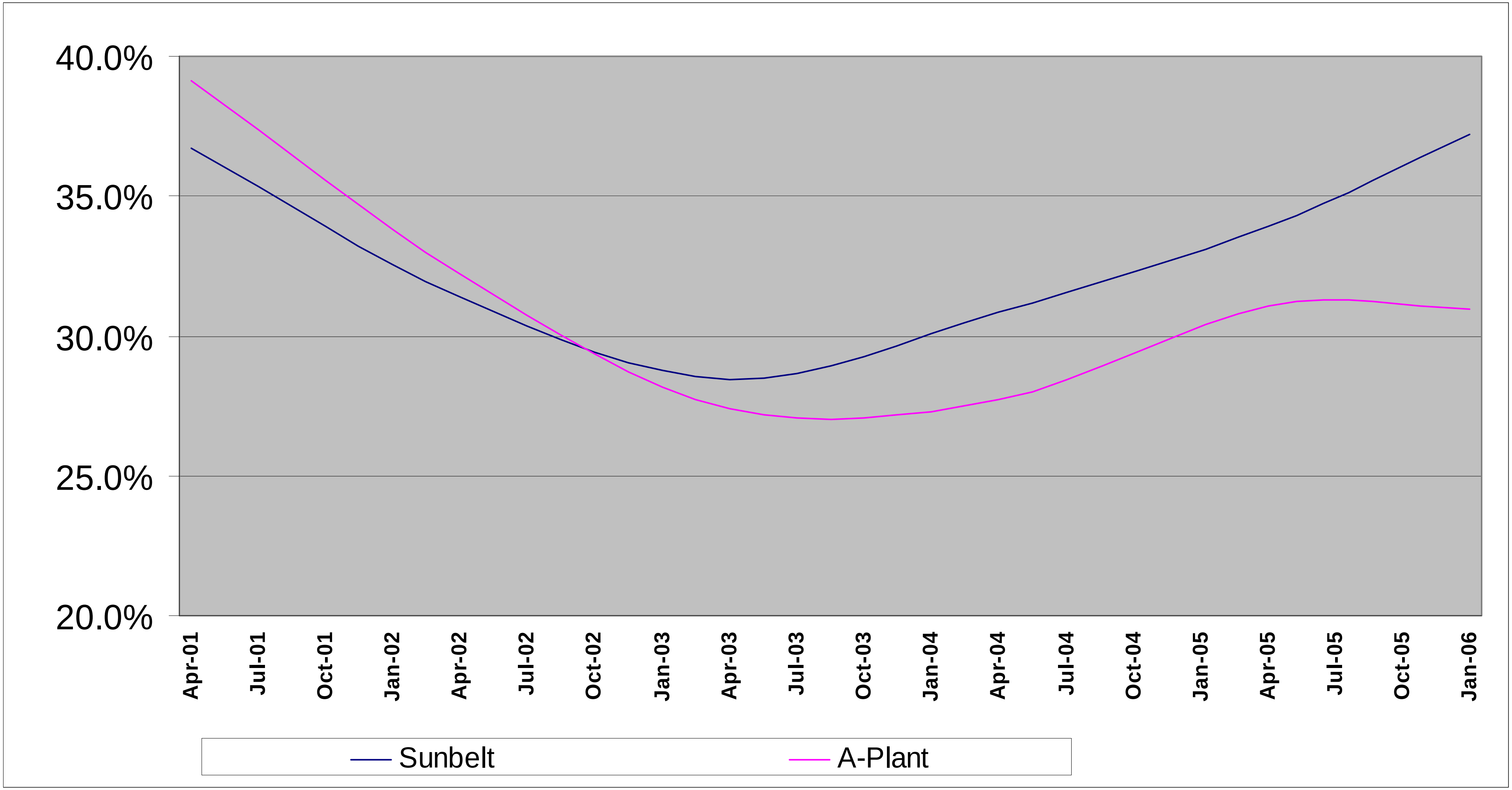

Exceptional items

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	£m
Proceeds from Head & Engquist litigation settlement	11.3
Profit on disposal of West Coast and Texas scaffolding stores	3.4
Post acquisition integration costs	(0.4)
Capital reorganisation costs, principally HYB early redemption	(4.8)
Net exceptional profit	9.5

Capital expenditure

	2006 Growth	2006 Maintenance	2006 Total	2005 Total
Sunbelt Rentals in $m	80.1	115.5	195.6	93.7
Sunbelt Rentals in £m	45.0	65.0	110.0	49.7
A-Plant	12.4	30.3	42.7	27.2
Ashtead Technology	4.7	1.1	5.8	3.2
Total rental equipment	62.1	96.4	158.5	80.1
Other fixed assets			14.5	12.0
Total additions			173.0	92.1

Gross capital expenditure of approximately £220m is expected for 2005/6, including £110m for growth (including $24m of west coast scaffold disposal profits reinvested in general equipment). Gross capital expenditure in 2006/7 expected to be around £250m

