

2009 Interim Results

2009 Interim Results

Philip Rogerson
Chairman

2009 Interim Results

- Strong performance in a difficult economic climate
- Revenue up 22.6% to £499.8m
- Trading profit up 46.2% to £107.0m ⁽¹⁾
- PBT up 55.9% at £106.9m ⁽¹⁾
- Earnings per share up 58.0% at 27.07 pence ⁽¹⁾
- Interim dividend per share increased 15% to 4.37 pence
- Outlook: We reiterate our expectation that constant currency profits for 2009 will be at similar levels to 2008. At current FX rates this would result in a substantial increase in reported profits.

⁽¹⁾ All figures are stated before amortisation of intangible assets (2009: £1.2m pre-tax, £0.8m post-tax; 2008:£0.7m pre-tax, £0.4m post-tax) arising from business combinations.

2009 Interim Results Financial Review

Angus Cockburn
Finance Director

2009 Interim Results

| | 2009 | 2008 | Movement | |
|----------------------------------|--------|--------|-------------|-------------|
| | £m | £m | As reported | Const curr. |
| Revenue | 499.8 | 407.7 | 22.6% | (1.1)% |
| Revenue excl. pass-through fuel | 474.8 | 368.3 | 28.9% | 4.8% |
| Trading profit | 107.0 | 73.2 | 46.2% | 14.1% |
| Operating profit | 114.8 | 74.9 | 53.3% | 19.6% |
| Net interest expense | (7.9) | (6.3) | (25.2)% | |
| Profit before tax | 106.9 | 68.6 | 55.9% | |
| Taxation | (34.2) | (22.7) | (51.2)% | |
| Profit after tax | 72.7 | 45.9 | 58.3% | |
| Dividends per share (declared) | 4.37p | 3.80p | 15.0% | |
| Basic earnings per share (pence) | 27.07 | 17.13 | 58.0% | |

(1) All numbers are pre-amortisation of intangible assets arising from business combinations.

(2) Included within operating profit in 2009 is a gain on sale of £5.8m in relation to the completion of the Northern Europe OFA disposal. Excluding this operating profit increased 45.6% on a headline basis and 13.6% in constant currency.

Note: Post amortisation 2009 PBT £105.7m, PAT £71.9m, EPS 26.76p; 2008 PBT £67.9m, PAT £45.5m, EPS 16.97p

2009 Interim Results

| | Bridge | Revenue £m | Trading Profit* £m |
|---|---------------|-----------------------|-------------------------------|
| | 2008 | 407.7 | 73.2 |
| Currency translation impact | | 97.5 | 20.6 |
| 2008 pass-through fuel | | (39.4) | (1.3) |
| 2009 pass-through fuel | | 25.0 | 0.5 |
| North America & France Q1 Storm revenue | | 6.2 | 3.2 |
| Underlying growth | | 2.8 | 10.8 |
| | 2009 | 499.8 | 107.0 |
| Headline growth | | 22.6% | 46.2% |
| Constant Currency growth | | (1.1%) | 14.1% |
| Underlying growth in constant currency | | 0.6% | 11.6% |

Notes: (1) 2008 revenue numbers include £9.1m relating to the Beijing Olympics
(2) H2 will have an additional trading week as 2009 will be a 53-week year

2009 Interim Results

Balance Sheet

| | 2009 | 2008 |
|----------------------------------|-------------|-------------|
| | £m | £m |
| Intangible fixed assets/goodwill | 65.6 | 48.0 |
| Tangible fixed assets | 703.7 | 523.8 |
| Working capital | 95.1 | 76.4 |
| Retirement benefit obligation | (1.2) | (13.1) |
| Derivative financial instruments | (14.6) | (4.1) |
| Provisions for taxes | (71.9) | (35.5) |
| Net borrowings | (287.2) | (277.8) |
| NET ASSETS | 489.5 | 317.7 |

2009 Interim Results

Financial Position

| | 2009 | 2008 |
|---|------------|------------|
| Gearing | 58% | 88% |
| Interest cover – EBITDA basis ⁽²⁾ | 23.6 times | 21.2 times |
| Interest cover – EBIT basis ^{(1) (2)} | 15.1 times | 13.0 times |
| EBITDA | £189.9m | £127.0m |
| Capital investment | £97.4m | £124.3m |
| Net borrowings | £287.2m | £277.8m |
| Effective tax rate | 32.0% | 33.0% |
| Dividend Cover (declared basis) ⁽¹⁾ | 6.20 times | 4.51 times |
| Return on average capital employed ^{(1) (2)} | 29.8% | 27.7% |

