Contents

"Our aim for the nineties is to develop into an [illegible] rentals Group, meeting customer needs and worthwhile [illegible] scope to build a significant presence."

Ashtead Group PLC Operating company descriptions

A-Plant
The hire of plant and machinery to the UK construction and allied industries.

Sunbelt Rentals
The hire of plant and machinery to the US construction and allied industries.

Sabapak Group
The hire of survey and inspection equipment primarily to the offshore oil and gas industries.

resilient
responsive
ready...

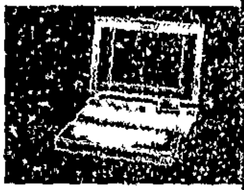
Chairman's report to the owners

Dear owner

For the second successive year I have the unhappy responsibility to report to you a fall in your Group's profits. Before tax, the Group's profits for the year ended 30 April 1992 were £2.3m (previous year £4.0m) on turnover of £30.8m (£31.4m). Earnings per share were reduced to 7.2p from 13.9p.

Although these results are slightly ahead of market expectations they are a disappointment to your Board, and no doubt to you, particularly when set against the effort made by all your Group's staff to optimise results. I am sure you have heard many times of the impact on companies' results of the recession. Suffice it to say, this recession, which is now at the start of its third year in the South of England, has again marred your Group's results. An improved economic climate is still awaited and in the year under review, Ashtead, like so many other groups, remained in the grip of the most hostile trading conditions in the UK in living memory. Whilst I judge that you are more concerned with the present and future, I should first give my report on the past year:

resilient responsive ready...



A-PLANT (UK PLANT HIRE)

There are grounds for believing that your Board's policy of continued investment in assets, staff and facilities has been the correct response to the challenge of the national economic conditions. Although turnover is down by 5.7%, sales in the second half marginally exceeded the corresponding period a year ago. Measures taken to sustain the quality of this business included:

- Investment in the UK plant fleet of £5.3m (£5.1m); sixty five per cent of this expenditure was directed to the modernisation of the fleet and the remainder to additions.
- Expenditure on plant maintenance rose from the previous year's record by 15% to £3.3m. In accordance with our established policy, all of this cost is charged against profits as it is incurred.
- A-Plant's training courses for staff at all levels comfortably exceeded an average of one per week with 70 courses run in the year. Further investment in the future was made in the form of apprenticeship training with currently 32 in the scheme.
- Additional Profit Centres were opened in Edinburgh in January and Middlesbrough in April, bringing the total to 51.

Co No 1307952

The year in brief

ASHTEAD
GROUP
PLC

	Year to 30 April 1992	Previous year
Turnover	£30.8 million	£31.4 million
Trading profit	£10.9 million	£13.0 million
Depreciation	£7.5 million	£7.1 million
Operating profit	£3.5 million	£5.9 million
Pre-tax profit	£2.3 million	£4.0 million
Earnings per share	7.2p	13.9p
Dividend per share*	4.125p	4.125p
Operating profit margins	11.2%	18.8%
Pre-tax profit margins	7.4%	12.8%

**Your Directors are recommending a final dividend of 3.025p net per share which will be payable on 7 October 1992 to Shareholders on the register on 4 September 1992. The dividend for the year is 4.125p per share, unchanged from last year.*

Senior staff

UK Plant Hire
A-Plant (Ashtead Plant Hire Company Limited)

Directors
Ted Forshaw *Marketing Director*
Joe Gardiner *Performance Standards Director*
Aidan Richardson *Trading Director*
Tim. ,ait *Trading Director*

Profit centre managers
Jeffrey Allsopp
Barry Barnes
Mike Barron
David Bell
Andy Benham°*
Keith Biggs
Peter Bilton
Sandy Boiling
Stephen Bradshaw
Bill Brotheridge
Douglas Burnett
Austin Burns*
David Comber
Tracey Cormack*
Malcolm Crickmore*
Daren Cummings
John Devonport°*
Bob Dixon
Jeremy Dunnett
Mike Edwards
Paul Evans
Brian Galt
Clive Gilbert
James Grant
Tony Grimshaw
Richard Haley
John Holdridge
Cliff Jones
David Jones
Ivor Keightley
Paul Lewis
Carol Littler
Lloyd Martin
Mary Martin
Tim Martin
Dick May°
Alex McGuffie°*
Mel Moore*
Ken Morgan
Terry O'Ware
Alex Pirie
Steve Prower
Keith Robertson BSc°*
Ivor Swatton
Wilson Walker
Bob Watts°*
Jim Weir
Martin Williams
Steve Woodburn
Tony Wootton

° Divisional chairman
* General manager

Financial controllers:
Iain Guthrie CA *Scottish Support Office*
Tony Durant BSc ACA *Northern Support Office*
Derrick Adamson FCMA *Midlands Support Office*
Brian Key FCCA *Southern Support Office*
Bob Clark FCA ATII *Corporate*

US Plant Hire
Sunbelt Rentals Inc.

President
Tom Smart

Profit centre managers
Tom Bennett
Gary Blazek
Scott Reynolds
Mike Rudkin

Chief financial officer
Steve Long CPA

Offshore Division

Chief executive
Safa Ashkuri C Eng., MI Mech. Eng., FIP, SPE

Subspek Oceanics Limited

Directors
Howard Kelsall *Divisional Director*
Robert Phillips *Divisional Director*
Dennis Bell *Technical Director*
Peter Simpson *Technical Director*

Mertec Systems (Middle East) Limited

Director
Harry Gandhi *Managing Director*

Directors & advisers

Directors

Peter Lewis *Chairman*
George Burnett MA LLB CA *Managing Director*
Alan Anderson BSc CA *Finance Director*
Philip Lovegrove LLM*

all of Ashtead House, Business Park 8, Barnett Wood Lane, Leatherhead, Surrey KT22 7DG

*Non-executive

Secretary & registered office

Alan Anderson BSc CA
Ashtead House, Business Park 8, Barnett Wood Lane,
Leatherhead, Surrey KT22 7DG

Auditors

Price Waterhouse, Chartered Accountants, Southwark Towers,
32 London Bridge Street, London SE1 9SY

Principal banker

Lloyds Bank Plc, St Georges House, 6/8 Eastcheap, London EC3M 1LL

Merchant bank

Barclays de Zoete Wedd Limited, Ebbgate House,
2 Swan Lane, London EC4R 3TS

Solicitors

Baileys Shaw & Gillett, 17 Queen Square, London WC1N 3RH

Stockbroker

de Zoete & Bevan Limited, Ebbgate House, 2 Swan Lane,
London EC4R 3TS

Registrars & transfer office

Lloyds Bank Plc, Registrar's Department, The Causeway,
Worthing, West Sussex BN99 6DB

For the year ended 30 April 1992

On 16 September 1992, the Company intends to grant further options over 465,800 shares to its employees at a price of 97p per share, in accordance with the terms of the Company's Share Option Scheme. The options are capable of being exercised on or after the third anniversary of the date the options were granted. Options must be exercised within ten years of the grant date.