Cashflow

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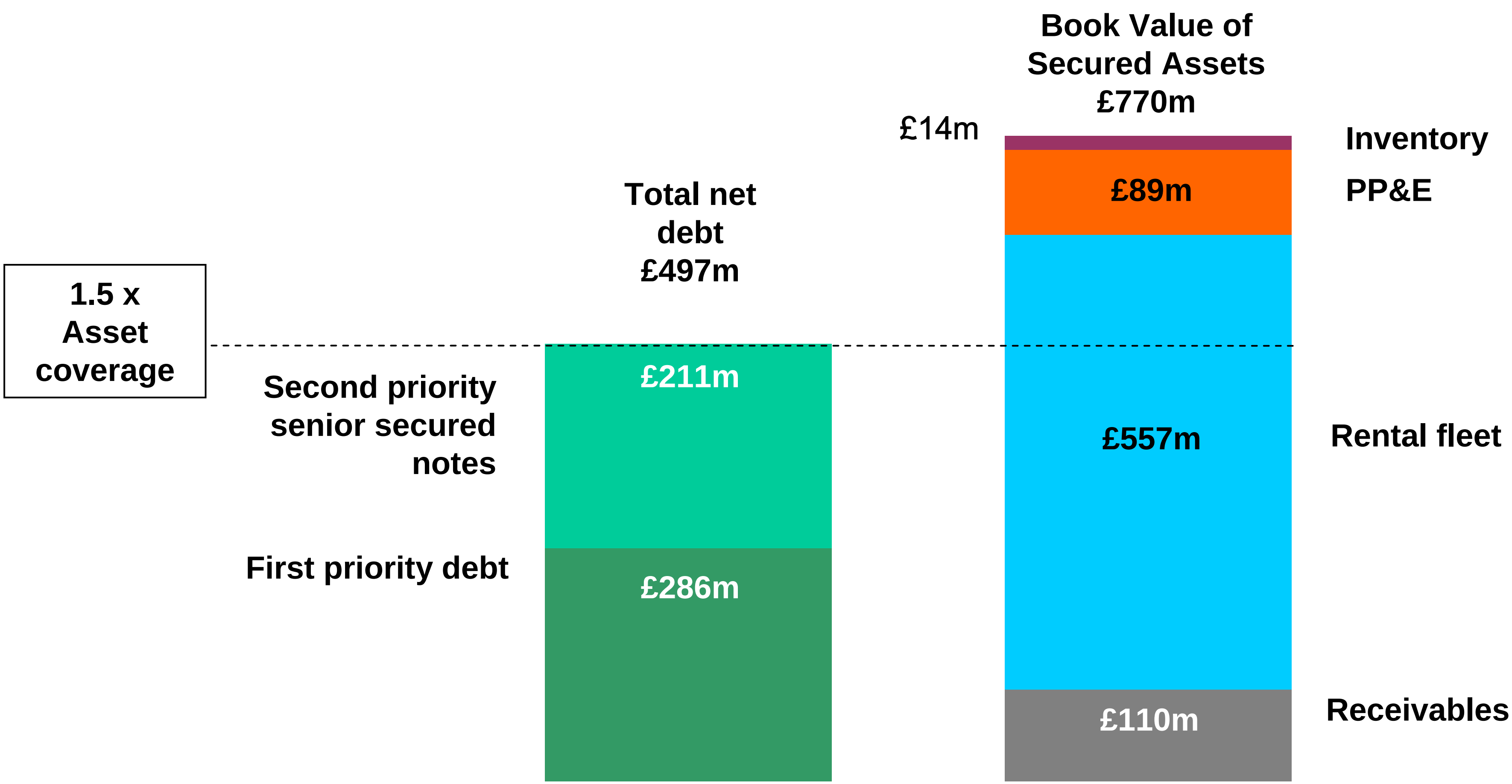
	Nine months to 31 Jan 2006	2005	LTM to Jan '06	Year ended Apr '05
	£m	£m	£m	£m
EBITDA before exceptional items	170.3	129.7	210.1	169.5
Cash inflow from operations	158.3	123.5	199.6	164.8
Cash efficiency ratio	*93.0%*	*95.2%*	*95.0%*	*97.2%*
Maintenance capital expenditure	(118.8)	(74.7)	(145.1)	(101.0)
Proceeds from sale of used rental equipment	35.7	25.4	46.2	35.9
Tax paid	(1.5)	(0.9)	(1.2)	(0.6)
Free cash flow before interest	73.7	73.3	99.5	99.1
Financing costs paid	(27.7)	(22.9)	(35.0)	(30.2)
Free cash flow after interest	**46.0**	**50.4**	**64.5**	**68.9**
Growth capital expenditure	(65.2)	(11.8)	(63.6)	(10.2)
Acquisitions and disposals	(44.3)	0.5	(44.3)	0.5
Capital reorganisation/other	63.7	(5.7)	63.8	(5.6)
Reduction in total debt	0.2	33.4	20.4	53.6

Debt

	January 2006 £m	January 2005 £m	LTM January 2006 £m	LTM April 2005 £m
Net debt brought forward	482.3	532.2	497.6	532.2
Exchange movement	12.2	(12.3)	9.4	(15.1)
Opening net debt at closing rates of exchange	494.5	519.9	507.0	517.1
Reduction in net debt from cash flow	(0.2)	(33.4)	(20.4)	(53.6)
Other non-cash movements	3.1	11.1	10.8	18.8
Net debt carried forward	**497.4**	**497.6**	**497.4**	**482.3**
Availability under ABL facility	**$291.5**	**$110.3**	**$291.5**	**$156.7**
Key ratios				
Last 12 months EBITDA before exceptional items	210.1	164.7	210.1	169.5
Net debt to EBITDA	2.4x	3.0x	2.4x	2.8x

Substantial asset coverage



Sunbelt – results

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	2006 $m	2005 $m	Change	2006 £m	2005 £m	Change
Revenue	616.0	501.6	+22.8%	345.6	271.6	+27.2%
EBITDA	236.1	171.8	+37.4%	132.5	93.0	+42.5%
Margin	*38.3%*	*34.2%*		*38.3%*	*34.2%*	
Operating profit	138.4	85.1	+62.6%	77.7	46.1	+68.5%
Margin	*22.5%*	*17.0%*		*22.5%*	*17.0%*	
Net tangible assets	821.9	652.1	+26.0%	462.4	345.8	+33.7%
ROI *	*22.2%*	*15.8%*				

