ASHTEAD GROUP PLC

Unaudited results for the third quarter ended 31 January 2007

Financial summary

	Third quarter 2007	Third quarter 2006	Growth: At actual rates of exchange	Growth: At constant rates of exchange
	£m	£m		
Revenue	240.0	162.5	+48%	+59%
Underlying operating profit [1]	32.1	24.1	+33%	+49%
Underlying profit before taxation [1]	11.3	12.8	-11%	+6%
Underlying earnings per share [1] - basic	1.3p	1.8p	-27%	-16%
- cash tax	2.1p	3.2p	-35%	-24%
Profit before taxation	2.1	27.1	-92%	-92%

[1] See Explanatory Notes below

Highlights

- Continued growth in revenue and profit in all divisions with underlying operating profit up 49% at constant exchange rates.
- As anticipated, the relative phasing of savings against additional interest costs arising from the NationsRent acquisition results in underlying pre-tax profits being £11.3m, a reduction of 11%.
- Profit before tax at £2.1m (2006 - £27.1m) is after charging exceptional costs and intangible amortisation amounting to £9.2m (2006 - £14.3m credit).
- On a proforma basis[1] Sunbelt Q3 underlying operating profit grew by 69% to $58.1m reflecting the progress made to date on the NationsRent integration.
- Ongoing recovery at A-Plant delivered underlying operating profits 3x prior year at £3.1m (2006 - £1.0m).
- Ashtead Technology continued to deliver good profits in strong markets and grew operating profit 89% to £1.1m.

Ashtead's chief executive, Geoff Drabble, commented:

"We are pleased to report a strong performance in the third quarter, traditionally our weakest, despite the prior year comparative being enhanced by hurricane activity.

Conditions in the markets we serve in North America remain good and the financial benefits, principally cost savings, from the integration of NationsRent began to flow in the period. We continue to meet our integration expectations.

A-Plant continued to improve its financial performance built upon greater market share and is well positioned for further improvements. Ashtead Technology continued to trade strongly.

Looking forward, the progress made to date in integrating the NationsRent acquisition and delivering the cost savings together with the expected realisation of improvements in its operational performance and the ongoing growth of A-Plant and Technology allow us to view future periods with confidence."

Contacts:

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Ian Robson	Finance director	)	
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Explanatory Notes

a) Underlying profit and earnings per share are stated before exceptional items, amortisation of acquired intangibles and non-cash fair value remeasurements of embedded derivatives in long term debt.

b) The narrative that follows is based on underlying operating profit, profit before tax and earnings per share as the Directors believe that these provide a more consistent measure of operating performance.

c) Proforma basis adjusts for NationsRent throughout both periods.

Review of the quarter

The major focus of the quarter was to drive the operational performance of all three divisions. In North America we began to see the benefits of the cost savings and efficiencies realised to date from the integration of NationsRent and these will be more apparent in subsequent periods.

As we reported at the half year the structural changes completed together with the successful systems integration have allowed us to start to focus on the improvement of the ex-NationsRent operational performance. This will continue to be an area of primary focus in Quarter 4 and beyond.

A-Plant's recovery programme has continued and it has once again delivered strong revenue and profit growth. Ongoing focus on revenue growth and operational efficiency will allow us to continue to improve margins and return on investment.

We have continued to invest in Ashtead Technology to support current buoyant market conditions contributing to good revenue and profit growth.

A quarter of operational growth

Ashtead has continued to make good progress in the quarter to January 2007, sustaining the momentum established in recent periods.

- Revenue for the quarter was at £240.0m up 47.6% on the revenue reported in Quarter 3 2006. On a consolidated, proforma basis the organic revenue growth was 6.3% at constant exchange rates.

- Underlying operating profit for the quarter at £32.1m was 32.9% up on the prior year, reflecting good performance in all three divisions.

- The underlying profit before tax of £11.3m was down 10.8% on the prior year, reflecting the financing costs of the NationsRent acquisition but not yet benefiting from the full effects of the operational efficiencies and cost savings.

- Profit before tax, which is calculated after exceptional items, non-cash fair value remeasurements of embedded derivatives in long term debt and amortisation of acquired intangibles, was £2.1m in the quarter as compared to £27.1m reported in the prior year. This is due to the exceptional costs associated with the restructuring of the NationsRent business and the intangible amortisation in the quarter amounting to £9.2m. In the same period last year there was an exceptional credit of £14.3m arising mainly from the settlement of litigation against Head & Engquist.

- Basic earnings per share for the quarter were 0.3p (2006 - 4.1p) whilst underlying earnings per share were 1.3p (2006 - 1.8p). On a cash tax basis underlying earnings per share were 2.1p (2006 - 3.2p).

- Capital expenditure in the third quarter was £43.5m (2006 - £41.7m). Full year gross capital expenditure remains forecast at approximately £375m and approximately £275m net.

- Net debt at 31 January 2007 was £972.1m (2006 - £497.4m). The ratio of debt to proforma LTM EBITDA, excluding cost savings, was 3.0 times at 31 January 2007. Availability under the $1.75bn asset based loan facility was $524m at 31 January 2007 ($283m at 30 April 2006).

Sunbelt

	2007	2006	Growth	2007	2006	Growth
	$m	$m		£m	£m	
Revenue						
As reported	361.5	209.2	+72.8%	186.8	119.5	+56.4%
NationsRent	-	144.5		-	82.6	
Pro forma combined	361.5	353.7	+2.2%	186.8	202.1	-7.6%
Underlying operating profit						
As reported	58.1	41.8	+39.1%	29.8	23.9	+24.3%
NationsRent	-	(7.3)		-	(3.9)	
Proforma combined	58.1	34.5	+68.5%	29.8	20.0	+49.0%

Following a successful first phase of integration, the operating efficiencies associated with the restructuring and systems integration are beginning to be reflected in the Q3 proforma profit improvement. The fact that these benefits are flowing to operating profit allows us to focus on the dollar utilisation of the combined business in future periods.

Seasonally Q3 is our weakest period, although last year was improved significantly by the high levels of hurricane activity, particularly in Florida, Louisiana and Texas where we have a large proportion of our fleet. The fact that NationsRent's geographic footprint was more northerly based increases this seasonality and historically NationsRent made losses in the third and fourth quarters.

Exceptional costs incurred in the third quarter totalled £5.4m and related to NationsRent redundancies, retention bonuses, rebranding and other costs. We continue to anticipate further exceptionals of around £10m in the fourth quarter but no further exceptional items relating to NationsRent thereafter. The charge for intangible amortisation for the third quarter was £3.8m. We expect that fourth quarter amortisation will be at a similar level.

