ASHTEAD GROUP PLC

ANNUAL REPORT & ACCOUNTS

2002

realising our potential

"I am pleased that our overall performance exceeded the forecast in our previous trading statements. Although Sunbelt suffered a modest decline in operating profit this was a strong performance in difficult conditions as the US economy slipped into recession, particularly after September 11. A-Plant is now under new management and has reorganised its structure and its fleet. The current number of rental contracts is at its highest level in the UK for six months and in the US since last September."

"A-Plant is now in a much stronger position to compete and increase its market share. The recession of the early nineties was a catalyst for the growth of the rental market in the UK. In the same way, the current US recession is likely to prompt the acceleration of the shift from ownership to rental. This will give Sunbelt a huge opportunity over the next few years to continue to increase its current estimated 2.5% share in a market independently forecast to grow faster than the US economy as a whole."

George Burnett,
Chief Executive, Ashtead Group plc.

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A PLANT

SUNBELT RENTALS

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Chairman's Report

Results

In its trading statements of March and May, the Board envisaged a broadly breakeven second half to add to the £25.8m profit before exceptional items, goodwill amortisation and taxation earned in the six months to 31 October 2001. In the event the final outcome for the year was £28.9m. This compares with a profit before exceptional items, goodwill amortisation and taxation of £41.2m in the previous year. This decline reflects recessionary conditions in the Group's largest market, the United States, and a disappointing performance in the UK and Ireland.

In the former case, however, there is clear evidence that Sunbelt is outperforming its major competitors; in the latter, steps have been taken to secure improved performance by A-Plant.

Group revenues increased by 6% to £583.7m (£552.0m). After exceptional costs, principally the loss on the asset disposal programme announced last September and a tax credit (principally of deferred tax under FRS 19) of £19.2m, there was an after tax profit of £3.7m (2000/1 - £2.2m) giving earnings per share 1.1p (0.7p). Earnings per share based on the £28.9m profit before exceptional items, goodwill amortisation and taxation and a notional tax rate of 30 per cent were 6.2p per share (8.9p).

Dividend

During the Group's 15-year history as a public company, the dividend has been increased every year except one. That was ten years ago, in the middle of the severe UK recession, when the previous year's level was maintained. After nine years of dividend growth the Board believes an unchanged dividend to be again appropriate for the current year. A final dividend of 2.88p per share is therefore proposed, giving an unchanged total for the year of 3.5 pence per share (2000/1 - 3.5 pence per share). This represents an effective cover of 2.3 times on a cash basis (given that goodwill amortisation, the exceptional loss from the UK asset disposal programme and deferred taxation are non-cash items).

Board

The past two years have seen unprecedented change in the composition of the Group Board. Three of the four executive directors, Bruce Dressel, Ian Robson and Sat Dhaiwal, joined the Board in February 2000, June 2000 and March 2002 respectively. Chris Cole joined as an independent non-executive director in January 2002 and I became your chairman in August 2001. I should like to welcome Sat and Chris, who both joined in the past year, to the Board. Additionally George Burnett stepped up to become chief executive of the Group in February 2000 and has managed the business successfully through a highly challenging past twelve months.

