International Equipment Rental

Year end results – 30 April 2008

Issued: 24 June 2008

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The presentation contains forward looking statements which are necessarily subject to risks and uncertainties because they relate to future events. Some of the factors which may adversely impact some of these forward looking statements are discussed in the Group's audited results for the year ended 30 April 2008 under "Principal risks and uncertainties".

The presentation contains supplemental non-GAAP financial and operating information which the Group believes provides valuable insight into the performance of the business. Whilst this information is considered as important, it should be viewed as supplemental to the Group's financial results prepared in accordance with International Financial Reporting Standards and not as a substitute for them.

Highlights

- Group profit up 51% on prior year
- Strong performance in both core divisions
- Momentum established carried forward into new financial year in good market conditions
- Sale of Technology announced for £96m
- Significant deleverage expected in coming year
- Business well positioned for further progress

Financial Review

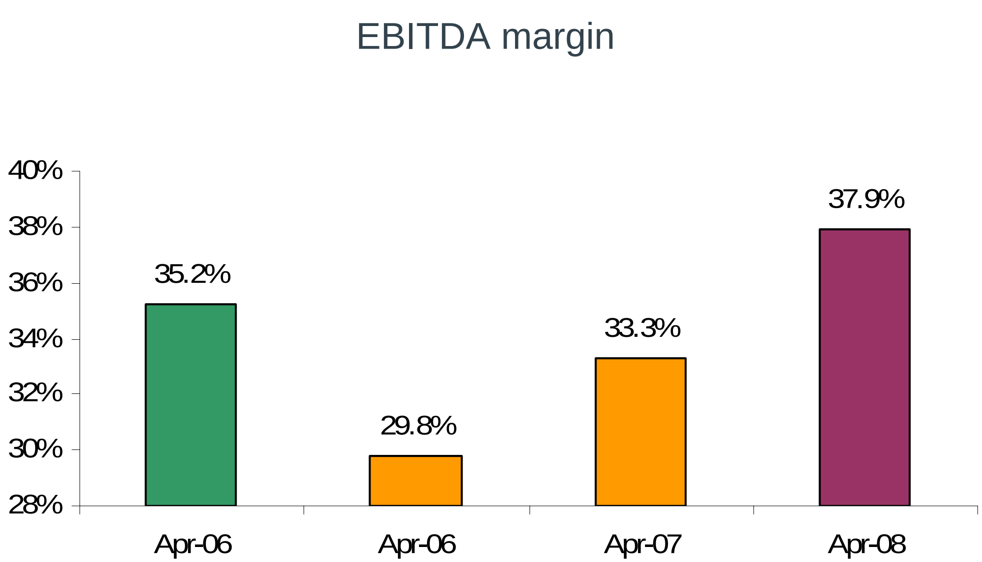
Ian Robson – finance director

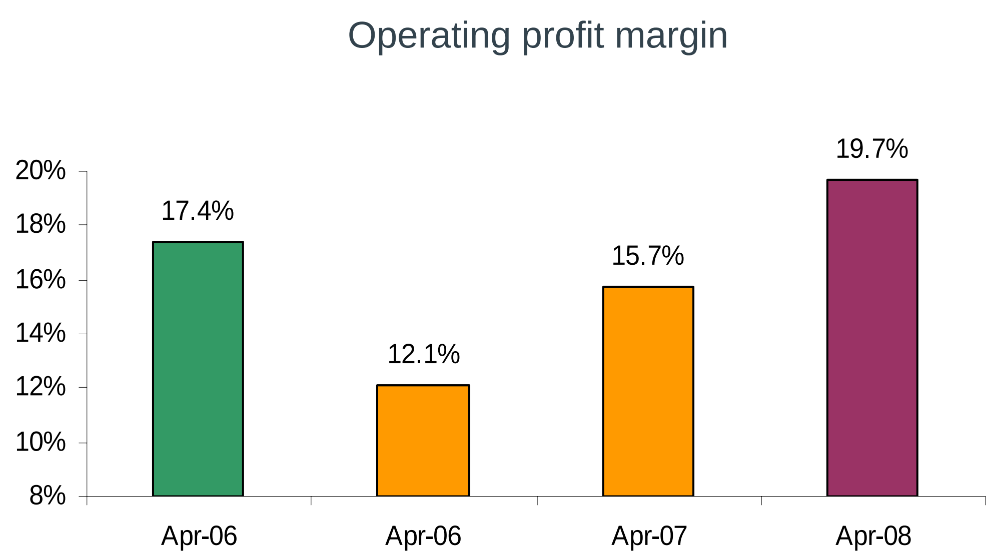
Full year results – total group results again show strong growth

	2007 As reported	2007 Nations & Lux	2007 Pro forma	2008 Actual	Growth At actual rates	Growth At constant rates
Revenue	896	130	1,026	1,003	-2%	+2%
Operating costs	(586)	(99)	(685)	(623)		
EBITDA *	310	31	341	380	+11%	+16%
Depreciation	(159)	(21)	(180)	(182)		
Operating profit *	151	10	161	198	+23%	+28%
Interest	(70)			(75)		
Profit before tax *	81			123	+51%	+56%
Earnings per share *	10.3p			14.8p	+44%	+48%
Margins						
- EBITDA			33%	38%		
- Operating profit			16%	20%		

* Before exceptional items, amortisation of acquired intangibles and fair value remeasurements