5. Directors

The Directors of the Company are set out below, together with their interests in the share capital of the Company.

	30 April 1992 Number of ordinary shares of 10p each		30 April 1991 Number of ordinary shares of 10p each	
	Beneficial	Non-Beneficial	Beneficial	Non-Beneficial
P D Lewis	2,351,860	271,096	2,312,000	266,500
G B Burnett	2,423,070	325,516	2,382,000	320,000
A Anderson	1,250	–	1,000	–
P A Lovegrove	–	–	–	–

Messrs PD Lewis and GB Burnett are to be granted options over 80,000 shares each and Mr A Anderson over 40,000 shares from within the total number and on the terms set out in note 4. Mr A Anderson also holds share options over 61,935 shares at a price of 254.3p per share, granted on 30 August 1988 and 13,500 shares at a price of 314.8p, granted on 31 August 1989. These options are exercisable between 3 and 10 years from date of grant.

The re-election of Mr P A Lovegrove, who retires by rotation in accordance with the Articles of Association of the Company, as a Director of the Company will be proposed at the Annual General Meeting. Mr Lovegrove is a non-executive Director and does not have a service contract with the Company.

Mr Lovegrove is a Director of Grahams Rintoul and Company Limited. He is Chairman of V.T.R. Plc, West Trust Plc and Associated British Engineering Plc. He is also a Director of English & Caledonian Investments Plc, Royal Trust Bank and Saxon Hawk Group Plc.

6. Future developments

The Group intends to develop by expanding its operations in the United Kingdom plant hire market, and through its subsidiaries, Sunbelt Rentals Inc. and Subspek Oceanics Limited, expanding its operations in the United States plant hire market and plant hire to the oil and allied industries respectively.

7. Close company

The Company is not a close company within the meaning of the Income and Corporation Taxes Act 1988.

8. Fixed assets

Significant movements in fixed assets are detailed in Note 12 to the financial statements.

9. Employees

The Company makes every reasonable effort to give disabled applicants, and existing employees becoming disabled, opportunities for work, training and career development in keeping with their individual aptitudes and abilities.

The Company has taken action consistently through the year to introduce, maintain and develop arrangements aimed at involving employees in the Company's affairs.

10. Appointments of auditors

Price Waterhouse have indicated their willingness to continue in office and a resolution concerning their re-appointment and authorising the Directors to fix their remuneration will be proposed at the Annual General Meeting.

By Order of the Board

Alan Anderson

A Anderson
Secretary
28 July 1992

Directors' report

For the year ended 30 April 1992

1. *Trading results & dividends*

The Group's consolidated profit before taxation for the financial year is £2,267,000. An interim dividend of 1.1p per Ordinary Share was paid on 6 April 1992.

The Directors recommend that a final dividend of 3.025p per Ordinary Share amounting to £679,000 be paid to the holders of the Ordinary Shares and that £685,000 be transferred to reserves. If approved, this dividend will be paid on 7 October 1992 to the Ordinary Shareholders on the record at 4 September 1992.

A review of the Group's business during the course of the year is included in the Chairman's report on pages 2 to 6.

2. *Principal activities*

The Company's activity is that of an investment holding and management company. The principal activity of the Group is the hiring out of plant and machinery.

3. *Share capital*

The following investors, in addition to P D Lewis and G B Burnett, have notified the Directors that they hold or are beneficially interested in 3% or more of the Company's Ordinary Share capital as set out below:

	At 30 April 1992 %	At 28 July 1992 %
Standard Life Assurance Co. Limited	6.09	8.53
Prudential Assurance Co. Limited	7.98	7.98
Henderson Administration	7.53	7.75
Morgan Grenfell Investment Management Limited	4.55	7.13
Gartmore Investment Management Limited	5.52	6.64
Norwich Union Life Insurance Society	5.95	5.50
British Airways Pension Trustees	4.57	4.57
Robert Fleming Holdings Limited	3.79	4.73
British Gas Pension Fund	3.79	3.56
County NatWest Investment Management Limited	3.23	3.23
Eagle Star Insurance Co. Limited	3.23	3.23
Grahams Rintoul	3.11	3.00
TSB Investment Management	3.66	N/A

4. *Share option scheme*

At 30 April 1992, the following shares were subject to option:

	Number of shares	Option price per share
Exercisable between 30 August 1991 and 30 August 1998	106,000	254.3p
Exercisable between 31 August 1992 and 31 August 1999	40,076	314.8p

ready...

to grow quickly as opportunities occur

Derrick Adamson
Financial Controller - A-Plant Midlands

We treat the profit centres attached to this office as our customers. Paperwork received from them is treated with the same urgency that they place on a Customer's order.

New Accounts can be vetted and opened within an hour of the customer's initial enquiry. Similarly, new plant can be ready for hire on the computer via a quick phone call.

This year we achieved an 11% reduction in our Debtor Days and so improved cash flow and reduced the risk of incurring bad debts. We reduced the support staff thereby giving greater value for money to our managers whilst maintaining the quality of support.

Current trading & future prospects

Your Board has continued into the current year its policy of maintaining the integrity and infrastructure of the business. Having come through the worst of the recession without resort to permanent surgery, we are confident that the basis exists within your Group to emerge successfully from this most difficult trading period in the UK.

A gradual recovery from recession is in prospect in the United States rental market and the Subspek Group is performing well.

The immediate prospects for your Group's improved performance in the UK plant hire market derive more from the likelihood of it taking advantage of the weaknesses of competitors than in any significant market upturn. Your Board believes that over time there will be an improvement in overall market conditions as a result of the virtual destruction of many of our significant competitors by the effects of the recession. A rationalisation of the industry is already taking place and it is your Board's belief that this will continue undiminished for at least a further two years. During that time, there will be opportunities for worthwhile acquisitions and your Group will benefit from its sustained high levels of efficiency and investment, a modern fleet and the strength of its Balance Sheet.

A-Plant's product and marketing emphasis on repair, maintenance and refurbishment, combined with its operational gearing, make it immediately responsive to an increase in demand. Hire represents 94% of total revenue. After nearly 3 years of pricing decreases, a 10% price increase would more than double its profits.

In the United States there are opportunities for steady growth as Sunbelt regularly adds Profit Centres in areas contiguous with its present area of operations. The development of the Subspek Group's products and services to the offshore oil and gas industries offers exciting prospects.

It is your Board's belief that each of these activities will make a full contribution to the realisation of our aim of building a substantial, internationally-based, industrial rentals Group. Yours sincerely,

Peter Lewis
Chairman
28 July 1992

Tony Wootton
Profit Centre Manager - A-Plant Telford

In the space of two weeks we recently won, against intense competition, a three year contract with a cable TV operator and a two year contract with a major contractor for Severn Trent. Within five days we were able to supply eight 100 ADL trailers, eight 100 ADL vib-rollers, six tractairs, six sets of traffic lights, four skid steer loaders, six floor saws and six rammers. Many of these were new purchases which had to be delivered, painted and branded in A-Plant livery over the weekend.

