

# INTERIM 2008

Aggreko plc Interim Report 2008

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This document is important and requires your immediate attention. If you are in any doubt as to the action you should take, you should contact an appropriate independent adviser immediately. If you have sold or otherwise transferred all of your shares in Aggreko plc you should forward this document to the purchaser or transferee, or the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.



### On our website

Visit our investors' section at [www.aggreko.com/investors](http://www.aggreko.com/investors) for the following:

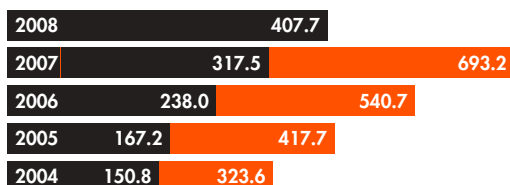
-  Interim Results Announcement 2008
-  Interim Results Presentation
-  Annual Reports and Accounts 2007
-  Interactive Charting 2000-2007
-  Major Projects 2007 – Image Gallery

# OUR PERFORMANCE

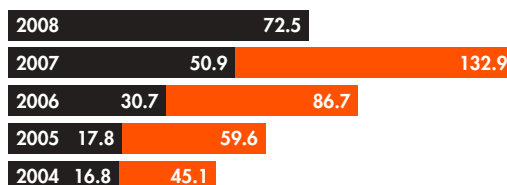
## Financial highlight for the six months ended 30 June 2008

	2008	2007	Movement	
			As reported %	Constant Currency %
Revenue £m	<b>407.7</b>	317.5	28.4	24.2
Trading profit £m	<b>72.5</b>	50.9	42.6	37.3
Profit before tax £m	<b>67.9</b>	47.5	42.8	
Diluted EPS pence	<b>16.88</b>	11.50	46.8	
Dividend per share pence	<b>3.80</b>	3.04	25.0	

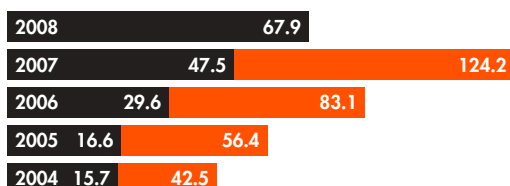
### Revenue £m



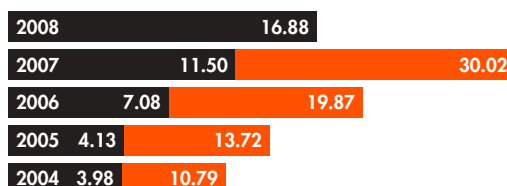
### Trading profit<sup>1</sup> £m



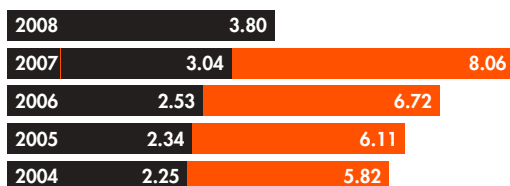
### Profit before tax<sup>1</sup> £m



### Diluted EPS<sup>1</sup> Pence



### Dividend per share Pence



<sup>1</sup> 2004 and 2006 numbers are pre-exceptional items.

■ Half year    ■ Full year

# Chairman's Statement

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**Philip Rogerson**  
Chairman



## Introduction

Aggreko has delivered another strong operational and financial performance in the first six months of 2008, with trading profits in constant currency, in our Local businesses and International Power Projects increasing by 44% and 30% respectively (pre-intangible asset amortisation: 42% and 30% respectively). While the Local businesses in Europe and North America saw modest levels of revenue growth, our businesses in the Middle East, Asia, Australia, and Central & South America grew very strongly.

## Acquisition

As outlined in our strategy update in March 2008, we believe we can drive premium levels of growth in our Local business by ensuring that we are present in areas which will have high levels of economic growth. In line with this strategy, we announced on 19 August that we had acquired substantially all the assets and trading contracts of Power Plus Rentals & Sales Ltd and associated companies. The maximum consideration, payable in cash, is CN\$38.7 million (£19.5 million). Power Plus Rentals & Sales have established a strong position in the power rental market in the Athabasca Oil Sands in Canada, and the acquisition of these assets will enable us to accelerate our penetration of a market in which over \$10 billion per annum is being invested by the oil majors and others. Further details of this acquisition are given in the Interim Management Report.

## Dividend

The strong trading of recent years, along with the high levels of dividend and interest cover, allows us to increase the interim dividend by 25% over the 2007 interim dividend; accordingly, I am delighted that the Board has decided to declare an interim dividend of 3.80 pence per share. The interim dividend will be paid on 24 October 2008 to shareholders on the register at 26 September 2008, with an ex-dividend date of 24 September 2008.

## Trading

Reported revenue in the first half at £407.7 million (2007: £317.5 million) was 28% higher than 2007 while revenue, in constant currency and excluding pass-through fuel<sup>1</sup> increased by 23%. Profit before tax increased by 43% to £67.9 million (2007: £47.5 million), and earnings per share increased by 46% to 16.97 pence.

During the first six months of the year, Aggreko's capital expenditure amounted to £124.3 million, compared with £84.3 million in the same period last year. It is expected that capital expenditure for the full year will be around £265 million compared with £180.6 million in 2007.

Largely as a consequence of this capital expenditure, net debt increased during the period by £75.2 million to £277.8 million; this compares with £223.7 million at 30 June 2007. Aggreko's financial position remains strong with gearing of 88% (30 June 2007: 91%) and interest cover of 11.8 times (30 June 2007: 9.3 times). Aggreko had bank facilities totalling £388.6 million at 30 June 2008, of which £135.4 million are due to be refinanced in September 2009 with the balance in 2011. Following the period end, these facilities have been supplemented by an additional £60 million.

<sup>1</sup> Pass-through fuel revenue relates to two customers in Sri Lanka and Uganda in our International Projects business to whom we provide fuel on a pass-through basis.

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### Board changes

Roy McGlone will retire as a Director with effect from 1 September 2008. Roy joined the Board in September 2002, and was appointed chairman of the Audit Committee in December 2002. During his time on the Board we have all benefited from Roy's wise counsel and considerable business experience. I would like on behalf of the Board to extend our thanks to Roy and wish him well for the future. I am delighted to say that following Roy's retirement Robert Macleod has agreed to take on the role of chairman of the Audit Committee.

### Outlook

In looking ahead to the end of the year, there is a marked difference in the outlook for our businesses in North America and Europe on the one hand and those in the Middle East, Africa, Asia, and Central & South America on the other. In the former, we expect generally uncertain conditions, with softer demand. In the latter, we expect the strong growth seen over recent years to continue.

Notwithstanding the difficult market backdrop in North America and Europe, we expect these businesses to trade at similar levels to last year in the second half, which reflects the fact that we are not reliant on any one single market sector, and that we are able to shift resources between end-user segments.

In our Local businesses in the Middle East, Asia, and Central & South America we expect further strong progress, with demand unabated and our capabilities and scale growing rapidly. This progress will be sustained towards the end of the year by the return of the fleet currently being used on the Beijing Olympics contract.

In International Power Projects we expect the rate of profits growth to accelerate, as new fleet is delivered, projects mobilised in the first half start to generate income, utilisation once again increases, and margins strengthen. We believe that this business will have a very strong second half.

Overall, we now anticipate that Aggreko's performance for the year will exceed current market expectations.



**Philip G Rogerson**  
Chairman  
26 August 2008

## Interim Management Report

**Rupert Soames**  
Chief Executive



**Angus Cockburn**  
Finance Director



### Group Trading Performance

In the first half of 2008, Aggreko once again delivered strong revenue growth together with improved margins and return on capital employed.

	2008 £ million	2007 £ million	Movement	
			As reported	Constant currency
Revenue	<b>407.7</b>	317.5	28.4%	24.2%
Revenue excl. pass-through fuel	<b>368.3</b>	289.4	27.2%	22.7%
Trading profit <sup>1</sup>	<b>72.5</b>	50.9	42.6%	37.3%
Operating profit	<b>74.2</b>	53.3	39.4%	34.2%
Net interest expense	<b>(6.3)</b>	(5.8)	(9.8)%	
Profit before tax	<b>67.9</b>	47.5	42.8%	
Taxation	<b>(22.4)</b>	(16.6)	(34.8)%	
Profit after tax	<b>45.5</b>	30.9	47.2%	
Basic earnings per share (pence)	<b>16.97</b>	11.64	45.8%	

<sup>1</sup> Trading profit represents operating profit before gain on sale of property, plant and equipment.

