

Ashtead Group plc Notice of Annual General Meeting

Notice of the Annual General Meeting of the Company to be held at Wax Chandler's Hall, 6 Gresham Street, London, EC2V 7AD on 23 September 2008 at 2.30 pm is set out at the end of this circular.

Whether or not you propose to attend the Annual General Meeting, please complete and submit a proxy form in accordance with the instructions printed on the enclosed form. The proxy form must be received not less than 48 hours before the time of the holding of the Annual General Meeting.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from a stockbroker, solicitor, accountant, or other professional adviser.

If you have sold or otherwise transferred all of your shares, please pass this document together with the accompanying documents to the purchaser or transferee, or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

23 July 2008

Notice of Annual General Meeting

Dear Shareholder,

I am pleased to be writing to you with details of our Annual General Meeting ("**AGM**") which we are holding at Wax Chandler's Hall, 6 Gresham Street, London, EC2V 7AD on 23 September 2008 at 2.30 pm. The formal notice of Annual General Meeting is set out on page 2 of this document.

If you would like to vote on the resolutions but cannot come to the AGM, please fill in the proxy form sent to you with this notice and return it to our registrars as soon as possible. They must receive it by 2.30 pm on 21 September 2008.

Explanatory notes on all the business to be considered at this year's AGM appear on pages 4 to 7 of this document.

The directors consider that all the resolutions to be put to the meeting are in the best interests of the Company and its shareholders as a whole. Your Board will be voting in favour of them and unanimously recommends that you do so as well.

Yours sincerely,



Chris Cole
Chairman

Inspection of documents

The following documents will be available for inspection at the Company's registered office until the time of the AGM and at Wax Chandler's Hall, 6 Gresham Street, London, EC2V 7AD from 15 minutes before the AGM until it ends:

- Copies of the executive directors' service contracts
- Copies of letters of appointment of the non-executive directors
- A copy of the proposed new Articles of Association of the Company, and a copy of the existing Articles of Association marked to show the changes being proposed in resolution 10.

Ashtead Group plc
(incorporated and registered in England and Wales under number 1807982)
Registered Office: Kings House
36-37 King Street, London EC2V 8BB

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of the Company will be held at Wax Chandler's Hall, 6 Gresham Street, London, EC2V 7AD at 2.30 pm on 23 September 2008 for the following purposes

To consider and, if thought fit, pass the following Ordinary Resolutions:

1. That the accounts of the Company for the year ended 30 April 2008, the report of the directors and the report of the auditors be adopted.
2. That a final dividend of 1.675p per ordinary share for the year ended 30 April 2008 be declared and paid on 26 September 2008 to holders of ordinary shares on the register of members of the Company at the close of business on 5 September 2008.
3. That Mr C Cole, who retires by rotation and, being eligible, offers himself for re-election as a director in accordance with Article 98 of the Company's Articles of Association. (Note 16)
4. That Mr G Drabble, who retires by rotation, and being eligible, offers himself for re-election as a director in accordance with Article 98 of the Company's Articles of Association. (Note 17)
5. That Mr S I Robson, who retires by rotation and, being eligible, offers himself for re-election as a director in accordance with Article 98 of the Company's Articles of Association. (Note 18)
6. That Deloitte & Touche LLP be re-appointed as auditors of the Company to hold office until the conclusion of the next general meeting at which accounts are laid before the Company and that their remuneration be fixed by the directors. (Note 19)
7. That the director's remuneration report included in the annual report and accounts for the year ended 30 April 2008 be approved. (Note 20)
8. That the directors be and are hereby authorised generally and unconditionally to exercise all the powers of the Company to allot relevant securities (within the meaning of section 80(2) of the Companies Act 1985 ("the Act")) up to an aggregate nominal amount of £17,434,534 being one-third of the current issued share capital of the Company, adjusted to exclude shares held in treasury and include issued but unexercised options. This authority shall, unless previously varied, revoked or renewed, expire at the conclusion of the Company's next Annual General Meeting, but the Company may before such expiry make such offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot such securities as if the authority hereby conferred had not expired. All subsisting authorities to allot relevant securities previously conferred are hereby revoked, but without prejudice to the allotment of any relevant securities already made pursuant to such authority. (Note 21)
9. That the Ashtead Group Performance Share Plan 2004 (the "Plan") produced to the meeting and initialled by the chairman of the meeting for the purpose of identification be approved in substitution for, and to the exclusion of, the existing Plan. (Note 22)

