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If you have sold or otherwise transferred all of your Ordinary Shares in Ashtead Group plc, please forward this document together with the accompanying proxy form as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee.



ASHTEAD GROUP PLC

Proposed additional share repurchase authority

and

Notice of General Meeting

This document should be read as a whole. Your attention is drawn to the letter from the Chairman of Ashtead Group plc on pages 5 to 7 of this document, which contains a unanimous recommendation by the Directors that you vote in favour of the Special Resolution to be proposed at the General Meeting, referred to below.

Notice of a General Meeting of Ashtead Group plc, to be held at the New Zealand Room, 9th floor, Citypoint, 1 Ropemaker Street, London EC2Y 9HY at 10.00 a.m. on 7 August 2008, is set out at the end of this document. A proxy form for use in connection with the General Meeting is enclosed with this document. Shareholders are requested to either complete the proxy form in accordance with the instructions printed on it and return it to the Registrars, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6ZL, or, in the case of CREST members who wish to appoint a proxy or proxies by transmitting a CREST Proxy Instruction to the Registrars, to do so in accordance with the procedures set out on page 10 of this document. The completed proxy form or CREST Proxy Instruction must be received by the Registrars not later than 10.00 a.m. on 5 August 2008. The return of a completed proxy form or CREST Proxy Instruction will not preclude a member from attending, speaking and voting at the General Meeting in person should they so wish.

THIS DOCUMENT DOES NOT CONSTITUTE, OR FORM PART OF, AN OFFER OR INVITATION TO SELL, PURCHASE OR SUBSCRIBE FOR ANY SECURITIES, OR A SOLICITATION OF AN OFFER TO PURCHASE ANY SECURITIES, IN ANY JURISDICTION.

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DEFINITIONS

The following definitions apply throughout this document, unless the context otherwise requires:

"2007 Annual General Meeting"	means the annual general meeting of the Company held on 25 September 2007;
"Company"	means Ashtead Group plc, a company incorporated in England with the registered number 01807982 and whose registered office is at Kings House, 36-37 King Street, London EC2V 8BB;
"CREST"	means the relevant system (as defined in the Uncertified Securities Regulations 2001) in respect to which Euroclear is the Operator (as defined in such regulations);
"CREST Proxy Instruction"	means a properly authenticated CREST message appointing and instructing a proxy or proxies to attend and vote in the place of the Shareholder at the General Meeting;
"Directors"	means the directors of the Company;
"Euroclear"	means Euroclear UK & Ireland Limited;
"First General Meeting"	means the general meeting of the Company held on 31 March 2008;
"General Meeting"	means the general meeting of the Company to be held at the New Zealand Room, 9 th floor, Citypoint, 1 Ropemaker Street, London EC2Y 9HY at 10.00 a.m. on 7 August 2008, notice of which is set out at the end of this document;
"Ordinary Shares"	means the ordinary shares of 10 pence each in the capital of the Company;
"Registrars"	means Equiniti Limited of Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA;
"Shareholders"	means the holders of Ordinary Shares; and
"Special Resolution"	means the special resolution set out in the notice of the General Meeting at the end of this document.

LETTER FROM THE CHAIRMAN OF ASHTEAD GROUP PLC

**Directors**

Chris Cole (Chairman)
 Geoffrey Drabble (Chief Executive)
 Ian Robson (Finance Director)
 Sat Dhaiwal (Chief Executive Officer, A-Plant)
 Cliff Miller (President and Chief Executive Officer, Sunbelt)
 Hugh Etheridge (Senior Independent Non-Executive Director)
 Gary Iceton (Independent Non-Executive Director)
 Michael Burrow (Independent Non-Executive Director)
 Bruce Edwards (Independent Non-Executive Director)

Registered Office

Kings House
 36-37 King Street
 London
 EC2V 8BB

10 July 2008

Dear Shareholder

Proposed additional share repurchase authority and notice of General Meeting

The purpose of this letter is to provide you with details of the Special Resolution to be proposed at the General Meeting, which is to be held at the New Zealand Room, 9th floor, Citypoint, 1 Ropemaker Street, London EC2Y 9HY at 10.00 a.m. on 7 August 2008, and to explain why your Directors consider the proposals to be in the best interests of the Shareholders as a whole and unanimously recommend that you vote in favour of the Special Resolution. Notice of the General Meeting is set out at the end of this document.

