

aggreko

**Preliminary Results
8th March 2007**

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**Philip Rogerson
Chairman**

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- Strong trading performance with record earnings
- Revenue up 29.5% to £540.7m
- Trading profits* up 45.5% to £86.7m
- PBT* up 47.5% at £83.1m
- Earnings per share* up 45.2% at 20.05 pence
- Proposed total dividend increase of 10.0% to 6.72 pence
- Integration of GE Energy Rentals progressing well

* pre-exceptional items

Aggreko plc
2006 Preliminary Results
Financial Review

Angus Cockburn
Finance Director

	2006 ⁽¹⁾	2005	Movement	
	£m	£m	As reported	Const curr.
Revenue	540.7	417.7	29.5%	30.7%
Trading profit	86.7	59.6	45.5%	47.1%
Operating profit	89.5	60.7	47.6%	49.2%
Net interest expense	(6.4)	(4.3)	(49.4)%	
Profit before tax	83.1	56.4	47.5%	
Taxation	(29.9)	(19.7)	(51.7%)	
Profit after tax	53.2	36.7	45.2%	
Dividends per share (pence)⁽²⁾	6.72	6.11	10.0%	
Basic earnings per share (pence)	20.05	13.81	45.2%	

(1) Results are shown pre £9.2 million exceptional items relating to GE Energy Rentals acquisition

(2) Dividends per share are on a declared basis

Note: Post exceptional 2006 PBT £73.9m, PAT £46.2m, EPS 17.41p

Bridge	Revenue £m	Trading Profit £m
2005	417.7	59.6
Currency translation impact	(3.8)	(0.6)
2005 North America storm revenues	(17.7)	(8.9)*
2006 North America storm revenues	4.2	2.1*
2005 pass-through fuel	(22.8)	(0.5)
2006 pass-through fuel	43.4	1.6
Underlying growth	<u>119.7</u>	<u>33.4</u>
2006	<u>540.7</u>	<u>86.7</u>
Headline growth	29.5%	45.5%
Underlying growth – constant currency	32.1%	67.5%

* Estimated

Balance Sheet	2006	2005
	£m	£m
Intangible fixed assets/goodwill	58.4	1.5
Tangible fixed assets	353.8	294.9
Working capital	53.3	56.0
Retirement benefit obligation	(13.1)	(16.8)
Provisions for liabilities and charges	(6.2)	(1.9)
Derivative financial instruments	1.7	-
Provisions for taxes	(16.5)	(22.6)
Net borrowings	<u>(205.2)</u>	<u>(102.9)</u>
NET ASSETS	<u>226.2</u>	<u>208.2</u>
SHAREHOLDERS EQUITY	<u>226.2</u>	<u>208.2</u>

Financial Position	2006	2005
Gearing	91%	49%
Net debt/EBITDA ⁽¹⁾	1.26 times	0.83 times
Interest cover ⁽¹⁾	13.9 times	14.1 times
Cash flow from operating activities	£160.2m	£101.9m
Acquisition	£95.8m	-
Capital investment	£128.0m	£80.2m
Net borrowings	£205.2m	£102.9m
Effective tax rate	36.0%	35.0%
Dividend Cover (declared basis) ⁽¹⁾	2.98 times	2.26 times
Return on average capital employed ⁽¹⁾	22.1%	18.6%

(1) Pre 2006 exceptional items

Cash Flow from Operating Activities (£m)	2006	2005
Operating profit pre exceptional items	89.5	60.7
Exceptional items	(9.2)	-
Depreciation & amortisation	73.3	63.4
Changes in working capital	(0.3)	(19.5)
Movements in provisions for liabilities and charges	4.3	(4.2)
Other non-cash movements	<u>2.6</u>	<u>1.5</u>
Net cash inflow from operating activities	<u>160.2</u>	<u>101.9</u>

Cash Flow Statement (£m)	2006	2005
Net cash inflow from operating activities	160.2	101.9
Net interest paid	(6.0)	(4.1)
Taxation paid	(26.2)	(18.3)
Acquisitions	(95.8)	-
Purchase of fixed assets	(128.0)	(80.2)
Proceeds from disposal of fixed assets	4.7	3.8
Dividends paid	<u>(16.7)</u>	<u>(15.7)</u>
Cash outflow in period	(107.8)	(12.6)
Issue of shares	0.5	1.0
Purchase of own shares held under trust	(2.6)	(3.2)
Exchange	<u>7.6</u>	<u>(6.0)</u>
Movement in net debt in period	<u>(102.3)</u>	<u>(20.8)</u>

Aggreko plc
2006 Preliminary Results
Operating Review

Rupert Soames
Chief Executive

A record-beating year

- **Highlights:**

- Acquisition of GE Energy Rentals
- Underlying growth in trading profit 67%
- Increased revenues & return on capital employed in all regions
- £128m of capital expenditure (1.8x depreciation), including £114m of rental fleet
- Strong performance in North America and Aggreko International; Europe begins to turn
- Outstanding year in Africa – business in 21 countries
- 40 MW gas contract gives confidence in new product
- Satmetrix customer loyalty system starts to get real traction