A-Plant

	2007	2006	Growth
	£m	£m	
Revenue	48.2	39.2	+22.6%
Underlying operating profit	3.1	1.0	+197.0%

A-Plant continued its recovery with another quarter of good revenue growth, including for the first full period a contribution from Lux which is now fully integrated into our existing traffic business. Organic revenue growth for the quarter was circa 11% and A-Plant continues to regain market share.

Ashtead Technology

	2007 £m	2006 £m	Growth
Revenue	5.0	3.8	+31.3%
Operating profit	1.1	0.6	+88.6%

Both Ashtead Technology's offshore and onshore markets remain good and the division has continued to invest in order to support these markets. This has enabled the business to deliver excellent revenue and profit growth.

Current trading and outlook

Based upon the current performance of all three divisions, together with favourable market conditions the Board anticipates a satisfactory conclusion to the financial year, despite the impact of the weaker US dollar.

Looking forward, the progress made to date in integrating the NationsRent acquisition and delivering the cost savings together with the expected realisation of improvements in its operational performance and the ongoing growth of A-Plant and Technology allow us to view future periods with confidence.

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Geoff Drabble and Ian Robson will host a conference call for equity analysts at 9.30am on Tuesday 6 March and a further conference call for bondholders at 3pm (10am EST) on the same day. The analysts' call will be webcast live via the Company's website at www.ashtead-group.com and there will also be a replay available from shortly after the call concludes. A copy of the slide presentation used for the call will also be available on the Company's website. Analysts and bondholders have already been invited to participate in the calls but anyone not having received dial-in details should contact the Company's PR advisers, Maitland (Jane Franklin) at 020 7379 5151.

CONSOLIDATED INCOME STATEMENT

Three months to 31 January

	2007 Before exceptional items, amortisation and fair value remeasurements+ £m	2007 Exceptional items, amortisation and fair value remeasurements+ £m	2007 Total £m	2006 Before exceptional items and fair value remeasurements+ £m (restated)	2006 Exceptional items and fair value remeasurements+ £m (restated)	2006 Total £m (restated)
Revenue	240.0	-	240.0	162.5	-	162.5
Staff costs	(79.7)	(1.2)	(80.9)	(52.2)	-	(52.2)
Other operating costs	(85.8)	(4.5)	(90.3)	(57.7)	(0.4)	(58.1)
Other income	2.0	-	2.0	1.3	11.8	13.1
EBITDA*	76.5	(5.7)	70.8	53.9	11.4	65.3
Depreciation	(44.4)	-	(44.4)	(29.8)	-	(29.8)
Amortisation of intangibles	-	(3.8)	(3.8)	-	-	-
Operating profit	32.1	(9.5)	22.6	24.1	11.4	35.5
Investment income	1.1	-	1.1	0.6	2.9	3.5
Interest expense	(21.9)	0.3	(21.6)	(11.9)	-	(11.9)
Net financing costs	(20.8)	0.3	(20.5)	(11.3)	2.9	(8.4)
Profit on ordinary activities before taxation	11.3	(9.2)	2.1	12.8	14.3	27.1
Taxation:						
- current	0.1	-	0.1	0.9	-	0.9
- deferred	(4.1)	3.6	(0.5)	(5.8)	(4.5)	(10.3)
	(4.0)	3.6	(0.4)	(4.9)	(4.5)	(9.4)
Profit attributable to equity shareholders	7.3	(5.6)	1.7	7.9	9.8	17.7
Basic earnings per share	1.3p	(1.0)p	0.3p	1.8p	2.3p	4.1p
Diluted earnings per share	1.3p	(1.0)p	0.3p	1.8p	2.3p	4.1p

Nine months to 31 January

	2007 Before exceptional items, amortisation and fair value remeasurements+ £m	2007 Exceptional items, amortisation and fair value remeasurements+ £m	2007 Total £m	2006 Before exceptional items and fair value remeasurements+ £m (restated)	2006 Exceptional items and fair value remeasurements+ £m (restated)	2006 Total £m (restated)
Revenue	662.3	-	662.3	476.3	-	476.3
Staff costs	(206.3)	(8.7)	(215.0)	(147.9)	(0.3)	(148.2)
Other operating costs	(231.2)	(10.4)	(241.6)	(163.6)	(0.8)	(164.4)
Other income	6.6	-	6.6	5.5	15.4	20.9
EBITDA*	231.4	(19.1)	212.3	170.3	14.3	184.6
Depreciation	(116.6)	-	(116.6)	(84.9)	-	(84.9)
Amortisation of intangibles	-	(6.6)	(6.6)	-	-	-
Operating profit	114.8	(25.7)	89.1	85.4	14.3	99.7
Investment income	3.1	-	3.1	2.1	7.3	9.4
Interest expense	(52.2)	(68.5)	(120.7)	(34.5)	(7.0)	(41.5)
Net financing costs	(49.1)	(68.5)	(117.6)	(32.4)	0.3	(32.1)
Profit/(loss) on ordinary activities before taxation	65.7	(94.2)	(28.5)	53.0	14.6	67.6
Taxation:						
- current	-	-	-	(1.3)	-	(1.3)
- deferred	(23.1)	66.3	43.2	(18.9)	(4.2)	(23.1)
	(23.1)	66.3	43.2	(20.2)	(4.2)	(24.4)
Profit attributable to equity shareholders	42.6	(27.9)	14.7	32.8	10.4	43.2
Basic earnings per share	8.5p	(5.6)p	2.9p	8.1p	2.6p	10.7p
Diluted earnings per share	8.4p	(5.5)p	2.9p	8.0p	2.6p	10.6p

* EBITDA is presented here as an additional performance measure as it is commonly used by investors and lenders.
+ Fair value remeasurements related to embedded derivatives in long term debt.

CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSE

	Unaudited			
	Three months to 31 January		Nine months to 31 January	
	2007	2006	2007	2006
	£m	£m (restated)	£m	£m (restated)
Net profit for the period	1.7	17.7	14.7	43.2
Foreign currency translation differences	(3.3)	(0.6)	(10.5)	19.3
Total recognised income and expense for the period	(1.6)	17.1	4.2	62.5

CONSOLIDATED MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	Unaudited			
	Three months to 31 January		Nine months to 31 January	
	2007	2006	2007	2006
	£m	£m (restated)	£m	£m (restated)
Total recognised income and expense for the period	(1.6)	17.1	4.2	62.5
Issue of ordinary shares, net of expenses	0.8	1.1	148.2	69.5
Dividends paid	-	-	(4.0)	-
Credit in respect of share based payments	0.6	0.3	2.0	0.8
Own shares acquired by ESOT	-	-	(4.9)	(2.8)
Net (decrease)/increase in equity shareholders' funds	(0.2)	18.5	145.5	130.0
Opening equity shareholders' funds	404.0	231.2	258.3	119.7
Closing equity shareholders' funds	403.8	249.7	403.8	249.7

CONSOLIDATED BALANCE SHEET

	Unaudited 31 January 2007 £m	2006 £m (restated)
Current assets		
Inventories	32.1	14.3
Trade and other receivables	158.1	109.6
Current tax asset recoverable	3.7	-
Assets held for sale	35.4	-
Cash and cash equivalents	1.2	1.3
	230.5	125.2
Non-current assets		
Property, plant and equipment		
- rental equipment	946.1	557.2
- other assets	131.9	89.0
	1,078.0	646.2
Intangible assets including goodwill	304.4	152.4
Deferred tax asset	41.5	-
Other financial assets - derivatives	-	14.9
Defined benefit pension fund surplus	2.4	-
	1,426.3	813.5
Total assets	1,656.8	938.7
Current liabilities		
Trade and other payables	152.5	88.5
Current tax liabilities	0.8	0.6
Debt due in less than one year	9.5	11.0
Provisions	14.9	6.8
	177.7	106.9
Non-current liabilities		
Debt due in more than one year	963.8	487.7
Provisions	18.6	11.0
Defined benefit pension fund deficit	-	15.8
Deferred taxation liability	92.9	67.6
	1,075.3	582.1
Total liabilities	1,253.0	689.0
Equity shareholders' funds		
Share capital	55.9	40.3
Share premium account	2.7	1.9
Non-distributable reserve	90.7	90.7
Own shares held in treasury through the ESOT	(8.6)	(4.2)
Cumulative foreign exchange translation differences	(27.7)	(13.3)
Distributable reserves	290.8	134.3
Total equity shareholders' funds	403.8	249.7
Total liabilities and equity shareholders' funds	1,656.8	938.7

CONSOLIDATED CASH FLOW STATEMENT

	Unaudited Nine months to 31 January 2007		2006	
	£m	£m	£m	£m
Cash flows from operating activities				
Cash generated from operations before exceptional items		236.2		158.3
Exceptional items		(9.7)		11.5
Cash generated from operations		226.5		169.8
Financing costs paid before exceptional items	(34.9)		(27.7)	
Exceptional financing costs paid	(49.8)		(14.5)	
Financing costs paid		(84.7)		(42.2)
Tax paid		(6.0)		(1.5)
Net cash from operating activities		135.8		126.1
Cash flows from investing activities				
Acquisition of businesses		(327.1)		(56.8)
Disposal of businesses		-		12.5
Payments for property, plant and equipment		(265.6)		(184.0)
Proceeds on sale of property, plant and equipment		42.0		35.7
Net cash used in investing activities		(550.7)		(192.6)
Cash flows from financing activities				
Drawdown of loans		883.3		238.9
Redemption of loans		(599.5)		(230.3)
Capital element of finance lease payments		(8.0)		(9.6)
Purchase of own shares by the ESOT		(4.9)		(2.8)
Dividends paid		(4.0)		-
Proceeds from issue of ordinary shares		148.2		69.5
Net cash from financing activities		415.1		65.7
Increase/(decrease) in cash and cash equivalents		0.2		(0.8)
Opening cash and cash equivalents		1.0		2.1
Effect of exchange rate changes		-		-
Closing cash and cash equivalents		1.2		1.3

NOTES TO THE INTERIM FINANCIAL STATEMENTS

1. Basis of preparation

The financial statements for the nine months ended 31 January 2007 were approved by the directors on 5 March 2007. They have been prepared in accordance with relevant International Financial Reporting Standards ('IFRS') and the accounting policies set out in the Group's Annual Report and Accounts for the year ended 30 April 2006. They are unaudited and do not constitute statutory accounts within the meaning of Section 240 of the Companies Act 1985.

The statutory accounts for the year ended 30 April 2006 were prepared in accordance with relevant IFRS and have been mailed to shareholders and filed with the Registrar of Companies. The auditors' report on those accounts was unqualified and did not contain a statement under section 237 of the Companies Act 1985.

The 2006 comparatives have been restated to include the fair value of embedded derivatives included within our long term debt instruments in accordance with IAS 39. This increased investment income by £5.1m and total assets by £5.1m in the nine months ended and as at 31 January 2006. In addition, the comparative figures for operating profit for Sunbelt, A-Plant, Ashtead Technology and Corporate items in note 2 have been restated to include share based remuneration costs within the operating segment results. In 2006 these costs were included within Corporate items.

The exchange rates used in respect of the US dollar are:

	2007	2006
Average for the nine months ended 31 January	1.8932	1.7824
At 31 January	1.9574	1.7774

2. Segmental analysis

	Revenue	Operating profit before exceptionals and amortisation	Exceptional items and amortisation	Operating profit
Three months to 31 January	£m	£m	£m	£m
2007				
Sunbelt	186.8	29.8	(9.0)	20.8
A-Plant	48.2	3.1	(0.3)	2.8
Ashtead Technology	5.0	1.1	-	1.1
Corporate items	-	(1.9)	(0.2)	(2.1)
	240.0	32.1	(9.5)	22.6
2006				
Sunbelt	119.5	23.9	11.4	35.3
A-Plant	39.2	1.0	-	1.0
Ashtead Technology	3.8	0.6	-	0.6
Corporate items	-	(1.4)	-	(1.4)
	162.5	24.1	11.4	35.5
Nine months to 31 January				
2007				
Sunbelt	506.3	102.1	(25.2)	76.9
A-Plant	139.7	14.2	(0.3)	13.9
Ashtead Technology	16.3	4.4	-	4.4
Corporate items	-	(5.9)	(0.2)	(6.1)
	662.3	114.8	(25.7)	89.1
2006				
Sunbelt	345.6	77.3	14.3	91.6
A-Plant	118.9	9.6	-	9.6
Ashtead Technology	11.8	2.9	-	2.9
Corporate items	-	(4.4)	-	(4.4)
	476.3	85.4	14.3	99.7