Group revenue, as reported, increased 28% to £407.7 million (2007: £317.5 million), while Group trading profit of £72.5 million (2007: £50.9 million) increased by 43%. Group trading margin improved from 16.0% in 2007 to 17.8% in 2008 and return on capital employed, measured on a rolling 12-month basis, improved from 24.4% in 2007 to 27.5%.

Group profit before tax grew by 43% to £67.9 million (2007: £47.5 million) and profit after tax increased by 47% to £45.5 million (2007: £30.9 million). The lower tax rate largely reflects the regional mix of profits. Earnings per share increased by 46% to 16.97 pence (2007: 11.64 pence).

The effect of currency movements in the period – mainly the Euro and Australian dollar exchange rates – has been to increase revenue by £10.7 million and trading profit by £2.0 million on a like-for-like basis. Pass-through fuel accounted for £39.4 million (2007: £28.1 million) of reported revenue of £407.7 million and £1.3 million (2007: £1.0 million) of reported trading profit of £72.5 million.

Excluding the impact of the currency movements and pass-through fuel revenue, Group revenue grew by 23% (as reported: 28%) and trading profit by 38% (as reported: 43%). On the same basis, trading margin in the first half was 19.3% (as reported: 17.8%) which compares with 17.2% in 2007 (as reported: 16.0%).

The Group's growth was made possible by increased investment in new fleet during the period. Total capital expenditure for the period was £124.3 million, £40.0 million up on the prior year. Notwithstanding this substantial increase in fleet capacity, the ratio of revenue (excluding pass-through fuel) to gross rental assets, which is a key measure of capital productivity, increased from 70% to 73%.

## Regional Trading Performance as reported in £ million

Management Group	Geography/Line of Business	Revenue			Trading Profit		
		2008 £ million	2007 £ million	Change %	2008 £ million	2007 £ million	Change %
<b>Local business</b>							
North America	USA & Canada	80.5	74.8	7.7%	11.3	11.2	1.7%
Europe	Northern Europe	39.5	39.5	-%	5.3	3.9	35.8%
	Continental Europe	49.7	37.2	33.6%	3.9	1.1	242.0%
International	Middle East, Asia-Pacific, South America	85.2	53.3	59.6%	20.9	10.7	96.6%
<b>Sub-total Local business</b>		<b>254.9</b>	<b>204.8</b>	<b>24.4%</b>	<b>41.4</b>	<b>26.9</b>	<b>54.5%</b>
<b>International Power Projects</b>							
International	International Power Projects excl. pass-through fuel	113.4	84.6	34.1%	29.8	23.0	29.7%
International	Pass-through fuel	39.4	28.1		1.3	1.0	
<b>Sub-total International Power Projects</b>		<b>152.8</b>	<b>112.7</b>	<b>35.6%</b>	<b>31.1</b>	<b>24.0</b>	<b>29.4%</b>
<b>Group</b>		<b>407.7</b>	<b>317.5</b>	<b>28.4%</b>	<b>72.5</b>	<b>50.9</b>	<b>42.6%</b>
<b>Group</b>							
Group	North America	80.5	74.8	7.7%	11.3	11.2	1.7%
	Europe	89.2	76.7	16.2%	9.2	5.0	82.2%
	International	238.0	166.0	43.4%	52.0	34.7	50.0%
<b>Group</b>		<b>407.7</b>	<b>317.5</b>	<b>28.4%</b>	<b>72.5</b>	<b>50.9</b>	<b>42.6%</b>
<b>Group excluding pass-through fuel</b>		<b>368.3</b>	<b>289.4</b>	<b>27.2%</b>	<b>71.2</b>	<b>49.9</b>	<b>43.0%</b>

The performance of each of these regions in the first half is described below:

### Local business: North America

	2008 \$ million	2007 \$ million	Change %
Revenue	159.0	147.4	7.9%
Trading profit	22.4	22.0	1.9%

Our North American business had a solid first half in a challenging economic environment, with revenue increasing by 8% to \$159.0 million and trading profit increasing by 2% to \$22.4 million. Trading margin decreased slightly to 14.1% (2007: 14.9%), in part due to increases in fuel and transport costs.

Performance was mixed on an area basis with strong trading in South Texas and Central areas, but weaker markets in the Southeast and Great Lakes areas.

In terms of business mix, both rental and services revenue grew by 8%. Temperature control revenue was strong in the first half, helped by a number of large

cooling-tower projects. Oil-free air rental revenue also increased. Power, on the other hand, was weaker, with revenue for the first half down 6%.

### Local business: Europe

	2008 € million	2007 € million	Change %
Revenue	115.0	113.7	1.1%
Trading profit	11.8	7.5	58.5%

### Continental Europe

	2008 € million	2007 € million	Change %
Revenue	64.1	55.1	16.2%
Trading profit	5.0	1.7	197.5%

### Northern Europe

	2008 £ million	2007 £ million	Change %
Revenue	39.5	39.5	-%
Trading profit	5.3	3.9	35.8%

## Interim Management Report continued

In Europe, margins continued to improve, albeit by different routes in the two businesses. Strong revenue growth helped our Continental European business to improve trading profits, while cost control and improving the terms of some existing contracts helped Northern Europe.

Revenue in Continental Europe was 16% higher than the previous period at €64.1 million and trading profit increased by €3.3 million over the same period last year. Trading margin increased to 7.8% (2007: 3.1%). Rental revenue grew by 9%, while services revenue grew by 32%. Within rental revenue, power and temperature control revenue increased by 7% and 21% respectively. Germany, Benelux and Italy all traded well, while France and Spain were slightly down on the prior year.

In Northern Europe revenue for the first six months was in line with prior year with a strong performance from Scotland and Norway offset by decreases in UK South East, UK South West and Ireland. An important achievement during the first half was the securing of a contract to supply gas-powered generation to projects associated with the construction programme for the 2012 Olympics. This is the first major gas project to be secured in Europe. In terms of business mix, rental revenue was down by 3% and services revenue was up by the same percentage. Within rental revenue, power was down by 7% while temperature control was up by 11%.

### Local business: Aggreko International

	2008 \$ million	2007 \$ million	Change %
Revenue	<b>168.1</b>	105.1	59.9%
Trading profit	<b>41.3</b>	21.0	96.9%

Aggreko's International Local business had another excellent first half with revenue growing by 60% to \$168.1 million and trading profit growing by 97% to \$41.3 million. Trading margin increased to 24.6% from 20.0% in the prior year.

Relentless demand combined with an increase of over 20% in average fleet size led to a strong performance in the Middle East. Our Local businesses in South & Central America continued to show strong growth with revenue increasing 62% over the prior period while our business in Asia also demonstrated strong growth driven by the oil and gas, shipping and mining

sectors. In Australia the cooler summer led to a decrease in temperature control revenue but this was more than offset by the increase in power revenue mainly from mining and utilities.

Our contract for the provision of temporary power for the Beijing Olympics, one of the largest and most complex temporary power contracts ever undertaken, was executed flawlessly with over 140MW of power and 480 kilometres of cable installed in 37 venues, supporting broadcasting to over 4 billion viewers world-wide. We look forward to supporting the Paralympics in the coming weeks. Revenue recognised in the first half from the Olympics totalled \$17.9 million; total revenue from the Beijing Olympics is expected to be in the region of \$40 million. Excluding this major event, rental revenue in Aggreko's International Local business increased by 43% and services revenue grew by 44%. Within rental revenue, power increased by 48% and temperature control by 16%.

### International Power Projects: Aggreko International

	2008 \$ million	2007 \$ million	Change %
Revenue (excluding pass-through fuel)	<b>223.9</b>	166.7	34.3%
Trading profit (excluding pass-through fuel)	<b>59.1</b>	45.5	29.9%

Our International Power Projects business delivered another strong performance with revenue, excluding pass-through fuel, growing by 34% to \$223.9 million and trading profits increasing by 30% to \$59.1 million. Trading margin reduced to 26.4% (2007: 27.3%) as a consequence of slightly lower utilisation and higher mobilisation costs.

Revenue from gas-powered generation grew 32%, and during the first half we signed contracts with new customers in Asia, Africa and the Middle East. We now have over 100MW of gas-powered capacity committed to customers.

During the period we have won twenty two new contracts, including 60 MW in Chile, 100 MW on new sites in Uganda and Kenya, and 40 MW in Bangladesh. Our International Power Projects businesses in Africa and the Middle East achieved substantial growth while there was also a strong performance from Central and South America.