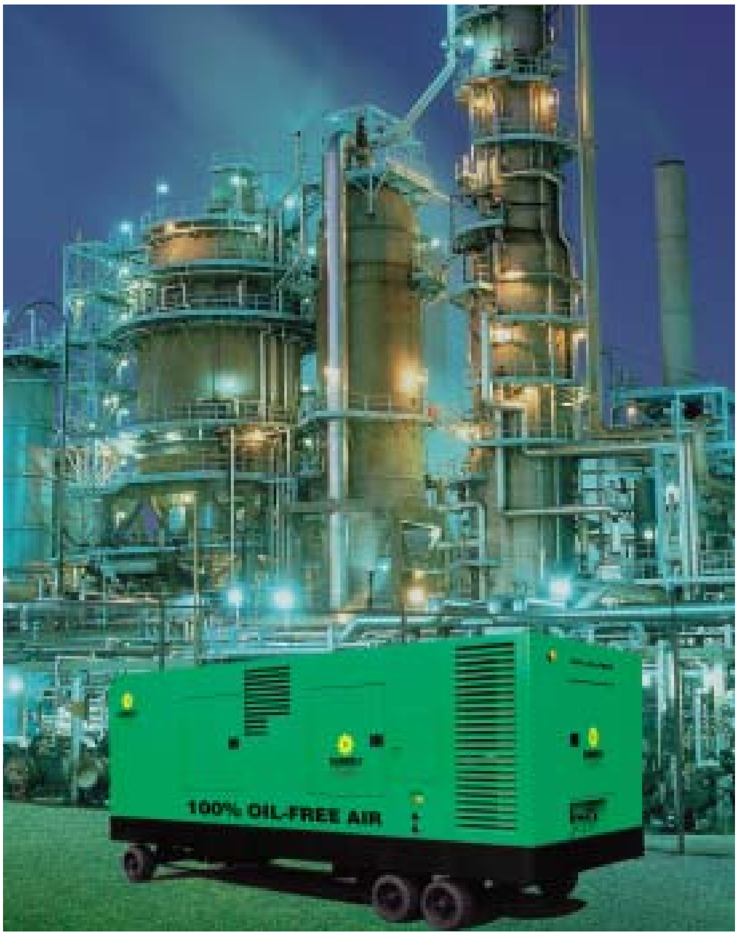
July 2001 saw the retirement of Peter Lewis, the Company's long serving chairman who co-founded the Company with George Burnett in 1984. We also said goodbye to Ted Forshaw who resigned as a director in March 2002 after many years service with A-Plant. Our thanks go to both of them.

Staff

Difficult years often bring out the best in a team and this year the Group's staff have risen to an immense challenge. The Board's appreciation and thanks are due to all of them.

Henry Staunton
Chairman
8 July 2002

ASHTEAD GROUP PLC



Chief Executive's Review

After a long period of growth, it is always difficult to report a disappointing profit performance. Only once before in our eighteen-year history have we encountered a similar situation, when we faced the UK recession of a decade ago. Then we looked to maximise the long-term future of the Company, not by closing businesses and wholesale lay-offs, but by continuing to invest selectively, competing aggressively in the market place and generating cash. We have applied the same principles in the current US recession. In the UK we have completed a fundamental review of the business with a view to improved and sustainable returns.

Sunbelt

Sunbelt Rentals, our US business, increased its revenues by 10.6% from £345.7m to £382.2m, achieving same store growth of 3.3%. As a result, it was able to consolidate its number 5 position in the $23bn US rental market as Sunbelt and the market leader were the only major players to achieve any like-for-like growth. Although Sunbelt suffered a modest decline in operating profit, this was a strong performance in difficult market conditions as the US economy slipped into recession, particularly after September 11. Operating margins, at a still healthy 14.9% given the trading conditions, were also adversely affected by the drag effect of opening 23 new locations during the year. Of these, 5 were "warm starts" - small bolt-on acquisitions - with the remainder being greenfield openings. With the BET acquisition fully integrated into the Sunbelt network and culture, the process of infill was started. Of the 23 new businesses, 17 were in areas supporting the former BET businesses. Sunbelt further consolidated its

current position and its future potential in the US rental market by being the only major player not to have a depot closure programme.

Capital expenditure on rental equipment in the year was £67.0m, significantly below the 2000/1 figure of £146.3m, and in line with its rental fleet depreciation of £67.4m. Fleet utilisation was maximised by meeting 64% of the capital needs of the 23 new businesses from existing resources (18% for 10 new businesses in 2000/1).

A-Plant

The past year was a difficult one for A-Plant. A marginal (0.9%) increase in first-half turnover was followed by an 8.8% fall in the seasonally slower second half and led to an annual decline in turnover of 3.9% to £187.0m (£194.5m) and a £12.1m reduction in operating profits to £13.0m due to the effects of operational gearing. Hire companies, such as A-Plant, with a significant customer base outside the construction industry have encountered a more difficult market, particularly in the manufacturing sector. In A-Plant's case, the strategic decision to discontinue lower margin, high-risk business and to rationalise its fleet also contributed to the reduction in turnover. This major logistical exercise, though a short-term distraction from its very scale, was completed on schedule by the year-end.

