Looking to the medium term

Third quarter results | 31 January 2013

Issued: 5 March 2013

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Some of the factors which may adversely impact some of these forward looking statements are discussed in the Principal Risks and Uncertainties section on pages 18–19 of the Group's Annual Report and Accounts for the year ended 30 April 2012 and in the unaudited results for the third quarter ended 31 January 2013 under "Current trading and outlook" and "Principal risks and uncertainties". Both these reports may be viewed on the Group's website at **www.ashtead-group.com**

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Overview

- Strong momentum continues in the business with revenue growth[1] of 26% in the quarter
- Group nine month EBITDA margins rise to 39% (2012: 35%)
- Continue to focus on organic growth with a fleet larger and younger than a year ago
- Net debt to EBITDA leverage reduced to 2.2 times (2012: 2.5 times)
- Board now anticipates full year profit ahead of its earlier expectations

[1] At constant exchange rates

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Q3 Group revenue and profit

	Q3		
(£m)	2013	2012	Change[1]
Revenue	**334**	**271**	**26%**
- of which rental	295	243	24%
Operating costs	(213)	(185)	17%
EBITDA	**121**	**86**	**45%**
Depreciation	(57)	(52)	11%
Operating profit	**64**	**34**	**98%**
Net interest	(10)	(13)	-18%
Profit before tax and amortisation	**54**	**21**	**173%**
Earnings per share (p)	**6.9**	**2.7**	**175%**
Margins			
- EBITDA	*36%*	*32%*	
- Operating profit	*19%*	*12%*	

[1] At constant exchange rates
[2] The results in the table above are the Group's underlying results and are stated before exceptionals, intangible amortisation and fair value remeasurements

Nine months Group revenue and profit

(£m)	Nine months 2013	Nine months 2012	Change[1]
Revenue	**1,014**	**847**	**19%**
- of which rental	900	759	18%
Operating costs	(617)	(555)	11%
EBITDA	**397**	**292**	**35%**
Depreciation	(169)	(149)	13%
Operating profit	**228**	**143**	**58%**
Net interest	(34)	(38)	-14%
Profit before tax and amortisation	**194**	**105**	**85%**
Earnings per share (p)	**24.6**	**13.3**	**83%**
Margins			
- EBITDA	*39%*	*35%*	
- Operating profit	*22%*	*17%*	

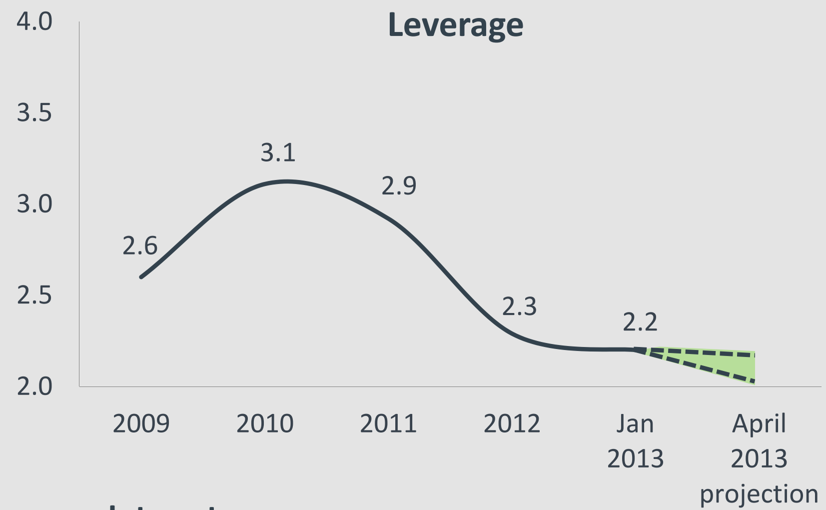
[1] At constant exchange rates

[2] The results in the table above are the Group's underlying results and are stated before exceptionals, intangible amortisation and fair value remeasurements

Net debt and leverage

Net debt to EBITDA continues to reduce as we invest in the fleet

(£m)	Jan 2013	Jan 2012
Net debt at 30 April	**854**	**776**
Translation impact	21	46
Opening debt at closing exchange rates	**875**	**822**
Change from cash flows	195	86
Non-cash movements	7	3
Net debt at period end	**1,077**	**911**
Comprising:		
First lien senior secured bank debt	766	566
Second lien secured notes	309	343
Finance lease obligations	3	3
Cash in hand	(1)	(1)
Total net debt	**1,077**	**911**
Net debt to EBITDA leverage (x)	**2.2**	**2.5**