All items were up and running by the Monday morning. All targets were met.

responsive...

to changes in the market

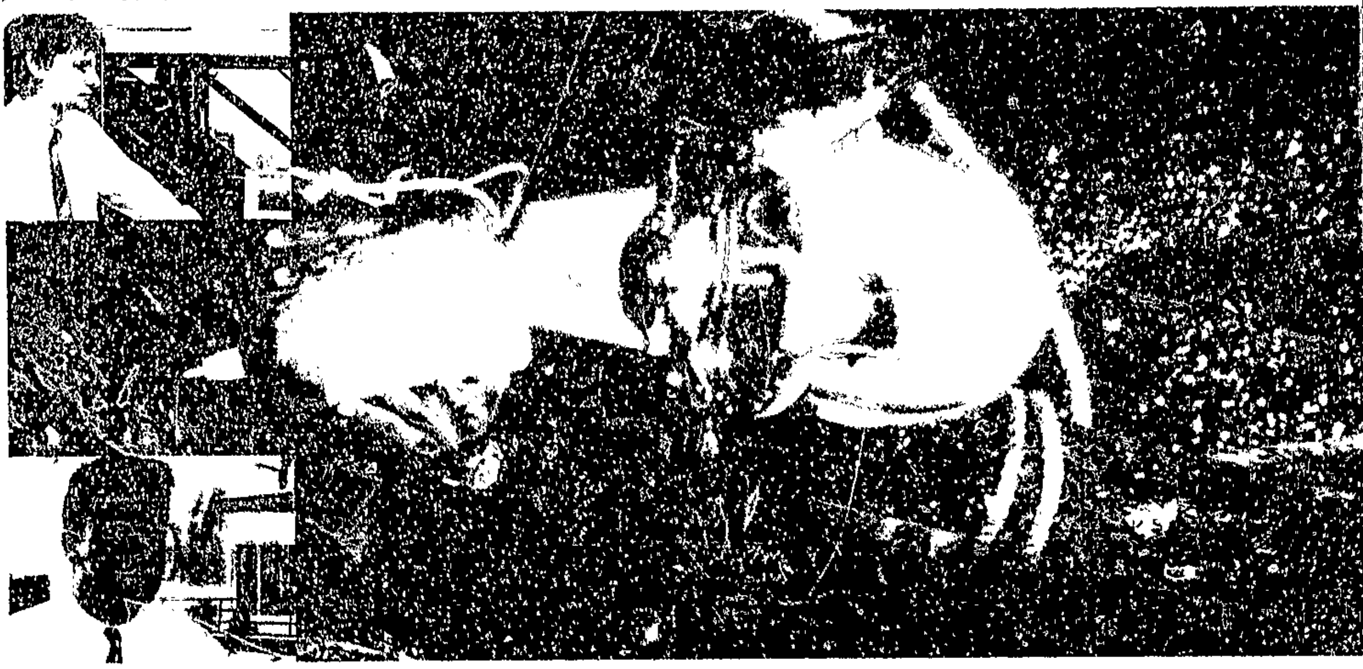
Peter Simpson
Technical Director - Subspek, Aberdeen

A need was identified within the industry to develop a new and superior form of underwater weld inspection technique.

A prototype unit was developed jointly with a supplier, which we hired to the industry during 1991. The unit was a great success both off shore and also during extensive trials at the NDE centre at University College London. We agreed favourable terms to purchase a unit at the beginning of 1992.

After a few short rental contracts, the unit has been on continuous hire since the beginning of May. A second unit has been out constantly since mid May.

We have now purchased a third system to meet more demand. The unit was ready to fly out by helicopter within 18 hours of the initial enquiry. It has now been deployed in the North Sea, and is presently being prepared to ship to America to complete projects in California and Alaska.



John Corrie
Salesman - A-Plant Whitehaven

We'd been monitoring the start of a new site in our area, and because of our prior knowledge I was the first plant hire salesman on site.

I identified their requirements and telephoned them to our office. By the time I got back, our quote was ready and I had it on the customer's desk minutes later. A-Plant is now the main plant supplier to this site.

I am sure that it is the superior training and commitment of our staff that enables us to be consistently first to new business.

Dividend policy

Cash flow now and prospectively remains strong and your Directors are pleased to recommend an unchanged dividend to be paid on 7 October 1992 to shareholders on the register at 4 September 1992.

Your staff - "The A Team"

It is difficult properly to describe the debilitating effects of such a long term recession on the people who must bear the brunt of it - your staff. A-Plant and Group personnel have now joined in with the policy George Burnett and I have pursued since December 1989 of accepting a nil pay increase. Whilst we are hopeful that their profit share earnings of £311,000 in the year to April 1992 will, through merit, show a worthwhile increase in the current year, such earnings are dependent solely on performance.

Throughout its operations the continued commitment of your Group's staff to the delivery of an unparalleled service to its customers is magnificent.

resilient...

to recession & competition

Gary Blazek
Profit Centre Manager - Sunbelt, Charlotte U.S.A.

Sunbelt Rentals has weathered the U.S. recession and kept one step ahead of the competition by responding to the changing needs of its customer base. Recent changes in the U.S. safety and environmental laws have created new markets to which Sunbelt has responded with both superior plant and knowledge. We have developed a reputation in the field as 'problem solvers' making Sunbelt the choice for the project manager in difficulty. Quick solutions to customer problems have led to much repeat business and high levels of customer loyalty.

The Group

Although your Group has faced unprecedentedly difficult trading conditions, it has emerged at the end of this period with the strongest Balance Sheet since its growth began in May 1984, following the management buy-in. Gearing was down to 43% (72%); total capital expenditure of £7.8m (£8.5m) was in line with a depreciation charge of £7.5m (£7.1m); stringent control of working capital and management of debtors helped produce a net cash flow from operations of £5.0m (£2.2m). Interest cover is unchanged at three times. The conservative accounting approach of the Group is reflected by the fact that the provision for deferred tax in the balance sheet has been increased to 100% of the full potential liability.

The only remaining acquisition earn-out payments are for Subspek which will not be material to the Group.

Acquisitions

As you will see from the Profit and Loss Account, an exceptional charge of £65,000 was incurred in respect of expenses for a prospective acquisition. The fact that your Board decided not to proceed with a major acquisition, which it had sought for over three years, is symbolic of the current times.

It was a difficult decision to abandon this deal within days of signing, not least because there is a tendency for such events to assume a life force of their own. But it had become clear that the anticipated pre-Election economic upturn was no longer in prospect and your Board concluded that deferral of growth by way of acquisition was in your Group's best interests.

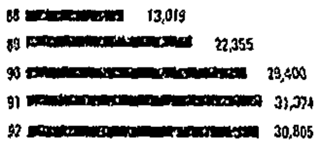
The UK plant hire industry, in general, is being ravaged by the effects of the recession on it and its customers. Without in any way being complacent, the results of your Group should be viewed in the context of the very poor results being produced by the majority of its competitors. It has never been easier to make acquisitions. Thus far your Board has deemed it prudent to concentrate all of its management energies on the more prosaic task of improving the operating efficiencies of the existing network of businesses.