Margins show consistent development

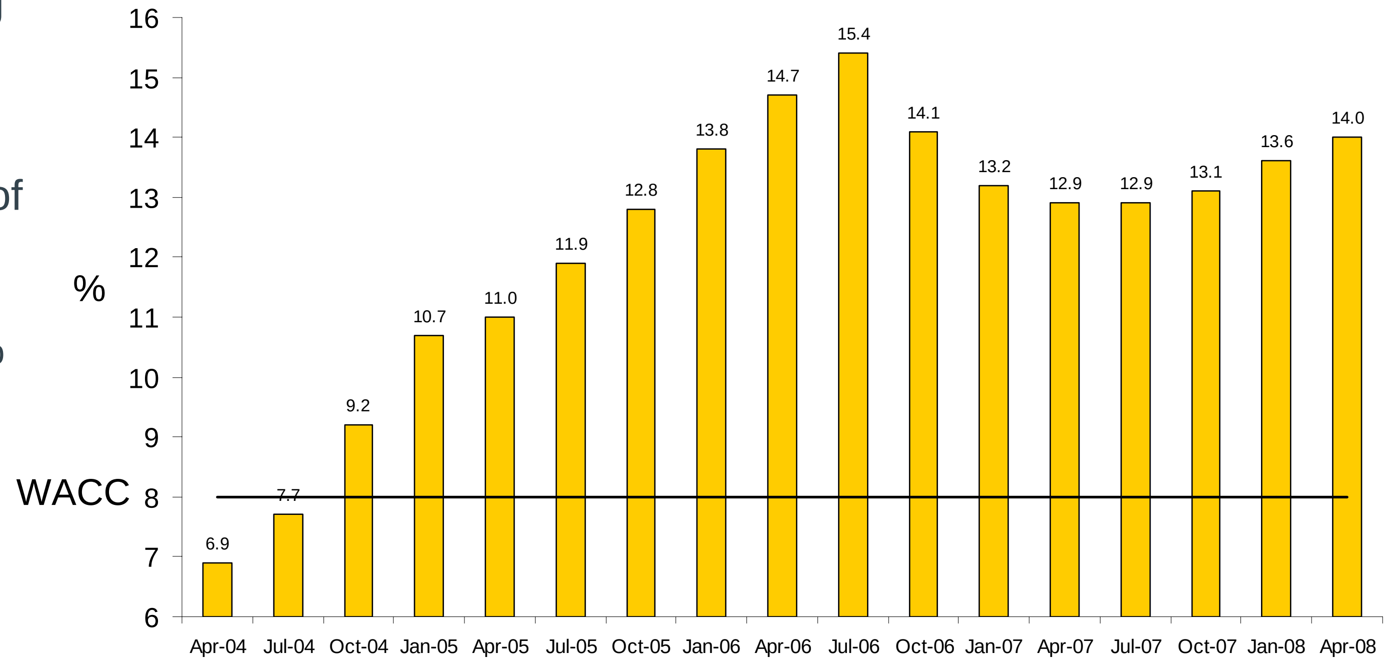




Existing Group before NationsRent
Pro forma including NationsRent
Actual Group – post-acquisition

Continued strong return on investment
Returns substantially exceed weighted average cost of capital

- RoI now at 14% and rebuilding following dilution from NationsRent
- Average RoI since April 2004 of 12.2% significantly ahead of Group's pre-tax weighted average cost of capital of c.8%



RoI is defined as the ratio of operating profit before amortisation and exceptionals to net operating assets, including goodwill. Debt and deferred tax are excluded.

Earnings per share

	Before NationsRent 2005/6 £m	The year of acquisition 2006/7 £m	With NationsRent 2007/8 £m
Profit before tax	67.5	81.4	122.9
Tax	(21.1)	(28.7)	(42.1)
Profit after tax	46.4	52.7	80.8
Weighted average number of shares	410.9	512.3	547.0
Earnings per share	11.3p	10.3p	14.8p

- 2007/8 EPS of 14.8p compares to 11.3p in the year to April 2006 (pre Nations)
- Compound annual growth in earnings is therefore 14% per annum over the two years
- At constant exchange rates the two year CAGR is 20% per annum

Ashtead group

Taxation – cash tax payments likely to remain low

- Accounts tax charge of £39m (2007 - £26m) remains stable at 35% of underlying profit

- Cash tax charge remains low at just £6m (5%) due to:
  – Utilisation of acquired NationsRent tax losses
  – Utilisation of UK deferred tax asset - £42m asset in 2007 reduced to £20m in 2008
  – US bonus depreciation introduced in 2008

- Looking forward, cash tax payments are set to remain low due to:
  – Continuing effect of US bonus depreciation
  – Tax planning measures
  – Continuing utilisation of UK deferred tax asset

Technology disposal

- Sale of Ashtead Technology for £96m announced on 23 June
- Disposal price represents 5.9 times 2008 EBITDA and 9.1 times 2008 operating profit
- Disposal price also represents 25% of our equity market capitalisation for a business which contributed just 4% of our 2008 EBITDA
- Proceeds to be received in cash and will be applied to pay down debt
- Disposal focuses the Group on its core businesses, Sunbelt and A-Plant, whilst lowering outstanding debt
- After costs and cash tax on disposal net cash proceeds expected to be £85/90m
- For accounting purposes, an exceptional profit on disposal of approximately £70m will be recognised in Q1 2008/9

Ashtead group

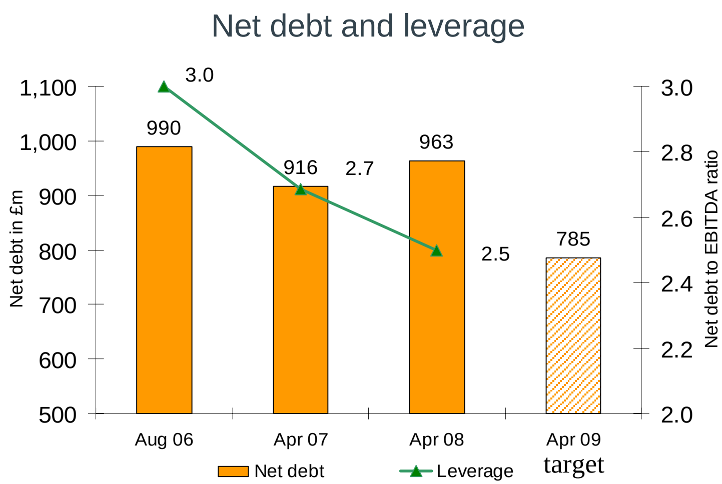
Strong cash flow with significant investment in fleet de-ageing and growth

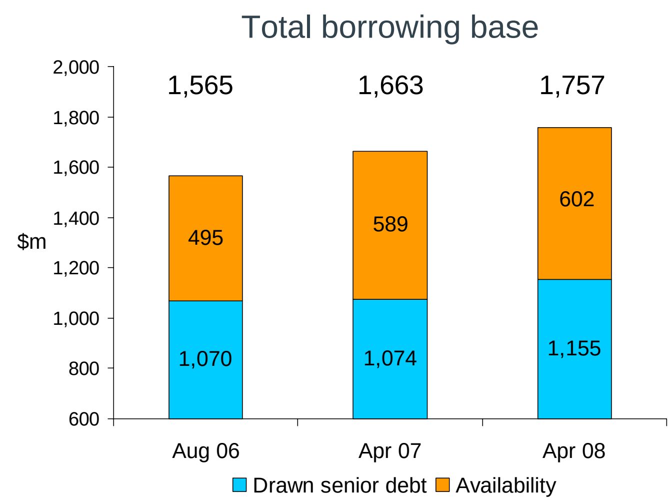
	2007 £m	2008 £m	Growth %
Cash inflow from operations before exceptional items	**319**	**356**	**+12%**
Maintenance capital expenditure (rental & non-rental)	(245)	(231)	
Used fleet sales proceeds	78	93	
Interest and tax	(69)	(83)	
Free cash flow after interest	**83**	**135**	**+63%**
Growth capital expenditure	(63)	(120)	
Dividends paid	(7)	(10)	
Cash flow for acquisitions, buy-backs and debt paydown	**13**	**5**	
Acquisitions (net of equity issue)	(178)	(6)	
Purchase of own shares	(5)	(24)	
Exceptionals and other	(69)	(10)	
Increase in total debt	**(239)**	**(35)**	