NOTES TO THE INTERIM FINANCIAL STATEMENTS

3. Operating costs

	2007			2006		
	Before exceptional items and amortisation	Exceptional items and amortisation	Total	Before exceptional items	Exceptional items	Total
Three months to 31 January	£m	£m	£m	£m	£m	£m
Staff costs:						
Salaries	71.8	-	71.8	47.5	-	47.5
Social security costs	6.4	-	6.4	4.1	-	4.1
Other pension costs	1.5	-	1.5	0.6	-	0.6
Redundancies and retention bonuses	-	1.2	1.2	-	-	-
	79.7	1.2	80.9	52.2	-	52.2
Other operating costs:						
Vehicle costs	17.3	-	17.3	14.2	-	14.2
Spares, consumables & external repairs	14.6	-	14.6	11.6	-	11.6
Facility costs	14.1	0.1	14.2	8.2	0.1	8.3
Other external charges	39.8	4.4	44.2	23.7	0.3	24.0
	85.8	4.5	90.3	57.7	0.4	58.1
Other income:						
Profit on disposal of fixed assets	(2.0)	-	(2.0)	(1.3)	(0.5)	(1.8)
Other income	-	-	-	-	(11.3)	(11.3)
	(2.0)	-	(2.0)	(1.3)	(11.8)	(13.1)
Depreciation and amortisation:						
Depreciation	44.4	-	44.4	29.8	-	29.8
Amortisation of acquired intangibles	-	3.8	3.8	-	-	-
	44.4	3.8	48.2	29.8	-	29.8
	207.9	9.5	217.4	138.4	(11.4)	127.0
Nine months to 31 January						
Staff costs:						
Salaries	187.3	-	187.3	134.4	0.3	134.7
Social security costs	15.3	-	15.3	11.3	-	11.3
Other pension costs	3.7	-	3.7	2.2	-	2.2
Redundancies and retention bonuses	-	8.7	8.7	-	-	-
	206.3	8.7	215.0	147.9	0.3	148.2
Other operating costs:						
Vehicle costs	48.9	-	48.9	39.0	-	39.0
Spares, consumables & external repairs	42.2	-	42.2	32.4	-	32.4
Facility costs	34.5	4.1	38.6	22.9	0.5	23.4
Other external charges	105.6	6.3	111.9	69.3	0.3	69.6
	231.2	10.4	241.6	163.6	0.8	164.4
Other income:						
Profit on disposal of fixed assets	(6.6)	-	(6.6)	(5.5)	(4.1)	(9.6)
Other income	-	-	-	-	(11.3)	(11.3)
	(6.6)	-	(6.6)	(5.5)	(15.4)	(20.9)
Depreciation and amortisation:						
Depreciation	116.6	-	116.6	84.9	-	84.9
Amortisation of acquired intangibles	-	6.6	6.6	-	-	-
	116.6	6.6	123.2	84.9	-	84.9
	547.5	25.7	573.2	390.9	(14.3)	376.6

NOTES TO THE INTERIM FINANCIAL STATEMENTS

4. Exceptional items, amortisation and fair value remeasurements related to embedded derivatives

'Exceptional items' are those items of financial performance that are material and non-recurring in nature. Amortisation relates to the periodic write off of acquired intangible assets. Non-cash fair value remeasurements relate to embedded derivatives within long term debt instruments. The Group believes these items should be disclosed separately within the consolidated income statement to assist in the understanding of the financial performance of the Group. Exceptional items, amortisation and fair value remeasurements are excluded from underlying profit and earnings per share and are set out below:

	Three months to 31 January		Nine months to 31 January	
	2007	2006	2007	2006
	£m	£m	£m	£m
Senior note redemption costs	(0.3)	-	42.0	4.8
Write off of deferred financing costs relating to debt redeemed	(0.1)	-	10.5	-
Acquisition integration costs	3.1	0.3	16.1	0.4
Rebranding costs	2.1	-	2.5	-
Litigation proceeds	-	(11.3)	-	(11.3)
Profit on sale of scaffolding	-	(0.4)	-	(3.4)
Other costs	0.6	-	1.1	-
Total exceptional items	5.4	(11.4)	72.2	(9.5)
Amortisation of acquired intangibles	3.8	-	6.6	-
Fair value remeasurements of embedded derivatives	-	(2.9)	15.4	(5.1)
	9.2	(14.3)	94.2	(14.6)

Senior note redemption costs include 'make-whole' payments and associated costs of £25.3m paid at closing on 31 August 2006 in connection with NationsRent's $400m secured and unsecured loan notes and £16.7m paid on the same date in connection with the redemption of the £78m Ashtead secured loan notes due 2014. The write off of deferred financing costs relates to deferred costs previously carried forward on both Ashtead's sterling senior notes and its $800m asset based bank facility which was replaced on 31 August 2006 by a new $1.75bn asset based bank facility. Acquisition integration costs relate primarily to employee retention and severance costs and vacant property costs following the NationsRent acquisition and rebranding relates to new signage and painting of former NationsRent equipment. The items detailed in the table above are presented in the income statement as follows:

	Three months to 31 January		Nine months to 31 January	
	2007	2006	2007	2006
	£m	£m	£m	£m
Staff costs	1.2	-	8.7	0.3
Other operating costs	4.5	0.4	10.4	0.8
Other income	-	(11.8)	-	(15.4)
Amortisation of acquired intangibles	3.8	-	6.6	-
Charged/(credited) in arriving at operating profit	9.5	(11.4)	25.7	(14.3)
Net financing (income)/costs	(0.3)	(2.9)	68.5	(0.3)
Charged/(credited) in arriving at profit before tax	9.2	(14.3)	94.2	(14.6)