(1) Before amortisation of intangible assets arising from business combinations

(2) Rolling 12 month basis

2009 Interim Results

Cash Flow from Operating Activities (£m)

| | 2009 | 2008 |
|---|-------------|-------------|
| Operating profit* | 114.8 | 74.9 |
| Depreciation & amortisation* | 75.1 | 52.1 |
| Changes in working capital | 12.7 | (28.6) |
| Movements in provisions for liabilities and charges | - | (0.9) |
| Other non-cash movements | (3.3) | 1.5 |
| Net cash inflow from operating activities | 199.3 | 99.0 |

*before amortisation of intangible assets arising from business combinations

2009 Interim Results

| Cash Flow Statement (£m) | 2009 | 2008 |
|---|-------------|-------------|
| Net cash inflow from operating activities | 199.3 | 99.0 |
| Net interest paid | (8.1) | (6.0) |
| Taxation paid | (29.7) | (17.5) |
| Acquisitions | (4.2) | - |
| Purchase of fixed assets | (97.4) | (124.3) |
| Proceeds from disposal of fixed assets | 11.9 | 2.6 |
| Dividends paid | (16.9) | (13.5) |
| Cash inflow/(outflow) in period | 54.9 | (59.7) |
| Issue of shares | 1.4 | 0.9 |
| Purchase of own shares held under trust | (8.4) | (13.2) |
| Exchange | 28.9 | (3.2) |
| Movement in net debt in period | 76.8 | (75.2) |

2009 Interim Results Operating Review

Rupert Soames
Chief Executive

A stand-out performance in a difficult market

Highlights

- Revenue up 5% and trading profit up 16% in constant currency, excluding pass-through fuel
- Trading margin +3pp to 21%; return on capital employed +2pp at record 30%
- Strong operating cash generation: net debt reduced by £77m in H1; £29m decrease due to currency movements
- Strong performance in IPP with trading profit up 72%
 - Rate of project extensions remains strong
 - New contract wins: Kenya / Saudi Arabia / Ethiopia / Guadeloupe
- Effective control of capex: H2 09 will be ~£70m vs £141m in H2 08
- Disposal of European OFA business completed: gain on sale £5.8m
- Increasing market share in Local business: more MW on rent than a year ago

Lowlights

- Challenging market conditions across Local business with revenues down 13% in constant currency
- Weaker rates negate benefit of growth in volume in power in Local business
- Temperature control business very weak
- Tough H2 comparators with Beijing Olympics and record US storm revenues in 2008
- Lower volume of new projects means rate of growth in International Power Projects is slowing

2009 Interim Results

Half Year Segmental Analysis

| | REVENUE | | | TRADING PROFIT* | | |
|---|------------|------------|-------------------------------|-----------------|------------|-----------------|
| | 2009 £m | 2008 £m | Const Curr % | 2009 £m | 2008 £m | Const Curr % |
| Local Business | 264.7 | 254.9 | (12.6)% | 36.6 | 42.1 | (29.0)% |
| | | | <i>Trading Margin:</i> | 13.8% | 16.5% | |
| | | | <i>Rolling 12-month ROCE:</i> | 25.7% | 25.6% | |
| Int’nl Power Projects excl pass-through fuel | 210.1 | 113.4 | 40.0% | 69.9 | 29.8 | 71.8% |
| | | | <i>Trading Margin:</i> | 33.3% | 26.4% | |
| | | | <i>Rolling 12-month ROCE:</i> | 35.6% | 31.5% | |
| Pass-through fuel | 25.0 | 39.4 | (52.1)% | 0.5 | 1.3 | (72.1)% |
| Total | 499.8 | 407.7 | (1.1)% | 107.0 | 73.2 | 14.1% |
| | | | <i>Trading Margin:</i> | 21.4% | 17.9% | |
| | | | <i>Rolling 12-month ROCE:</i> | 29.8% | 27.7% | |

* before amortisation of intangible assets arising from business combinations

Local Business – North America

| | REVENUE | | | TRADING PROFIT* | | |
|-------------------|-------------|-------------|---------------------------|-----------------|-------------|---------------------------|
| | 2009 \$m | 2008 \$m | Const Curr Change % | 2009 \$m | 2008 \$m | Const Curr Change % |
| First half | 140.4 | 159.0 | (11.1)% | 17.3 | 23.2 | (28.0)% |
| | | | <i>Trading Margin</i> | 12.3% | 14.6% | |

- Difficult H1 in a challenging market
 - Q2 worse than Q1, and little sign of improvement in Q3
 - Capex reduced; tight control on overheads; total labour 9% lower than last year; accelerated fleet disposal programme
- Power volumes similar to last year but revenue down due to pressure on rates
- Temperature Control and Cooling Towers very weak
- Assuming little / no storm revenue this year vs \$26m in H2 last year
- Vancouver Olympics proceeding well with c.\$11m of revenue to be recognised in H2
- Increasing focus on emissions regulation