- Enlarged Group continues to convert c95% of EBITDA into cash
- Net 2007/8 capex of £258m compares with 2008/9 guidance of £175m. Interest and tax will also reduce in 2008/9 reflecting lower interest rates and the Technology sale

Ashtead group

Capital structure and net debt





- Net debt at year end was £963m reflecting heavy investment in fleet de-ageing and growth
- Net debt to EBITDA leverage, however, has reduced significantly since closing of the NationsRent acquisition and is now in the middle of our 2-3 times target range
- Availability under the ABL totals $602m providing substantial assurance that all our debt will remain effectively covenant free
- Debt committed for 5 years on average with our first significant maturity being August 2011
- With the Technology disposal and anticipated operating cash generation, by April 2009 we are targeting net debt of £785m* (2008 - £963m) and to be towards the lower end of our 2-3 times net debt to EBITDA range (2008 – 2.5 times)

* Measured at constant 30 April 2008 exchange rates

Operational Review
Geoff Drabble – chief executive

Sunbelt

Excellent profit growth with better than anticipated integration efficiencies

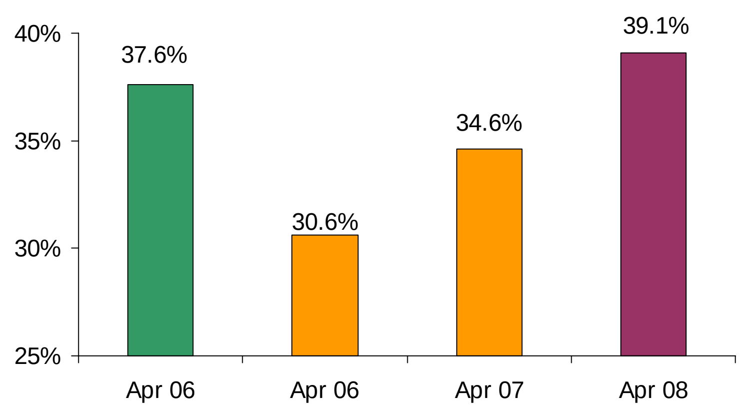
	2007* $m	2008 $m	Growth %
Rental and rental related revenues	1,394	1,422	+2%
Sales	145	106	
Total revenues	1,539	1,528	-1%
Operating costs	(1,025)	(943)	-8%
Gain on sale of used equipment	18	14	
EBITDA	532	599	+13%
Depreciation	(260)	(268)	
Operating profit	272	331	+21%
Margins	*18%*	*22%*	
Return on Investment	14.0%	14.4%	

* Pro forma for NationsRent

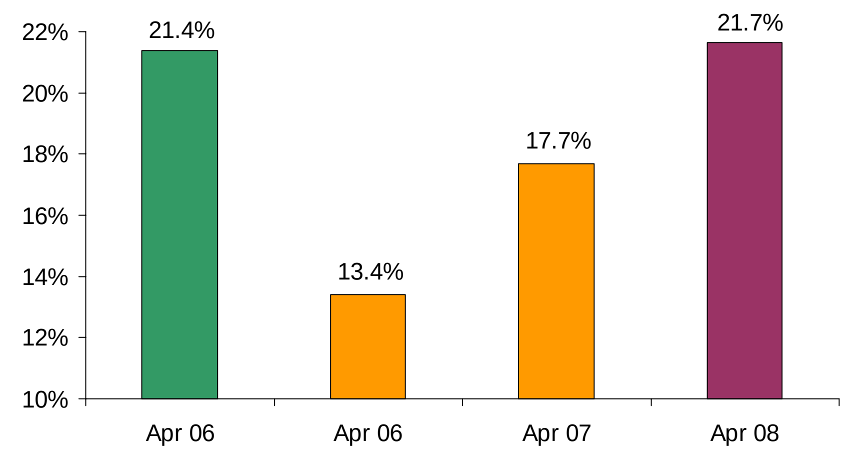
Sunbelt

Strong growth in margins achieved following the NationsRent integration – again ahead of original expectations

EBITDA margin

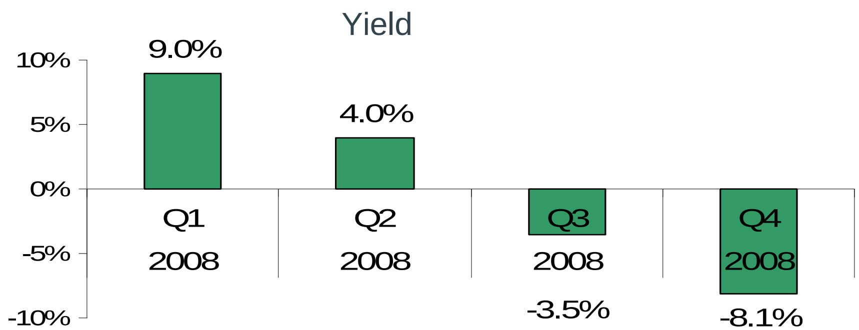


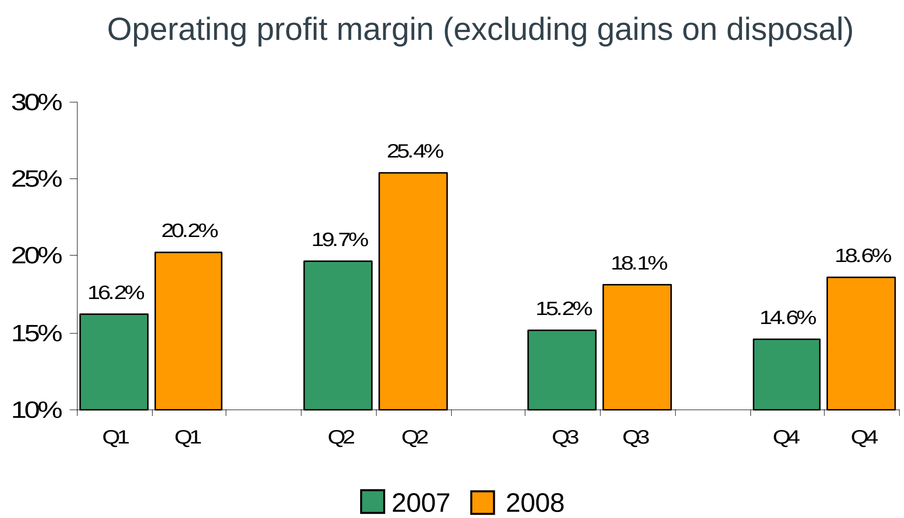
Operating profit margin



Existing Group before NationsRent　Pro forma including NationsRent　Actual Group – post-acquisition