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In aggregate during the first six months of 2008 we carried out power projects in 49 countries and the number of operational projects increased by 13% over the same period last year. Our order book increased by 26% to 22,000 MW months during the period, equivalent to just over 14 months forward order cover at the current level of activity.

### **The acquisition of Power Plus Rentals & Sales**

As outlined in our strategy update in March 2008, we believe we can drive premium levels of growth in our Local business by ensuring that we are present in areas which have high levels of economic growth. One such area is the Athabasca Oil Sands in Alberta and Saskatchewan, where over \$10 billion is being invested annually by the oil majors and others in the development of reserves. For several years, Aggreko has been doing small amounts of business in the area, and we have been looking to find ways to accelerate our growth; as part of this strategy we opened a small depot in Edmonton in 2007. On 19 August we announced that we had acquired the assets and trading contracts of Power Plus Rentals and Sales Ltd and several associated companies ("Power Plus"); over the last three years Power Plus has grown revenue at a compound rate of over 35% and has established a leading position in the Oil Sands market. Together, these companies had unaudited revenue of CN\$10.6 million (£5.4 million at an exchange rate of £=CN\$1.98) and EBIT of CN\$5.1 million (£2.6 million) in the financial year ending in July 2008. The value of assets in the vendor's books that we will be acquiring is CN\$11.0 million (£5.6 million). The purchase consideration, to be paid in cash, comprises a fixed element of CN\$31.0 million (£15.6 million) and further payments of up to a maximum of CN\$7.7 million (£3.9 million) dependent on financial performance over the next three years. This transaction has the following key benefits for Aggreko:

- consistent with Aggreko's strategy of growing its core business in power and temperature control by fleet investment, geographic expansion and carefully-selected acquisitions;
- gives Aggreko a leading position in an important part of the Oil & Gas market;
- extends Aggreko's expertise in designing equipment for, and operating in, extremely cold environments;

- reinforces Aggreko's ability to serve Oil & Gas customers on a global basis; and
- strengthens Aggreko's position in Canada, where it already has service centres in Sarnia, Toronto and Edmonton. In May 2008, Aggreko was made Official Supplier of Power and Temperature Control for the 2010 Winter Olympic Games in Vancouver.

### **Outlook**

In looking ahead to the end of the year, there is a marked difference in the outlook for our businesses in North America and Europe on the one hand and those in the Middle East, Africa, Asia, and Central & South America on the other. In the former, we expect generally uncertain conditions, with softer demand. In the latter, we expect the strong growth seen over recent years to continue.

Notwithstanding the difficult market backdrop in North America and Europe, we expect these businesses to trade at similar levels to last year in the second half, which reflects the fact that we are not reliant on any one single market sector, and that we are able to shift resources between end-user segments.

In our Local businesses in the Middle East, Asia, and Central & South America we expect further strong progress, with demand unabated and our capabilities and scale growing rapidly. This progress will be sustained towards the end of the year by the return of the fleet currently being used on the Beijing Olympics contract.

In International Power Projects we expect the rate of profits growth to accelerate, as new fleet is delivered, projects mobilised in the first half start to generate income, utilisation once again increases, and margins strengthen. We believe that this business will have a very strong second half.

Overall, we now anticipate that Aggreko's performance for the year will exceed current market expectations.

### **Financial Review Currency Translation**

The net overall impact of exchange rates on currency translation in the first six months of 2008 was to increase revenue and trading profit by £10.7 million and £2.0 million respectively. Currency translation also gave rise to a £5.5 million increase in reserves as a result of year on year movements in exchange rates.

## Interim Management Report continued

Set out in the table below are the principal exchange rates affecting the Group's overseas profits and net assets:

Per £ sterling	2008		2007	
	Average	Period End	Average	Period End
<b>Principal Exchange Rates</b>				
United States dollar	<b>1.97</b>	<b>1.99</b>	1.97	2.00
Euro	<b>1.29</b>	<b>1.26</b>	1.48	1.48
<b>Other Operational Exchange Rates</b>				
UAE Dirhams	<b>7.25</b>	<b>7.30</b>	7.24	7.37
Australian dollar	<b>2.13</b>	<b>2.07</b>	2.44	2.36

Source: Reuters

### Interest

The net interest charge for the first half of 2008 was £6.3 million, an increase of £0.5 million on 2007 reflecting the higher level of average net debt. Interest cover increased to 11.8 times from 9.3 times in 2007.

### Effective Tax Rate

The current forecast of the effective tax rate for the full year, which has been used in the interim accounts, is 33.0% as compared with 35.0% in the same period last year. This decrease in the tax rate largely reflects changes in the regional mix of profits and the reduction in the UK Corporation tax rate to 28% with effect from 1 April 2008.

### Dividends

Based on the proposed interim dividend of 3.80 pence per ordinary share, an increase of 25.0% as compared with the same period in 2007, dividend cover is 4.5 times (30 June 2007: 3.8 times).

### Cashflow

EBITDA (earnings before interest, taxes, depreciation and amortisation) for the period amounted to £127.0 million, up 28.9% on 2007. The net cash inflow from operations during the first six months of 2008 totalled £99.0 million (2007: £96.6 million) as the favourable operating performance was partially offset by higher working capital commitments. The increase in working capital was caused primarily by the growth of second quarter revenue in 2008 compared to 2007. Debtor days are at a similar level to last year. The increase in inventory levels is predominantly due to the growing number of contracts and locations in our International Power Projects business as well as increased activity in our manufacturing operation. Capital expenditure of £124.3 million was up £40.0 million on the same

period in 2007 reflecting increased investment in our rental fleet to support the growth of the business.

Net debt increased by £75.2 million during the period and, at £277.8 million, is £54.1 million higher than at 30 June 2007. Gearing (net debt as a percentage of equity) at 30 June 2008 decreased to 88% from 91% at 30 June 2007 while on a rolling 12-month basis net debt to EBITDA was 0.91x compared to 1.01x for the same period in 2007.

### Financial Resources

The Group maintains sufficient facilities to meet its normal funding requirements in respect of on-going working capital and capital expenditure over the medium term. These facilities are primarily in the form of committed bank facilities, totalling £388.6 million at 30 June 2008, arranged on a bilateral basis with a number of international banks. The Group does not consider that the financial covenants contained in the facilities are restrictive to its operations. £135.4 million of the total committed bank facilities of £388.6 million are due to be refinanced in September 2009 with the balance in 2011. Since 30 June 2008 further committed 5 year facilities of £60.0 million have been agreed. Although there may be an increase in the level of finance cost for future borrowings we do not consider that there will be significant barriers to obtaining finance and we anticipate that we will be able to fully refinance the debt maturing together with any additional funding required to support the continued growth of the business. Net debt amounted to £277.8 million at 30 June 2008 and at that date, undrawn, committed facilities were £112.1 million.

### Net Operating Assets

The net operating assets of the Group at 30 June 2008 totalled £652.7 million, up £150.3 million on the same period in 2007. The main components of Net Operating Assets are:

£ million	2008	2007	Movement
Rental Fleet	<b>479.0</b>	348.7	37.4%
Property, Plant	<b>44.8</b>	42.1	6.4%
Inventory	<b>80.8</b>	50.9	58.7%
Net Trade Debtors	<b>132.9</b>	96.2	38.1%

A key measure of Aggreko's performance is the return (expressed as operating profit) as a percentage of average net operating assets; we call this measure Return on Capital Employed (ROCE). For each first half we calculate ROCE by taking the operating profit on a rolling 12-month basis and expressing it as a percentage of the average net operating assets at June 30th, January 1st and the previous June 30th. For the full year, we state the period's operating profit as a percentage of the average net operating assets as at December 31st, the previous June 30th and January 1st. The average net operating assets for the 12 months to 30 June 2008 were £569.6 million, up 26% on the same period in 2007, and the operating profit for the same period was £156.8 million. In the first half of 2008 the ROCE increased to 27.5% compared with 24.4% for the same period in 2007.

### Shareholders' Equity

Shareholders' equity increased by £24.4 million to £317.7 million in the six months ended 30 June 2008, represented by the net assets of the Group of £595.5 million before net debt of £277.8 million. The movements in shareholders' equity are analysed in the table below:

### Movements in Shareholders' Equity

	£ million	£ million
As at 1 January 2008		293.3
Profit for the financial period	45.5	
Dividend <sup>1</sup>	(13.5)	
Retained earnings		32.0
New share capital subscribed		1.0
Purchase of own shares held under trust		(13.2)
Credit in respect of employee share awards		3.2
Actuarial losses on retirement benefits		(9.1)
Currency translation difference		5.5
Other <sup>2</sup>		5.0
<b>As at 30 June 2008</b>		<b>317.7</b>

<sup>1</sup> Reflects the dividend of 5.02 pence per share (2007: 4.19 pence) that was paid during the period.