In March, Sat Dhaiwal, newly appointed Chief Executive of A-Plant, led an exhaustive review of the entire A-Plant rental fleet, including a physical examination of every asset not on hire to a customer. As a result, a number of under performing assets were added to the disposal programme taking the total exceptional charge to £32.6m. At the same time, A-Plant has been restructured. As a result of the changes, the specialist businesses, such as Powered Access, Accommodation, Rail, Welding and Power Generation, have been removed from the regional structure and are now managed by experts in their field who hold national profit accountability. The regional businesses in turn have been more closely focused on tool hire and general equipment at the national and local level and there has been an infusion of new management talent at the most senior level within the Company.

Two significant steps have been taken to secure additional revenues. The major accounts team, which has been successful in growing our business through sole and preferred supply agreements with national customers such as Transco and large regional players, has been increased from two to twelve. Secondly, A-Plant's small equipment businesses have been given a separate "Tool Hire Shops" identity and the rollout of this brand is already under way.

Capital expenditure on the rental fleet, significantly reduced since October 2000, was kept under tight control, amounting to £26.7m (2000/1 - £67.0m). This compared with depreciation on the rental fleet of £40.6m.

Ashtead Technology

Ashtead Technology increased its turnover by 22.9% in the year to £14.5m, of which like-for-like growth from the survey and inspection division was 11%. The year to 30 April 2002 was the first full year of ownership of the environmental testing division acquired in October 2000. This division, although entirely based in North America, held up well throughout the year achieving like-for-like sales up 3%. More importantly, its rental revenues increased by 17% reflecting reduced emphasis on lower margin sales business.

In the Survey and Inspection Division, the Far East and Australian markets were strong with offshore field development more than replacing subsea cable business lost in the collapse of the telecom market. The North Sea and Gulf of Mexico were slower in the second half although West Africa and Brazil provided some counterbalance.

Chief Executive's Review

Overall operating profits rose 13.8% in the year to £4.1m, with operating margins of 28.3% remaining strong.

Financial

Total capital expenditure in the year was £113.8m, less than half the previous year's figure of £237.7m. The average age of the rental fleet at 30 April 2002 was 41 months against an average working life for the equipment in the fleet of over 100 months. As noted above, the net cash inflow from operations in the year was a record £202.0m (£173.0m). This facilitated a like for like reduction of £48.5m of senior debt (as defined by the Group's banking agreements). Further substantial pay down of debt is anticipated in 2003 and 2004.

The Group operates mostly from leasehold properties. It manages its fleet of cars and commercial vehicles on a contract hire basis. It also has operating lease arrangements for minor items such as photocopiers and faxes. It has no other form of off balance sheet financing.

The Group did not breach any of its quarterly banking covenants in the year. However, given the changed economic

circumstances in the United States, the Group requested greater flexibility in its covenant package. The requested adjustments were unanimously approved by the Company's bank group in April. Total headroom against the Group's banking facilities as at 30 April 2002 was £66.8m.

The £19.2m tax credit for the year incorporates a minimal current tax charge and a deferred tax credit relating to the structure created to fund the BET acquisition. In cash flow terms the level of cash tax payments will be significantly less than ten per cent of profits for the foreseeable future.

Current trading & future prospects

Although the current number of rental contracts is at its highest level in the UK for 6 months and in the USA since last September, group turnover for the two months ended June 2002 was 6% down on a year on year basis at actual rates of exchange and 3% down at comparable rates of exchange, reflecting the fact that comparative group revenues declined throughout last year as economic conditions deteriorated. In the coming year, the Board anticipates the reverse of this trend with year on year growth expected to improve as the year progresses.

In the UK and Ireland, determining the future progress of the economy remains uncertain although overall a modest improvement is expected over the next 12 months. What is more certain is that A-Plant has in the past year addressed issues it needed to confront and is in a much stronger position to compete. Ashtead Technology should continue to make progress, although the offshore market will remain patchy in the coming months.