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

Sunbelt – utilisation continues to be high

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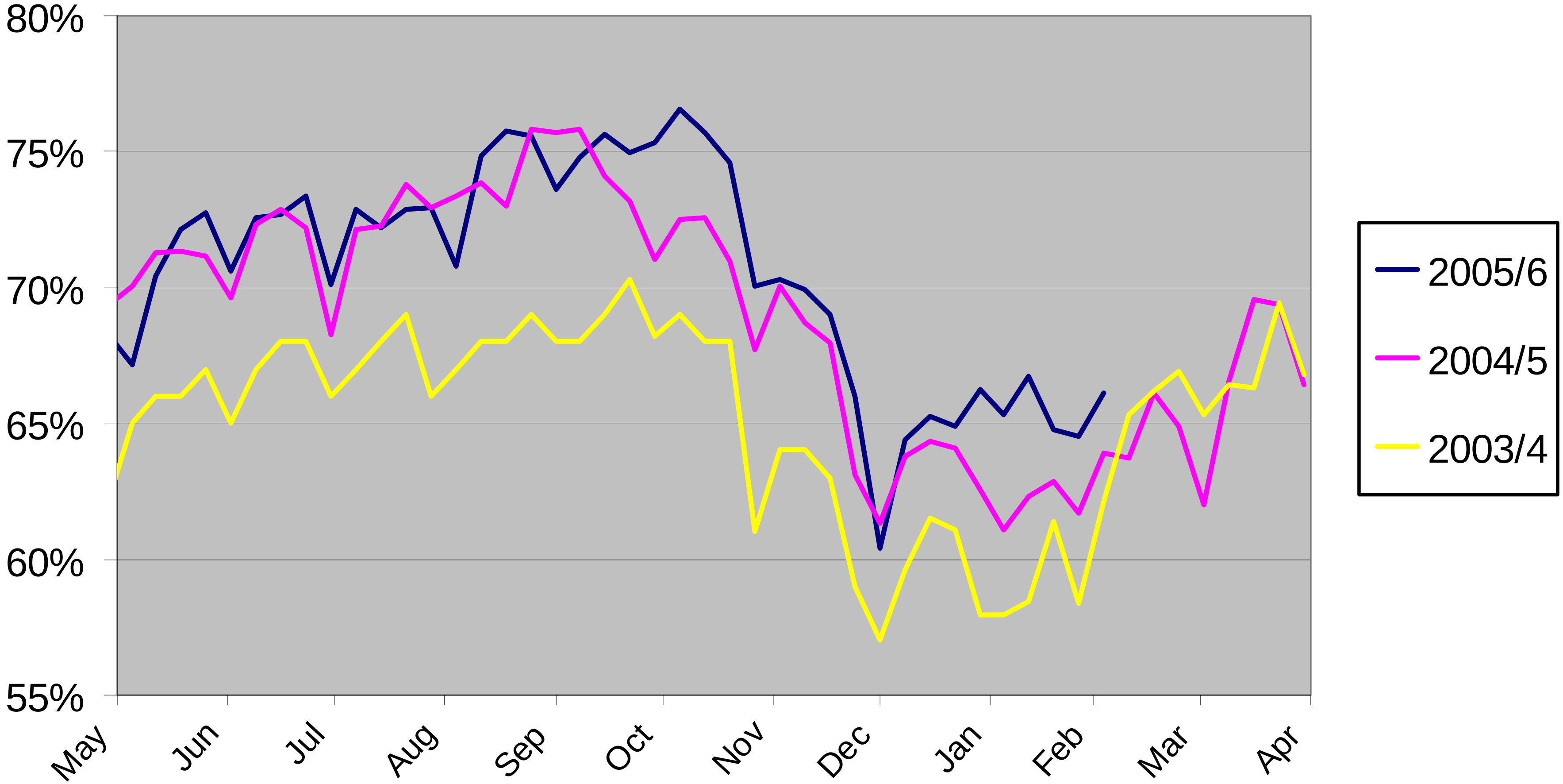

Utilisation is a time based utilisation measure computed as the value of major (cost over $7,500) equipment on rent as a percentage of the total value of major equipment in the fleet at the measurement date.

Sunbelt – US market conditions remain strong

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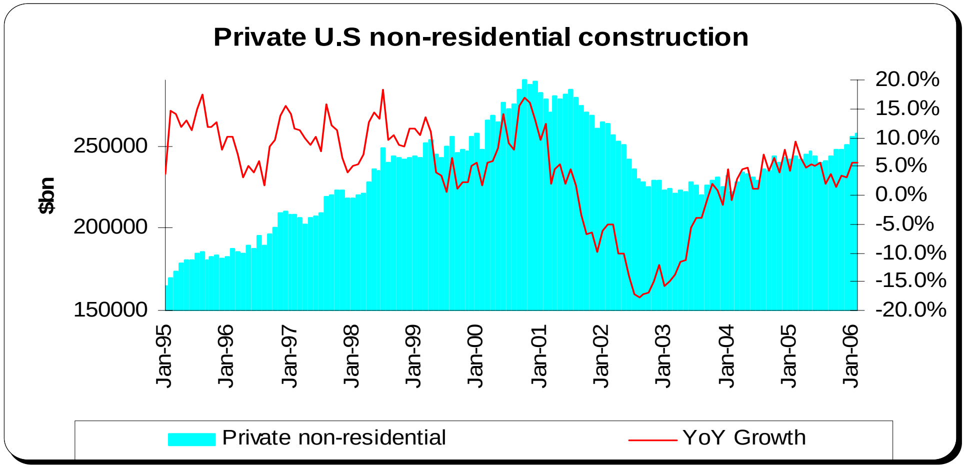