- **Lowlights**

- GE Energy Rentals acquisition diverted attention away from other projects
- No storms in North America
- Very high levels of utilisation in International Power Projects => equipment not being rebuilt fast enough

- **Integration going better than we expected**
- **Exceptional costs lower than we forecast in September**
 - £9.2m vs £16m originally announced in September 2006
 - Close co-operation with GE on re-deployment of staff
- **25 of 26 planned property exits complete**
- **103 permanent employees transfer to Aggreko on 4/12/06**
- **35% of acquired GE-ER fleet on rent as at Feb 07; 95% verified**
- **Nothing to alter our view of the value of the deal & strategic rationale**
 - Transformed our position in some markets – eg Central & South America, Major Events
 - Great people, who are settling in very well
 - Equipment generally as we expected
 - Unlikely that GE will be able to deliver all the additional fleet subject to the deferred consideration
 - No material adverse customer reaction

GE Energy Rentals acquisition accounting

	£m	£m
2006 cash outflow	96.3	
2007 maximum potential outflow	<u>15.7</u>	
Total maximum purchase consideration		112.0
Provisional fair value of net assets acquired		<u>65.3</u>
Goodwill		46.7

- Deferred consideration of up to £14.9m included in total maximum purchase consideration – Fleet assets of £14.9m will be paid for as and when they are delivered & accepted by Aggreko over the twelve months following completion
- Due to timing of acquisition, fair value adjustments are provisional and will be finalised in 07
- GE Energy Rentals operations to be completely integrated into Aggreko – no separate reporting: results will be measured on combined business

(pre-exceptional)

	REVENUE			TRADING PROFIT		
	2006 \$m	2005 \$m	Change %	2006 \$m	2005 \$m	Change %
Full year	293.1	257.6	13.8%	62.3	48.2	29.2%
			<i>Trading Margin</i>	21.3%	18.7%	
Second half	163.8	163.2	0.4%	40.3	39.1	3.1%
			<i>Trading Margin</i>	24.6%	23.7%	

- No major storms in 2006 – c \$32m revenues and \$16m profit in 2005
- Underlying growth 27% in revenues and 82% in trading profit
- Strong profit performance in most areas
- Focus now on operational performance enhancement and preparation of GE Energy Rentals fleet for summer season
- Mixed signals from the market, but business is still growing, albeit at slower rate

(pre-exceptional)

	REVENUE			TRADING PROFIT		
	2006	2005	Change	2006	2005	Change
	€m	€m	%	€m	€m	%
Full year	102.9	85.8	20.0%	8.3	6.6	25.2%
			<i>Trading Margin</i>	8.0%	7.7%	
Second Half	58.5	46.7	25.3%	6.8	4.8	39.6%
			<i>Trading Margin</i>	11.5%	10.4%	

- Much improved performance, but still some way to go
- New management team making good progress; new hub in Doncaster
- First half held back by costs related to ERP implementation; strong performance in second half
- Good momentum into 2007 – expecting a strong first half

(pre-exceptional)

	REVENUE			TRADING PROFIT		
	2006	2005	Change	2006	2005	Change
	€m	€m	%	€m	€m	%
Full year	96.1	81.8	17.4%	7.7	1.4	467.1%
			<i>Trading Margin</i>	8.0%	1.7%	
Second Half	55.0	46.2	18.9%	8.5	2.6	234.4%
			<i>Trading Margin</i>	15.4%	5.5%	

- Much improved performance, but still some way to go
- Excellent second half performance – excluding one off costs of €2.4m in 2005 trading profit increased €3.5m or 70%
- All areas ahead of last year – strong performances from Benelux, Germany South & France South; new hub in Moerdijk
- Large utility contract in Corsica will help first half in 07

(pre-exceptional)

	REVENUE			TRADING PROFIT		
	2006 \$m	2005 \$m	Change %	2006 \$m	2005 \$m	Change %
Full year	143.0	94.6	51.2%	29.0	17.1	69.4%
			<i>Trading Margin</i>	20.3%	18.1%	
Second Half	79.9	49.4	61.7%	15.6	8.3	87.2%
			<i>Trading Margin</i>	19.6%	17.0%	

- All areas performing well, demand unabated
- Infrastructure boom in Middle East is still driving strong demand for power
 - Beginning to get traction in temperature control business
- Excellent year in Australia – buoyant mining sector fuelled by high commodity prices
- Singapore & Brazil benefit from shipping and strong demand from oil & gas
- New Service Centres opened in Manaus, Hong Kong, Shanghai + GE Energy Rentals brings Campinas, Santiago, Puerto Mont, Antofagasta, Mexico City