In the United States, the Board expects the market to be generally flat for the rest of 2002 with the possibility of improving conditions in early 2003. Sunbelt should, however, continue to gain market share. By retaining the integrity of its profit centre structure and investing in new businesses, Sunbelt has maintained its revenue line - crucial in a fixed cost business - just as the Group did a decade ago in the UK recession. A further five new profit centres are planned for the coming year. The recession of the early nineties was a catalyst for the growth of the rental market in the UK and of A-Plant in particular. In the same way, the current US recession is likely to prompt an acceleration of the shift from ownership to rental and give Sunbelt a huge opportunity over the next few years to continue to increase its current estimated 2.5% share in a market independently forecast to grow faster than the US economy as a whole.

George Burnett
Chief Executive
8 July 2002

Financial Review

Profit & loss account

Revenue

Total revenue grew by 5.7% to £583.7m. Sunbelt Rentals' revenue increased from £345.7m to £382.2m, a rise of 10.6% of which 5.5% was derived from the inclusion of BET USA (acquired 1 June 2000) revenues for an additional month in the current year. Same store revenues, being revenues from profit centres open throughout both financial years, grew 3.3%. A-Plant's total and same store revenues declined 3.9% from £194.5m to £187.0m whilst Ashtead Technology's revenues grew 22.9% from £11.8m to £14.5m with same store revenues growing 11.0%.

Staff costs

Staff costs constitute the largest single expense of the business and grew from £170.2m to £194.0m. Excluding growth in scaffold erection and dismantling staff costs, where there is a directly equivalent growth in revenue, staff costs grew 6.8% to £160.0m (£149.8m) reflecting the additional month of BET USA included this year and the 23 new profit centre openings in Sunbelt. The average number of employees has increased from 5,834 to 6,393 with 6,545 on the payroll at 30 April 2002. Staff costs include profit share paid of £9.0m (£13.2m).

Depreciation and gain on sale of fixed assets

	Rental equipment £m	*Other assets £m*	*Total £m*	2001 £m
Sunbelt Rentals	*67.4*	*3.6*	*71.0*	60.4
A-Plant	*40.6*	*5.1*	*45.7*	50.1
Technology	*4.2*	*-*	*4.2*	4.0
	112.2	*8.7*	*120.9*	114.5

The gain on sale of assets in the ordinary course of trading this year was £1.5m compared with £6.8m in the previous year.

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Segmental performance

	Revenues		Operating profit less finance lease interest		Net assets	
	2002	2001	*2002*	2001	*2002*	2001
	£m	£m	*£m*	£m	*£m*	£m (restated)
Sunbelt Rentals	*382.2*	345.7	*56.9*	64.1	*652.5*	615.8
A-Plant	*187.0*	194.5	*13.0*	25.1	*245.5*	283.6
Ashtead Technology	*14.5*	11.8	*4.1*	3.6	*12.9*	12.2
Redundant BET staff salaries	*-*	-	*-*	(2.5)	*-*	-
Prior year lease impact	*-*	-	*1.7*	(1.7)	*-*	(31.2)
Central items *	*-*	-	*-*	-	*(716.4)*	(678.3)
	583.7	552.0	*75.7*	88.6	*194.5*	202.1
Bank interest payable			*(39.2)*	(40.8)		
Convertible loan note interest			*(7.6)*	(6.6)		
Profit before exceptional items, goodwill amortisation & taxation			*28.9*	41.2		

** Net bank debt, finance lease obligations and convertible loan note plus deferred taxation*

This year the segmental analysis of profitability by business is based on the operating profit before exceptional items and goodwill amortisation of £81.3m less finance lease interest of £5.6m because this provides a better comparison between this year and last following the capitalisation this year of acquired BET leases. Adjustment has also been made for the prior year effect of the revised treatment. These adjustments are discussed further under acquisitions below.

On this basis, Sunbelt's profits declined by £7.2m in the year, reflecting the impact of the US economic downturn which was particularly noticeable in the second half. A-Plant's profits fell by £12.1m reflecting its 3.9% revenue decline and the competitiveness of its main markets. Technology continued to grow strongly although its second half was affected by the weak offshore market in the Gulf of Mexico and by a slow start to the season in the North Sea.