To consider and, if thought fit, pass the following Special Resolutions:

10. That the Articles of Association produced to the meeting and initialled by the chairman of the meeting for the purpose of identification be adopted in substitution for, and to the exclusion of, the existing Articles of Association. (Note 23)
11. That the directors be and they are hereby generally and unconditionally empowered pursuant to section 95 of the Act, without prejudice to all subsisting powers, to allot equity securities (within the meaning of section 94 of the Act) wholly for cash pursuant to the authority conferred by resolution 8, and/or where such allotment constitutes an allotment of equity securities by virtue of section 94(3A) of the Act, as if section 89(1) of the Act did not apply to such allotment, provided that this power shall be limited to:
- a. the allotment of equity securities in connection with a rights issue, open offer or any other pre-emptive offer in favour of all holders of relevant equity securities (excluding any shareholder holding shares as treasury shares) where the equity securities respectively attributable to the interests of such holders of the relevant securities are proportionate (nearly as may be) to the respective number of equity securities held by them (subject to such exclusions or other arrangements as the directors may deem necessary or desirable to deal with problems arising in any overseas territory or in connection with fractional entitlements or record dates or the requirements of any regulatory body or stock exchange or any other matter whatsoever); and
 - b. the allotment of equity securities (other than pursuant to (a) above) up to an aggregate nominal amount of £2,615,180.
12. That authority is generally and unconditionally given, pursuant to section 166 of the Act, for the Company to make market purchases (as defined in section 163(3) of the Act) 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 previously 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 shares which would or might be concluded wholly or in partly after such expiry;
 - b. the maximum number of shares authorised to be acquired is 52,303,603 representing 10% of the current issued ordinary share capital of the Company, adjusted to exclude shares held in treasury and include issued but unexercised options; and
 - c. for each share, the minimum price which may be paid is 10p payable by the Company and the maximum price is the higher of (i) an amount equal to 105% of the average of the middle market prices for an ordinary share as derived from The Stock Exchange Daily Official List for each of the five business days immediately preceding the date on which the share is purchased and (ii) the price stipulated by article 5(1) of the Buy-Back and Stabilisation Regulation. (Note 25)

By order of the Board
E Watkins
Company Secretary
23 July 2008

Registered Office:
Kings House
36-37 Kings Street
London
EC2V 8BB

Registered in England and Wales No 1807982

and this power shall, unless previously varied, revoked or renewed, expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution, but the Company may before such expiry make such offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of any such offer or agreement as if the powers conferred had not expired. (Note 24)

Explanatory notes to the Notice of Annual General Meeting

The notes on the following pages give an explanation of the proposed resolutions.

Resolutions 1 to 9 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolutions 10 to 12 are proposed as special resolutions. This means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

1. Holders of ordinary shares in the Company are entitled to attend and vote at the meeting.
2. Any Shareholder entitled to attend, speak and vote at the meeting, including any adjournment thereof, may appoint one or more proxies to exercise all or any of his or her rights to attend, speak and vote in his or her place, 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 member of the Company and such appointment will not preclude a Shareholder from attending and voting at the meeting in person.
3. A form of proxy for use by Shareholders is enclosed with this document. To be effective, forms of proxy must be completed and returned, in accordance with their instructions, so as to be received by the Registrars, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA as soon as possible, but in any event so as to arrive no later than 48 hours before the time appointed for the meeting. Forms of proxy must be signed by the member or, in the case of joint holders, any one of them. 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. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, only those Shareholders registered in the register of members of the Company as at 6.00 pm on 21 September 2008 (or, if this meeting is adjourned, in the register of members of the Company two days before the time of the adjourned meeting) shall be entitled to attend or vote at the meeting in respect of the number of shares registered in their name at that time. Subsequent changes to the register of members of the Company shall be disregarded in determining the rights of any person to attend and vote at the meeting.
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 Annual 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 2 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. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting, including any adjournment thereof, 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 voting 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.

8. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST Proxy Instruction must be properly authenticated in accordance with CRESTCo's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or 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 Registrars Equiniti Limited (ID RA19) by 2.30 pm on 21 September 2008. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which Registrars Equiniti Limited 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.
9. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that CRESTCo 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.
10. 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.
11. Any shareholder who has sold or transferred his or her shares in the Company should pass this document and its enclosures to the person through whom the sale or the transfer was effected for transmission to the purchaser or transferee.
12. As at 23 July 2008 (being the last practicable date prior to the publication of this Notice) the Company's issued share capital consists of 561,572,726 ordinary shares carrying one vote each of which, 48,375,736 shares were held in treasury at the same date. Therefore the total voting rights in the Company as at 23 July 2008 are 513,196,990. In addition, as at the same date there were 9,829,042 unexercised options in issue under the Company's SAYE and executive share option plans.
13. In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that (i) if a corporate shareholder has appointed the chairman of the meeting as its corporate representative with instructions to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the 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 meeting but the corporate shareholder has not appointed the chairman of the 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 form of representation letter if the chairman is being appointed as described in (i) above.

Explanatory notes to the Notice of Annual General Meeting

Continued

14. Except as provided above, Members who have general queries about the Meeting may communicate with the company by email to: ewatkins@ashtead-group.com
15. The register of directors' interests in the share capital of the Company and copies of service contracts of the directors with the Company and its subsidiaries will be available for inspection at the Company's corporate office, Kings House, 36-37 Kings Street, London, EC2, during business hours on any weekday (excluding Saturdays, Sundays and public holidays) from the date of this Notice until the date of the Annual General Meeting and at the venue of the Annual General Meeting from 2.15 pm on 23 September 2008 until conclusion of the Annual General Meeting.
16. Aged 61, Chris Cole has been a director since January 2002 and was appointed as non-executive Chairman from 1 March 2007. Mr Cole is Chairman of the Nomination Committee and a member of the Finance and Administration Committee. Mr Cole is Chief Executive of WSP Group plc.
17. Aged 48, Geoff Drabble was appointed as Chief Executive on 1 January 2007, having served as Chief Executive designate from 2 October 2006. Mr Drabble was previously an executive director of The Laird Group PLC where he was responsible for its Building Products division. Prior to joining The Laird Group, Mr Drabble held a number of senior management positions at Black & Decker. Mr Drabble is Chairman of the Finance and Administration Committee and a member of the Nomination Committee.
18. Aged 49, Ian Robson has been Finance Director since June 2000. Prior to June 2000, Mr Robson held a series of senior financial positions at Reuters Group plc for four years. Before joining Reuters Group plc, Mr Robson was a partner at Price Waterhouse (now PricewaterhouseCoopers LLP). Mr Robson is a member of the Finance and Administration Committee.
19. Resolution 6 deals with the re-appointment of Deloitte & Touche LLP for the forthcoming year and authorises the directors to fix their remuneration.
20. Resolution 7 invites shareholders to approve the directors' remuneration report as set out on pages 36 to 42 in the annual report and accounts for the year ended 30 April 2008, as required by the Directors' Remuneration Report Regulations 2002.
21. Resolution 8 seeks to renew the directors' authority relating to the issue and allotment of ordinary shares given at the Annual General Meeting on 25 September 2007. The resolution authorises the directors to allot ordinary shares up to an amount not exceeding one-third of the issued share capital of the Company (excluding shares held in treasury but including issued but unexercised options) without first being required to obtain prior approval from shareholders on each occasion. The maximum number of shares which may be issued is 174,345,344.
22. Resolution 9 seeks to increase the maximum annual individual limit under the Plan from 100% to 150% of base salary.

Primarily the limit is being increased to bring the maximum award limit in line with market practice and also to ensure that the Remuneration Committee has the flexibility to increase the variable element of the remuneration package if appropriate.

The Company's Remuneration Committee will continue with its practice of setting stretching performance targets for awards it makes under the Plan.