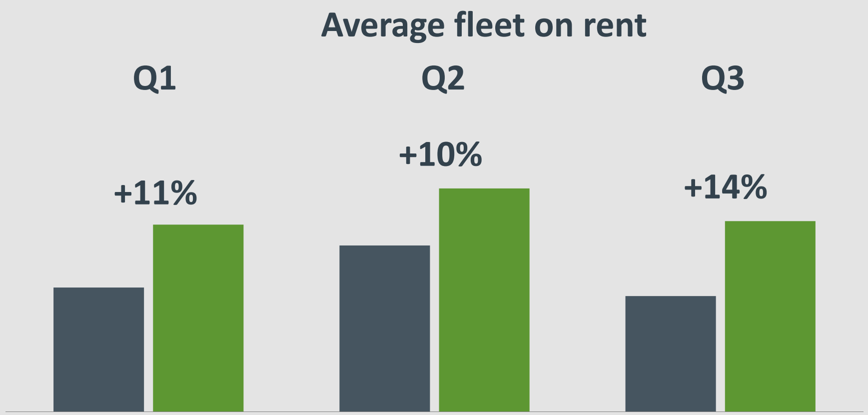
Interest

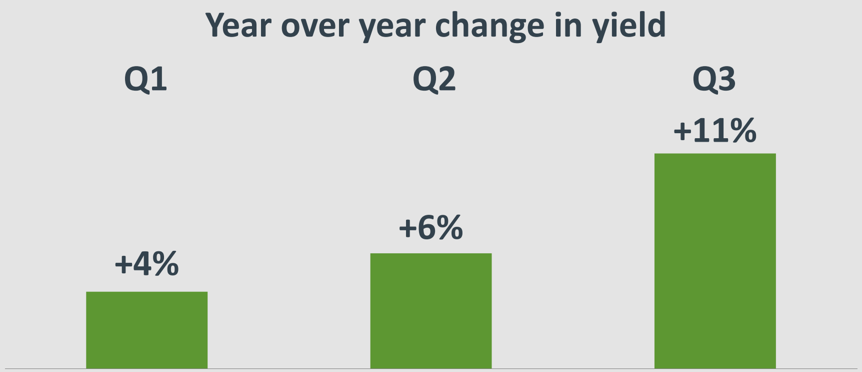
Floating rate: 71%

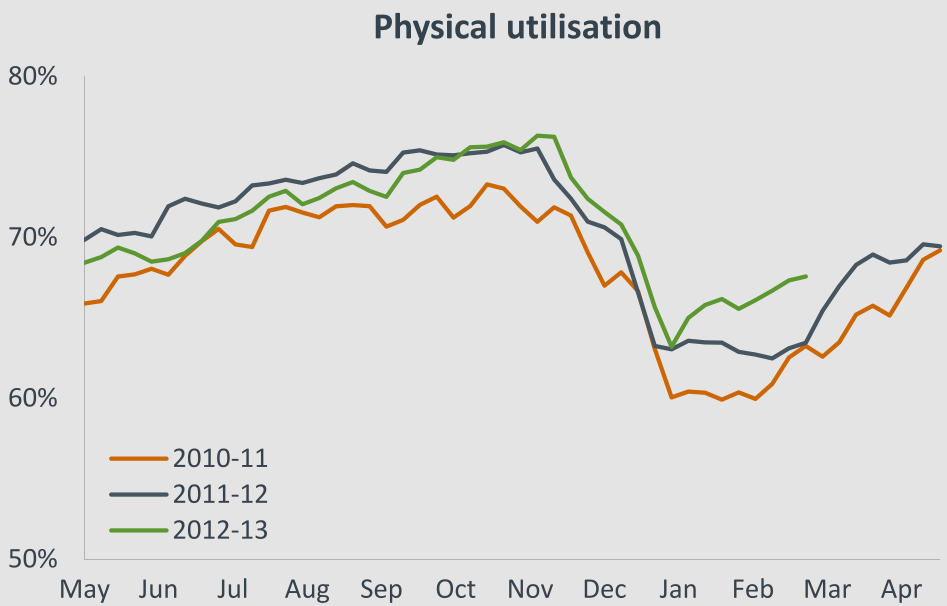
Fixed rate: 29%

Sunbelt revenue drivers

Continuation of strong performance in both volume and yield







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Group capital plan – landed

£m	Q1	Q2	Q3	Q4	Total	Fleet age
2012 Gross additions	156	97	83	140	**476**	
Disposals	(16)	(25)	(19)	(30)	**(90)**	
Net Landed	**140**	**72**	**64**	**110**	**386**	**37**