Mel Moore
Profit Centre General Manager - A-Plant Leatherhead

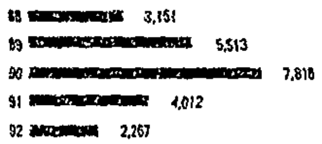
At Leatherhead we aim to be totally committed to service and to this end we are constantly updating our fleet to suit the needs of our customers. We realise the importance of investigating all requests for different types of plant rather than the blinkered approach of relying on traditional equipment. For instance, our Tool Hire Department is never slow to respond to a challenge: during August 1991 we had a request to supply specialist floor cleaning equipment for a prestigious contract in the City. After on-site meetings, we purchased 24 units to the correct specification. Those items were there on constant hire for 9 months!

We consider all Profit Centre staff as part of the salesforce and never knowingly refuse a hire. We have not accepted the recession lying down!

TURNOVER (£000)



PRE-TAX PROFIT (£000)



- Staff numbers were broadly maintained and the number of salesmen and women has been increased from 30 to over 40.
- The A-Plant Board has been strengthened with the appointment of two Trading Directors and a Perfomance Standards Director. The latter appointment is a further step in our pursuit of yet higher internal and external quality standards. A-Plant is well advanced towards accreditation for BS5750 Quality Assurance Standard.
- Fourteen of A-Plant's properties have been refurbished or improved during the year.

Every Profit Centre made a trading profit throughout the year. It is your Board's belief that the combination of sustained investment in people and assets through the last two years has enabled A-Plant to increase its share of a temporarily diminished market and to be in a strong position immediately to improve its results when conditions permit.

A-PLANT (UK PLANT HIRE)	1992 £m	1991 £m
Turnover	25,181	26,714
Trading Profit	9,393	11,678
Depreciation	6,756	6,572
Operating Profit	2,637	5,106

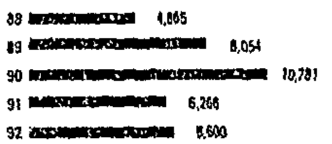
SUNBELT RENTALS (US PLANT HIRE)		
Turnover	1,791	1,820
Trading Profit	428	463
Depreciation	185	163
Operating Profit	243	300

SUBSPEK OCEANICS & MERTEC (SURVEY & INSPECTION HIRE)		
Turnover	3,833	2,840
Trading Profit	1,089	861
Depreciation	517	359
Operating Profit	572	502

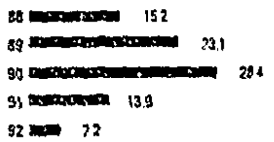
SUNBELT RENTALS (US PLANT HIRE)
As in the UK, trading conditions in the South East United States have been very difficult and this is a creditable performance. Trade weakened in the second half but overall the crucial hire revenue is almost identical to the previous year and the slight decrease in turnover is largely attributable to a policy of emphasising rental instead of sales. Short term profits were not helped by the start-up costs of a third branch in Raleigh, North Carolina, in January 1992. However, this branch has already started to make a profit.

It is your Board's belief that with a replica of the UK systems in place a policy of cautious expansion can be pursued. To this end another Profit Centre was opened in July in Atlanta, Georgia which is the site of the next Olympics.

INVESTMENT IN HIRE PLANT (£000)



EARNINGS PER SHARE (P)



SUBSPEK OCEANICS & MERTEC (SURVEY & INSPECTION HIRE)
This was a satisfactory performance both in the UK and in the Middle East. Following the conclusion of the earn-out agreement with the previous owners in December 1991, the Board and Management of Subspek has been reorganised with an immediate favourable impact on performance. Investment in new equipment of £1m (£0.7m) reflected the continuing policy of switching emphasis from sales to rental. The Division is pursuing an aggressive product development programme. Your Board is confident about the overall prospects for growth in the oil and gas survey and inspection markets in the UK and on an international scale, given that this Division's product range covers both new field exploration and maintenance of existing installations.

Mertec has recovered particularly well since the end of the Gulf War and continues to occupy an important place in its markets in the UAE and other countries in the Middle East.

Consolidated profit & loss account

For the year ended 30 April 1992

Notes		1992 £000	1991 £000
1,2	Turnover	30,805	31,374
	Cost of sales	(24,553)	(23,143)
	Gross profit	6,252	8,231
	Administrative expenses	(2,800)	(2,323)
2,3,4	**Operating profit**	3,452	5,908
5	Interest payable and similar charges	(1,120)	(1,896)
	Profit before taxation and exceptional item	2,332	4,012
6	Exceptional item	(65)	–
	Profit on ordinary activities before taxation	2,267	4,012
	Taxation on profit on ordinary activities		
7	Current taxation	(826)	(1,193)
7	Deferred taxation	259	(130)
	Profit for the financial year	1,700	2,689
8	Extraordinary Item	–	(101)
23	Minority Interest	(89)	(111)
	***Profit attributable to the Shareholders* of Ashtead Group PLC**	1,611	2,477
10	Dividends	(926)	(877)
22	**Retained profits transferred to reserves**	685	1,600
11	**Earnings per share**	7.2p	13.9p

Consolidated balance sheet

At 30 April 1992

Notes		1992 £000	1991 £000
	Fixed assets		
	Tangible fixed assets		
12	-plant for hire	23,035	24,481
12	-other fixed assets	9,027	8,965
		32,063	33,446
	Current assets		
14	Stocks	1,988	2,014
15	Debtors	7,223	12,750
	Cash at bank and in hand	77	22
		9,288	14,786
	Creditors – amounts falling due within one year		
16	Loans and overdrafts	3,890	9,314
17	Trade and other creditors	11,522	13,058
18	Hire purchase liabilities	200	384
		15,612	22,756
	Net current liabilities	(6,324)	(7,970)
	Total assets less current liabilities	25,739	25,476
	Creditors – amounts falling due after more than one year		
18	Hire purchase liabilities	(185)	(334)
19	Loans	(4,235)	(4,050)
20	**Deferred taxation**	(1,312)	(1,615)
	Total net assets	20,007	19,477
	Capital and reserves		
21	*Called up share capital*	2,246	2,246
22	Share premium account	8,906	8,906
22	Revaluation reserve	515	525
22	Reserve for the elimination of goodwill	(4,378)	(4,265)
22	Profit and loss account	12,650	11,950
	Shareholders' funds	19,939	19,362
23	Minority interest	68	115
	Total capital and reserves	20,007	19,477

Company balance sheet

At 30 April 1992

Notes		1992 £000	1991 £000
	Fixed assets		
12	Tangible fixed assets	2,590	2,268
13	Investments	4,465	5,914
		7,055	8,182
	Current assets		
15	Debtors	8,407	8,125
	Cash at bank and in hand	25	–
		8,432	8,125
	Creditors – amounts falling due within one year		
16	Loans and overdrafts	1,125	1,250
17	Trade and other creditors	813	1,709
		1,938	2,959
	Net current assets	6,494	5,166
	Total assets less current liabilities	13,549	13,348
	Creditors – amounts falling due after more than one year		
19	Loans	183	–
		13,366	13,348
	Capital and reserves		
21	Called up share capital	2,246	2,246
22	Share premium account	8,906	8,906
22	Revaluation reserve	469	472
22	Reserve for the elimination of goodwill	(266)	(266)
22	Profit and loss account	2,011	1,990
		13,366	13,348

These accounts were approved by the Board on 28 July 1992.