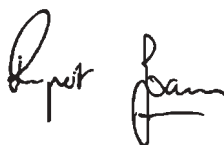
<sup>2</sup> Other includes tax on items taken directly to reserves and movements in the hedging reserve.

### Principal Risks and Uncertainties

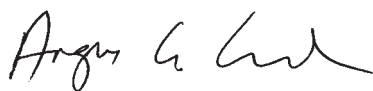
In the day to day operations of the Group, we face risks and uncertainties. Our job is to mitigate and manage these risks and the Board has developed a formal risk management process which is described on page 43 of the 2007 Annual Report and Accounts. Also set out on pages 23 to 26 of that report are the principal risks and uncertainties which we believe could potentially impact the Group and their mitigation strategies. We do not believe that the principal risks and uncertainties facing the business have changed materially since the publication of the Annual Report.

### Shareholder information

Our website can be accessed at [www.aggreko.com](http://www.aggreko.com). This contains a large amount of information about our business, including a range of charts and data, which can be down loaded for easy analysis. The website also carries copies of recent investor presentations, as well as Stock Exchange announcements.



**Rupert Soames**  
Chief Executive



**Angus Cockburn**  
Finance Director

26 August 2008

## Group Income Statement

For the six months ended 30 June 2008 (unaudited)

	Notes	6 months ended 30 June 2008 £ million	6 months ended 30 June 2007 £ million	Year ended 31 Dec 2007 £ million
Revenue	6	407.7	317.5	693.2
Cost of sales		<u>(185.5)</u>	<u>(141.7)</u>	<u>(315.9)</u>
<b>Gross profit</b>		222.2	175.8	377.3
Distribution costs		(98.3)	(76.9)	(163.6)
Administrative expenses		(51.4)	(48.0)	(80.8)
Other income		<u>1.7</u>	<u>2.4</u>	<u>3.0</u>
<b>Operating profit</b>	6	74.2	53.3	135.9
Finance costs				
– Interest expense		(6.5)	(6.4)	(13.2)
– Interest income		<u>0.2</u>	<u>0.6</u>	<u>1.5</u>
<b>Profit before taxation</b>		67.9	47.5	124.2
Taxation	9			
– UK		(7.6)	(3.6)	(13.8)
– Overseas		<u>(14.8)</u>	<u>(13.0)</u>	<u>(29.7)</u>
<b>Profit for the period</b>		<u>45.5</u>	<u>30.9</u>	<u>80.7</u>

The above results relate to continuing operations and all profit for the period is attributable to equity shareholders of the Company.

### Earnings per share (pence)

Basic	8	<u>16.97</u>	<u>11.64</u>	<u>30.33</u>
Diluted	8	<u>16.88</u>	<u>11.50</u>	<u>30.02</u>

## Group Statement of Recognised Income and Expense

For the six months ended 30 June 2008 (unaudited)

	6 months ended 30 June 2008 £ million	6 months ended 30 June 2007 £ million	Year ended 31 Dec 2007 £ million
<b>Profit for the period</b>	45.5	30.9	80.7
Actuarial (losses)/gains on retirement benefits	(9.1)	3.1	(0.1)
Movement in deferred tax on pension liability	2.5	(0.9)	–
Cashflow hedges (net of deferred tax)	0.4	–	(4.6)
Net exchange gains/(losses) offset in reserves	<u>5.5</u>	<u>(1.7)</u>	<u>5.6</u>
<b>Total recognised income for the period</b>	<u>44.8</u>	<u>31.4</u>	<u>81.6</u>

# Group Balance Sheet

As at 30 June 2008 (unaudited)

	Notes	30 June 2008 £ million	30 June 2007 Restated (Note 10) £ million	31 Dec 2007 £ million
<b>Non-current assets</b>				
Goodwill	10	38.4	37.0	38.0
Intangible assets		9.6	10.6	10.0
Property, plant and equipment		523.8	390.8	444.6
Derivative financial instruments		0.2	0.8	–
Deferred tax asset		2.4	1.7	2.4
		<u>574.4</u>	<u>440.9</u>	<u>495.0</u>
<b>Current assets</b>				
Inventories		80.8	50.9	60.0
Trade and other receivables		210.9	159.4	165.4
Derivative financial instruments		0.1	1.0	0.1
Cash and cash equivalents	5	11.1	8.1	9.8
Current tax assets		2.1	1.3	2.4
		<u>305.0</u>	<u>220.7</u>	<u>237.7</u>
<b>Total assets</b>		<u>879.4</u>	<u>661.6</u>	<u>732.7</u>
<b>Current liabilities</b>				
Borrowings	11	(12.4)	(2.9)	(0.2)
Derivative financial instruments		(1.6)	–	(2.1)
Trade and other payables		(214.2)	(150.3)	(172.6)
Current tax liabilities		(21.6)	(11.2)	(24.8)
Provisions	12	(0.4)	(2.6)	(1.3)
		<u>(250.2)</u>	<u>(167.0)</u>	<u>(201.0)</u>
<b>Non-current liabilities</b>				
Borrowings	11	(276.5)	(228.9)	(212.2)
Derivative financial instruments		(2.8)	(0.1)	(2.7)
Deferred tax liabilities		(18.4)	(12.1)	(14.7)
Retirement benefit obligation		(13.1)	(5.0)	(8.1)
Provisions	12	(0.7)	(1.1)	(0.7)
		<u>(311.5)</u>	<u>(247.2)</u>	<u>(238.4)</u>
<b>Total liabilities</b>		<u>(561.7)</u>	<u>(414.2)</u>	<u>(439.4)</u>
<b>Net assets</b>		<u>317.7</u>	<u>247.4</u>	<u>293.3</u>
<b>Shareholders' equity</b>				
Share capital		54.4	54.0	54.2
Share premium		9.6	7.5	8.8
Treasury shares		(21.0)	(10.6)	(10.5)
Capital redemption reserve		0.1	0.1	0.1
Hedging reserve (net of deferred tax)		(3.0)	1.2	(3.4)
Foreign exchange reserve		(14.2)	(27.4)	(19.7)
Retained earnings		291.8	222.6	263.8
<b>Total shareholders' equity</b>		<u>317.7</u>	<u>247.4</u>	<u>293.3</u>

# Group Cash Flow Statement

For the six months ended 30 June 2008 (unaudited)

	Notes	6 months ended 30 June 2008 £ million	6 months ended 30 June 2007 £ million	Year ended 31 Dec 2007 £ million
<b>Cash flows from operating activities</b>				
Cash generated from operations	4	99.0	96.6	230.2
Tax paid		(17.5)	(11.4)	(21.4)
Net cash generated from operating activities		<u>81.5</u>	<u>85.2</u>	<u>208.8</u>
<b>Cash flows from investing activities</b>				
Acquisitions (net of cash acquired)		–	(6.7)	(0.4)
Purchases of property, plant and equipment (PPE)		(124.3)	(84.3)	(180.6)
Proceeds from sale of PPE		2.6	4.4	8.1
Net cash used in investing activities		<u>(121.7)</u>	<u>(86.6)</u>	<u>(172.9)</u>
<b>Cash flows from financing activities</b>				
Net proceeds from issue of ordinary shares		0.9	0.3	1.8
Increase in long-term loans		89.7	48.8	66.0
Repayment of long-term loans		(29.0)	(24.7)	(62.6)
Net movement in short-term loans		4.5	(5.4)	(7.1)
Interest received		0.2	0.6	1.5
Interest paid		(6.2)	(6.1)	(12.8)
Dividends paid to shareholders		(13.5)	(11.1)	(19.2)
Purchase of treasury shares		(13.2)	(4.2)	(4.2)
Net cash generated from/(used in) financing activities		<u>33.4</u>	<u>(1.8)</u>	<u>(36.6)</u>
<b>Net decrease in cash and cash equivalents</b>		<b>(6.8)</b>	<b>(3.2)</b>	<b>(0.7)</b>
Cash and cash equivalents at beginning of the period		9.6	10.0	10.0
Exchange gain on cash and cash equivalents		0.4	–	0.3
<b>Cash and cash equivalents at end of the period</b>	5	<u>3.2</u>	<u>6.8</u>	<u>9.6</u>

## Reconciliation of net cash flow to movement in net debt

For the six months ended 30 June 2008 (unaudited)

		6 months ended 30 June 2008 £ million	6 months ended 30 June 2007 £ million	Year ended 31 Dec 2007 £ million
Decrease in cash and cash equivalents		(6.8)	(3.2)	(0.7)
Cash inflow from movement in debt		(65.2)	(18.7)	3.7
Changes in net debt arising from cash flows		(72.0)	(21.9)	3.0
Exchange (loss)/gain		(3.2)	3.4	(0.4)
Movement in net debt in period		(75.2)	(18.5)	2.6
Net debt at beginning of period		(202.6)	(205.2)	(205.2)
<b>Net debt at end of period</b>	11	<u>(277.8)</u>	<u>(223.7)</u>	<u>(202.6)</u>

# Notes to the Interim Accounts

For the six months ended 30 June 2008 (unaudited)

## 1 General information

This condensed consolidated interim financial information was approved for issue on 26 August 2008.