£m	Q1 Actual	Q2 Actual	Q3 Actual	Q4 Plan	Total	Fleet age
2013 Gross additions	223	118	86	123	**550**	
Disposals	(24)	(29)	(25)	(22)	**(100)**	
Net Landed	**199**	**89**	**61**	**101**	**450**	**30**

£m	Q1 Plan	Q2 Plan	Q3 Plan	Q4 Plan	Total Plan	Fleet age
2014 Gross additions	200	**?**	**?**	**?**	**525**	
Disposals	(20)	**?**	**?**	**?**	**?**	
Net Landed	**180**	**?**	**?**	**?**	**?**	**c.28**

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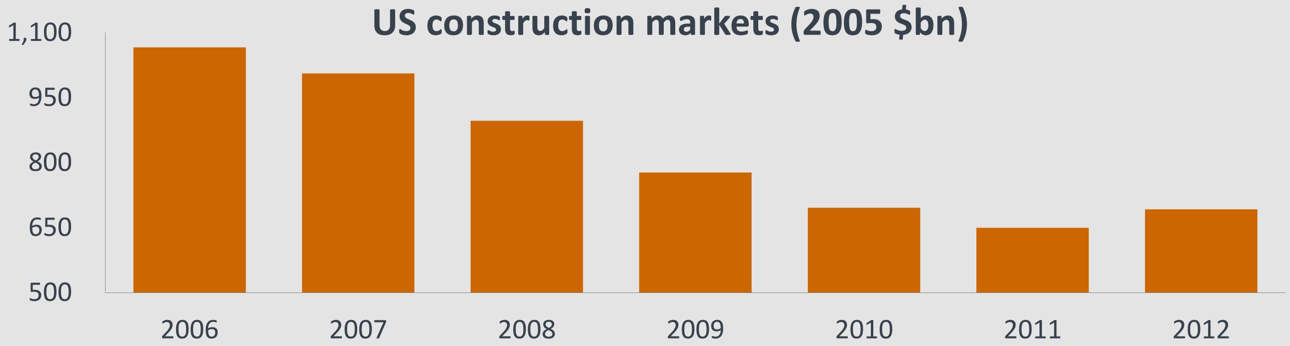
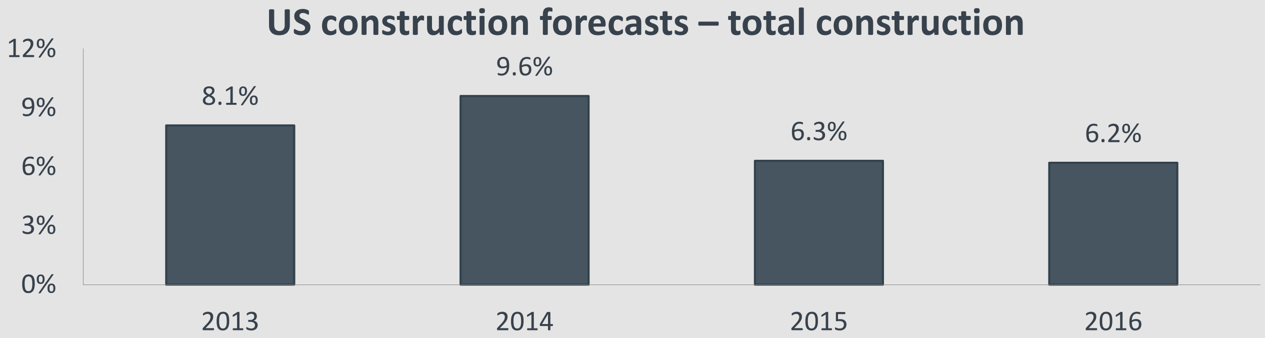
Market outlook