Net assets employed declined in A-Plant, reflecting the impact of the disposal programme, whereas the rise in Sunbelt relates to investment in expansion at its existing profit centres and to the net capital expenditure of £11.8m in the 23 new profit centres this year (comprising gross expenditure of £33.1m less equipment transferred from other profit centres of £21.3m).

Exceptional loss on disposal

The exceptional loss on disposal arose as a result of the programme, originally announced at the 2001 Annual General Meeting on 8 October 2001, to dispose of surplus assets in A-Plant. The increase of £2.6m in the final cost from the £30.0m estimated at the half year reflects further analysis undertaken by Sat Dhaiwal and the new A-Plant management team following his appointment on 4 March 2002. All assets subject to the programme have now been sold and the programme was completed on schedule by year-end.

Financial Review

Net interest payable and similar charges

	2002 *£m*	2001 £m
Bank interest payable (net)	*39.2*	40.8
Accrued interest amortisation on convertible loan note	*7.6*	6.6
Interest payable on finance leases	*5.6*	-
	52.4	47.4
Exceptional costs re bank facility	*3.0*	9.7
	55.4	57.1

Bank interest payable relates primarily to the interest payable on the variable rate, secured bank facility. Interest is payable under this facility at an average premium of 250 basis points over three month LIBOR for the currency in which the loan is drawn. Interest on US$250m of this bank debt has been fixed at 6.825% by three year forward interest rate agreements entered into in August 2000. The impact of these swaps is recognised rateably over their life as part of bank interest payable. The average borrowing rate experienced during the year on bank borrowings (including the premium) was approximately 7% (2000/1 - 9%) reflecting predominantly lower US interest rates.

Although no cash interest was payable on the convertible loan until the first anniversary of its issue (i.e. from 1 June 2001), accounting standards required the loan, which has a par value of £134m, to be recorded at its fair market value at date of issue and then amortised to bring the loan up to its £134m par value over its eight year life. This resulted in a non-cash interest charge of £6.6m in 2000/1 and an interest cost this year which reflects not only the 5.25% fixed interest amount actually payable to the loan note holder (£7.0m per annum) but also a further annual non-cash charge of approximately £0.6m.

Exceptional costs in relation to the bank facility in 2002 comprise variation fees payable in connection with (i) the adjustments made to bank covenants in July 2001 consequent upon adoption of new accounting policies and estimation techniques under FRS18 in the 2001 accounts and (ii) the adjustments made to bank covenants in April 2002 to provide greater future financial flexibility in light of the impact of the downturn in the US economy.

Profit/loss before tax

The result before tax under FRS 3 was significantly impacted by the UK exceptional loss to produce a loss of £15.5m (2000/1 - profit of £11.1m). Before exceptional items and goodwill amortisation, the profit before tax was £28.9m (2000/1 - £41.2m).

The reconciliation between these figures is as follows:

	2002 *£m*	2001 £m
Profit before tax before exceptional items and goodwill amortisation	*28.9*	41.2
Exceptional UK loss on disposal	*(32.6)*	-
Exceptional BET USA integration costs	*-*	(12.3)
Exceptional costs re bank facility	*(3.0)*	(9.7)
Goodwill amortisation	*(8.8)*	(8.1)
(Loss)/profit before taxation	*(15.5)*	11.1

Taxation

Reflecting one of the benefits of the capital intensive nature of the Group's operations the current tax charge for the year continues to be very low at £0.6m. There was also a prior year credit for current tax of £0.9m reflecting cautious provisioning now released following agreement of the tax computations for the affected years. The effective current tax rate is expected to remain at very low levels (significantly less than ten percent) for the foreseeable future due to the continuing availability of tax losses in the US and unclaimed tax depreciation in the UK and to benefits arising from the structure of the BET USA acquisition.