NOTES TO THE INTERIM FINANCIAL STATEMENTS

5. Financing costs

	Three months to 31 January		Nine months to 31 January	
	2007	2006	2007	2006
	£m	£m (restated)	£m	£m (restated)
Investment income:				
Interest and other financial income	0.1	-	0.1	0.2
Expected return on assets of defined benefit pension plan	1.0	0.6	3.0	1.9
	1.1	0.6	3.1	2.1
Exceptional income and fair value remeasurements of embedded derivatives in long term debt	-	2.9	-	7.3
Total investment income	1.1	3.5	3.1	9.4
Interest expense:				
Bank interest payable	10.6	4.8	24.1	11.8
Interest on second priority senior secured notes	9.3	5.3	22.6	14.3
Interest payable on finance leases	0.5	0.4	1.2	1.4
5.25% unsecured convertible loan note, due 2008:				
- interest payable	-	-	-	1.9
- non-cash unwind of discount	-	-	-	1.0
Non-cash unwind of discount on defined benefit pension plan liabilities	0.7	0.6	2.0	2.0
Non-cash unwind of discount on self insurance provisions	0.1	-	0.4	-
Amortisation of deferred costs of debt raising	0.7	0.7	1.9	2.0
Other	-	0.1	-	0.1
	21.9	11.9	52.2	34.5
Exceptional costs and fair value remeasurements of embedded derivatives in long term debt	(0.3)	-	68.5	7.0
Total interest expense	21.6	11.9	120.7	41.5
Net financing costs before exceptional items and fair value remeasurements of embedded derivatives	20.8	11.3	49.1	32.4
Net exceptional items and fair value remeasurements of embedded derivatives	(0.3)	(2.9)	68.5	(0.3)
Net financing costs	20.5	8.4	117.6	32.1

6. Taxation

Following the refinancing of the Group at the time of the NationsRent acquisition and the improved trading results at A-Plant, the Group has recognised in full, as an exceptional profit, the previously unrecognised UK deferred tax asset of £37.3m.

The remaining tax credit for the nine month period of £5.9m has been calculated by applying the directors' best estimate of the effective annual tax rate (estimated at 40% for the US and 22% for the UK) to the Group's profit before tax for the period and includes a deferred tax credit of £29.0m (2006 - charge of £4.2m) related to the exceptional items and amortisation of acquired intangibles. The remaining tax credit of £5.9m consists of a deferred tax credit of £3.2m related to the UK (2006 - credit of £1.4m) and a deferred tax credit of £2.7m related to the US (2006 - charge of £5.6m).

NOTES TO THE INTERIM FINANCIAL STATEMENTS

7. Earnings per share

Basic and diluted earnings per share for the three and nine months ended 31 January 2007 have been calculated based on the profit for the relevant period and on the weighted average number of ordinary shares in issue during that period (excluding shares held by 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:

		Three months to 31 January		Nine months to 31 January	
		2007	2006	2007	2006
Profit for the financial period (£m)		1.7	17.7	14.7	43.2
Weighted average number of shares (m)	- basic	550.5	426.7	499.7	402.3
	- diluted	557.0	435.2	506.4	409.4
Basic earnings per share		0.3p	4.1p	2.9p	10.7p
Diluted earnings per share		0.3p	4.1p	2.9p	10.6p

The weighted average number of shares shown as being in issue in previous periods has been adjusted to take account of the bonus element of the rights issue on 29 August 2006.

Underlying earnings per share (defined in any period as the earnings before exceptional items, amortisation of acquired intangibles and fair value remeasurements for that period divided by the weighted average number of shares in issue in that period) and cash tax earnings per share (defined in any period as underlying earnings before other deferred taxes divided by the weighted average number of shares in issue in that period) may be reconciled to the basic earnings per share as follows:

	Three months to 31 January		Nine months to 31 January	
	2007	2006	2007	2006
Basic earnings per share	0.3p	4.1p	2.9p	10.7p
Exceptional items, amortisation of acquired intangibles and fair value remeasurements	1.7p	(3.3)p	18.9p	(3.6)p
Deferred tax on exceptional items, amortisation and fair value remeasurements	(0.7)p	1.0p	(5.8)p	1.0p
Deferred tax credit for previously unrecognised UK tax losses	-	-	(7.5)p	-
Underlying earnings per share	1.3p	1.8p	8.5p	8.1p
Other deferred tax	0.8p	1.4p	4.6p	4.7p
Cash tax earnings per share	2.1p	3.2p	13.1p	12.8p

NOTES TO THE INTERIM FINANCIAL STATEMENTS

8. Property, plant and equipment

	2007		2006	
	Rental equipment	Total	Rental equipment	Total
Net book value	£m	£m	£m	£m
At 1 May	559.9	646.7	452.9	537.1
Exchange difference	(35.9)	(40.3)	22.7	25.9
Reclassifications	(0.4)	(0.1)	(0.2)	(0.1)
Additions	207.9	235.9	158.5	173.0
Acquisitions	349.8	390.3	31.9	35.0
Disposals	(34.2)	(37.9)	(36.7)	(39.8)
Depreciation	(101.0)	(116.6)	(71.9)	(84.9)
At 31 January	946.1	1,078.0	557.2	646.2

9. Called up share capital

Ordinary shares of 10p each:

	31 January 2007	31 January 2006	31 January 2007	31 January 2006
	Number	Number	£m	£m
Authorised	900,000,000	900,000,000	90.0	90.0
Allotted, called up and fully paid	559,215,991	403,285,036	55.9	40.3

On 29 August 2006 the Group issued 152,240,015 ordinary shares of 10p each at £1 per share through a 3 for 8 Rights Issue which raised £152.2m before issue expenses of £5.5m. A further 2,641,910 shares were issued in the nine months ended 31 January 2007 at an average price of 55.2p per share under share option plans raising £1.5m.

10. Statement of changes in shareholders' equity

	Share capital	Share premium	Non distributable reserves	Own shares held in treasury (ESOT)	Cumulative foreign exchange translation differences	Distributable reserves	Total	31 Jan 2006
	£m	£m	£m	£m	£m	£m	£m	£m
Total recognised income and expense	-	-	-	-	(10.5)	14.7	4.2	62.5
Shares issued	15.5	(0.5)	-	-	-	133.2	148.2	69.5
Dividends paid	-	-	-	-	-	(4.0)	(4.0)	-
Share based payments	-	-	-	-	-	2.0	2.0	0.8
Vesting of share awards	-	-	-	0.5	-	(0.5)	-	-
Own shares purchased	-	-	-	(4.9)	-	-	(4.9)	(2.8)
Net changes in shareholders' equity	15.5	(0.5)	-	(4.4)	(10.5)	145.4	145.5	130.0
Opening shareholders' equity	40.4	3.2	90.7	(4.2)	(17.2)	145.4	258.3	119.7
Closing shareholders' equity	55.9	2.7	90.7	(8.6)	(27.7)	290.8	403.8	249.7