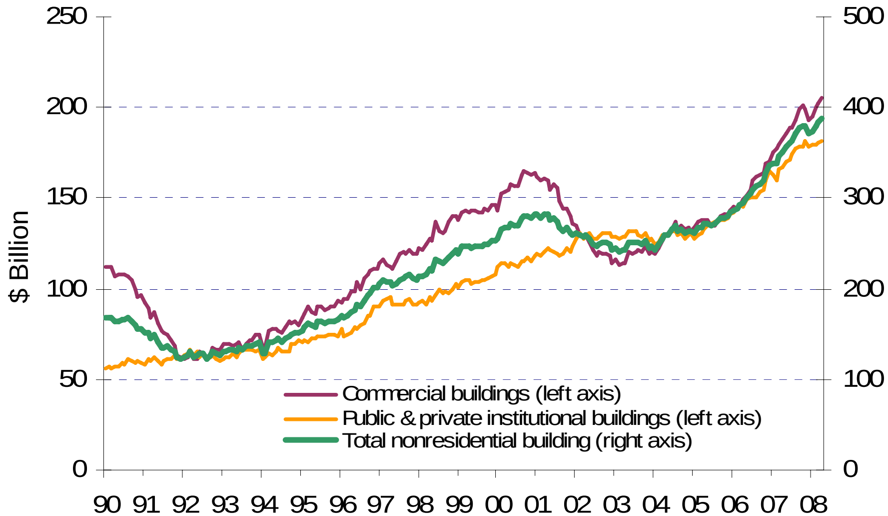
Sunbelt
Significant margin improvements as we adjust infrastructure costs to business profile





US construction markets

Currently no significant downturn - supported by our own experience on the ground



Non-residential market

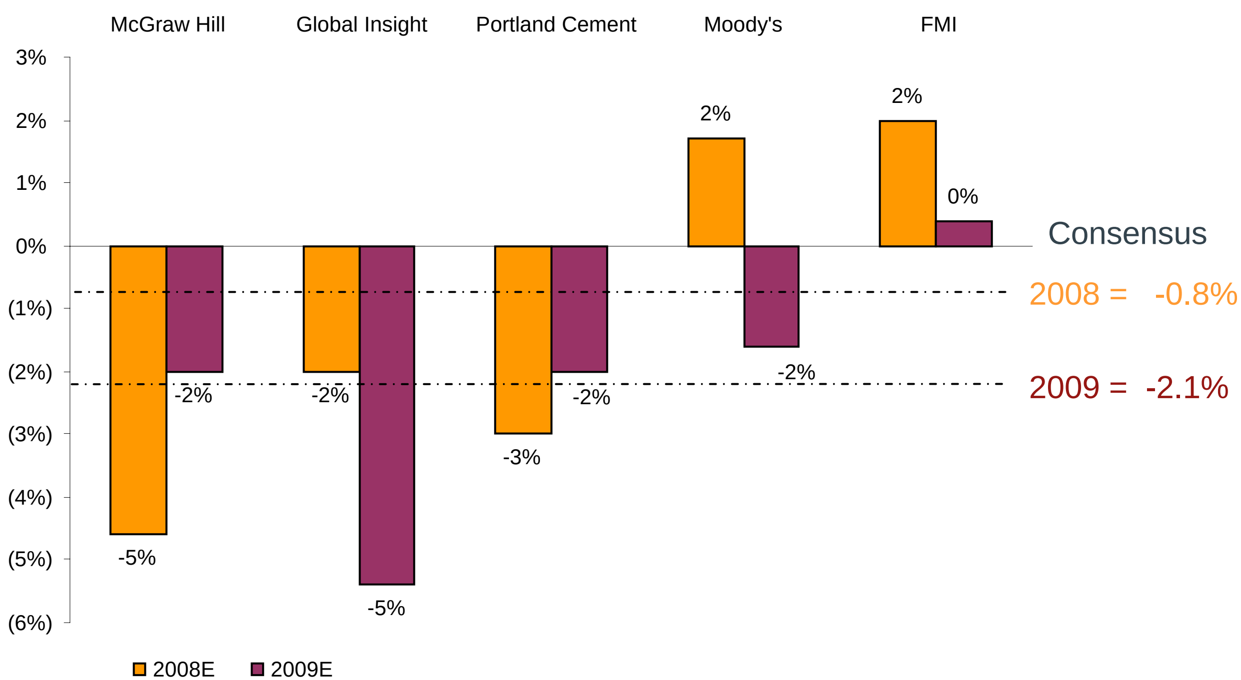
Physical utilisation

Source: Maximus Advisors

Sunbelt

Market forecasters expect small contraction in contracts awarded late 2008 & 2009 - we are planning in line with the more cautious forecast