G B Burnett
A Anderson

Directors

Consolidated cash flow statement

For the year ended 30 April 1992

Notes		£000	1992 £000	£000	1991 £000
a	**Net cash flow from operating activities**		10,057		11,047
	Returns on investments and servicing of finance				
	Interest paid	(1,257)		(1,845)	
	Dividends paid	(926)		(692)	
	Dividends paid to minority shareholders in subsidiaries	(40)		(100)	
	Net cash inflow/(outflow) from returns on investments and servicing of finance		(2,223)		(2,637)
	Taxation				
	Taxes paid on income and gains		(2,744)		(1,741)
	Investing activities				
	Purchase of tangible fixed assets	(6,803)		(9,253)	
	Sale of tangible fixed assets	2,368		3,160	
d	Purchase of subsidiaries	(812)		(2,603)	
	Exceptional items	(65)		-	
	Net cash outflow from investing activities		(5,312)		(8,696)
	Net cash inflow/(outflow) before financing		(222)		(2,027)
	Financing				
	Issue of ordinary shares	5,819		-	
	Redemption of minority interest	-		(1,000)	
	New secured loans	147		3,100	
	Extraordinary item	-		(101)	
	Principal payment under hire purchase agreements	(333)		(66)	
c	**Net cash inflow/ (outflow) from financing**		5,633		1,933
b	**Increase/(decrease) in cash and cash equivalents**		5,411		(94)

Notes to cash flow statement

For the year ended 30 April 1992

a. Net cash flow from operating activities

	1992 £000	1991 £000
Operating profit	3,452	5,908
Depreciation of tangible fixed assets	7,458	7,094
Gain on sale of tangible fixed assets	(727)	(838)
(Increase)/decrease in stocks	15	(36)
(Increase)/decrease in trade debtors	(553)	1,165
Increase/(decrease) in trade creditors	412	(2,246)
Net cash flow from operating activities	10,057	11,047

b. Cash and cash equivalents

	1992 £000	1991 £000
Analysis of cash and cash equivalents		
Cash	77	22
Overdrafts	(2,678)	(8,064)
	(2,601)	(8,042)
Change in the balance of cash and cash equivalents		
At beginning of year	(8,042)	(7,916)
Exchange adjustments	30	(32)
Cash inflow/(outflow) for the year	5,411	(94)
At end of year	(2,601)	(8,042)

c. Changes in financing

	1992		1991	
	Share capital including premium £000	Loans & hire purchase £000	Share capital including premium £000	Loans & hire purchase £000
Opening balance	11,152	6,018	5,333	[illegible]
Cash flow from financing	–	(186)		3,034
Loans and hire purchase obligations acquired	–	–	–	271
Net share issue proceeds (see below)	–	–	5,819	–
	11,152	5,832	11,152	6,018

The share issue took place on 23 April 1991 with the proceeds being received on 16 May 1991. The receipt is therefore shown as a cash flow movement in the 1992 financial statements. In addition to the above items during the year ended 30 April 1991, £1,000,000 was paid to redeem part of the minority interest and £101,000 was paid in connection with the admission to the official list of the International Stock Exchange.

d. Investing activities

The cash flow effect of acquisitions is as follows:

	1992 £000	1991 £000
Bank overdrafts acquired	–	761
Cash consideration paid	812	1,842
Net cash outflow	812	2,603

Notes to the accounts

For the year ended 30 April 1992

1. Accounting policies

Accounting convention
The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain freehold properties and in accordance with the applicable accounting standards.

Basis of consolidation
The financial statements include the results of the Company and all of its subsidiaries. The statutory accounts of Mertec Systems (Middle East) Limited are made up to 31 December each year. Under the terms of the Shareholders' Agreement with the holder of the shares not owned by the Group, Mertec's year end has to remain 31 December. In accordance with the provisions of the Companies Act 1985, the consolidated accounts of the Group include the results of Mertec Systems (Middle East) Limited on the basis of its management accounts at 30 April.

Foreign currency translation
Exchange differences arising from the retranslation of the opening net investment of overseas subsidiaries and the difference between the inclusion of their profits at average rates of exchange in the Group profit and loss account and the closing rate are dealt with as movements on reserves.

Turnover
Turnover represents the total amount receivable for the provision of goods and services to customers net of returns and value added tax.

Fixed assets
Fixed assets are stated at historical cost or valuation less accumulated depreciation.
Leasehold properties are amortised over the life of each lease. Other fixed assets are depreciated on a straight line basis applied to the opening cost to write off each asset over its useful life.

Freehold Property	4%
Motor vehicles	25%
Plant for hire	12.5% to 33%
Office and workshop equipment	20%

Acquisitions and goodwill
Acquisitions during the financial year have been accounted for on an acquisition basis and the results of companies acquired are therefore dealt with from the effective date of acquisition. The net tangible assets of companies acquired are incorporated in the consolidated accounts at their fair values to the Group, after making adjustments to reflect the alignment of accounting policies where the accounting policies of acquired companies would otherwise be inconsistent with those of the Group.
Goodwill arising on acquisition is eliminated from the Group balance sheet either directly against reserves or by amortisation through the profit and loss account. The goodwill on acquisitions arising during the year ended 30 April 1992 has been charged to reserves.

Deferred taxation
Deferred taxation in respect of timing differences between profits as computed for taxation purposes and profits as stated in the accounts is provided only to the extent that their is a reasonable probability that a liability will crystallise in the foreseeable future.

Stocks
Stocks are valued at the lower cost and net realisable value.

Repairs and maintenance
In addition to charging against revenue costs incurred in the period in respect of the repair and maintenance of plant, provisions are made at the year end to take account of any impending repairs.

Leases
Leases are accounted for as operating leases. Rentals due in each accounting period are charged to the profit and loss account.

Pensions
The cost of pensions is charged against operating profit so as to spread the cost over the service lives of the employees.

For the year ended 30 April 1992

2. Segmental analysis

	Turnover		Operating profit		Net assets	
	1992	1991	1992	1991	1992	1991
Division	£000	£000	£000	£000	£000	£000
UK Plant Hire	25,181	26,714	2,637	5,106	24,998	24,599
US Plant Hire	1,791	1,820	243	300	1,857	1,778
Survey and Inspection Hire	3,833	2,840	572	502	1,585	1,330
Central Items (Funding Related)	–	–	–	–	(8,433)	(8,230)
	30,805	31,374	3,452	5,908	20,007	19,477

3. Operating profit

Operating profit is stated after charging / (crediting) the following amounts:	1992 £000	1991 £000
Staff costs:		
-salaries	7,119	7,213
-social security costs	640	649
-other pension costs	83	301
Depreciation	7,458	7,094
Profit on disposal of assets	(727)	(838)
Hire of plant and machinery	670	389
Auditors' remuneration	61	71

The average number of employees during the period was 579 (1991 – 597).