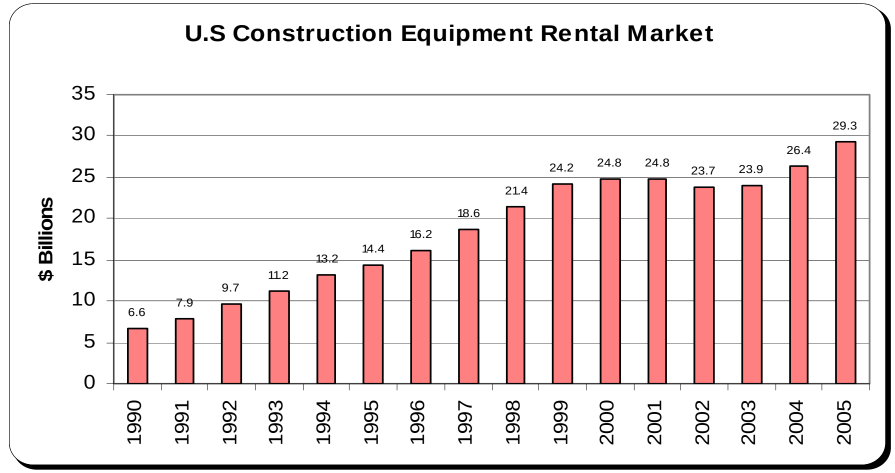

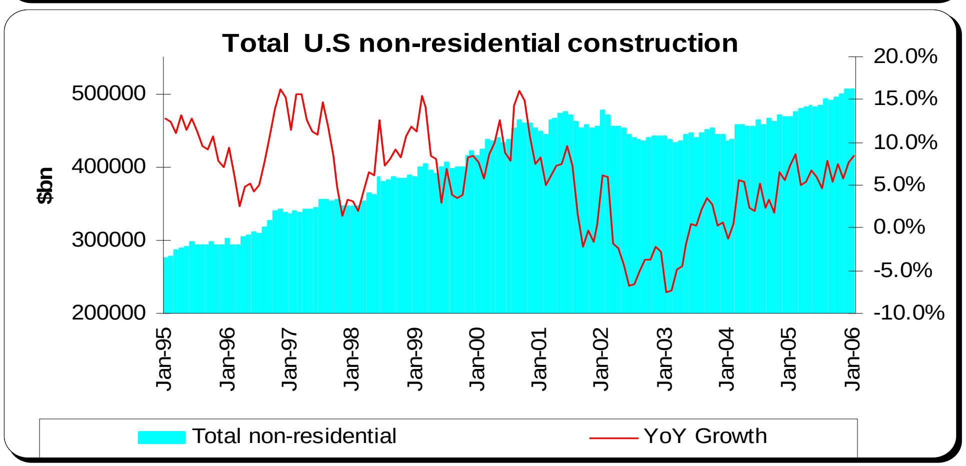

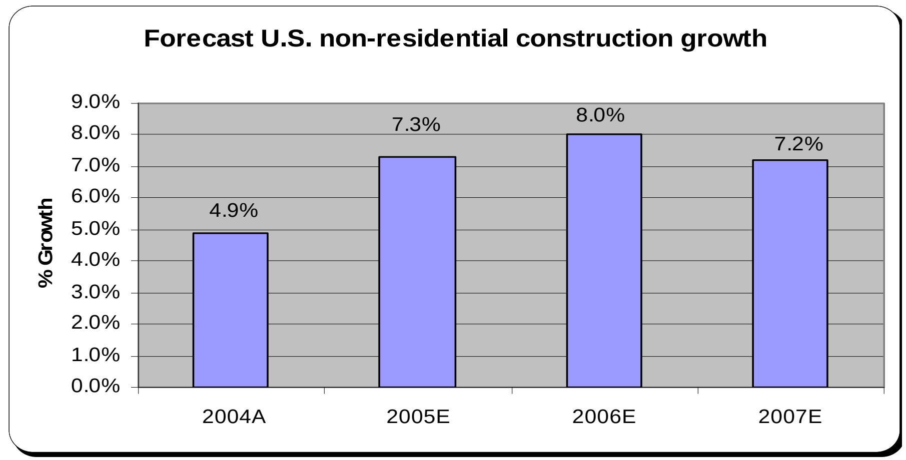

Source: U.S Dept of Commerce and Dodge Analytics McGraw-Hill

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

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Growth in rental revenues	Q1 2004	Q2 2004	Q3 2004	Q4 2004	Q1 2005	Q2 2005	Q3 2005	Q4 2005
United Rentals								
- Total business	+5.3%	+3.5%	+4.7%	+9.4%	+9.9%	+11.5%	+13.0%	N/A
- General rentals segment	+11.2%	+11.9%	+10.7%	+13.0%	+11.2%	+11.5%	+14.0%	N/A
Atlas Copco (RSC)	+6.0%	+8.0%	+11.0%	+14.0%	+13.0%	+14.0%	+13.0%	+20.0%
Hertz	+9.1%	+10.2%	+12.8%	+15.1%	+16.9%	+20.5%	+21.9%	N/A
Sunbelt	**+12.0%**	**+11.1%**	**+18.4%**	**+19.0%**	**+11.4%**	**+16.4%**	**+22.2%**	**+34.1%**
NES Rentals	-7.2%	-2.7%	+5.0%	+10.8%	+4.8%	Nil	- 0.2%	N/A
NationsRent	+9.5%	+8.2%	+11.1%	+5.8%	+7.9%	+5.9%	+ 2.6%	N/A
Head & Engquist	-3.8%	+3.3%	+4.2%	+13.2%	+14.0%	+16.0%	+19.7%	N/A

Notes:

1. Source – company filings and press releases. For Ashtead we use the nearest equivalent to the calendar quarters reported by the other companies who all have 31 December year ends.
2. Hertz publishes only total revenues and figures above exclude currency effects.
3. Only Atlas Copco (RSC) and Sunbelt have yet reported revenues for the most recent quarter. Sunbelt's same store rental revenue growth for quarter four was 21.8%

Sunbelt – operating developments

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- Nine month revenue growth of 22.8% reflects 12% increase in rates and 10% growth in fleet size
- Q3 total revenues up 31% and operating profit up 88% to $42m
- All regions and all major product areas up year on year – 19% same store growth and operating profit margin of 22.5%
- Revenues have benefited by approximately 2% from last summer’s hurricanes and also from a relatively mild winter weather
- $80m of growth capex and $100m spent on acquisitions – additional infill acquisition opportunities under consideration
- Positive outlook – market very strong