Non residential construction growth

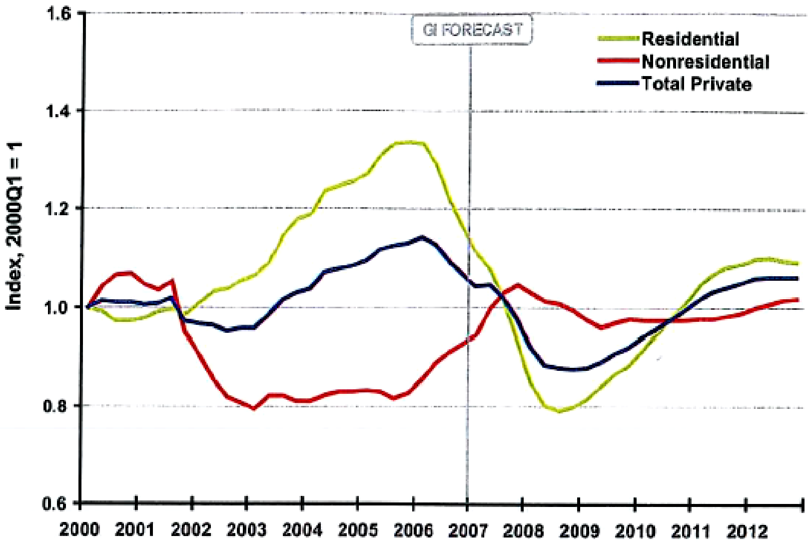


Source: American Institute of Architects

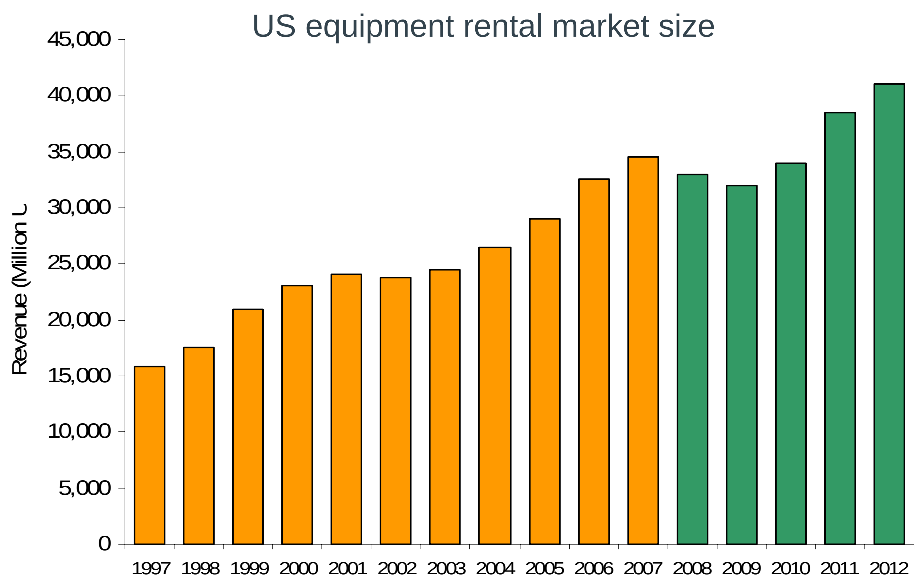
Source: Dan Kaplan Associates.

Sunbelt

The longer term market outlook is for a short, shallow downturn - recovery from 2010 driven by fundamentals



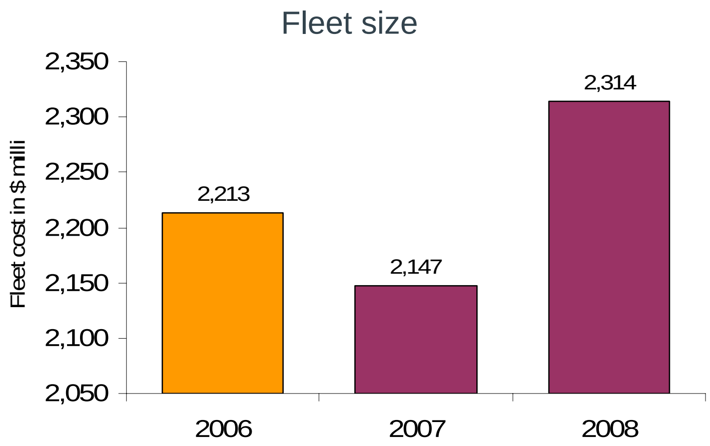
Source: Global Insight for the American Rental Association

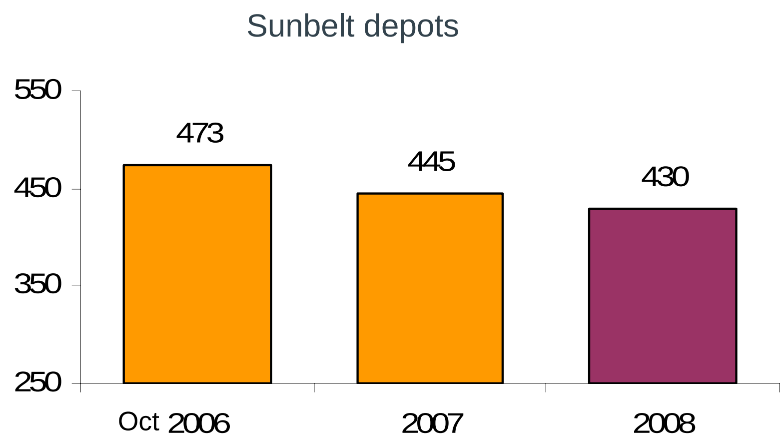


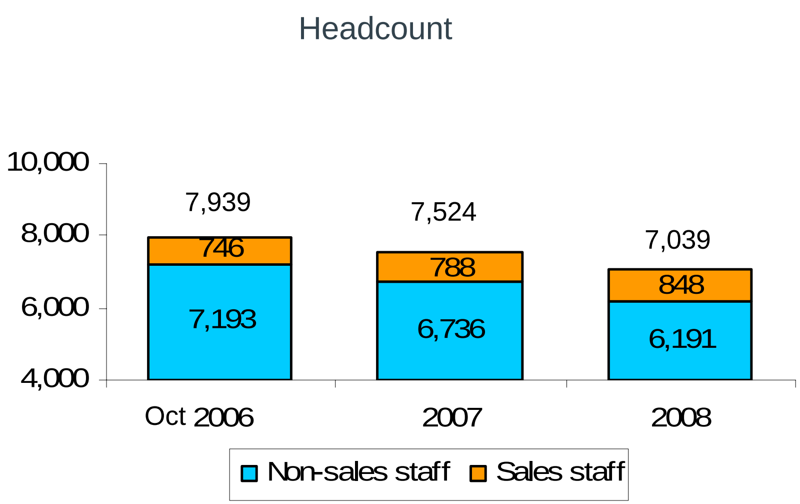
Source: Global Insight for the American Rental Association