4. Directors' emoluments

The emoluments of the directors, which are included in staff costs in Note 3 above, were as follows:	1992 £000	1991 £000
Fees	8	8
Other emoluments (including company pension contributions)	365	362
Chairman	99	99
Highest paid director	99	99
Other directors:	Number	Number
£ 5,001 – £10,000	1	1
£70,001 – £75,000	–	1
£80,001 – £85,000	1	–

Details of options over the Company's share capital granted to the directors are given in the Directors' Report.

5. Interest payable and similar charges

	1992 £000	1991 £000
Interest on loans and overdrafts repayable within five years	988	1,814
Hire purchase interest	94	44
Interest on long term loans	38	38
	1,120	1,896

6. Exceptional item

	1992 £000	1991 £000
Costs relating to an abortive acquisition	65	–

For the year ended 30 April 1992

7. Taxation

	1992 £000	1991 £000
UK Corporation tax at 33% (1991 – 33.9%)	864	1,111
Deferred tax	(259)	130
Overseas taxation	(38)	82
	567	1,323

8. Extraordinary item

	1992 £000	1991 £000
Costs associated with the admission to the official list of the International Stock Exchange.	–	101

9 Profit and loss account

Ashtead Group PLC has not presented its own profit and loss account as permitted by section 230(3) of the Companies Act 1985. The amount of the profit for the financial year dealt with in the accounts of Ashtead Group PLC is £944,000 (1991 – £847,000).

10. Dividends

	1992 £000	1991 £000
Interim dividend at 1.1p net per share (1991 – 1.1p)	247	198
Proposed final dividend of 3.025p net per share (1991-3.025p)	679	679
	926	877

11. Earnings per share

Earnings per share for the year ended 30 April 1992 have been calculated based on the profit attributable to the Shareholders of Ashtead Group PLC and 22,285,554 Ordinary Shares being the weighted average number of Ordinary Shares in issue during the year. The comparative figures have been adjusted to take account of the rights issue for which proceeds were received by 22 May 1991.

12. Tangible and fixed assets

Group	Freehold property £000	Leasehold property £000	Plant for hire £000	Office & workshop equipment £000	Motor vehicles £000	Total £000
Cost or valuation						
At 30 April 1991	5,614	1,860	42,558	1,485	3,072	54,589
Exchange differences	–	–	(46)	(1)	(4)	(51)
Additions	315	221	6,600	237	476	7,849
Disposals	–	–	(3,832)	(36)	(397)	(4,265)
At 30 April 1992	5,929	2,081	45,280	1,685	3,147	58,122
Depreciation						
At 30 April 1991	180	244	18,077	821	1,821	21,143
Exchange differences	–	–	(8)	–	(2)	(10)
Charge for the period	118	62	6,364	264	650	7,458
Acquisitions (note 24)	–	–	92	–	–	92
Disposals	–	–	(2,281)	(27)	(316)	(2,624)
At 30 April 1992	298	306	22,244	1,058	2,153	26,059
Net book value						
At 30 April 1992	5,631	1,775	23,036	627	994	32,063
At 30 April 1991	5,434	1,616	24,481	664	1,251	33,446

For the year ended 30 April 1992

Company	Freehold property £000	Leasehold property £000	Plant for hire £000	Office & workshop equipment £000	Motor vehicles £000	Total £000
Cost or valuation						
At 30 April 1991	2,030	305	–	–	–	2,335
Additions	173	202	–	–	–	375
Disposals	–	–	–	–	–	–
At 30 April 1992	2,203	507	–	–	–	2,710
Depreciation						
At 30 April 1991	57	10	–	–	–	67
Charge for the period	44	9	–	–	–	53
At 30 April 1992	101	19	–	–	–	120
Net book value						
At 30 April 1992	2,102	488	–	–	–	2,590
At 30 April 1991	1,973	295	–	–	–	2,268

The net book amount of leasehold property comprises:	The Group 1992 £000	The Group 1991 £000	The Company 1992 £000	The Company 1991 £000
Long leasehold	1,555	1,376	487	295
Short leasehold	220	240	–	–
	1,775	1,616	487	295

The closing net book value of property stated at cost or valuation may be analysed as follows:	Freehold £000	Leasehold £000
Stated at cost	3,816	606
Stated at valuation performed at 30 April 1989	1,815	1,169
	5,631	1,775

The net book value at which assets stated at valuation would have been shown if they had not been revalued is as follows:	Freehold £000	Leasehold £000
At 30 April 1992	1,478	990

13. *Investments*

	Shares in Group companies £000
At 30 April 1991	5,914
Dividends received from subsidiary companies out of pre-acquisition reserves	(1,453)
Additions	4
At 30 April 1992	4,465

The Company's principal subsidiaries are:
- Ashtead Plant Hire Company Limited (1)
- Subspek Oceanics Limited (2)
- Mertec Systems (Middle East) Limited (1) (84% owned by Subspek Oceanics Limited)
- Sunbelt Rentals, Inc (3)

The business of all the above companies is the hiring out of plant and machinery.

(1) Registered in England
(2) Registered in Scotland

For the year ended 30 April 1992

14. *Stocks*

	The Group 1992 £000	The Group 1991 £000	The Company 1992 £000	The Company 1991 £000
Goods for resale	520	695	–	–
Raw materials, consumables and spares	447	305	–	–
Hire stocks	1,021	1,014	–	–
	1,988	2,014	–	–

15. *Debtors*

	The Group 1992 £000	The Group 1991 £000	The Company 1992 £000	The Company 1991 £000
Trade debtors	6,814	6,380	–	–
Amounts due from Group undertakings	·	–	8,407	2,061
Prepayments and accrued income	409	306	–	–
Other debtors	–	6,064	–	6,064
	7,223	12,750	8,407	8,125

Other debtors comprise the proceeds receivable from the issue of 4,491,312 Ordinary Shares pursuant to the rights issue announced 24 April 1991. This sum was received in full by 22 May 1991.

16. *Loans and overdrafts*

	The Group 1992 £000	The Group 1991 £000	The Company 1992 £000	The Company 1991 £000
Bank overdrafts	2,678	8,064	–	–
Short term portion of secured loans	1,212	1,250	1,125	1,250
	3,890	9,314	1,125	1,250

At the year end the bank overdrafts were secured by fixed and floating charges over the assets of the Group or of the subsidiary to which the overdraft had been extended. As at 30 April 1992 the Group had guaranteed borrowings of subsidiary companies amounting to £1,409,000.