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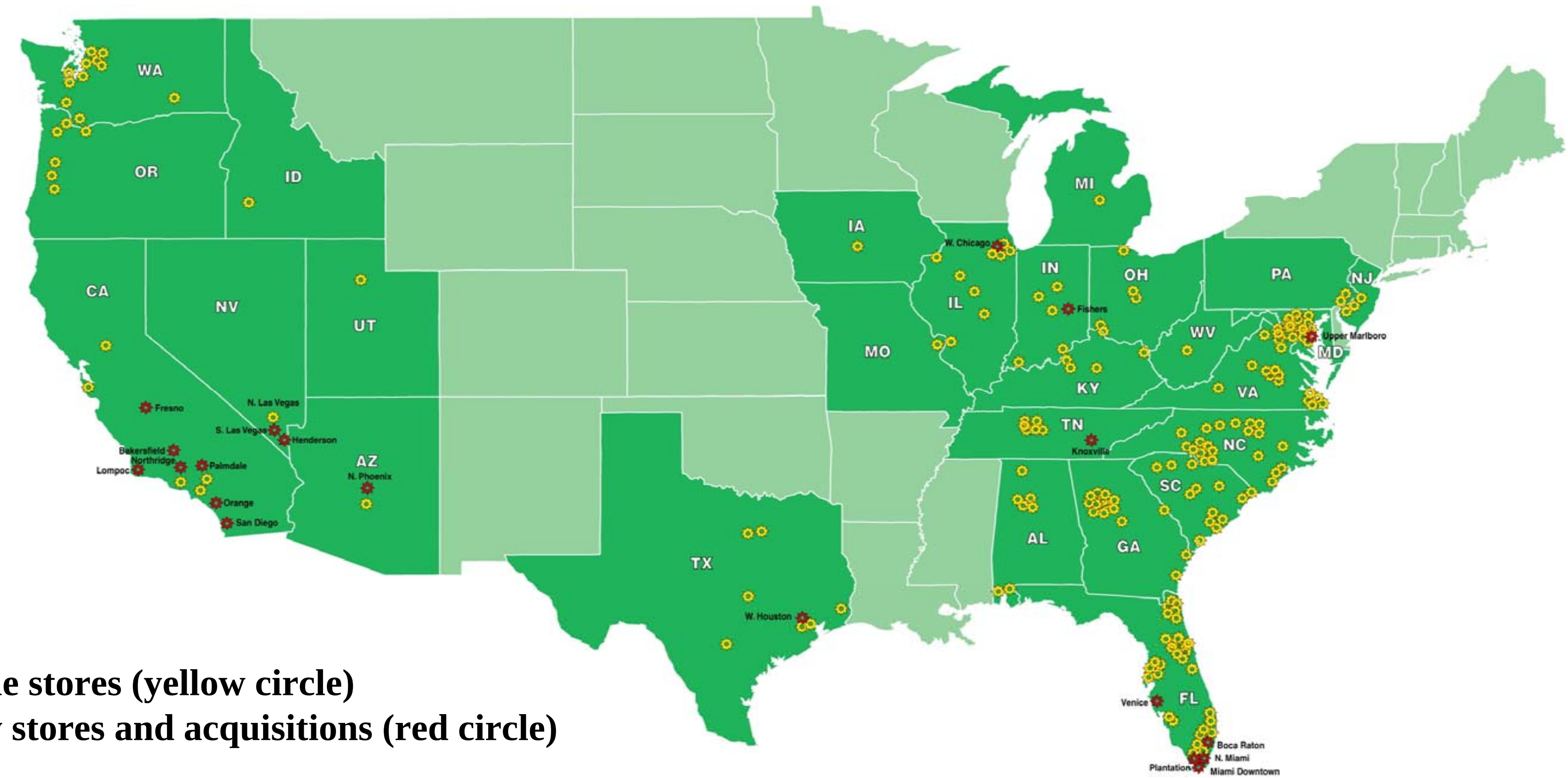
Sunbelt today

- 208 Profit Centers, 27 states, estimated 75% of US population served.



* Same stores (yellow circle)

* New stores and acquisitions (red circle)