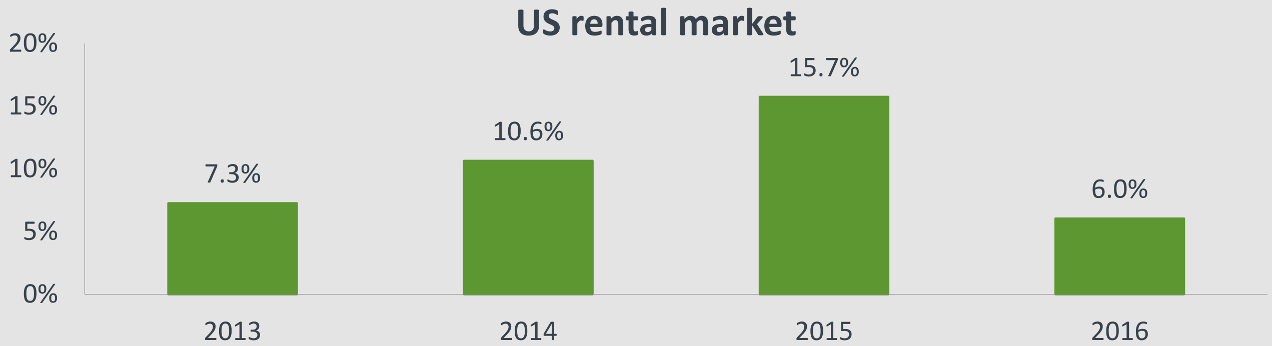
Still at historical lows but a more encouraging outlook



Source: Maximus Advisors



Source: Maximus Advisors



Source: IHS Global Insight

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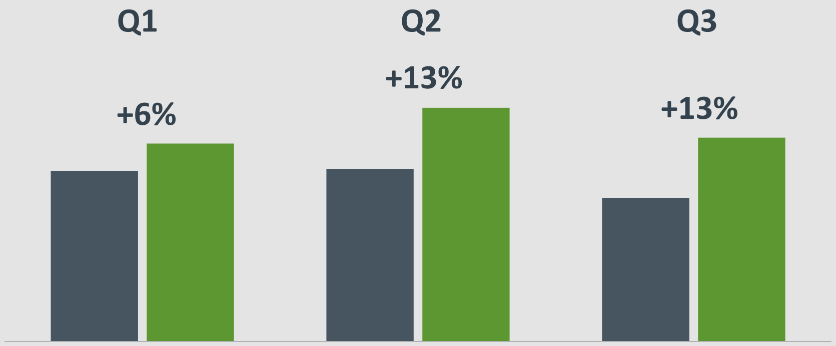
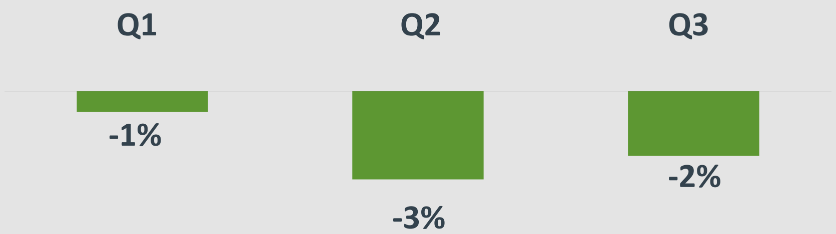
A-Plant revenue drivers