1. Background to and reasons for requesting additional share purchase authority

At the Company's 2007 Annual General Meeting, Shareholders approved a special resolution giving authority to purchase in the market up to 27,996,096 Ordinary Shares, representing 5 per cent. of the Ordinary Shares in issue as at 25 September 2007. In accordance with this authority, the Company has purchased 27,996,096 Ordinary Shares from Shareholders at a total cost of £20.9 million.

At the First General Meeting, the Shareholders approved a special resolution giving the Company authority to purchase in the market up to an additional 26,902,642 Ordinary shares, representing 5 per cent. of the Ordinary Shares in issue as at 3 March 2008 ("the further authority"). Between the date of the First General Meeting and 10 July 2008 (being the latest practicable date prior to the publication of this document), the Company has purchased 19,197,170 Ordinary Shares (representing approximately 3.57 per cent. of the Company's issued share capital as at 3 March 2008) from Shareholders under the further authority at a total cost of approximately £12.5 million. The Board anticipates making further purchases which it expects will result in the further authority being fully utilised by around the date of the General Meeting.

On 26 June 2008, the Company announced that the disposal of Ashtead Technology Limited had been completed and that the consideration of £95.6 million would be applied to reduce outstanding debt. Having regard to the Company's planned cash generation and capital expenditure needs, the Directors believe it is appropriate that the Company should continue to be able to buy back its Ordinary Shares and to retain the flexibility to continue the repurchase programme once the further authority has been fully utilised.

I am therefore writing to seek an extension of the Shareholders' authority providing the Company with the ability to make further repurchases up to an additional 4.99 per cent. of the Company's Ordinary Shares (calculated on the basis set out below) (representing 14.99 per cent. in total). Having this extended authority would enable the Company to continue to make purchases of shares if it considered such purchases to be in the best interests of the Company and the Shareholders as a whole, and if it expected such purchases to result in an increase in earnings per share.

2. Further information on the Special Resolution

Under the terms of the Special Resolution, the Company would be generally authorised to make additional market purchases of up to 25,703,094 Ordinary Shares, representing 4.99 per cent. of the Company's issued ordinary share capital (excluding treasury shares) as at 10 July (being the last practicable date prior to publication of this document). The maximum price payable would be based on the market price as set out in the Special Resolution.

The proposed authority would be in addition to the Company's existing repurchase authority and would, unless varied, revoked or renewed, expire at the conclusion of the next annual general meeting of the Company. The Company intends to hold any shares repurchased pursuant to the extended authority in treasury up to the maximum of 10 per cent. of the nominal value of the issued share capital of the Company and, beyond such amount, any Ordinary Shares which are repurchased by the Company will be cancelled.

3. Share capital

As at 10 July 2008 (being the latest practicable date prior to the publication of this document), there were options to subscribe for 9,829,042 Ordinary Shares outstanding, representing 1.9 per cent. of the issued ordinary share capital of the Company (excluding treasury shares).

If the additional share repurchase authority which is now being sought were to be used in full, in addition to the further authority, then these options would represent 2.0 per cent. of the undiluted issued share capital of the Company (excluding treasury shares) as at 10 July 2008 (being the latest practicable date prior to the publication of this document).

4. General Meeting

A notice convening the General Meeting, to be held at the New Zealand Room, 9th floor, Citypoint, 1 Ropemaker Street, London EC2Y 9HY at 10.00 a.m. on 7 August 2008 is set out at the end of this document. At this meeting, the Special Resolution will be proposed for the approval of the Shareholders. A special resolution requires approval by a majority of not less than 75 per cent. of Shareholders who vote.

Whether or not you are able to attend the General Meeting in person, please complete and sign the proxy form sent to you with this document and return it to the Registrars as soon as possible and, in any event, by not later than 10.00 a.m. on 5 August 2008. Alternatively, if you are a CREST member and wish to appoint a proxy or proxies by transmitting a CREST Proxy Instruction to the Registrars, please follow the instructions set out on pages 9-10 of this document.

Completion and return of the proxy form will not prevent you from attending, speaking and voting at the General Meeting should you so wish.

5. Recommendation by Directors

The Directors consider the Special Resolution to be in the best interests of the Shareholders as a whole. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of the Special Resolution to be proposed at the General Meeting, as the Directors intend to do in respect of their own beneficial shareholdings representing, in aggregate, approximately 0.4 per cent. of the issued share capital of the Company.