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The new UK standard on deferred tax, FRS 19, which requires full provision to be made for deferred tax as opposed to the partial provision method previously applicable under SSAP 15, came into effect this year. Adoption of FRS 19 has been dealt with as a prior period adjustment and increases the deferred tax provision at 30 April 2001 from £4.0m previously reported to a restated £66.0m at that date and to £41.1m at 30 April 2002 but has no impact on the amount of tax the Group will actually pay in years to come.

Under FRS 19 the Group's full year effective tax rate (for the current year element of the tax charge) is 11%, which is lower than the UK statutory rate due to tax benefits arising from the structure set up to fund the BET USA acquisition. It is also lower than the effective tax rate estimated at the half year because of revisions to the assumptions underlying the calculation of these benefits. The prior year deferred tax credit also relates to tax benefits deriving from the structure used to fund the BET USA acquisition not previously recognised but, in this case, for benefits in respect of the 2000/1 year. Overall the total tax credit for the year is £19.2m of which £0.3m is the net current tax credit and £18.9m is the deferred tax credit (2000/1 - a total restated tax charge of £8.9m).

Earnings per share

Basic earnings per share computed by reference to the FRS 3 result was 1.1p per share (2000/1 - 0.7p per share). Earnings per share computed on the pre-tax profit before exceptional items and goodwill amortisation and a notional tax rate of 30 per cent were 6.2p per share (2000/1 - 8.9p per share).

Dividend

Subject to approval of the final dividend by shareholders, the dividend per share has been maintained at 3.5p per share for the year as a whole. If approved, the final dividend of 2.88p per ordinary share will be paid on 30 September 2002.

Financial Review

Balance sheet

Fixed assets

Total additions to fixed assets in the year were £113.8m (2001 - £237.7m) of which £98.0m (2001 - £217.5m) was spent on rental equipment as follows:

	2002			2001		
	Expansion £m	*Replacement £m*	*Total £m*	Expansion £m	Replacement £m	Total £m
Sunbelt	*30.8*	*36.2*	*67.0*	91.0	55.3	146.3
A-Plant	*10.6*	*16.1*	*26.7*	36.3	30.7	67.0
Technology	*3.4*	*0.9*	*4.3*	3.3	0.9	4.2
	44.8	*53.2*	*98.0*	130.6	86.9	217.5

Capital expenditure was less than half that of 2001 reflecting the US economic slowdown and the continuation of the policy of restricting UK investment in place since October 2000. For the first time since the UK recession of the early nineteen nineties, capital expenditure at £113.8m was lower than the depreciation charge of £120.9m.

Despite lower capital expenditure, the Group retains a relatively young rental fleet with an overall age at 30 April 2002 of 41 months (comprising Sunbelt of 41 months and A-Plant of 43 months). In the coming year the Group currently anticipates that capital expenditure will again fall below the level of the depreciation charge and will amount to approximately £75m. This will still be sufficient to complete a significant replacement programme and gives an estimated average overall fleet age of 49 months at 30 April 2003 compared with the estimated average working life for the equipment in the fleet of over 100 months.

Current assets

Stocks of resale items, parts and consumables reduced by 15.7% to £12.9m (2001 - £15.3m) and trade debtors were 11.9% lower at £110.7m (2001 - £125.7m). Debtor days for the Group have improved from 64 days last year to 58 days at 30 April 2002. The bad debt charge as a percentage of turnover was 1.4% (2001 - 1.2%).

Trade and other creditors

Group creditor days declined from 132 days at 30 April 2001 to 85 days at 30 April 2002 reflecting the lower capital expenditure this year. Suppliers continue to be paid in accordance with the individual payment terms agreed with each of them. The total amount payable within trade creditors, bills payable and accruals at 30 April 2002 directly attributable to the purchase of rental equipment is £60.7m (2001 - £150.2m).

Acquisitions

Note 22 to the accounts summarises the goodwill on acquisition arising in the year. This comprises goodwill of £2.8m arising on two small acquisitions made in the year by Sunbelt, which contributed 5 profit centres of its 23 new profit centres in the year and £2.5m related to adjustments made to the provisional fair values established last year in respect of the BET USA acquisition.