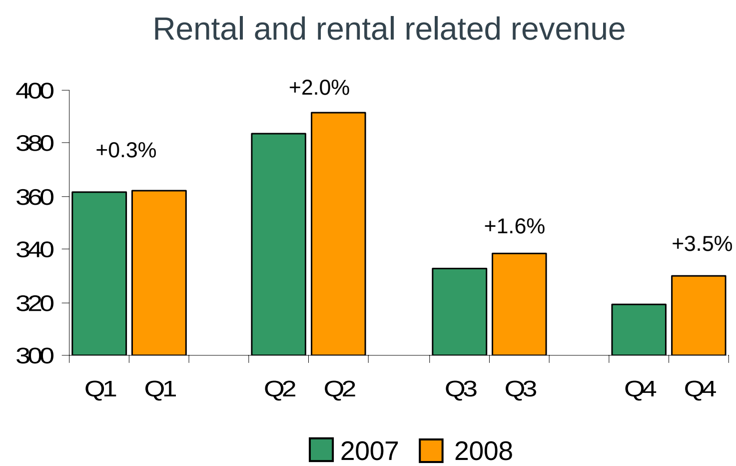
Sunbelt

We are now well placed for organic growth and self help whatever the prevailing market conditions









A-Plant

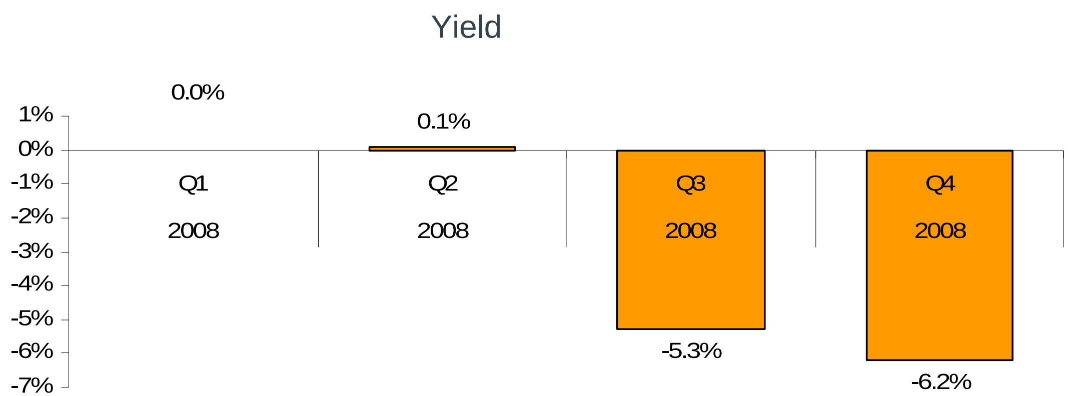
Strong organic revenue growth, together with benefits from infrastructure savings drive excellent profit growth

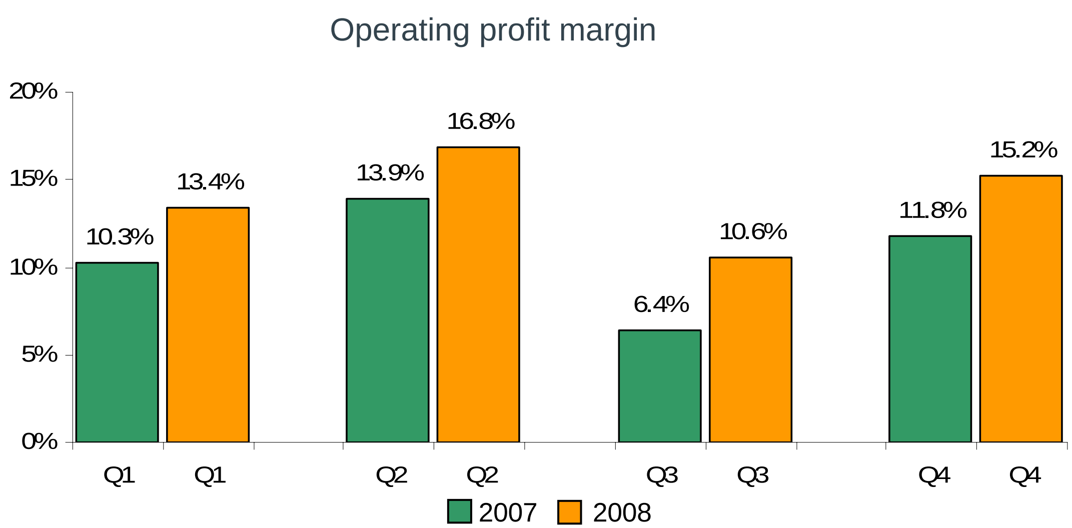
	2007* £m	2008 £m	Growth %
Revenue	199	215	+8%
Operating costs	(141)	(144)	+2%
Gain on sale of used equipment	2	2	
EBITDA	60	73	+22%
Depreciation	(39)	(43)	
Operating profit	21	30	+46%
Margins	*10%*	*14%*	
Return on Investment	9%	11%	

* Pro forma for Lux

Ashtead group

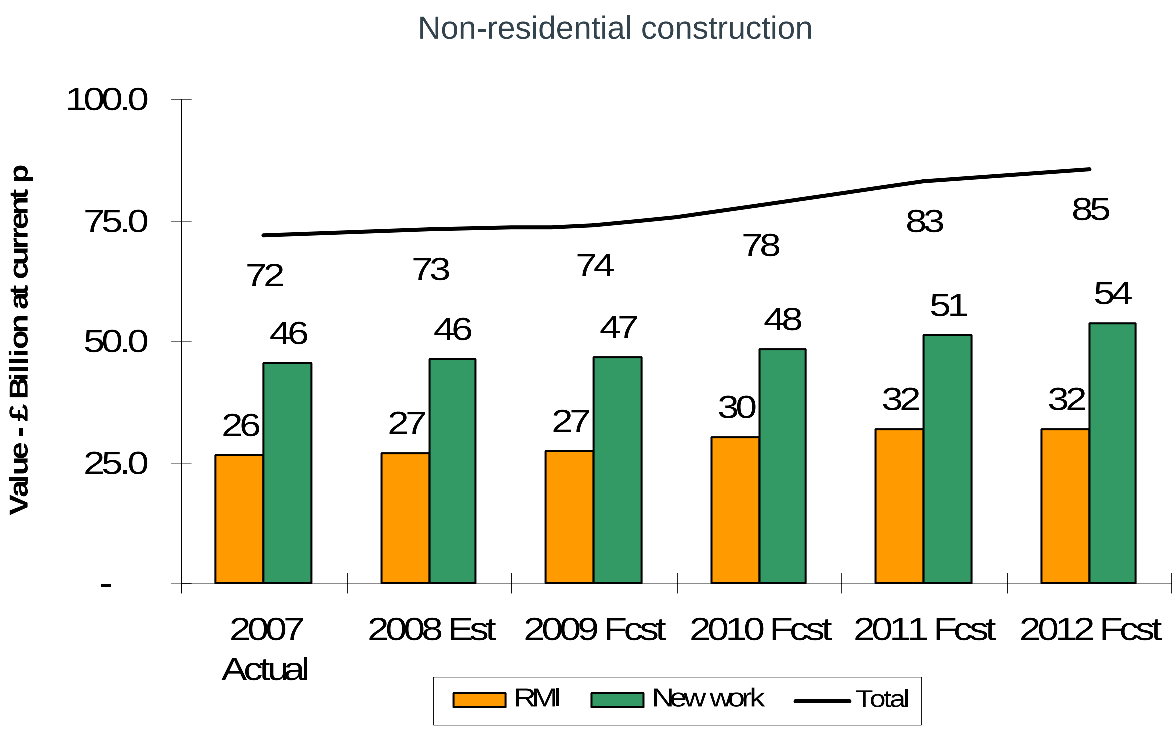
A-Plant
Excellent margin growth as we adapt model to customer profile