NOTES TO THE INTERIM FINANCIAL STATEMENTS

11. Notes to the cash flow statement

	Nine months to 31 January 2007	2006
	£m	£m
a) Cash flow from operating activities		
Operating profit	89.1	99.7
Depreciation and amortisation	123.2	84.9
Exceptional items	19.1	(14.3)
EBITDA before exceptional items	231.4	170.3
Profit on disposal of property, plant and equipment	(6.6)	(5.5)
Decrease in inventories	9.4	0.8
Decrease/(increase) in trade and other receivables	6.4	(9.3)
(Decrease)/increase in trade and other payables	(6.1)	1.9
Exchange differences	(0.1)	(0.8)
Other non-cash movements	1.8	0.9
Cash generated from operations before exceptional items	236.2	158.3

b) Reconciliation to net debt

	2007 £m	2006 £m
(Increase)/decrease in cash in the period	(0.2)	0.8
Increase in debt through cash flow	275.8	(1.0)
Change in net debt from cash flows	275.6	(0.2)
Debt acquired	232.8	-
Exchange difference	(44.7)	12.2
Non-cash movements:		
- deferred costs of debt raising	12.4	2.2
- convertible loan note	-	(1.0)
- capital element of new finance leases	2.4	1.9
Movement in net debt in the period	478.5	15.1
Opening net debt	493.6	482.3
Closing net debt	972.1	497.4

c) Analysis of net debt

	1 May 2006	Exchange movement	Cash flow	Debt acquired	Non-cash movements	31 January 2007
	£m	£m	£m	£m	£m	£m
Cash	(1.0)	-	(0.2)	-	-	(1.2)
Debt due within 1 year	10.6	(0.5)	(11.5)	7.4	3.5	9.5
Debt due after 1 year	484.0	(44.2)	287.3	225.4	11.3	963.8
Total net debt	493.6	(44.7)	275.6	232.8	14.8	972.1

Details of the changes in the Group's debt following the NationsRent acquisition are given in the Segmental Results and Review of Balance Sheet and Cashflow accompanying these interim financial statements.

11. Notes to the cash flow statement (continued)

d) Acquisitions

	Nine months to 31 January			
	2007			2006
	NationsRent	Lux	Total	Total
	£m	£m	£m	£m
Cash consideration	311.2	15.8	327.0	56.8
Less: cash/overdrafts acquired	(6.5)	0.3	(6.2)	-
Attributable costs paid	6.0	0.3	6.3	-
	310.7	16.4	327.1	56.8

12. Acquisitions

NationsRent Companies Inc (“NationsRent”)

On 31 August 2006, Sunbelt acquired the entire issued share capital of NationsRent for a total consideration of US$592m plus acquisition costs. As part of the NationsRent acquisition, the Group has also agreed to pay deferred contingent consideration of up to $89m. The amount of the deferred contingent consideration is linked to the Company’s share price performance over the three years from 1 September 2006 to 31 August 2009. In the event that the Company’s share price (measured on a five day average basis) rises by more than 22.2% above the reference price of 204p (as adjusted for the bonus element of the rights issue), contingent consideration becomes payable at the rate of $5m for every additional 1% rise in the share price up to a maximum of 40% above the reference price. Accordingly, deferred contingent consideration starts to become payable when the Company’s share price reaches 250p with the maximum $89m being payable at 286p. The contingent consideration is payable on a quarterly basis in cash. It is not practicable to estimate reliably the amount of contingent consideration which will become payable and accordingly no provision has been made.

NationsRent’s revenues and estimated operating profits under IFRS and Ashtead Group plc specific accounting policies for the period pre-acquisition (1 May to 31 August 2006) were $230.7m and $19m respectively.

Due to the operational integration of NationsRent and Sunbelt since acquisition, in particular the movement of rental equipment between profit centres and the merger of some profit centres, it is not practical to report the revenue and profit of the acquired business post acquisition.

12. Acquisitions (continued)

The provisional goodwill arising on acquisition is as follows:

	At estimated fair value £m
Net assets acquired:	
Inventory	30.0
Trade and other receivables	55.2
Cash and cash equivalents	6.5
Property, plant and equipment:	
- rental equipment	341.1
- other assets	39.4
Intangible assets - tradename and distribution agreements	18.1
Assets held for sale	41.0
Trade and other payables	(91.9)
Deferred tax liability	(35.1)
Debt	(232.6)
Net assets acquired	171.7
Consideration paid:	
Cash	311.2
Directly attributable costs	6.0
	317.2
Goodwill	145.5

Fair values have been estimated and will be refined and adjusted during the fourth quarter. $28.0m of the consideration payable for the ordinary equity share capital of NationsRent was paid at closing to an escrow agent to secure the warranties and indemnities given by the vendors in the merger agreement. $15.2m has recently been released to the vendors and the remainder will either be released to the vendors in stages over the next six months as the related warranties and indemnities expire or will be used to meet any agreed warranty or indemnity claims.

Lux Traffic Controls Limited ("Lux")

On 16 October 2006, A-Plant purchased the entire issued share capital of Lux for total consideration of £15.8m and attributable costs of £0.3m. The acquisition included arrangements for the vendor to acquire from Lux for cash immediately after closing assets valued at £0.3m and consequently, before costs, there was a net cash outflow of £15.5m in connection with the acquisition. The consideration payable is subject to downwards only adjustment to the extent that Lux's net assets at closing are less than £4.25m. Agreement of the closing balance sheet is in progress and, pending this agreement, £0.5m of the total consideration paid is being held by an escrow agent for release to the vendor or purchaser as appropriate following agreement of the closing balance sheet.

The net assets acquired and the provisional goodwill arising on the acquisition are summarised in the table below:

NOTES TO THE INTERIM FINANCIAL STATEMENTS

12. Acquisitions (continued)

	Acquiree's book value	At estimated fair value
	£m	£m
Net assets acquired:		
Inventory	0.3	0.1
Trade and other receivables	3.0	2.9
Assets acquired by the vendor immediately after closing	0.2	0.3
Property, plant and equipment:		
- rental equipment	3.8	4.0
- other assets	0.9	0.9
Intangible assets (tradenames, customer list and non-competes)	-	5.0
Trade and other payables	(3.1)	(3.2)
Short term borrowings	(0.3)	(0.3)
Deferred tax liabilities	(0.4)	(1.9)
Debt	(0.2)	(0.2)
	4.2	7.6
Consideration paid:		
Paid in cash at closing		15.8
Directly attributable costs		0.3
		16.1
Goodwill		8.5

Fair values have been estimated and will be refined and adjusted during the fourth quarter.

Lux's revenue and operating profit in the period from 1 May 2006 to 16 October 2006 was £9.6m and £0.3m, respectively. For the same reasons as NationsRent, it is not practical to report the revenue and profit of the acquired business post acquisition.