This condensed consolidated interim financial information does not comprise statutory accounts within the meaning of Section 240 of the Companies Act 1985. Statutory Accounts for the year ended 31 December 2007 were approved by the Board on 6 March 2008 and delivered to the Registrar of Companies. The report of the auditors on those Accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under Section 237 of the Companies Act 1985.

This condensed consolidated interim financial information is unaudited but has been reviewed by the Group's auditors, whose report is on page 22.

## 2 Basis of preparation

This condensed consolidated interim financial information for the six months ended 30 June 2008 has been prepared in accordance with the Disclosure and Transparency Rules (DTR) of the Financial Services Authority and with IAS 34 'Interim financial reporting' as adopted by the European Union. The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2007, which have been prepared in accordance with IFRSs as adopted by the European Union.

## 3 Accounting policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2007, as described in those annual financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

The following new standards, amendments to standards or interpretations are mandatory for the first time for the financial year beginning 1 January 2008, but are not currently relevant for the Group.

- IFRIC 11, 'IFRS 2 – Group and treasury share transactions'
- IFRIC 12, 'Service concession arrangements'
- IFRIC 14, 'IAS 19 – the limit on a defined benefit asset, minimum funding requirements and their interaction.'

The following new standards, amendments to standards and interpretations have been issued, but are not effective for the financial year beginning 1 January 2008 and have not been early adopted:

	Effective date
IAS 23 (amendment) – Borrowing costs	1 January 2009
IFRS 8 – Operating segments	1 January 2009
IFRS 2 (amendment) – Share based payment	1 January 2009
IFRS 3 (amendment) – Business combinations	1 July 2009
IAS 1 (amendment) – Presentation of financial statements	1 January 2009
IAS 32 (amendment) – Financial instruments: presentation	1 January 2009
IFRIC 13 – Customer loyalty programmes	1 July 2008

Upon adoption of IFRS 8, the Group will need to expand the disclosure in relation to segmental analysis. The adoption of this standard is not expected to impact the Group's profit or net assets.

The Directors do not anticipate that the adoption of any of the other above standards or interpretations will have a material impact on the Group's financial statements in the period of initial application.

# Notes to the Interim Accounts continued

For the six months ended 30 June 2008 (unaudited)

## 4 Cashflow from operating activities

	6 months ended 30 June 2008 £ million	6 months ended 30 June 2007 £ million	Year ended 31 Dec 2007 £ million
Profit for the period	45.5	30.9	80.7
Adjustments for:			
Tax	22.4	16.6	43.5
Depreciation	51.9	44.3	92.8
Amortisation of intangibles	0.9	0.9	1.6
Interest income	(0.2)	(0.6)	(1.5)
Interest expense	6.5	6.4	13.2
Profit on sale of PPE	(1.7)	(2.4)	(3.0)
Share based payments	3.2	2.6	4.6
Changes in working capital (excluding the effects of exchange differences on consolidation):			
Increase in inventories	(19.8)	(10.6)	(18.6)
Increase in trade and other receivables	(41.5)	(5.6)	(13.4)
Increase in trade and other payables	32.7	16.6	34.7
Net movements in provisions for liabilities and charges	(0.9)	(2.5)	(4.2)
Net retirement benefit cost	–	–	(0.2)
Cash generated from operations	<u>99.0</u>	<u>96.6</u>	<u>230.2</u>

## 5 Cash and cash equivalents

	30 June 2008 £ million	30 June 2007 £ million	31 Dec 2007 £ million
Cash at bank and in hand	10.3	6.5	9.1
Short-term bank deposits	<u>0.8</u>	<u>1.6</u>	<u>0.7</u>
	<u>11.1</u>	<u>8.1</u>	<u>9.8</u>

Cash and bank overdrafts include the following for the purposes of the cashflow statement:

	30 June 2008 £ million	30 June 2007 £ million	31 Dec 2007 £ million
Cash and cash equivalents	11.1	8.1	9.8
Bank overdrafts (Note 11)	<u>(7.9)</u>	<u>(1.3)</u>	<u>(0.2)</u>
	<u>3.2</u>	<u>6.8</u>	<u>9.6</u>

## 6 Segmental reporting

### (a) Revenue by segment

	Total revenue			Inter-segment revenue			External revenue		
	6 months ended 30 June 2008	6 months ended 30 June 2007	Year ended 31 Dec 2007	6 months ended 30 June 2008	6 months ended 30 June 2007	Year ended 31 Dec 2007	6 months ended 30 June 2008	6 months ended 30 June 2007	Year ended 31 Dec 2007
	£ million	£ million	£ million	£ million	£ million	£ million	£ million	£ million	£ million
Northern Europe	39.5	39.5	80.8	–	–	–	39.5	39.5	80.8
Continental Europe	49.7	37.2	87.2	–	–	0.1	49.7	37.2	87.1
North America	80.6	74.9	168.5	0.1	0.1	0.2	80.5	74.8	168.3
Middle East, Asia-Pacific, South America	85.5	53.5	116.8	0.3	0.2	0.4	85.2	53.3	116.4
<b>Local business</b>	<b>255.3</b>	<b>205.1</b>	<b>453.3</b>	<b>0.4</b>	<b>0.3</b>	<b>0.7</b>	<b>254.9</b>	<b>204.8</b>	<b>452.6</b>
<b>International Power Projects</b>	<b>152.8</b>	<b>112.8</b>	<b>240.8</b>	<b>–</b>	<b>0.1</b>	<b>0.2</b>	<b>152.8</b>	<b>112.7</b>	<b>240.6</b>
Eliminations	(0.4)	(0.4)	(0.9)	(0.4)	(0.4)	(0.9)	–	–	–
<b>Group</b>	<b>407.7</b>	<b>317.5</b>	<b>693.2</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>407.7</b>	<b>317.5</b>	<b>693.2</b>

- (i) Inter-segment transfers or transactions are entered into under the normal commercial terms and conditions that would also be available to unrelated third parties.
- (ii) International Power Projects (IPP) is a global segment administered from Dubai. At the period end the assets of the IPP segment are predominantly located in the Middle East, Asia-Pacific, South America and Africa.
- (iii) In accordance with how management monitors the business the results of the Beijing Olympics are now included in the Local business of Middle East, Asia-Pacific and South America instead of IPP as previously reported. Comparative figures have been restated but the effect is not considered material.