* before amortisation of intangible assets arising from business combinations

Local Business – Europe & Middle East

| | REVENUE | | | TRADING PROFIT* | | |
|-------------------|------------|------------|---------------------------|-----------------|------------|---------------------------|
| | 2009 £m | 2008 £m | Const Curr Change % | 2009 £m | 2008 £m | Const Curr Change % |
| First half | 122.1 | 120.6 | (11.6)% | 14.4 | 16.5 | (27.6)% |
| | | | <i>Trading Margin</i> | 11.8% | 13.7% | |

- Difficult H1 in a challenging market; Middle East doing much better than Europe
- Europe: revenue down 16% ; 11% down ex UEFA, French Storms and OFA
 - Pattern similar to North America: Q2 worse than Q1, and little sign of improvement in Q3
 - Power volumes lower than last year; rates weak; temperature control weak
 - Capex reduced; tight control on overheads; total labour 9% lower than last year; accelerated fleet disposal / transfer programme
- Middle East; revenue down 2%
 - Weakness in Dubai offset by strength elsewhere in Middle East
 - Power & TC volumes well up on last year
 - Supporting Saudi summer peak-shaving
 - Improving outlook for H2

*before amortisation of intangible assets arising from business combinations

Local Business – Aggreko International

| | REVENUE | | | TRADING PROFIT* | | |
|-------------------|------------|------------|---------------------------|-----------------|------------|---------------------------|
| | 2009 £m | 2008 £m | Const Curr Change % | 2009 £m | 2008 £m | Const Curr Change % |
| First half | 48.5 | 53.8 | (17.8)% | 10.6 | 13.9 | (31.7)% |
| | | | <i>Trading Margin</i> | 22.0% | 25.8% | |

- Excluding Beijing Olympics, revenue increased by 3% in constant currency in H1
 - Q2 above Q1, but included Confederations Cup in South Africa
- Generally challenging trading environment across businesses
 - Nickel and iron ore mining declines in Australia but utilities/thermal coal mining robust
 - Weakness in shipping in Singapore and manufacturing in Brazil
- Encouraging early progress in India and South Africa
 - Successful execution of Confederations Cup in South Africa
 - 32MW on rent in India post January 09 acquisition

*before amortisation of intangible assets arising from business combinations

International Power Projects

Excluding pass-through fuel

| | REVENUE | | | TRADING PROFIT* | | |
|-------------------|-------------|-------------|---------------------------|-----------------|-------------|---------------------------|
| | 2009 \$m | 2008 \$m | Const Curr Change % | 2009 \$m | 2008 \$m | Const Curr Change % |
| First half | 313.4 | 223.9 | 40.0% | 104.4 | 59.1 | 71.8% |
| | | | <i>Trading Margin</i> | 33.3% | 26.4% | |

- Another strong performance with 72% increase in constant currency profit
- High level of extensions / low rate of mobilisations => record trading margin of 33% and return on capital of 36%
- New contracts include: 140MW Kenya, 100MW Saudi Arabia, 30MW Ethiopia, 26MW Iraq and 20MW Guadeloupe
- Revenue from gas-powered units increases 126%; ~150MW on hire at June 09
- Strong enquiry pipeline but order conversion on new projects still slow
- Expect business to continue to grow year-on-year in H2, but given very large number of new projects commissioned in H2 08, it will be at a noticeably slower rate

Outlook

- Conditions in Local business expected to remain challenging
 - Strong H2 in 2008 with US storms and Beijing Olympics making for tough comparators
- Recent contract awards will help IPP but growth rate will be noticeably slower in H2
 - Lower rate of net additions in H1 will continue in H2
- Business will continue to be highly cash-generative in H2
- Guidance unchanged:
 - We expect constant currency profits for 2009 to be at similar levels to 2008
 - At current FX rates => substantial increase in reported profits

2009 Interim Results Additional Information

2009 Interim Results

Revenue by Product (£m)

| | REVENUE | | | % OF REVENUE EXCL PASS-THROUGH FUEL | | |
|--------------------------------|---------|-------|-----------------|--|--------|--------------|
| | 2009 | 2008 | Const Curr % | 2009 | 2008 | Change pp |
| Power | 333.0 | 227.2 | 18.0% | 70.1% | 61.7% | 8.4 |
| Temperature Control | 41.9 | 43.5 | (21.1)% | 8.8% | 11.8% | (3.0) |
| Oil-Free Air | 10.8 | 11.9 | (28.2)% | 2.3% | 3.2% | (0.9) |
| Total Rental | 385.7 | 282.6 | 10.1% | 81.2% | 76.7% | 4.5 |
| Service Revenue | 89.1 | 85.7 | (13.2)% | 18.8% | 23.3% | (4.5) |
| Revenue excl pass-through fuel | 474.8 | 368.3 | 4.8% | 100.0% | 100.0% | |
| Pass-through fuel | 25.0 | 39.4 | (52.1)% | | | |
| Total Revenue | 499.8 | 407.7 | (1.1)% | | | |