23. It is proposed in resolution 10 to adopt new Articles of Association (the "**New Articles**") in order to update the Company's current Articles of Association (the "**Current Articles**"), primarily to take account of changes in English company law brought about by the Companies Act 2006.

The principal changes introduced in the New Articles are summarised in the Appendix. Other changes, which are of a minor, technical or clarifying nature and also some more minor changes which merely reflect changes made by the Companies Act 2006 have not been noted in the Appendix. The New Articles showing all the changes to the Current Articles are available for inspection, as noted on page 2 of this document.

24. Resolution 11 seeks to renew the directors' authority relating to the issue and allotment of ordinary shares on a non pre-emptive basis given at the previous Annual General Meeting. The resolution authorises the directors to allot up to 26,151,801 ordinary shares for cash being an amount not exceeding 5% of the current issued ordinary share capital of the Company (including issued but unexercised options but excluding shares held in treasury) without first being required to offer such shares to existing shareholders. The directors have no present intention of allotting shares other than in relation to the exercise of options or awards under the Company's share plans.
25. In resolution 12, the directors are seeking authority to allow the use of the Company's available cash resources to acquire its own shares in the market. Shares acquired by the Company in this way may be cancelled, or may be held in the name of the Company as treasury shares. The authority will only be exercised if the directors believe that to do so would result in increased earnings per share and would be in the best interests of shareholders generally. The authority is limited to 10% of the current issued ordinary share capital of the Company (excluding shares held in treasury) and will expire at the next Annual General Meeting.

There are 9,839,042 options currently in issue. This represents approximately 1.9% of the current issued ordinary share capital of the Company (excluding treasury shares) and if the full authority to buy back shares being sought is used will represent approximately 2.1% of the issued ordinary share capital of the Company (excluding any treasury shares.)

Appendix – Explanatory notes of principal changes to the Company's Articles of Association

Articles which duplicate statutory provisions

Provisions in the Current Articles which replicate provisions contained in the Companies Act 2006 are in the main to be removed in the New Articles. This is in line with the approach advocated by the Government that statutory provisions should not be duplicated in a company's constitution. Certain examples of such provisions include provisions as to the form of resolutions, the variation of class rights, the requirement to keep accounting records and provisions regarding the period of notice required to convene general meetings. The main changes made to reflect this approach are detailed below.

Form of resolution

The Current Articles contain a provision that, where for any purpose an ordinary resolution is required, a special or extraordinary resolution is also effective and that, where an extraordinary resolution is required, a special resolution is also effective. This provision is being removed as the concept of extraordinary resolutions has not been retained under the Companies Act 2006. Further, the remainder of the provision is reflected in full in the Companies Act 2006.

The Current Articles enable members to act by written resolution. Under the Companies Act 2006 public companies can no longer pass written resolutions. These provisions have therefore been removed in the New Articles.

Convening extraordinary and Annual General Meetings

The provisions in the Current Articles dealing with the convening of general meetings and the length of notice required to convene general meetings are being removed in the New Articles because the relevant matters are provided for in the Companies Act 2006. In particular an extraordinary general meeting to consider a special resolution can be convened on 14 days' notice whereas previously 21 days' notice was required.

Votes of members

Under the Companies Act 2006 proxies are entitled to vote on a show of hands whereas under the Current Articles proxies are only entitled to vote on a poll. The time limits for the appointment or termination of a proxy appointment are set out in the Companies Act 2006 and state that the articles cannot provide that they should be received more than 48 hours before the meeting or in the case of a poll taken more than 48 hours after the meeting, more than 24 hours before the time for the taking of a poll, with weekends and bank holidays being permitted to be excluded for this purpose. The New Articles

give the directors discretion, when calculating the time limits, to exclude weekends and bank holidays. Multiple proxies may be appointed provided that each proxy is appointed to exercise the rights attached to a different share held by the shareholder. The New Articles reflect all of these new provisions.

Age of directors on appointment

The Current Articles contain a provision requiring a director's age to be disclosed if he has attained the age of 70 years or more in the notice convening a meeting at which the director is proposed to be elected or re-elected. Such provision could now fall foul of the Employment Equality (Age) Regulations 2006 and so has been removed from the New Articles.