Controlled organic growth

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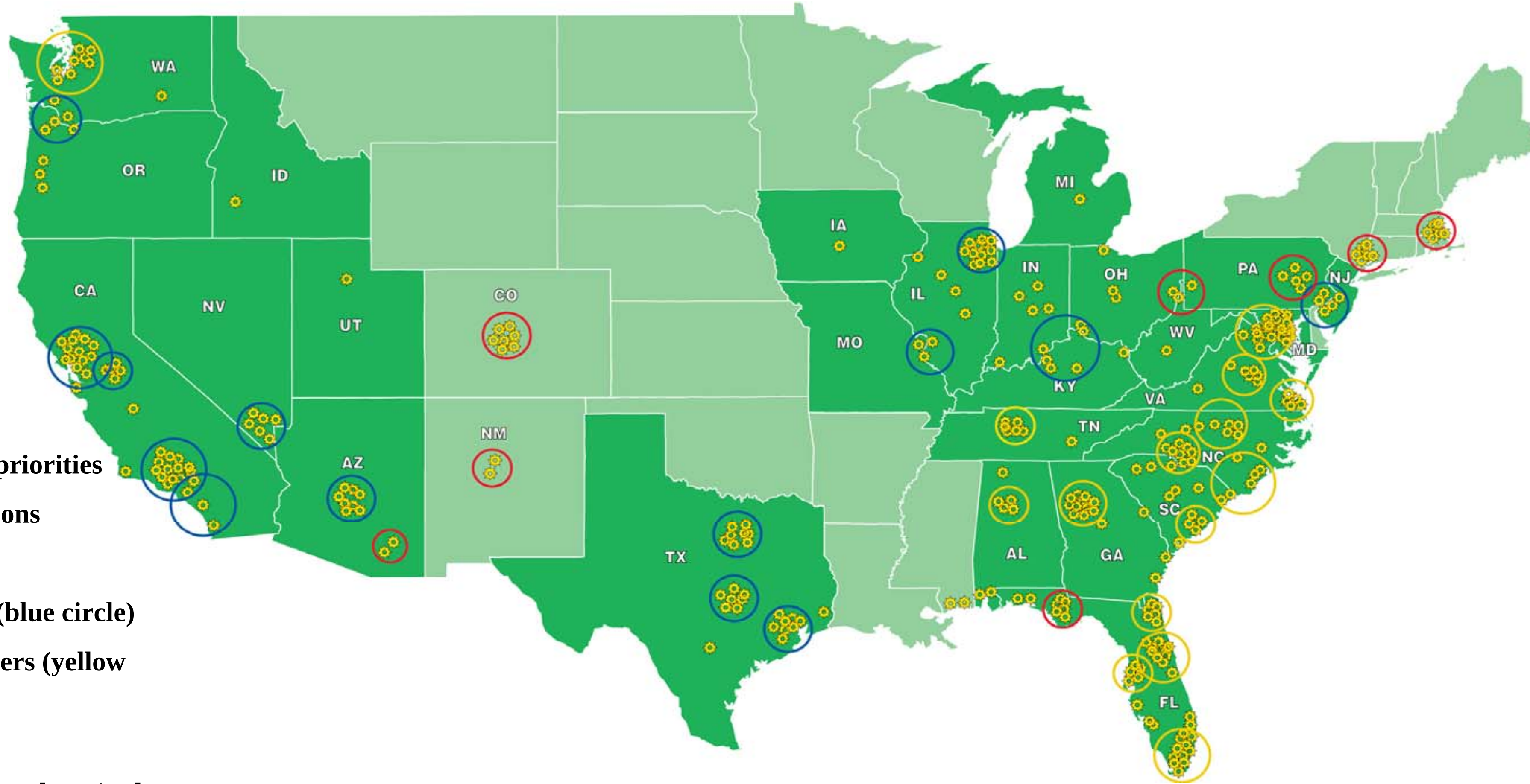

Current capex priorities

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

Longer term

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

A-Plant – results

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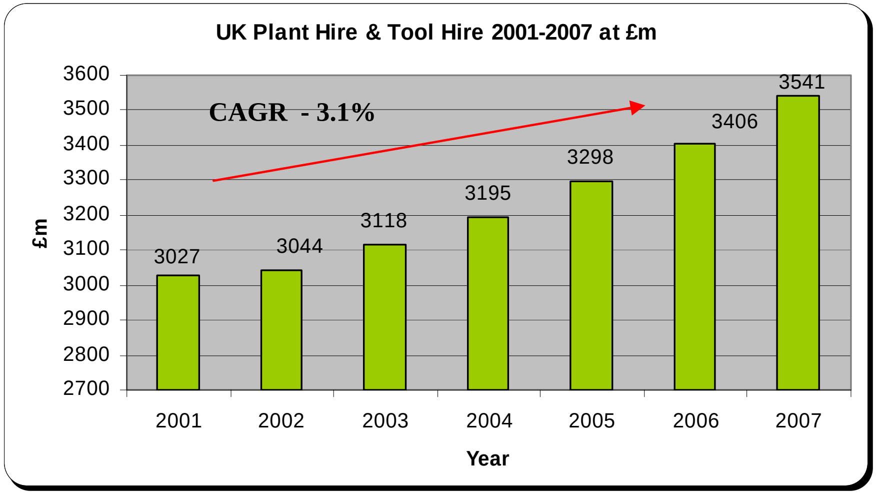
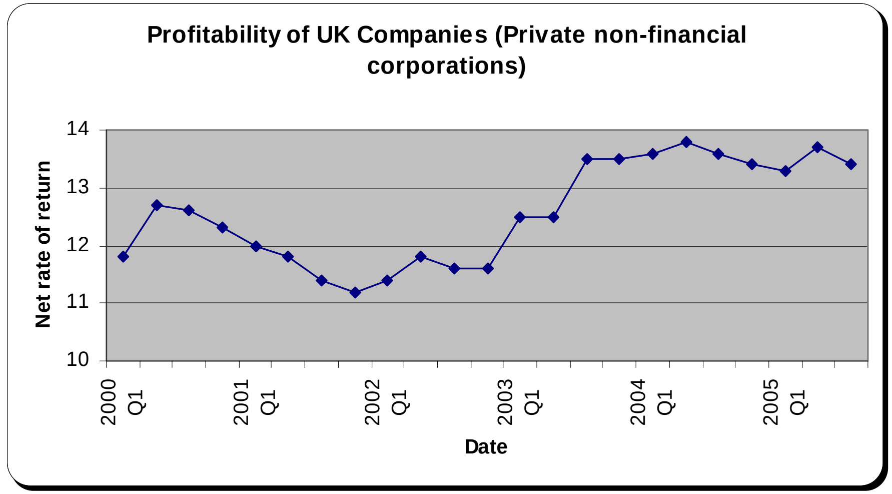
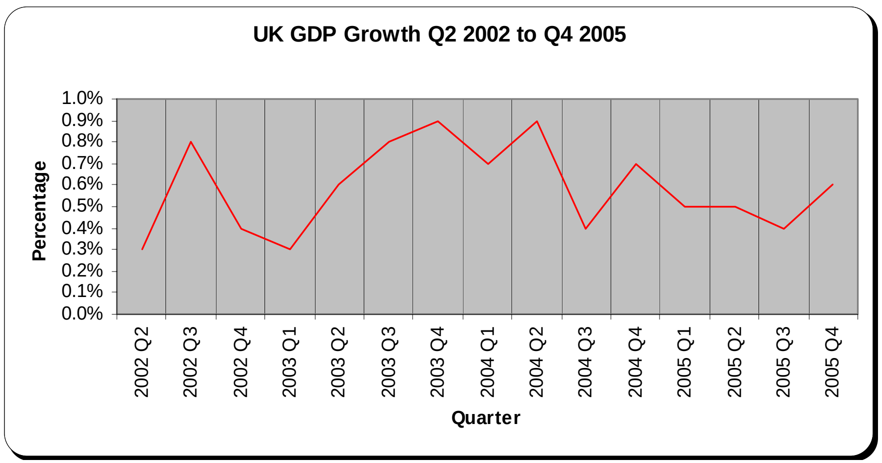
	2006 £m	2005 £m	Change
Revenue	118.9	117.6	+1.1%
EBITDA	37.2	37.1	+0.3%
Margin	*31.3%*	*31.5%*	
Operating Profit	10.0	8.7	14.7%
Margin	*8.4%*	*7.4%*	
Net tangible assets	195.8	198.6	-1.4%
ROI*	*6.7%*	*4.3%*	