### (b) Profit by segment

	Trading profit pre intangible asset amortisation			Amortisation of intangible assets arising from business combinations			Trading profit		
	6 months ended 30 June 2008	6 months ended 30 June 2007	Year ended 31 Dec 2007	6 months ended 30 June 2008	6 months ended 30 June 2007	Year ended 31 Dec 2007	6 months ended 30 June 2008	6 months ended 30 June 2007	Year ended 31 Dec 2007
	£ million	£ million	£ million	£ million	£ million	£ million	£ million	£ million	£ million
Northern Europe	5.3	3.9	9.8	–	–	–	5.3	3.9	9.8
Continental Europe	4.0	1.2	11.6	(0.1)	(0.1)	(0.1)	3.9	1.1	11.5
North America	11.7	11.7	36.4	(0.4)	(0.5)	(0.8)	11.3	11.2	35.6
Middle East, Asia-Pacific, South America	21.1	10.9	24.8	(0.2)	(0.2)	(0.3)	20.9	10.7	24.5
<b>Local business</b>	<b>42.1</b>	<b>27.7</b>	<b>82.6</b>	<b>(0.7)</b>	<b>(0.8)</b>	<b>(1.2)</b>	<b>41.4</b>	<b>26.9</b>	<b>81.4</b>
<b>International Power Projects</b>	<b>31.1</b>	<b>24.0</b>	<b>51.6</b>	<b>–</b>	<b>–</b>	<b>(0.1)</b>	<b>31.1</b>	<b>24.0</b>	<b>51.5</b>
<b>Group</b>	<b>73.2</b>	<b>51.7</b>	<b>134.2</b>	<b>(0.7)</b>	<b>(0.8)</b>	<b>(1.3)</b>	<b>72.5</b>	<b>50.9</b>	<b>132.9</b>

# Notes to the Interim Accounts continued

For the six months ended 30 June 2008 (unaudited)

## 6 Segmental reporting continued

### (b) Profit by segment continued

	Gain on sale of PPE			Operating profit		
	6 months ended 30 June 2008 £ million	6 months ended 30 June 2007 £ million	Year ended 31 Dec 2007 £ million	6 months ended 30 June 2008 £ million	6 months ended 30 June 2007 £ million	Year ended 31 Dec 2007 £ million
Northern Europe	0.1	–	0.2	5.4	3.9	10.0
Continental Europe	–	0.5	0.7	3.9	1.6	12.2
North America	0.7	0.3	1.0	12.0	11.5	36.6
Middle East, Asia-Pacific, South America	–	0.1	0.2	20.9	10.8	24.7
<b>Local business</b>	<b>0.8</b>	<b>0.9</b>	<b>2.1</b>	<b>42.2</b>	<b>27.8</b>	<b>83.5</b>
<b>International Power Projects</b>	<b>0.9</b>	<b>1.5</b>	<b>0.9</b>	<b>32.0</b>	<b>25.5</b>	<b>52.4</b>
<b>Group</b>	<b>1.7</b>	<b>2.4</b>	<b>3.0</b>	<b>74.2</b>	<b>53.3</b>	<b>135.9</b>
Finance costs – net				(6.3)	(5.8)	(11.7)
<b>Profit before taxation</b>				<b>67.9</b>	<b>47.5</b>	<b>124.2</b>
Taxation				(22.4)	(16.6)	(43.5)
<b>Profit for the period</b>				<b>45.5</b>	<b>30.9</b>	<b>80.7</b>

### (c) Depreciation and amortisation by segment

	6 months ended 30 June 2008 £ million	6 months ended 30 June 2007 £ million	Year ended 31 Dec 2007 £ million
Northern Europe	5.2	5.2	10.5
Continental Europe	7.4	6.4	13.0
North America	11.8	11.9	23.6
Middle East, Asia-Pacific, South America	10.1	7.8	16.1
<b>Local business</b>	<b>34.5</b>	<b>31.3</b>	<b>63.2</b>
<b>International Power Projects</b>	<b>18.3</b>	<b>13.9</b>	<b>31.2</b>
<b>Group</b>	<b>52.8</b>	<b>45.2</b>	<b>94.4</b>

### (d) Capital expenditure on property, plant & equipment and intangible assets by segment

	6 months ended 30 June 2008 £ million	6 months ended 30 June 2007 £ million	Year ended 31 Dec 2007 £ million
Northern Europe	8.6	6.0	10.0
Continental Europe	6.0	7.1	14.0
North America	20.9	16.8	27.9
Middle East, Asia-Pacific, South America	30.0	8.9	37.0
<b>Local business</b>	<b>65.5</b>	<b>38.8</b>	<b>88.9</b>
<b>International Power Projects</b>	<b>58.8</b>	<b>45.5</b>	<b>96.6</b>
<b>Group</b>	<b>124.3</b>	<b>84.3</b>	<b>185.5</b>

## 7 Dividends

The dividends paid in the period were:

	6 months ended 30 June 2008	6 months ended 30 June 2007	Year ended 31 Dec 2007
Total dividend (£ million)	13.5	11.1	19.2
Dividend per share (pence)	5.02	4.19	7.23

An interim dividend in respect of 2008 of 3.80 pence (2007: 3.04 pence), amounting to a total dividend of £10.2 million (2007: £8.1 million) was declared during the period.

## 8 Earnings per share

Basic earnings per share have been calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of shares in issue during the period, excluding shares held by the Employee Share Ownership Trusts which are treated as cancelled.

	30 June 2008	30 June 2007	31 Dec 2007
Profit for the period (£ million)	45.5	30.9	80.7
Weighted average number of ordinary shares in issue (million)	268.3	265.4	266.2
Basic earnings per share (pence)	16.97	11.64	30.33

For diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all potentially dilutive ordinary shares. These represent share options granted to employees where the exercise price is less than the average market price of the Company's ordinary shares during the period. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	30 June 2008	30 June 2007	31 Dec 2007
Profit for the period (£ million)	45.5	30.9	80.7
Weighted average number of ordinary shares in issue (million)	268.3	265.4	266.2
Adjustment for share options (million)	1.3	3.3	2.8
Diluted weighted average number of ordinary shares in issue (million)	269.6	268.7	269.0
Diluted earnings per share (pence)	16.88	11.50	30.02

## 9 Taxation

The taxation charge for the period is based on an estimate of the Group's expected annual effective rate of tax for 2008 based on prevailing UK tax legislation at 30 June 2008. This is currently estimated to be 33.0% (2007: 35.0%). As a result of the UK Finance Act 2008 receiving Royal Assent on 21 July 2008, UK Industrial Buildings Allowances are to be gradually phased out over the period to 31 March 2011. As the date of Royal Assent fell after 30 June 2008 the deferred tax impact of this phased withdrawal will be first reflected in the Group's 2008 Annual Report and Accounts. It is currently estimated that the effect of the withdrawal will be a 1pp impact on the tax rate.

# Notes to the Interim Accounts continued

For the six months ended 30 June 2008 (unaudited)

## 10 Goodwill

	30 June 2008 £ million	30 June 2007 (restated) £ million	31 Dec 2007 £ million
<b>Cost</b>			
Balance at beginning of period	38.0	37.8	37.8
Exchange adjustments	0.4	(0.8)	0.2
<b>At end of period</b>	<b>38.4</b>	<b>37.0</b>	<b>38.0</b>
<b>Accumulated impairment losses</b>			
At beginning and end of period	–	–	–
Net book value at beginning of period	38.0	37.8	37.8
<b>Net book value at end of period</b>	<b>38.4</b>	<b>37.0</b>	<b>38.0</b>

During the second half of 2007, the Group finalised the fair values of the net assets acquired from GE Energy Rental on 4 December 2006 as permitted by IFRS 3 'Business combinations'. Accordingly, the acquisition previously reported at 30 June 2007 has been restated with a decrease in goodwill of £9.1 million analysed as follows:

	£ million
Property, plant & equipment	(0.8)
Trade and other receivables	3.4
Inventories	(0.7)
Trade and other payables	7.4
Deferred taxation	(0.2)
	<u>9.1</u>

## 11 Borrowings

	30 June 2008 £ million	30 June 2007 £ million	31 Dec 2007 £ million
<b>Non-current</b>			
Bank borrowings	276.5	228.9	212.2
<b>Current</b>			
Bank overdrafts	7.9	1.3	0.2
Bank borrowings	4.5	1.6	–
	<u>12.4</u>	<u>2.9</u>	<u>0.2</u>
<b>Total borrowings</b>	<b>288.9</b>	<b>231.8</b>	<b>212.4</b>
Short-term deposits	(0.8)	(1.6)	(0.7)
Cash at bank and in hand	(10.3)	(6.5)	(9.1)
<b>Net borrowings</b>	<b>277.8</b>	<b>223.7</b>	<b>202.6</b>

The bank overdrafts and borrowings are all unsecured.