The largest of these adjustments relates to capitalising acquired rental equipment held under leases entered into by BET USA in the period from 1997 to 1999. As we completed the hindsight review of the acquired BET assets required this year by accounting standards, it became apparent that the terms of these leases were such as to make it highly uneconomic to return the equipment to the lessor at the conclusion of their minimum committed term because the total amount paid under the lease in these circumstances substantially exceeds the reduction in market value of the equipment in the lease period and a reasonable interest cost. Instead the alternative option of buying out the leases or extending the initial lease term is significantly more economic.

Although these leases were treated as off balance sheet operating leases by BET USA, our view is that it is more appropriate to treat them as finance leases under the relevant UK leasing standard, SSAP 21. Applying this treatment has resulted in our bringing these leased assets and the related finance lease obligations onto the balance sheet. It also means that, unlike most of Sunbelt's quoted US competitors (who use off balance sheet leases fairly extensively), all of the Group's rental fleet is now on balance sheet.

As explained further in note 22 to the accounts, as a consequence of this treatment, the 2001/2 profit and loss account includes not only the depreciation and finance lease interest relating to the current year for these leases but also the equivalent amounts for the 11 months ended 30 April 2001 offset in that case by the rentals paid for the same period which were previously expensed as incurred as operating lease rentals. The net effect is that 2001/2 profits before taxation include a net credit of £1.4m (£1.7m before goodwill amortisation) which would have been accounted for in the 11 months ended 30 April 2001 had the leases been treated as finance leases in that year.

As described under Segmental performance above, we have based this year's analysis of profitability by business on the operating profit before exceptional items and goodwill amortisation less finance lease interest to reflect the change in accounting treatment applied to the leased assets this year.

Cash flow and net debt

Net cash inflow from operations rose 16.8% to £202.0m (2000/1 - £173.0m). This reflected good control of working capital, particularly receivables, throughout the year.

Interest paid in the year rose to £50.4m (2000/1 - £46.4m) and there was a small tax payment of £0.7m (2000/1 - refund of £1.7m). Cash payments to acquire fixed assets were at a similar level to the previous year (£203.3m v £202.6m in 2000/1) due to the delayed effect of the payment terms the group enjoys with its rental fleet suppliers.

In the forthcoming year, the halved level of capital expenditure in 2001/2 compared with 2000/1 will result in payments to acquire fixed assets broadly halving from this year's £203.3m and will mean that cash payments to acquire fixed assets will be below the depreciation charge in 2002/3, contributing significantly to the Group's debt reduction plans.

Despite the lower expenditure on acquiring fixed assets, proceeds earned from the sale of fixed assets increased from £38.3m to £39.2m. This, however, included proceeds of £4.9m from the UK disposal programme (less disposal costs of £1.1m) and £8.8m generated in the first half from the UK vehicle fleet which was moved onto a serviced lease basis similar to that already used by Sunbelt Rentals. Net of these non-recurring factors disposal proceeds totalled £26.6m, still a good result relative to the £38.3m of 2000/1 in a year when capital expenditure on new assets more than halved.

Financial Review

Net debt

	2002 *£m*	2001 £m	*Increase/(decrease)* *£m*
Net bank debt	*515.0*	484.4	*30.6*
Bills of exchange	*11.6*	90.7	*(79.1)*
Net bank debt and bills of exchange	*526.6*	575.1	*(48.5)*
5.25% convertible loan note, due 2008	*129.7*	127.9	
	656.3	703.0	
Finance lease obligations	*30.6*	-	
Total debt including bills of exchange	*686.9*	703.0	

As forecast in the interim statement, net bank debt peaked at 31 October 2001 at £527.6m. The reduction in the second half from this figure was £12.6m.

Taking net bank debt and bills of exchange (the form in which much of the long credit terms provided by equipment vendors is held) together - which is the measure of senior debt used under our banking agreements - debt was reduced by £48.5m over the year as a whole. This comprised a reduction of £29.1m in the first half and a further reduction of £19.4m in the seasonally weaker second half of the year.