13. Contingent liabilities and contingent assets

There have been no significant changes in contingent liabilities from those reported at 30 April 2006 or to the amount of performance guarantees issued by subsidiaries and guaranteed by Ashtead Group plc. The Group remains subject to periodic legal claims in the ordinary course of its business. However, the claims outstanding at 31 January 2007 are not expected to have a significant impact on the Group's financial position.

14. Seasonality

Our business is subject to significant fluctuations in performance from quarter to quarter as a result of seasonal effects. Commercial construction activity tends to increase in the summer and during extended periods of mild weather and to decrease in the winter and during extended periods of inclement weather. Furthermore, due to the incidence of public holidays in the US and the UK, there are more billing days in the first half of our financial year than the second half leading to our revenues normally being higher in the first half. On a quarterly basis, the second quarter is typically our strongest quarter, followed by the first and then the third and fourth quarters.

Additionally, our equipment is used extensively in the recovery from natural disasters such as floods, wind and storm damage (including hurricanes), earthquakes etc. and the incidence of such events can impact the level of our revenues.

SEGMENTAL RESULTS AND REVIEW OF BALANCE SHEET AND CASH FLOW

Segmental results

Divisional results before exceptional items and amortisation of acquired intangibles for the three months and nine months ended 31 January 2007 are summarised below:

	Revenue		EBITDA		Operating profit	
Three months to 31 January	2007	2006	2007	2006	2007	2006
Sunbelt in $m	361.5	209.2	121.9	76.1	58.1	41.8
Sunbelt in £m	186.8	119.5	62.7	43.5	29.8	23.9
A-Plant	48.2	39.2	13.2	10.2	3.1	1.0
Ashtead Technology	5.0	3.8	2.4	1.6	1.1	0.6
Group central costs	-	-	(1.8)	(1.4)	(1.9)	(1.4)
	240.0	162.5	76.5	53.9	32.1	24.1
Net financing costs					(20.8)	(11.3)
Profit before tax, exceptionals and amortisation					11.3	12.8
Exceptional items and amortisation					(9.2)	14.3
Profit before taxation					2.1	27.1
Nine months to 31 January						
Sunbelt in $m	958.5	616.0	352.2	235.5	193.3	137.8
Sunbelt in £m	506.3	345.6	186.0	132.1	102.1	77.3
A-Plant	139.7	118.9	43.2	36.9	14.2	9.6
Ashtead Technology	16.3	11.8	8.0	5.7	4.4	2.9
Group central costs	-	-	(5.8)	(4.4)	(5.9)	(4.4)
	662.3	476.3	231.4	170.3	114.8	85.4
Net financing costs					(49.1)	(32.4)
Profit before tax, exceptionals and amortisation					65.7	53.0
Exceptional items and amortisation					(94.2)	14.6
(Loss)/profit before taxation					(28.5)	67.6

Revenue increased 47.6% to £240.0m (2006 - £162.5m) in the quarter ended 31 January 2007 and 39.0% to £662.3m (2006 - £476.3m) in the nine months then ended. This reflects the contribution from NationsRent since 31 August 2006 as well as the limiting effect of the weak dollar which, in the third quarter, declined 11% from $1.75 = £1 a year ago to $1.94 = £1. Underlying operating profit increased 32.9% to £32.1m (2006 - £24.1m) in the quarter ended 31 January 2007 and 34.4% to £114.8m (2006 - £85.4m) in the nine months then ended. Profit before tax, exceptionals and amortisation for the quarter declined to £11.3m (2006 - £12.8m) reflecting the financing costs of the acquisition but not the full effects of the operational efficiencies and cost savings and for the nine months ended 31 January 2007 was £65.7m (2006 - £53.0m). After exceptional items and amortisation, profit before tax for the quarter was £2.1m (2006 - £27.1m) and for the nine months was a loss of £28.5m (2006 – profit of £67.6m).

Balance sheet

Capital expenditure in the nine months was £235.9m of which £207.9m was invested in the rental fleet (2006 - £173.0m in total). Expenditure on rental equipment was 88% of total capital expenditure with the balance relating to our delivery vehicle fleet, property improvements and to computer equipment. Capital expenditure by division was as follows:

	31 January 2007			2006
	Growth	Maintenance	Total	Total
Sunbelt in $m	140.6	139.1	279.7	195.6
Sunbelt in £m	71.8	71.1	142.9	110.0
A-Plant	15.6	41.8	57.4	42.7
Ashtead Technology	6.2	1.4	7.6	5.8
Total rental equipment	93.6	114.3	207.9	158.5
Delivery vehicles, property improvements & computers			28.0	14.5
Total additions			235.9	173.0

With strong US market conditions and a much improved performance at A-Plant, the Group spent £93.6m of its rental equipment capital expenditure on growth with £114.3m spent on replacing existing fleet. The growth proportion is estimated on the basis of the assumption that maintenance capital expenditure in any period is equal to the original cost of equipment sold.

The average age of the Group's serialised rental equipment, which constitutes the substantial majority of our fleet, at 31 January 2007 was 31 months (2006 - 38 months) on a net book value basis. Sunbelt's fleet had an average age of 32 months (2006 - 40 months) comprising 38 months for aerial work platforms which have a longer life and 25 months for the remainder of its fleet and A-Plant's fleet had an average age of 30 months (2006 - 37 months).

Assets held for sale

This includes NationsRent equipment identified as held for sale as part of the program to reshape its fleet to contain a similar profile of higher returning assets to that of Sunbelt. The lower returning equipment is in the process of being disposed of and has been treated as an asset held for sale effective as of the acquisition date.

Trade receivables

Receivable days were the same as last year at 47 days. The bad debt charge for the nine months ended 31 January 2007 as a percentage of total turnover was 0.7% (2006 - 0.7%).

Trade and other payables

Group payable days were 68 days in 2007 (2006 - 55 days). Capital expenditure related payables at 31 January 2007 totalled £32.7m (2006 - £24.4m). Payment periods for purchases other than rental equipment vary between 7 and 45 days and for rental equipment between 30 and 90 days.