A-Plant

Longer term forecasts are for a flat market for 08/09 returning to growth in 2010



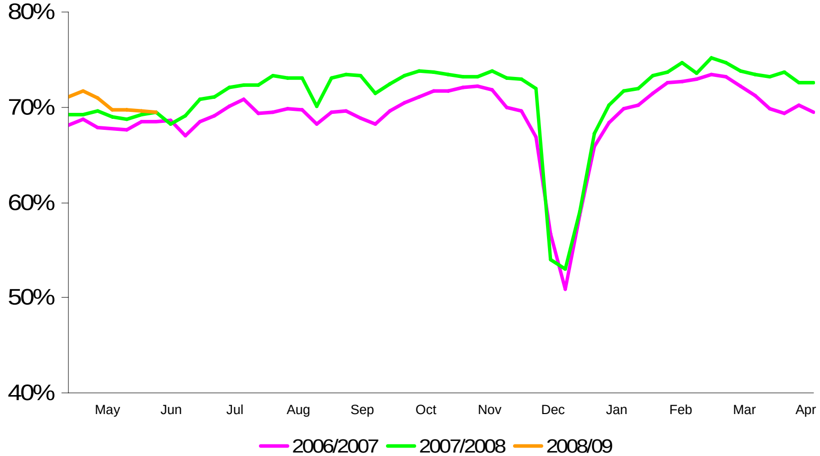
Sector analysis

+	-
Utilities	Residential
Infrastructure	Retail
Education	Office space
Olympics	
Customer consolidation	

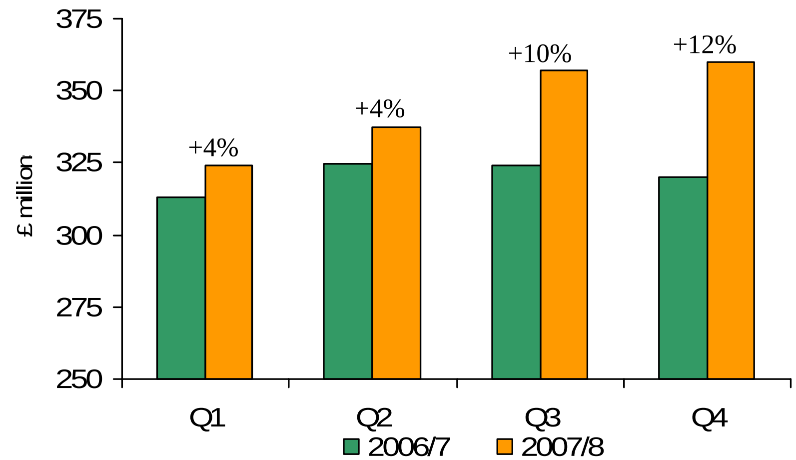
A-Plant

Improving metrics demonstrate momentum that will generate further growth in coming year

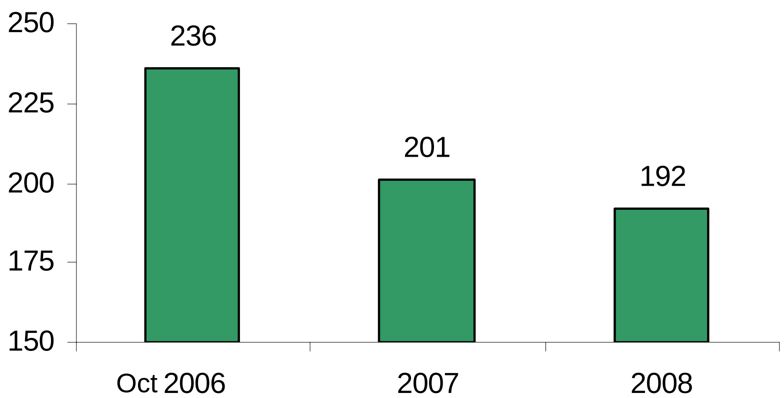
Physical utilisation



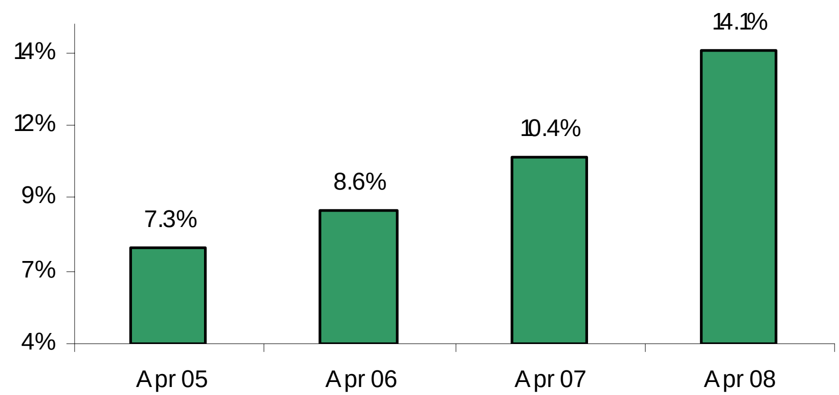
Fleet size



No. of depots



Operating profit margin



Summary

- An excellent year with good progress in both our operational and strategic objectives
- Sunbelt has met all financial targets for the first full year of ownership of NationsRent
- A-Plant continues to deliver excellent growth
- Both businesses well positioned for whatever market conditions prevail – focus is on operational excellence
- Flexible business model allows us to react quickly to changes in the market place
- With the Technology disposal and anticipated operating cash generation, by April 2009 we are targeting net debt of circa £785m* (2008 - £963m) calculated at constant exchange rates
- Despite the economic uncertainty, given the momentum established in the Group, we expect to continue to trade in line with expectations