Yield affected by lower priced but higher returning new contracts

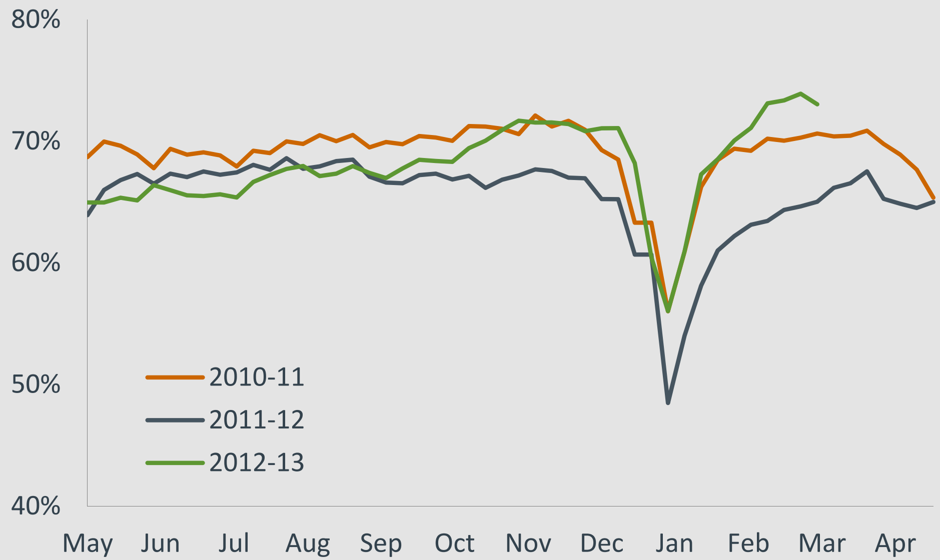
Average fleet on rent



Year over year change in yield



Physical utilisation



Summary

- With this momentum we now anticipate a full year profit ahead of our earlier expectations
- We are well-placed to see further growth over the medium term from either continued structural change or end market recovery
- With a broad range of metrics already at record levels at this stage in the cycle, together with a strong balance sheet to support medium term growth opportunities, the Board looks forward with confidence

Appendices

Divisional performance – Q3

	Revenue			EBITDA			Profit		
	2013	2012	change	2013	2012	change	2013	2012	Change
Sunbelt ($m)	455	354	+28%	177	120	+47%	104	55	+87%
Sunbelt (£m)	284	227	+25%	110	77	+43%	64	36	+81%
A-Plant	50	44	+12%	13	11	+19%	2	-	
Group central costs	-	-		(2)	(2)	-5%	(2)	(2)	-6%
	334	**271**	**+23%**	**121**	**86**	**+41%**	**64**	**34**	**+91%**
Net financing costs							(10)	(13)	-20%
Profit before tax and amortisation							**54**	**21**	**161%**
Amortisation							(2)	(1)	
Profit before taxation							**52**	**20**	**162%**
Taxation							(18)	(7)	160%
Profit after taxation							**34**	**13**	**164%**
Margins									
- Sunbelt				*39%*	*34%*		*23%*	*16%*	
- A-Plant				*26%*	*24%*		*4%*	*-*	
- Group				*36%*	*32%*		*19%*	*12%*	