Cash flow and net debt

Free cash flow (defined as the net cash inflow from operations less net maintenance capital expenditure, financing costs paid and tax paid) is summarised below:

	Nine months to 31 January 2007 £m	Nine months to 31 January 2006 £m	Year to 31 January 2007 £m	Year to 30 April 2006 £m
EBITDA before exceptional items	231.4	170.3	285.8	224.7
Cash inflow from operations before exceptional items	236.2	158.3	293.1	215.2
*Cash efficiency ratio**	*102.1%*	*93.0%*	*102.6%*	*95.8%*
Maintenance rental capital expenditure	(119.0)	(106.3)	(162.6)	(149.9)
Non-rental capital expenditure	(26.2)	(12.5)	(30.5)	(16.8)
Proceeds from sale of used rental equipment	42.0	35.7	56.7	50.4
Tax paid	(6.0)	(1.5)	(7.3)	(2.8)
Free cash flow before interest	127.0	73.7	149.4	96.1
Financing costs paid	(34.9)	(27.7)	(45.9)	(38.7)
Free cash flow after interest	**92.1**	**46.0**	**103.5**	**57.4**
Growth capital expenditure	(120.4)	(65.2)	(117.8)	(62.6)
Acquisitions and disposals	(327.1)	(44.3)	(327.0)	(44.2)
Issue of ordinary share capital	148.2	69.5	149.6	70.9
Dividends paid	(4.0)	-	(6.0)	(2.0)
Purchase of own shares by ESOT	(4.9)	(2.8)	(4.9)	(2.8)
Pension plan funding	-	-	(17.1)	(17.1)
Exceptional costs paid (net)	(59.5)	(3.0)	(58.7)	(2.2)
Increase in total debt	(275.6)	0.2	(278.4)	(2.6)

* Cash inflow from operations before exceptional items as a percentage of EBITDA before exceptional items.

Cash inflow from operations increased 49% to £236.2m and the cash efficiency ratio was 102.1% (2006 - 93.0%). Cash inflow from operations in the nine months ended 31 January 2007 has benefited from cash generated from NationsRent receivables which were seasonally higher when acquired in August compared to the seasonally lower level in January. Net cash capital expenditure in the nine months ended 31 January 2007 increased to £223.6m (2006 - £148.3m) reflecting the strong US market conditions and the improved performance of A-Plant. This results in net cash capital expenditure in the year to 31 January 2007 of £254.2m.

Financing costs (excluding exceptional financing costs) paid of £34.9m were lower than the £49.1m accounting charge reflecting the timing of interest payments on the new $550m senior secured notes and non-cash items included in the latter. Payments for exceptional items of £59.5m differ from the exceptional income statement expense of £72.2m due to (a) the inclusion in exceptional payments of £7.2m of interest paid at closing on the NationsRent debt redeemed which was expensed prior to the acquisition; (b) non cash items included in the income statement expense; and (c) accrued integration costs of £9.4m which have not yet been paid.

The Group continues to generate strong free cash flow after interest with £92.1m (2006 - £46.0m) generated in the nine months and free cash flow of £103.5m in the year to 31 January 2007.

Acquisition and disposal expenditure of £327.1m relates to the acquisition of NationsRent and Lux with the majority of the proceeds from the issue of share capital of £148.2m relating to the rights issue in connection with the NationsRent acquisition.

Net debt

	31 January 2007	31 January 2006	30 April 2006
	£m	£m	£m
First priority senior secured bank debt	552.1	261.6	263.2
Finance lease obligations	24.0	26.0	23.2
12% second priority senior secured notes, due 2014	-	75.4	75.5
8.625% second priority senior secured notes, due 2015	123.2	135.7	132.7
9% second priority senior secured notes, due 2016	274.0	-	-
	973.3	498.7	494.6
Cash and cash equivalents	(1.2)	(1.3)	(1.0)
Total net debt	972.1	497.4	493.6

Group net debt doubled from £493.6m at 30 April 2006 to £972.1m at 31 January 2007 reflecting the impact of the NationsRent acquisition which, together with the Lux acquisition increased net debt by £472.9 (net of the net rights issue proceeds of £146.7m). The ratio of net debt to pro forma EBITDA was 3.0 times at 31 January 2007. Pro forma EBITDA for this purpose was £324.3m and includes NationsRent's EBITDA excluding its profit on used equipment sales for the pre-acquisition period but not any benefit from central overhead savings.

New first and second priority senior secured loan facilities

In connection with the NationsRent acquisition, on 31 August 2006, the Group repaid the outstanding borrowings under its $800m first priority asset based senior secured loan facility and replaced it with a new $1.75bn facility on substantially the same terms as the previous facility. The interest rate on borrowings under the new facility varies, according to a grid linked to the ratio of funded debt to EBITDA before exceptional items, between LIBOR plus 150bp and LIBOR plus 225bp. Currently the Group borrows at LIBOR plus 175bp. In addition, during August 2006 the Group raised $550m of new ten year second priority senior secured notes carrying an interest rate of 9% per annum.

The Group's debt facilities are now committed for a weighted average period of approximately 6.5 years with the earliest significant maturity being in August 2011. The weighted average interest cost of these facilities (including non-cash amortisation of deferred debt raising costs) is approximately 8%, most of which is tax deductible in the US where the tax rate is 39%. Financial performance covenants under the two senior secured notes issues are only measured at the time new debt is raised. There are two financial performance covenants under the asset based first priority senior bank facility (funded debt to EBITDA before exceptional items and a fixed charge ratio comparing EBITDA less net capital expenditure to the sum of scheduled debt repayments, interest, tax and dividends paid). These covenants are not, however, required to be adhered to when availability (the difference between the borrowing base and facility utilisation) exceeds $125m. At 31 January 2007 availability under the bank facility was $524m ($283m under the old facility at 30 April 2006).

Currency translation

Following the NationsRent acquisition approximately 96% of our debt is denominated in US dollars. At 31 January 2007 our dollar denominated debt represented approximately 88% of the value of our dollar denominated net assets (other than debt) providing a partial, but substantial, hedge against the translation effects of changes in the dollar exchange rate. The dollar interest payable on this debt also limits the impact of changes in the dollar exchange rate on our pre-tax profits and earnings. Based on the currency mix of our profits we anticipate prevailing in the coming year and on current dollar debt levels and interest rates, every 1% change in the US dollar exchange rate would impact pro-forma pre-tax profit by 1.0%.

OPERATING STATISTICS

	Profit centre numbers			Staff numbers		
	31 January		30 April	31 January		30 April
	2007	2006	2006	2007	2006	2006
Sunbelt Rentals	454	206	209	7,475	4,067	4,266
A-Plant	231	196	193	2,592	2,052	2,081
Ashtead Technology	12	11	11	116	103	104
Corporate office	-	-	-	14	14	14
Group	697	413	413	10,197	6,236	6,465