Appendices

Divisional performance – fourth quarter

	Revenue			EBITDA			Underlying profit		
	2008	2007	Growth*	2008	2007	Growth*	2008	2007	Growth*
Sunbelt in $m	356.3	349.4	+2%	131.2	122.8	+7%	64.9	59.8	+9%
Sunbelt in £m	179.9	178.3	+1%	66.3	62.6	+6%	32.9	30.4	+8%
A-Plant	55.1	50.2	+10%	19.1	15.1	+26%	8.3	5.9	+42%
Ashtead Technology	6.9	5.3	+30%	4.8	3.0	+60%	3.3	1.8	+83%
Group central costs	-	-		(1.7)	(2.4)		(1.8)	(2.4)	
	241.9	233.8	+3%	88.5	78.9	+12%	42.7	35.7	+20%
Net financing costs							(17.3)	(20.0)	
Profit before tax, exceptionals and amortisation							25.4	15.7	+63%
Exceptional items and amortisation							(1.0)	(23.7)	
Profit/(loss) before taxation							24.4	(8.0)	n/a

*At constant rates of exchange

Ashtead group

Divisional performance – full year

	Revenue			EBITDA			Underlying profit		
	2008	2007	Growth*	2008	2007	Growth*	2008	2007	Growth*
Sunbelt in $m	1,528.1	1,307.9	+17%	598.9	475.0	+26%	330.9	253.1	+31%
Sunbelt in £m	761.3	684.6	+11%	298.4	248.6	+20%	164.9	132.5	+24%
A-Plant	214.8	189.9	+13%	73.2	58.9	+24%	30.2	20.1	+50%
Ashtead Technology	26.5	21.6	+23%	16.3	11.0	+48%	10.6	6.2	+71%
Group central costs	-	-		(7.9)	(8.2)		(8.0)	(8.3)	
	1,002.6	896.1	+12%	380.0	310.3	+22%	197.7	150.5	+31%
Net financing costs							(74.8)	(69.1)	
Profit before tax, exceptionals and amortisation							122.9	81.4	+51%
Exceptional items and amortisation							(2.6)	(117.9)	
Profit before taxation							120.3	(36.5)	n/a

*At constant rates of exchange

Sunbelt & NationsRent – Proforma combined performance

	2005/6					2006/7					2007/8				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
	$m	$m	$m	$m	$m	$m	$m	$m	$m	$m	$m	$m	$m	$m	$m
Revenue															
Sunbelt	186.8	220.0	209.2	202.7	818.7	234.0	363.0	361.5	349.4	1,307.9	388.5	420.6	362.7	356.3	1,528.1
NationsRent	150.6	166.2	144.5	144.5	605.8	171.3	59.4	0.0	0.0	230.7	0.0	0.0	0.0	0.0	0.0
Pro-forma combined	337.4	386.2	353.7	347.2	1,424.5	405.3	422.4	361.5	349.4	1,538.6	388.5	420.6	362.7	356.3	1,528.1
Growth						20.1%	9.4%	2.2%	0.6%	8.0%	-4.1%	-0.4%	Nil %	2.0%	-0.7%
Operating profit															
Sunbelt	38.4	57.6	41.8	37.7	175.5	57.1	78.1	58.1	59.8	253.1	84.8	111.8	69.4	64.9	330.9
NationsRent	11.4	14.8	(7.3)	(4.0)	14.9	10.7	8.5	0.0	0.0	19.2	0.0	0.0	0.0	0.0	0.0
Pro-forma combined	49.8	72.4	34.5	33.7	190.4	67.8	86.6	58.1	59.8	272.3	84.8	111.8	69.4	64.9	330.9
Growth						36.1%	19.7%	68.5%	77.5%	43.1%	25.1%	29.1%	19.4%	8.5%	21.5%
Operating margins	14.8%	18.7%	9.8%	9.7%	13.4%	16.7%	20.5%	16.1%	17.1%	17.7%	21.8%	24.1%	19.1%	18.2%	21.7%

Stable free cashflow

	2002 £m	2003 £m	2004 £m	2005 £m	2006 £m	2007 £m	2008 £m
EBITDA before exceptional items	**194.4**	**150.1**	**147.0**	**169.5**	**224.7**	**310.3**	**380.0**
Cash inflow from operations before exceptional items	**194.2**	**157.3**	**140.0**	**164.8**	**215.2**	**319.3**	**356.4**
*Cash efficiency ratio**	*99.9%*	*104.8%*	*95.2%*	*97.2%*	*95.8%*	*102.9%*	*93.8%*
Maintenance capital expenditure	(101.8)	(74.7)	(74.8)	(95.6)	(149.9)	(213.1)	(195.3)
Proceeds from sale of used rental equipment	26.6	29.4	32.3	35.9	50.4	78.5	92.7
Non-rental capital expenditure	(15.8)	(14.5)	(8.1)	(5.4)	(16.8)	(32.3)	(35.8)
Tax (paid)/received	(0.7)	0.7	0.1	(0.6)	(2.8)	(5.0)	(6.4)
Free cash flow before interest	102.5	98.2	89.5	99.1	96.1	147.4	211.6
Interest paid (excluding exceptional interest)	(46.2)	(41.4)	(32.9)	(30.2)	(38.7)	(64.2)	(76.4)
Free cash flow after interest	**56.3**	**56.8**	**56.6**	**68.9**	**57.4**	**83.2**	**135.2**
Growth capital expenditure	(85.7)	(17.9)	0.0	(10.2)	(62.6)	(62.9)	(120.4)
Dividends paid	(11.3)	(9.3)	0.0	0.0	(2.0)	(7.0)	(10.5)
Cash flow before M&A, share issues & excp'l costs	**(40.7)**	**29.6**	**56.6**	**58.7**	**(7.2)**	**13.3**	**4.3**
Acquisitions & disposals	(4.9)	(0.8)	15.2	0.5	(44.2)	(327.2)	(5.9)
Share buy-back	-	-	-	-	-	-	(24.5)
Share issues	0.0	0.0	0.0	0.1	70.9	148.9	0.5
Exceptional costs & other	16.2	(7.6)	(18.2)	(5.7)	(22.1)	(73.7)	(9.5)
(Increase)/reduction in net debt	**(29.4)**	**21.2**	**53.6**	**53.6**	**(2.6)**	**(238.7)**	**(35.1)**

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

Ashtead group