Divisional performance – LTM

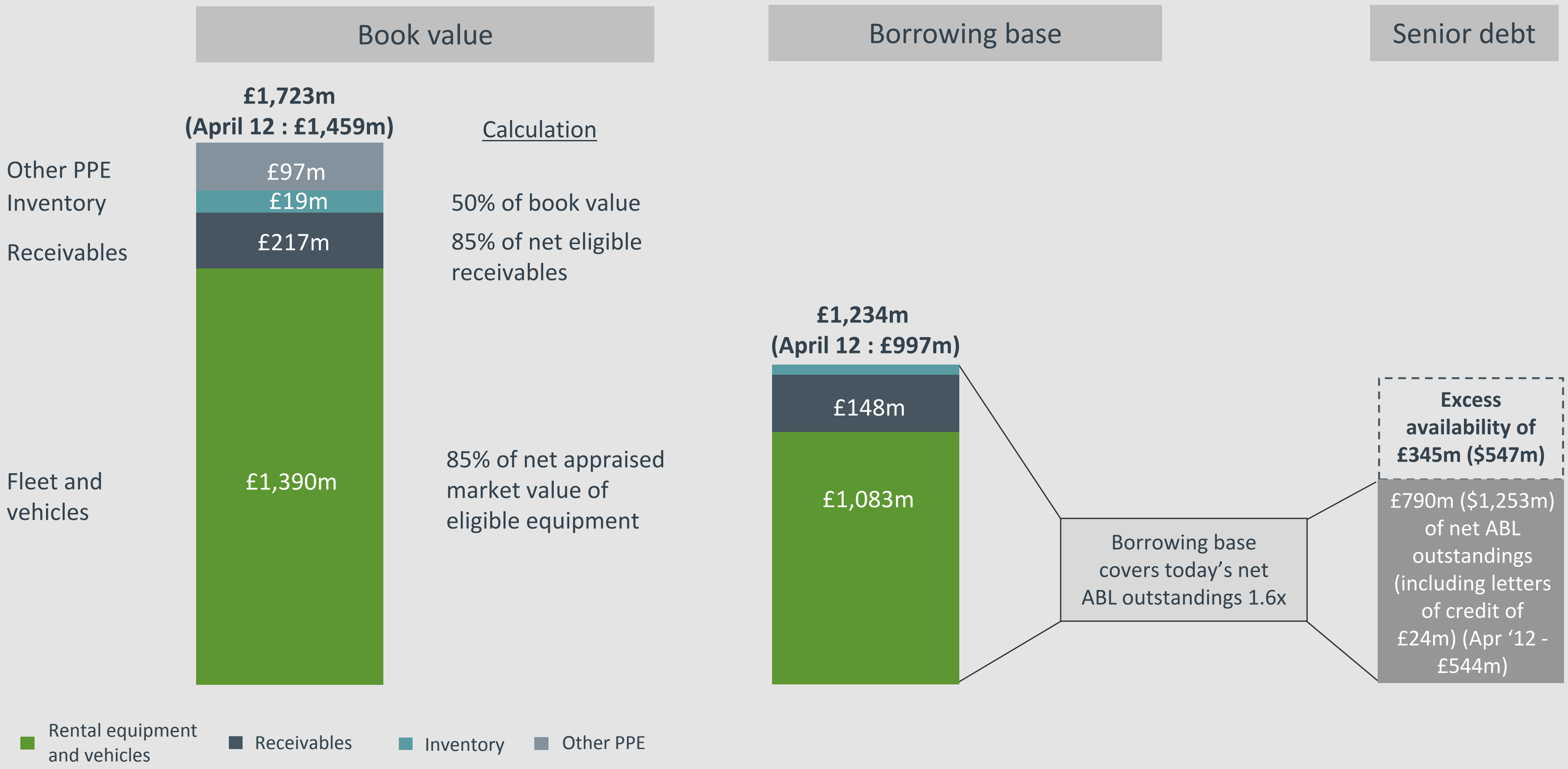
	Revenue			EBITDA			Profit		
	2013	2012	change	2013	2012	change	2013	2012	Change
Sunbelt ($m)	1,745	1,451	+20%	696	507	+37%	419	263	+60%
Sunbelt (£m)	1,098	907	+21%	438	317	+38%	264	165	+61%
A-Plant	204	183	+12%	56	47	+21%	11	5	+120%
Group central costs	-	-		(9)	(8)	+16%	(9)	(8)	+17%
	1,302	**1,090**	**+20%**	**485**	**356**	**+36%**	**266**	**162**	**+64%**
Net financing costs							(46)	(54)	-15%
Profit before tax, exceptionals, amortisation and remeasurements							**220**	**108**	**+104%**
Exceptionals, amortisation and remeasurements							(23)	(25)	-7%
Profit before taxation							**197**	**83**	**+137%**
Taxation							(69)	(31)	+122%
Profit after taxation							**128**	**52**	**+147%**
Margins									
- Sunbelt				*40%*	*35%*		*24%*	*18%*	
- A-Plant				*28%*	*26%*		*5%*	*3%*	
- Group				*37%*	*33%*		*20%*	*15%*	

Cash flow funds organic fleet growth

(£m)	LTM Jan 13	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
EBITDA before exceptional items	**485**	**381**	**284**	**255**	**359**	**380**	**310**	**225**	**170**	**147**	**150**
EBITDA margin	37%	34%	30%	30%	33%	38%	35%	35%	32%	29%	28%
Cash inflow from operations before fleet changes and exceptionals	**452**	**365**	**280**	**266**	**374**	**356**	**319**	**215**	**165**	**140**	**157**
Cash conversion ratio	93%	96%	99%	104%	104%	94%	97%	96%	97%	95%	105%
Maintenance capital expenditure	(326)	(273)	(203)	(43)	(236)	(231)	(245)	(167)	(101)	(83)	(89)
Disposal proceeds	102	92	60	31	92	93	78	50	36	32	29
Interest and tax	(64)	(57)	(71)	(54)	(64)	(83)	(69)	(41)	(31)	(33)	(40)
Growth capital expenditure	(238)	(137)	-	-	-	(120)	(63)	(63)	(10)	-	(18)
Dividends paid	(18)	(15)	(15)	(13)	(13)	(10)	(7)	(2)	-	-	(9)
Cash available to fund debt pay down or M&A	**(92)**	**(25)**	**51**	**187**	**153**	**5**	**13**	**(8)**	**59**	**56**	**30**

- Healthy EBITDA margins ensure significant top line cash generation throughout the cycle
- Cash from operations funds organic growth investment, tax, interest and dividends
- Historically, debt has only increased at times of large scale M&A

$547m of availability at 31 January 2013 (January 12: $474m)



- Borrowing base reflects July 2012 asset values
- Borrowing base exceeds facility size by $157m (suppressed availability)