### The maturity of financial liabilities

The maturity profile of the borrowings was as follows:

	30 June 2008 £ million	30 June 2007 £ million	31 Dec 2007 £ million
Within 1 year, or on demand	12.4	2.9	0.2
Between 1 and 2 years	133.9	–	128.9
Between 2 and 3 years	30.0	133.3	–
Between 3 and 4 years	112.6	–	83.3
Between 4 and 5 years	–	95.6	–
	<u>288.9</u>	<u>231.8</u>	<u>212.4</u>

## 12 Provisions

	Reorganisation and restructuring £ million	Statutory employee termination benefit £ million	Total £ million
At 1 January 2008	1.8	0.2	2.0
Utilised during the period	(0.9)	–	(0.9)
<b>At 30 June 2008</b>	<b>0.9</b>	<b>0.2</b>	<b>1.1</b>
	30 June 2008 £ million	30 June 2007 £ million	31 Dec 2007 £ million
<b>Analysis of total provisions</b>			
Current	0.4	2.6	1.3
Non-current	0.7	1.1	0.7
Total provisions	1.1	3.7	2.0

- (i) The provision for reorganisation and restructuring comprises the following:
- Estimated costs of restructuring the Group's North American, European and International operations and the provisions are generally in respect of severance, property and related costs. The provision is expected to be fully utilised before the end of 2008.
  - Estimated costs related to the integration of the GE Energy Rentals business to the Group's global operations. These provisions are in respect of severance, property and other integration costs and are expected to be fully utilised before the end of 2014.
- (ii) The provision for statutory employee termination benefit relates to a statutory employee termination benefit scheme in France. The provision is expected to be utilised within 18 years.

## 13 Statement of changes in equity

As at 30 June 2008

	Attributable to equity holders of the company							
	Ordinary share capital £ million	Share premium account £ million	Treasury shares £ million	Capital redemption reserve £ million	Hedging reserve £ million	Foreign exchange reserve (translation) £ million	Retained earnings £ million	Total equity £ million
Balance at 1 January 2008	54.2	8.8	(10.5)	0.1	(3.4)	(19.7)	263.8	293.3
Transfers from hedging reserve to property, plant and equipment	–	–	–	–	0.6	–	–	0.6
Currency translation differences	–	–	–	–	–	5.5	–	5.5
Current tax on items taken to or transferred from equity	–	–	–	–	–	–	2.0	2.0
Deferred tax on items taken to or transferred from equity	–	–	–	–	(0.2)	–	2.6	2.4
Actuarial losses on retirement benefits	–	–	–	–	–	–	(9.1)	(9.1)
Purchase of treasury shares	–	–	(13.2)	–	–	–	–	(13.2)
Credit in respect of employee share awards	–	–	–	–	–	–	3.2	3.2
Issue of ordinary shares to employees under share option schemes	–	–	2.7	–	–	–	(2.7)	–
New share capital subscribed (Note (i))	0.2	0.8	–	–	–	–	–	1.0
Profit for the period	–	–	–	–	–	–	45.5	45.5
Total recognised income/(loss) for the period	0.2	0.8	(10.5)	–	0.4	5.5	41.5	37.9
Dividends paid during period	–	–	–	–	–	–	(13.5)	(13.5)
<b>Balance at 30 June 2008</b>	<b>54.4</b>	<b>9.6</b>	<b>(21.0)</b>	<b>0.1</b>	<b>(3.0)</b>	<b>(14.2)</b>	<b>291.8</b>	<b>317.7</b>

- (i) During the period 547,400 Ordinary shares of 20 pence each have been issued at prices ranging from £1.05 to £3.30 to satisfy the exercise of options under the Savings-Related Share Option Schemes ('Sharesave') and Executive Share Option Schemes by eligible employees. In addition 456,735 shares were allotted to US participants in the Long Term Incentive Plan by the allotment of new shares for nil consideration.

# Notes to the Interim Accounts continued

For the six months ended 30 June 2008 (unaudited)

## 13 Statement of changes in equity continued

As at 30 June 2007

	Attributable to equity holders of the company							
	Ordinary share capital £ million	Share premium account £ million	Treasury shares £ million	Capital redemption reserve £ million	Hedging reserve £ million	Foreign exchange reserve (translation) £ million	Retained earnings £ million	Total equity £ million
Balance at 1 January 2007	53.9	7.2	(9.1)	0.1	1.2	(25.7)	198.6	226.2
Fair value losses on foreign currency cash flow hedge	–	–	–	–	0.5	–	–	0.5
Transfers from hedging reserve to property, plant and equipment	–	–	–	–	(0.8)	–	–	(0.8)
Fair value gains on interest rate swaps	–	–	–	–	0.3	–	–	0.3
Currency translation differences	–	–	–	–	–	(1.7)	–	(1.7)
Current tax on items taken to or transferred from equity	–	–	–	–	–	–	2.0	2.0
Deferred tax on items taken to or transferred from equity	–	–	–	–	–	–	(0.7)	(0.7)
Actuarial gains on retirement benefits	–	–	–	–	–	–	3.1	3.1
Purchase of treasury shares	–	–	(4.3)	–	–	–	–	(4.3)
Credit in respect of employee share awards	–	–	–	–	–	–	2.6	2.6
Issue of ordinary shares to employees under share option schemes	–	–	2.8	–	–	–	(2.8)	–
New share capital subscribed (Note (i))	0.1	0.3	–	–	–	–	–	0.4
Profit for the period	–	–	–	–	–	–	30.9	30.9
Total recognised income/(loss) for the period	0.1	0.3	(1.5)	–	–	(1.7)	35.1	32.3
Dividends paid during the period	–	–	–	–	–	–	(11.1)	(11.1)
Balance at 30 June 2007	54.0	7.5	(10.6)	0.1	1.2	(27.4)	222.6	247.4

(i) During the period 709,938 Ordinary shares of 20 pence each have been issued, of these 467,079 were issued to participants in the Aggreko Performance Share Plan and the Aggreko Co-investment Plan at an option price of £1 for all the shares comprised in their award, the remaining shares were issued at prices ranging from £1.17 to £3.07.

## 14 Capital commitments

	30 June 2008 £ million	30 June 2007 £ million	31 Dec 2007 £ million
Contracted but not provided for (property, plant and equipment)	31.1	27.4	18.1

## 15 Related party transactions

Transactions between the Group and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. There were no other related party transactions in the period.

## 16 Seasonality

The Group is subject to seasonality with the third quarter of the year being our peak demand period, accordingly revenue and profits have historically been higher in the second half of the year.

## 17 Events occurring after the balance sheet date

On 19 August 2008 the Group announced the acquisition of substantially all the assets and business of Power Plus Rentals & Sales Ltd and associated companies, for a maximum consideration, payable in cash of CN\$38.7 million, or £19.5 million at an exchange rate of £=CN\$1.98. The purchase consideration comprises a fixed element of CN\$31.0 million (£15.6 million) and further payments of up to a maximum of CN\$7.7 million (£3.9 million) dependent on financial performance over the next three years. Together, these companies had unaudited revenues of CN\$10.6 million (£5.4 million) and operating profit of CN\$5.1 million (£2.6 million) in the financial year ending July 2008.

## Statement of Directors' Responsibilities

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The Directors confirm that this condensed set of financial statements has been prepared in accordance with IAS 34 as adopted by the European Union, and that the interim management report herein includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8.

The Directors of Aggreko plc are listed in the Aggreko plc Annual Report for 31 December 2007.

By order of the Board



**Rupert Soames**  
Chief Executive  
26 August 2008



**Angus Cockburn**  
Finance Director  
26 August 2008

# Independent Review Report to Aggreko plc

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## Introduction

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2008, which comprises the income statement, balance sheet, statement of recognised income and expense, cash flow statement and related notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

## Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

As disclosed in Note 2, the annual financial statements of the group are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting", as adopted by the European Union.

## Our responsibility

Our responsibility is to express to the company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review. This report, including the conclusion, has been prepared for and only for the company for the purpose of the Disclosure and Transparency Rules of the Financial Services Authority and for no other purpose. We do not, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2008 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.



## PricewaterhouseCoopers LLP

Chartered Accountants

Glasgow

26 August 2008

## Notes:

- a) The maintenance and integrity of the Aggreko plc website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.
- b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# Shareholder Information

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## Payment of Dividends by BACS

Many Shareholders have already arranged for dividends to be paid by mandate directly to their bank or building society account. The Company mandates dividends through the BACS (Bankers' Automated Clearing Services) system. The benefit to Shareholders of the BACS payment method is that the Registrar posts the tax vouchers directly to them, whilst the dividend is credited on the payment date to the Shareholder's bank or building society account. Shareholders who have not yet arranged for their dividends to be paid directly to their bank or building society account and wish to benefit from this service should request the Company's Registrar to send them a Dividend/Interest mandate form or alternatively complete the mandate form accompanying their dividend warrant and tax voucher in October 2008.