17. *Trade and other creditors*

	The Group 1992 £000	The Group 1991 £000	The Company 1992 £000	The Company 1991 £000
Trade creditors	6,064	4,776	–	–
Bills payable	2,017	1,229	–	–
Accruals and deferred income	1,153	2,868	73	1,001
Taxation	804	2,722	55	29
Proposed dividend	679	679	679	679
Other taxes and social security	443	527	6	–
Other creditors	362	257	–	–
	11,522	13,058	813	1,709

For the year ended 30 April 1992

18. *Hire purchase liabilities*

Hire purchase liabilities are disclosed in the balance sheet as follows:	The Group 1992 £000	The Group 1991 £000
Amounts due in less than one year	280	384
Payable between one and two years	172	186
Payable between two and five years	13	148
Amounts due in more than one year:	185	334
	385	718

19. *Creditors* – amounts falling due in more than one year

	The Group 1992 £000	The Group 1991 £000	The Company 1992 £000	The Company 1991 £000
Secured loans are payable as follows:				
Between one and two years	91	–	91	–
Between two and five years	4,032	3,825	92	–
Over five years:				
Repayable by instalments part of which fall due in more than five years	112	225	–	–
	4,235	4,050	183	–
Amount of loans any of which are repayable in more than five years	450	450	–	–

Interest is payable on these loans currently at rates between 8.25% and 11.5%. The secured loans are secured either by floating charge over certain of the Group's assets or by guarantee from the Group's bankers who in turn hold fixed and floating charges over the Group's assets. Part of the Group's secured bank loan is provided in the form of a 5 year revolving loan facility which may be drawn down for periods of between 1 and 6 months. At the expiry of the term the loan may be rolled over indefinitely until the end of the 5 year commitment period. Accordingly, all of the amount drawn under this facility at the year end (£3.6 million) has been presented as repayable between two and five years.

20. *Deferred taxation*

Deferred taxation at 30 April 1992 may be analysed as follows:

	Provided in the accounts 1992 £000	Provided in the accounts 1991 £000	Full potential liability 1992 £000	Full potential liability 1991 £000
Short term timing differences	(95)	(161)	(95)	(161)
Accelerated capital allowances	1,633	2,002	1,633	2,206
Advance corporation taxation	(226)	(226)	(226)	(226)
	1,312	1,615	1,312	1,819

The movement in the year is as follows:	£000
At 30 April 1991	1,615
Subsidiaries acquired (note 24)	(44)
Credited in year	(259)
At 30 April 1992	1,312

No deferred tax has been provided in respect of the surplus arising on revaluation of the Group's properties because all of the properties are employed in the Group's business, and there is no intention to dispose of any of them. In any event, the likelihood of a material tax liability arising on disposal is remote due to the availability of rollover relief.

For the year ended 30 April 1992

21. Called up share capital

	1992 Number	1991 Number	1992 £000	1991 £000
Authorised Ordinary shares of 10p each	30,000,000	24,000,000	3,000	2,400
Allotted Ordinary shares of 10p each	22,456,562	22,456,562	2,246	2,246

Details of options granted over the Company's share capital are given in the Directors' report.

22. Reserves

Group	Share premium account £000	Revaluation reserve £000	Reserve for the elimination of goodwill £000	Profit and loss account £000	Total £000
At 30 April 1991	8,906	525	(4,265)	11,950	17,116
Elimination of goodwill on acquisition	–	–	(113)	–	(113)
Exchange differences	–	–	–	5	5
Transfer to distributable reserves	–	(10)	–	10	–
Retained profit for the year	–	–	–	685	685
At 30 April 1992	8,906	515	(4,378)	12,650	17,693

Company	Share premium account £000	Revaluation reserve £000	Reserve for the elimination of goodwill £000	Profit and loss account £000	Total £000
At 30 April 1991	8,906	472	(266)	1,990	11,102
Transfer to distributable reserves	–	(3)	–	3	–
Retained profit for the year	–	–	–	18	18
At 30 April 1992	8,906	469	(266)	2,011	11,120

23. Minority interest

	£000
At 30 April 1991	115
Dividend paid to minority shareholders	(40)
Exchange differences	(5)
Acquisition of part of minority interest	(91)
Profit attributable to minority	89
At 30 April 1992	68

For the year ended 30 April 1992

24. Acquisitions

Goodwill of £113,000 arising in the year relates to:

1. the excess of the consideration (£115,000) payable on 1 August 1992 over the value of the assets acquired (£91,000) in respect of the acquisition of a further 16.3% of the shares in Mertec Systems (Middle East) Limited ("Mertec"). This results from the exercise by the minority shareholders of the option contained in the original agreement for the acquisition of Mertec giving them the right to require the Group to acquire, in stages, all or part of the shares in Mertec which it does not already own.

2. adjustments (net of associated defered tax) to the calculation of the goodwill arising on the acquisition of Subspek Oceanics Limited ("Subspek"), principally relating to the final determination of fixed asset obsolescence write offs (£92,000 - see note 12) following the assumption by Ashtead of complete management control of Subspek at the end of the earn out period.

The movement during the year in the provisions established in prior years for reorganisation expenses incurred in connection with acquisitions is as follows:

	£000
At 30 April 1991	130
Other movements (net)	41
Paid during the year	(171)
At 30 April 1992	–

Deferred Consideration

Further consideration is payable under the terms of the agreement for the acquisition of Subspek dependent on the net profit (as defined in the Acquisition Agreement) of the Subspek Group for the two years ended 31 December 1990 and 1991.

The completion accounts for the above two years have been prepared, but agreement has yet to be reached with the vendor's accountants. Pending final agreement no accrual has been made for the amount payable which, on the basis of these accounts, is not expected to be material to the Group.

25. Leases

Minimum annual commitments under existing operating leases may be analysed by date of termination of the lease as follows:

	1992 £000	1991 £000
Land and buildings		
Terminating in one year	46	5
Terminating between two and five years	231	273
Terminating in more than five years	345	285
	622	563
Other		
Terminating in one year	87	45
Terminating between two and five years	366	217
	453	262

For the year ended 30 April 1992

26. Pensions

The Group operates defined pension plans for the benefit of qualifying employees. The Group's principal pension scheme was subject to an actuarial valuation as at 30 April 1989 by Scottish Mutual Assurance Group using the projected unit method. The principal assumptions used in the valuation were that pensionable salaries would grow at 7% per annum and that the fund's investments would yield 7.5% per annum.

The market value of the assets in the Group's pension schemes was £423,900 at 1 May 1989, which was not materially different from the actuarial value of the schemes' liabilities.

An actuarial valuation as at 30 April 1992 is currently in progress. In the interim the actuary has advised that no employer's contributions are required to be paid to the scheme in respect of the year ended 30 April 1992. For accounting purposes, an accrual has been made at a rate of 3.8% of pensionable salaries (as advised by the actuary) in respect of employer contributions for the year to be paid at a future date.