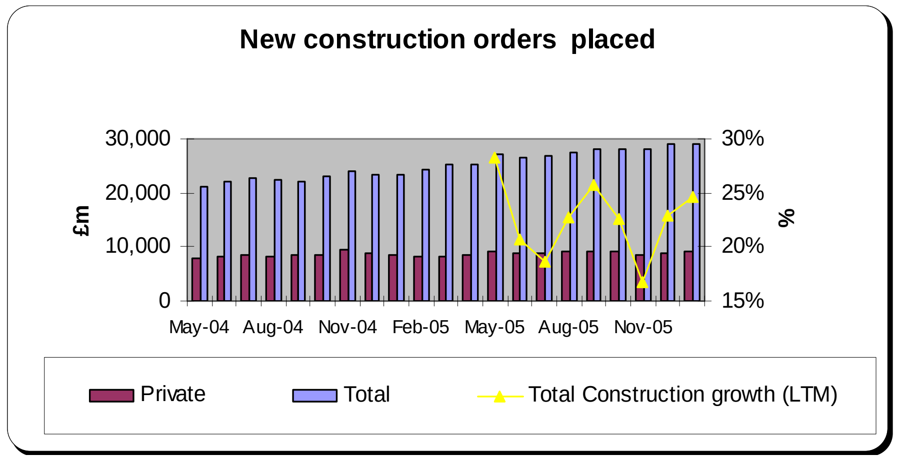
*Last twelve months (LTM) operating profit divided by weighted average capital employed (net tangible assets plus net debt, pension fund deficit and deferred tax) computed using a quarterly average

A–Plant – stable market conditions









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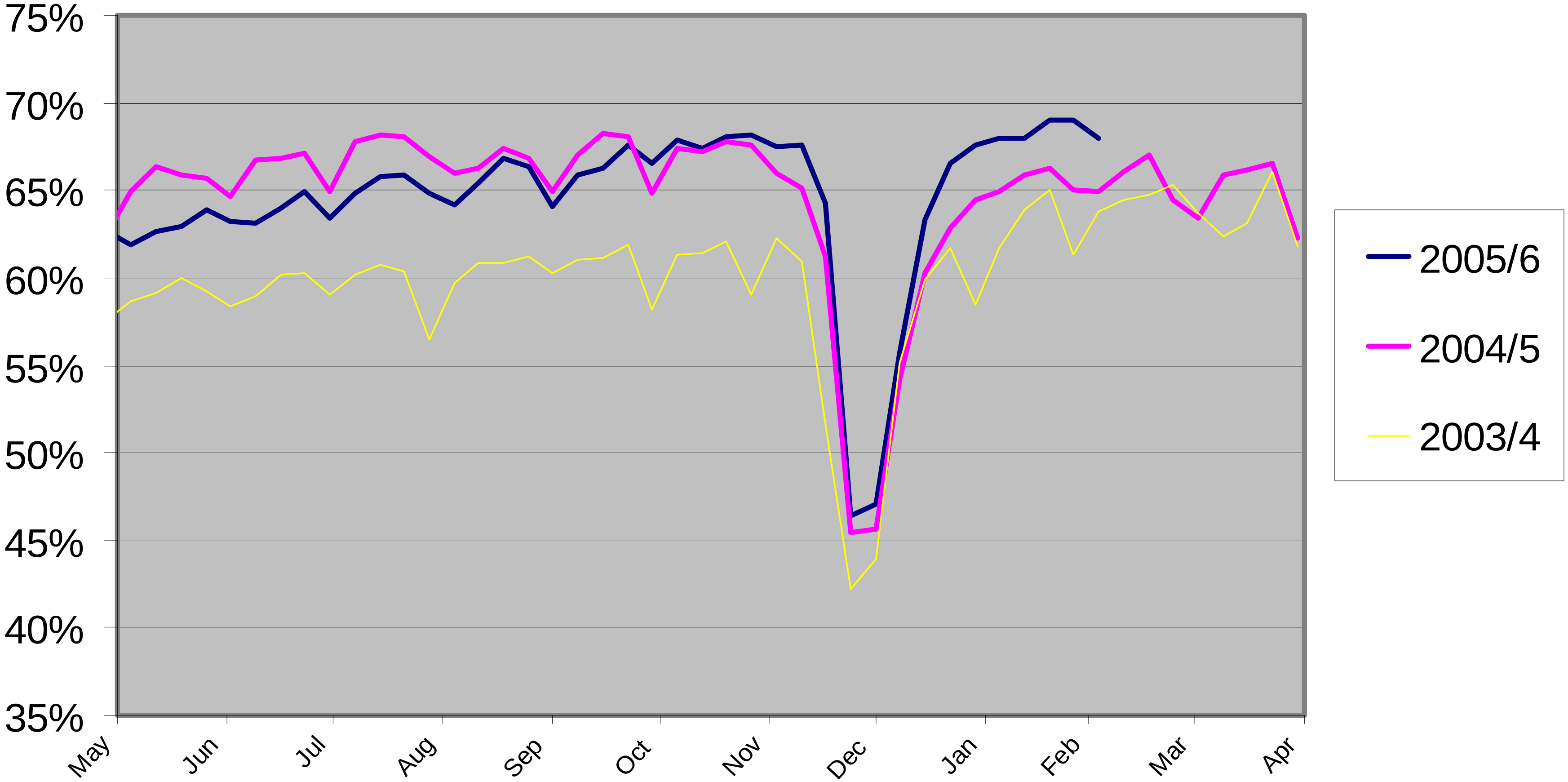
A-Plant – operating developments