Conflicts of interest

The Companies Act 2006 sets out directors' general duties which largely codify the existing law but with some changes. Under the Companies Act, from 1 October 2008 a director must avoid a situation where he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict with the Company's interests. The requirement is very broad and could apply, for example, if a director becomes a director of another company or a trustee of another organisation. The Companies Act 2006 allows directors of public companies to authorise conflicts and potential conflicts, where appropriate, where the Articles of Association contain a provision to this effect. The Companies Act 2006 also allows the Articles of Association to contain other provisions for dealing with directors' conflicts of interest to avoid a breach of duty. The New Articles give the directors authority to approve such situations and to include other provisions to allow conflicts of interest to be dealt with in a similar way to the current position.

There are safeguards which will apply when directors decide whether to authorise a conflict or potential conflict. First, only directors who have no interest in the matter being considered will be able to take the relevant decision, and secondly, in taking the decision the directors must act in a way they consider, in good faith, will be most likely to promote the Company's success. The directors will be able to impose limits or conditions when giving authorisation if they think this is appropriate.

It is also proposed that the New Articles should contain provisions relating to confidential information, attendance at board meetings and availability of board papers to protect a director being in breach of duty if a conflict of interest or potential conflict of interest arises. These provisions will only apply where the position giving rise to the potential conflict has previously been authorised by the

directors. It is the Board's intention to report annually on the Company's procedures for ensuring that the Board's powers of authorisation of conflicts are operated effectively and that the procedures have been followed.

Notice of board meetings

Under the Current Articles, when a director is abroad he can request that notice of directors' meetings are sent to him at a specified address and if he does not do so he is not entitled to receive notice while he is away. This provision has been removed, as modern communications mean that there may be no particular obstacle to giving notice to a director who is abroad.

Records to be kept

The provision in the Current Articles requiring the Board to keep accounting records has been removed as this requirement is contained in the Companies Act 2006.

Distribution of assets otherwise than in cash

The Current Articles contain provisions dealing with the distribution of assets in kind in the event of the Company going into liquidation. These provisions have been removed in the New Articles on the grounds that a provision about the powers of liquidators is a matter for insolvency law rather than the articles and that the Insolvency Act 1986 confers powers on the liquidator which would enable it to do what is envisaged by the Current Articles.

Electronic and web communications

Provisions of the Companies Act 2006 which came into force in January 2007 enable companies to communicate with members by electronic and/or website communications. The New Articles continue to allow communications to members in electronic form and by website. Before the Company can communicate with a member by means of website communication, the relevant member must be asked individually by the Company to agree that the Company may send or supply documents or information to him by means of a website, and the Company must either have received a positive response or have received no response within the period of 28 days beginning with the date on which the request was sent. The Company will notify the member (either in writing, or by other permitted means) when a relevant document or information is placed on the website and a member can always request a hard copy version of the document or information. The New Articles update various provisions concerning electronic communications to fully reflect the provisions of the Companies Act 2006.

Directors' indemnities and loans to fund expenditure

The Companies Act 2006 has in some areas widened the scope of the powers of a company to indemnify directors and to fund expenditure incurred in connection with certain actions against directors. In particular, the existing exemption allowing a company to provide money for the purpose of funding a director's defence in court proceedings now expressly covers regulatory proceedings and applies to associated companies.

Treasury shares

From 1 December 2003, listed companies which buy back their own shares have not been required by law to cancel them. Such shares can be held by a listed company as treasury shares and later sold for cash, transferred for the purposes of an employee share scheme or cancelled. The Current Articles provide for the existence of treasury shares but some additional consequential changes have been made to the New Articles to fully reflect the existence of treasury stock.

Uncertificated shares

The Current Articles reflect that ownership of shares can be evidenced without share certificates and that such shares can be transferred through an electronic settlement system. The New Articles contain some additional consequential amendments to fully reflect that uncertificated shares can be transferred electronically.

General

Generally, the opportunity has been taken to bring clearer language into the New Articles and in some areas to conform the language of the New Articles to that used in the model articles for public companies produced by the Department for Business, Enterprise and Regulatory Reform.

Ashtead Group plc

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