Auditors' report

Auditors' report to the Members of Ashtead Group PLC

We have audited the financial statements on pages 11 to 24 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of affairs of the Company and the Group at 30 April 1992 and of the profit and cash flows of the Group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Price Waterhouse

Price Waterhouse

Chartered Accountants and Registered Auditor.
London

28 July 1992

Notes

1 Every member entitled to attend and vote at the above Meeting may appoint a proxy to attend and vote on his behalf. A proxy need not be a member of the Company. Forms of proxy must be lodged with the Company's Registrars, Lloyds Bank Plc, Registrar's Department, The Causeway, Worthing, West Sussex BN99 6DB not less than 48 hours before the Meeting. Completion of the proxy does not preclude the member from attending the Meeting and from voting thereat.

2 Copies of service contracts of the Directors with the Company and its subsidiaries that are for periods in excess of 1 year will be available for inspection at the Company's registered office during business hours on any weekday (excluding Saturdays and Public Holidays) form the date of this Notice until the date of the Meeting and at the venue of the Meeting from 11.45am on 5 October 1992 until the conclusion of the Meeting.

ASHTEAD
GROUP
PLC

Notice of meeting Ashtead Group PLC

Notice is hereby given that the Annual General Meeting of the Company will be held at 30 Furnival Street, London, EC4A 1JE on 5 October 1992 at 12 noon for the following purposes:

1. To receive the audited financial statements of the Company for the year ended 30 April 1992 and the Report of the Directors thereon.

2. To declare a final dividend of 3.025p net per share on the Ordinary Shares of the Company to be payable to the holders of such Ordinary Shares on the Register of Members on 4 September 1992.

3. To re-elect Mr. P.A. Lovegrove as a Director who retires by rotation and, being eligible, offers himself for re-election, in accordance with the Company's Articles of Association.

4. To re-appoint Price Waterhouse, Chartered Accountants, as auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration.

To propose as an Ordinary Resolution:
5. "That:
a) the authorised share capital of the Company be increased from £3,000,000 to £3,500,000 by the creation of an additional 5,000,000 Ordinary Shares of 10p each; and

b) the Directors be and they are hereby generally and unconditionally authorised in accordance with Section 80 of the Companies Act 1985 to exercise all the powers of the Company to allot relevant securities (as defined in sub-section (2) of the said section 80) up to an aggregate nominal amount of £1,254,344 provided that this authority shall expire on the fifth anniversary of the passing of this Resolution save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired (and provided further that this authority shall be in substitution for and shall replace any existing authority pursuant to the said Section 80 which is hereby revoked)."

To propose as a Special Resolution:
6. "That subject to the passing of Resolution 5 above the Directors be and they are hereby generally and unconditionally empowered pursuant to Section 95 of the Companies Act 1985 to allot equity securities (as defined in sub-section (2) of Section 94 of the Companies Act 1985) for cash pursuant to the authority conferred by Resolution 5 as if sub-section (1) of Section 89 of the Companies Act 1985 did not apply to such allotment, provided that this power shall be limited:

a) to the allotment of equity securities for the purpose of or in connection with a rights issue (notwithstanding that by reason of 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 otherwise howsoever the equity securities to be allotted are not offered to all Shareholders in proportion to the number of Shares held by each of them); and

b) to the allotment of equity securities (other than pursuant to (a) above) up to an aggregate nominal amount equal to £112,282

and shall expire on the date of the next Annual General Meeting of the Company after the passing of this Resolution save that the Company may before such expiry make an offer or agreement which could 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 power conferred hereby had not expired."

By order of the Board
A Anderson
Secretary

Registered office: Ashtead House,
Business Park 8, Barnett Wood Lane,
Leatherhead, Surrey KT22 7DG

11 September 1992

THIRD FOLD AND TUCK IN

Postage will be paid by licensee

Do not affix Stamps if posted in Gt. Britain, Channel Islands, N. Ireland or the Isle of Man

2

FIRST FOLD

BUSINESS REPLY SERVICE
License No. BR 3006

Lloyds Bank Plc
Registrars for Ashtead Group PLC
Registrar's Department
The Causeway
WORTHING
West Sussex BN99 6DB

SECOND FOLD

Form of proxy Ashtead Group PLC

I/We ____________________

of ____________________
(BLOCK LETTERS)

being (a) members(s) of the above-named company, hereby appoint the Chairman of the meeting, or (see note 1)
of ____________________

as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting to be held on 5 October 1992 and at any adjournment thereof.

I/We desire my/our said proxy:
(a) to vote on the resolutions set out below in the manner indicated by an 'X' in the appropriate spaces:
(b) to vote or abstain f om voting on any other resolutions which may be properly moved at the Meeting and at any adjournment thereof as he thinks fit

Date ____________________

Signature ____________________ (see notes 2 & 5)

Ordinary Resolutions	*For*	*Against*
1 To receive the Directors' Report and Financial Statements		
2 To declare a final dividend		
3 To re-elect Mr P A Lovegrove as Director of the Company		
4 To re-appoint Price Waterhouse, Chartered Accountants, as auditors and to authorise the Directors to fix their remuneration		
5 (a) to increase the authorised share capital of the Company; and (b) to give authority under Section 80 Companies Act 1985		
Special Resolution		
6 To disapply the provisions of Section 89 (1) Companies Act 1985		

Notes

1 If you wish to appoint any other person or persons as your proxy, please delete the words 'the Chairman of the meeting or' and insert the name(s) and address(es) of your proxy or proxies in the space provided; you should initial any changes. A proxy need not be a member of the Company.

2 To be valid this form of proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, must be deposited at the offices of the Company's Registrars not less than 48 hours before the time fixed for the holding of the meeting.

3 On receipt of this form of proxy duly signed, without any specific directions as to how you wish your votes to be cast, your proxy will be deemed to have been authorised to vote or to abstain from voting as he thinks fit.

4 In the case of joint holders, only one need sign this form, but the names of all joint holders must be stated. The vote of the senior joint holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register.

5 If the appointer is a corporation, this form of proxy must be either under its common seal or under the hand of an officer or attorney duly authorised.

6 The completion and return of this form of proxy will not prevent you from attending and voting in person at the above mentioned meeting.

Profit centres

A-PLANT
Abergavenny
Astley
Aylesbury
Ayr
Barnstaple
Barrow-in-Furness
Biggleswade
Bridgwater
Bristol
Carlisle
Coventry
Cumbernauld
Derby
Earlston
Edinburgh
Egremont
Ellesmere Port
Epping
Ford
Hartlepool
Hemel Hempstead
Kendal
Kilmarnock
Kingswinford
Ladybank
Lancing
Leatherhead (2)
Littlehampton
Liverpool (3)
London
Long Stratton
Loughborough
Middlesbrough
Northampton
Nuneaton
Plymouth
Romsey
Salford
Southampton (2)
Stevenston
Stockport
Stoke-on-Trent
Telford
Thatcham
Walsall Wood
Watford
Whitehaven

OFFSHORE DIVISION
Aberdeen
Dubai, United Arab Emirates

SUNBELT RENTALS
Charlotte, North Carolina
Raleigh, North Carolina
Greenville, South Carolina
Atlanta, Georgia