(pre-exceptional)	2006 \$m	2005 \$m	Change %	2006 \$m	2005 \$m	Change %
Full Year excl pass-through fuel	230.5	157.5	46.3%	45.6	32.3	41.4%
			<i>Trading Margin</i>	19.8%	20.5%	
Second Half excl pass-through fuel	134.7	89.0	51.2%	27.8	17.4	59.4%
			<i>Trading Margin</i>	20.6%	19.6%	

- Another strong performance
- 37 new contracts awarded; live contracts up by 20.0%
- African business delivered exceptional growth – now operating in 21 African countries
- Military business continues to grow
- International Power Projects fleet increases 21% in the year
- Strong momentum into 2007, with very high levels of utilisation

Full Year Segmental Analysis

(pre-exceptional)

REVENUE

TRADING PROFIT

	2006	2005	Const Curr	2006	2005	Const Curr
	£m	£m	%	£m	£m	%
Local Business	372.3	308.3	21.7%	60.4	41.4	47.3%
			<i>Trading Margin:</i>	16.2%	13.4%	
			<i>ROCE:</i>	21.7%	18.2%	
Int’nl Power Projects excl pass-through fuel	125.0	86.6	46.3%	24.7	17.7	41.6%
			<i>Trading Margin:</i>	19.8%	20.5%	
			<i>ROCE:</i>	21.9%	19.3%	
Pass-through fuel	43.4	22.8		1.6	0.5	
Total	540.7	417.7	30.7%	86.7	59.6	47.1%
			<i>Trading Margin:</i>	16.0%	14.3%	
			<i>ROCE:</i>	22.1%	18.6%	

- **North America**

- Conflicting signals – business is still growing, but at a slower rate than 2006
- A lot of GE-ER fleet to absorb, so summer will be critical
- We expect to make progress but we are watchful on the demand side

- **Europe**

- Good momentum coming into the year; expect to continue to make progress and increase revenues and improve margins in 07

- **International**

- Strong start to the year; high utilisation on a fleet that is significantly larger than last year
- A strong year in prospect

- **Summary**

- Limited visibility at this stage of the year. Overall, if current trends continue, we anticipate a strong first half. For the year as a whole we expect to achieve a material increase in profits compared to 2006, and to be ahead of current market expectations

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**Preliminary Results
March 2007**

Additional Information

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Revenue by Product (£m)

	REVENUE			% OF REVENUE EXCL PASS-THROUGH FUEL		
	2006	2005	Const Curr %	2006	2005	Change pp
Power	270.8	202.9	34.8%	54.5%	51.4%	3.1pp
Temperature Control	75.1	66.7	13.4%	15.1%	16.9%	(1.8pp)
Oil-Free Air	23.0	22.8	2.0%	4.6%	5.7%	(1.1pp)
Service Revenue	<u>128.4</u>	<u>102.5</u>	26.3%	<u>25.8%</u>	<u>26.0%</u>	(0.2pp)
Revenue excl pass- through fuel	497.3	394.9	27.1%	100.0%	100.0%	
Pass-through fuel	<u>43.4</u>	<u>22.8</u>				
Total Revenue	<u>540.7</u>	<u>417.7</u>	30.7%			

Performance by management group: North America

(pre-exceptional)

	REVENUE			TRADING PROFIT		
	2006 \$m	2005 \$m	Change %	2006 \$m	2005 \$m	Change %
Full year	293.1	257.6	13.8%	62.3	48.2	29.2%
			<i>Trading Margin</i>	21.3%	18.7%	
			<i>ROCE</i>	30.3%	29.9%	
Second half	163.8	163.2	0.4%	40.3	39.1	3.1%
			<i>Trading Margin</i>	24.6%	23.7%	

Performance by management group: Europe

(pre-exceptional)

	REVENUE			TRADING PROFIT		
	2006 €m	2005 €m	Change %	2006 €m	2005 €m	Change %
Full year	199.0	167.6	18.7%	16.0	8.0	100.6%
			<i>Trading Margin</i>	8.0%	4.7%	
			<i>ROCE</i>	9.7%	5.4%	
Second half	113.5	92.9	22.2%	15.3	7.4	106.8%
			<i>Trading Margin</i>	13.4%	7.9%	

Performance by management group: Aggreko International – excluding pass-through fuel

(pre-exceptional)

	REVENUE			TRADING PROFIT		
	2006 \$m	2005 \$m	Change %	2006 \$m	2005 \$m	Change %
Full year	373.5	252.1	48.2%	74.6	49.4	51.1%
			<i>Trading Margin</i>	20.0%	19.6%	
			<i>ROCE</i>	24.3%	21.4%	
Second half	214.6	138.4	55.0%	43.4	25.7	68.4%
			<i>Trading Margin</i>	20.2%	18.6%	