Yours faithfully

Chris Cole
Chairman

NOTICE OF GENERAL MEETING**Ashtead Group plc**

(Registered in England with number 01807982)

Notice is hereby given that a General Meeting of Ashtead Group plc (the “**Company**”) will be held in the New Zealand Room, 9th floor, Citypoint, 1 Ropemaker Street, London EC2Y 9HY at 10.00 a.m. on 7 August 2008 to consider and, if thought fit, pass the following resolution to be proposed as a special resolution:

That, pursuant to section 166 of the Companies Act 1985 and in addition and without prejudice to all subsisting authorities, the Company be generally and unconditionally authorised to make market purchases (as defined in section 163(3) of the Companies Act 1985) of ordinary shares in the capital of the Company in such manner and on such terms as the directors may from time to time determine, provided that:

- (a) this authority shall, unless varied, revoked or renewed, expire at the conclusion of the next annual general meeting of the Company, but the Company may before such expiry make an offer or agreement to purchase its own ordinary shares which would or might be concluded in whole or in part after such expiry;
- (b) the maximum aggregate number of ordinary shares authorised to be acquired under this authority is 25,703,094, representing 4.99 per cent. of the issued ordinary share capital of the Company (excluding treasury shares) as at 10 July 2008; and
- (c) for each ordinary share, the minimum price which may be paid is 10 pence (being the nominal value of an ordinary share) and the maximum price which may be paid is the higher of (i) an amount equal to 105 per cent. of the average of the middle market prices for an ordinary share as derived from The London Stock Exchange Daily Official List for each of the five business days immediately preceding the date on which the ordinary share is agreed to be purchased, and (ii) the higher of the price of the last independent trade and the highest current independent bid on the London Stock Exchange Official List at the time the purchase is carried out.

By order of the Board

Eric Watkins
Ashtead Group plc
Company Secretary
10 July 2008

Registered Office

Kings House
36-37 King Street
London
EC2V 8BB

Notes

1. Shareholders are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the General Meeting. A Shareholder may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that Shareholder. A proxy need not be a Shareholder of the Company. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact the Registrars.
2. To be valid, any proxy form or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand at the Registrars, Equiniti Limited Aspect House, Spencer Road, Lancing, West Sussex BN99 6ZL not later than 10.00 a.m. on 5 August 2008.
3. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
4. The return of a completed proxy form, other such instrument or any CREST Proxy Instruction will not prevent a Shareholder attending the General Meeting and voting in person if he/she wishes to do so.
5. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the Shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the Shareholder as to the exercise of voting rights.
6. The statement of the rights of Shareholders in relation to the appointment of proxies in paragraphs 1 and 3 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by Shareholders of the Company.
7. To be entitled to attend and vote at the General Meeting (and for the purpose of the determination by the Company of the votes they may cast), Shareholders must be registered in the register of members of the Company at 6.00 p.m. on 5 August 2008 (or, in the event of any adjournment, 6.00 p.m. on the date which is two days before the time of the adjourned meeting). Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the General Meeting.
8. As at 10 July (being the latest practicable date prior to the publication of this notice), the Company's issued share capital consists of 515,092,072 ordinary shares, carrying one vote each (including the ordinary shares held in treasury as at that date). Therefore, the total voting rights in the Company as at 10 July 2008 was 515,092,072.

9. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
10. In order for a proxy appointment or instruction made using the CREST service to be valid, the CREST Proxy Instruction must be properly authenticated in accordance with Euroclear's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA19) by 10.00 a.m. on 5 August 2008. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
11. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
12. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
13. In order to facilitate voting by corporate representatives at the General Meeting, arrangements will be put in place at the General Meeting so that (i) if a corporate Shareholder has appointed the chairman of the General Meeting as its corporate representative to vote on a poll in accordance with the directions of all of the other corporate representatives for that Shareholder at the General Meeting, then on a poll those corporate representatives will give voting directions to the chairman and the chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate Shareholder attends the General Meeting but the corporate Shareholder has not appointed the chairman of the General Meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate Shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives (www.icsa.org.uk) for further details of this procedure. The guidance includes a sample letter of representation if the chairman is being appointed as described in (i) above.

14. Except as provided above, members who have general queries about the Meeting should use the following means of communication (no other methods of communication will be accepted):

- ewatkins@ashtead-group.com.

You may not use any electronic address provided either in this notice of Annual General Meeting or any related documents (including the chairman's letter and proxy form) to communicate with the Company for any purposes other than those expressly stated.