- Nine month revenues slightly ahead of last year – profits up 14.7%
- Q3 revenues up 6% year on year with EBITA of £1.1m (2005 – £0.1m)
- Construction market growing steadily
- Health & Safety regulations continuing to drive increased outsourcing
- Continued growth in national accounts revenues
- Sales force restructuring starting to deliver planned benefits

A-Plant utilisation rates



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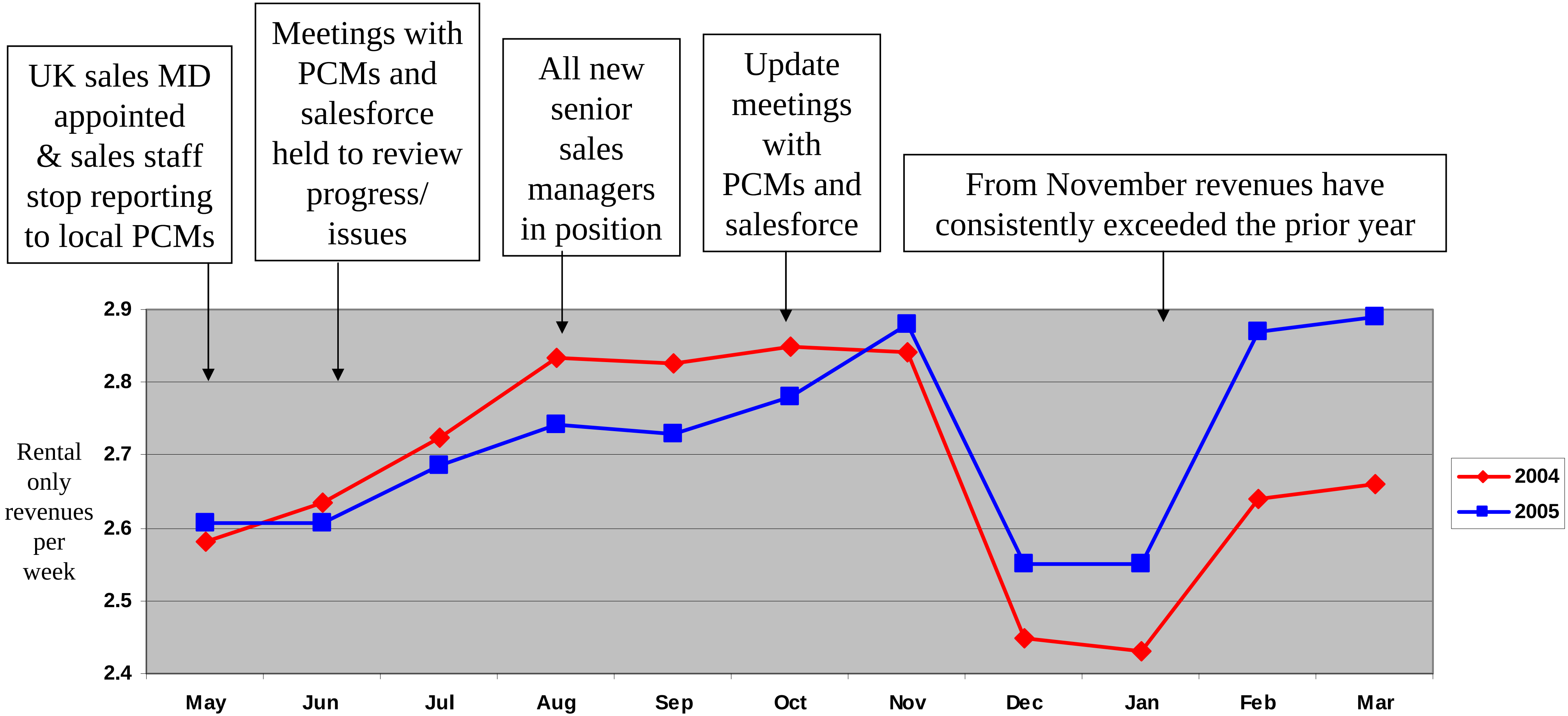
A-Plant - sales force restructuring - impact on weekly revenues



Technology – results

	2006 £m	2005 £m	Change (at constant rates)
Revenue	11.8	8.9	+29.9%
EBITDA	5.7	4.4	+27.8%
Margin	*48.7%*	*49.6%*	
Operating profit	2.9	2.1	+38.4%
Margin	*24.9%*	*23.5%*	
Net tangible assets	12.4	8.5	+39.4%
ROI *	*40.4%*	*30.5%*	

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

Technology – operating developments

- Strong nine months with revenues and profits up by almost a third
- Increased investment by oil majors resulting in higher offshore exploration and construction activity
- Continued growth in on-shore environmental business with new store opened in Chicago in November
- These trends are expected to continue

In summary

- Record nine month results as we took advantage of buoyant market conditions in the US
- New sales structure in A-Plant starts to deliver planned benefits
- Technology continues to trade strongly
- Continued investment in accelerating Sunbelt’s growth
- Conversion from ownership to rental in the US continues
- Preliminary guidance for 2006/7 capital expenditure - £250m
- Board looks forward “with confidence”