## Online Shareholder Services and Share Dealing

Shareholders may wish to take advantage of the "Online" enquiry service offered by the Registrar. This service allows the Shareholder to access his/her own account to verify address details and the number of shares held. The service can be obtained on [www.capitaregistrars.com](http://www.capitaregistrars.com) where there is also an "Information Zone" which provides answers to many questions frequently asked by Shareholders. The Registrar also offers a share dealing service to existing Shareholders.

## Sharegift

We value all our Shareholders, no matter how many shares they own, but we do realise that some Shareholders hold on to small quantities of shares because they believe that the cost of selling them would make the transaction uneconomic. A free service is available to enable Shareholders with small holdings, should they so wish, to donate their shares to charity, and gain the benefit of tax relief on this donation. This scheme has been successfully adopted by several large quoted companies, and further details are available from the Secretary.

### Secretary and Registered Office

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Tel 0141 225 5900  
Fax 0141 225 5949  
E-mail [investors@aggreko.com](mailto:investors@aggreko.com)  
Company No. SC177553

### Registrars and Transfer Office

Capita Registrars  
Northern House  
Woodsome Park  
Fenay Bridge  
HUDDERSFIELD  
West Yorkshire HD8 0LA  
UNITED KINGDOM  
Tel 0870 162 3100  
Website [www.capitaregistrars.com](http://www.capitaregistrars.com)

### Stockbrokers

UBS – London  
Citibank Global Markets – London

### Auditors

PricewaterhouseCoopers LLP –  
Glasgow  
Chartered Accountants

## Financial Calendar

Results announced	6 months ended 30 June 2008	Year ending 31 December 2008
Report posted	26 August 2008	Early March 2009
Annual General Meeting	9 September 2008	Mid March 2009
Ex-dividend date	24 September 2008	Late April 2009
Dividend record date	26 September 2008	Late April 2009
Dividend payment date	24 October 2008	Late May 2009

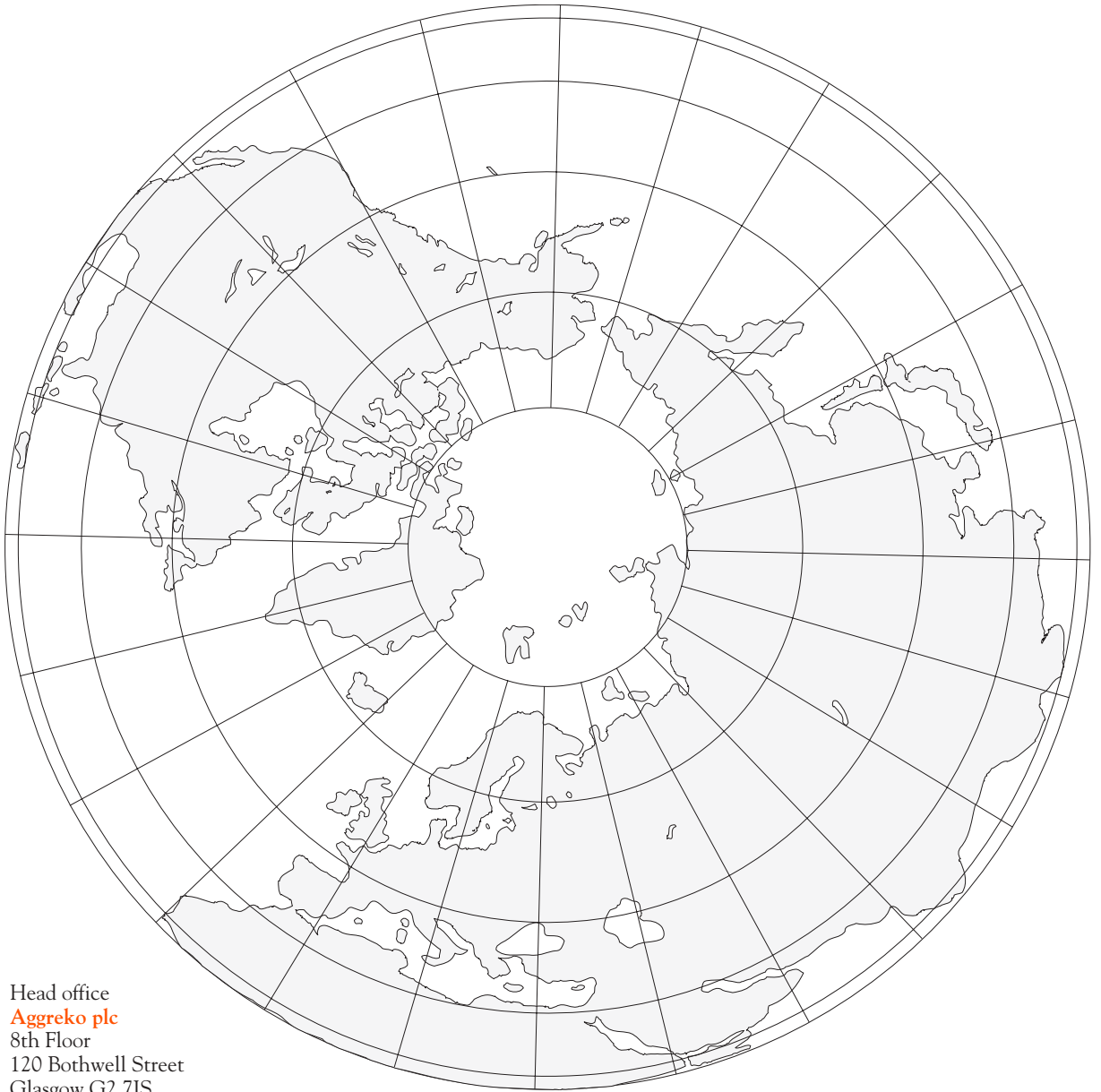
# Financial Summary

Full year	Dec 04	Dec 05	Dec 06	Dec 07	
Revenue (£m)	323.6	417.7	540.7	693.2	
Trading profit (£m)	45.1	59.6	86.7	132.9	
Trading margin (%)	13.9	14.3	16.0	19.2	
Dividend per share (pence)	5.82	6.11	6.72	8.06	
Profit before tax (£m)	42.5	56.4	83.1	124.2	
Diluted earnings per share (pence)	10.79	13.72	19.87	30.02	
Net operating assets (£m)	296.8	356.5	470.2	554.0	
Capital expenditure (£m)	56.3	80.2	128.0	180.6	
Net debt (£m)	(82.1)	(102.9)	(205.2)	(202.6)	
Shareholders' equity (£m)	178.5	208.2	226.2	293.3	
Half 1	Jun 04	Jun 05	Jun 06	Jun 07	Jun 08
Revenue (£m)	150.8	167.2	238.0	317.5	<b>407.7</b>
Trading profit (£m)	16.8	17.8	30.7	50.9	<b>72.5</b>
Trading margin (%)	11.1	10.7	12.9	16.0	<b>17.8</b>
Dividend per share (pence)	2.25	2.34	2.53	3.04	<b>3.80</b>
Profit before tax (£m)	15.7	16.6	29.6	47.5	<b>67.9</b>
Diluted earnings per share (pence)	3.98	4.13	7.08	11.50	<b>16.88</b>
Net operating assets (£m)	306.3	321.8	383.2	502.4 <sup>2</sup>	<b>652.7</b>
Capital expenditure (£m)	27.8	29.1	70.6	84.3	<b>124.3</b>
Net debt (£m)	(97.9)	(99.7)	(130.2)	(223.7)	<b>277.8</b>
Shareholders' equity (£m)	171.9	183.4	213.0	247.4	<b>317.7</b>
Half 2	Dec 04	Dec 05	Dec 06	Dec 07	
Revenue (£m)	172.8	250.5	302.7	375.7	
Trading profit (£m)	28.3	41.8	56.0	82.0	
Trading margin (%)	16.4	16.7	18.5	21.8	
Dividend per share (pence)	3.57	3.77	4.19	5.02	
Profit before tax (£m)	26.8	39.8	53.5	76.7	
Diluted earnings per share (pence)	6.81	9.59	12.79	18.52	
Net operating assets (£m)	296.8	356.5	470.2	554.0	
Capital expenditure (£m)	28.5	51.1	57.4	96.3	
Net debt (£m)	(82.1)	(102.9)	(205.2)	(202.6)	
Shareholders' equity (£m)	178.5	208.2	226.2	293.3	

(1) Trading profit represents operating profit before gain on sale of property, plant and equipment.

(2) 2007 net operating assets have been restated to include goodwill and final fair value adjustments relating to the GE Energy Rentals acquisition.





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