Including finance lease obligations on the BET USA equipment rental leases which have now been brought on balance sheet as discussed under acquisitions above and the 5.25% unsecured, convertible loan note, due 2008, total debt was £686.9m at 30 April 2002 (2001 - £703.0m).

The halved capital expenditure in the year to 30 April 2002 and the £75m capital expenditure currently anticipated for the year to 30 April 2003 are expected to produce further and accelerating debt repayments in 2002/3 and 2003/4.

Bank loan facilities

The Group's principal bank facility is the US $825m committed long term secured multi-currency loan facility entered into at the time of the BET acquisition on 1 June 2000. Interest is payable on this facility at variable rates linked to underlying market rates traded in the London interbank market.

At 30 April 2002 £506.7m (2001 - £483.0m) was drawn under the facility with the remainder of the commitment (£56.9m) undrawn. £254.4m is drawn under a seven year medium term loan committed to 1 June 2007 with the remainder (£252.3m) drawn under a 364 day revolving credit agreement which is committed until 1 June 2005. The facility is repayable at maturity except that there is a notional 1% amortisation of the term loan each year on the anniversary of its issue (US$3.75m) and the revolving facility reduces in two tranches of US $50m each on 1 June 2003 & 2004. Accordingly both the amounts drawn under the medium term loan and under the revolving credit agreement are presented in the balance sheet under creditors due in more than one year (other than in respect of the 1% medium term loan amortisation due on 1 June 2002) because the year end drawings under the revolving credit facility were replaced by new drawings under the same committed facility when they matured.

The facility is secured by means of fixed and floating charges over substantially all of the Group's assets. Under the terms

of the facility, the Group is required to demonstrate compliance with certain financial covenants comprising the ratios of EBITDA to interest and to senior and total debt levels and the ratio of debt levels to the value of tangible assets on a quarterly basis. None of these quarterly covenants was breached during the year ended 30 April 2002. Adjustments to the covenants were agreed unanimously by the bank group in April 2002 to provide greater financial flexibility in the light of the US economic downturn.

The Group also has two secured but uncommitted bank overdraft lines provided alongside the main secured facility. At 30 April 2002 £8.5m was outstanding under these facilities leaving £9.9m undrawn. Thus headroom at 30 April 2002 under all the Group's facilities (committed and uncommitted) was £66.8m.

5.25% unsecured convertible loan note, due 2008

Part of the consideration for the BET USA acquisition was satisfied by the issue of the £134m nominal value 5.25% unsecured convertible loan note, due 2008 which is currently held by the vendor, Rentokil Initial PLC. No interest was payable on this loan note in its first year of issue but from 1 June 2001 it has borne interest at a fixed discounted rate of 5.25% per annum. It is convertible into 89.3m ordinary shares at any time after 1 June 2001 at the holder's option (giving an effective conversion price of 150p per share) and is repayable at par in June 2008 if not previously converted. Rentokil are unable to transfer the convertible without Ashtead's consent and certain orderly marketing restrictions also apply to ordinary shares issued through conversion.

Accounts receivable securitisation

On 14 June 2002 the Company and certain of its subsidiaries completed a rolling £60m accounts receivable securitisation with Banc of America Securities. Under the securitisation programme, which funded on 20 June 2002, the Group receives non-recourse funding of up to £60m secured against its UK and US receivables. This new source of funding, which is committed until the revolver commitment date of 31 May 2005, carries an effective funding cost of approximately 135 basis points over US dollar LIBOR which compares to the average premium of 250 basis points on borrowings under the senior credit facility - £60m of which was repaid on a pro-rata basis with the agreement of the Company's bank group concurrently with the initial funding of the securitisation programme which raised £59.4m.

The securitisation programme therefore provides both a significant reduction in the level of Ashtead's borrowings under the Senior Credit Agreement and a new source of funding at lower cost.

Pensions

The Group operates pension plans for the benefit of its employees and made contributions totalling £2.7m to these plans in the year. These plans are defined contribution plans except for the plans covering UK employees which were operated on a defined benefit basis. Take up rates amongst UK employees have historically been low with only 661 UK employees out of a total of 2,511 being contributory members of the plan at 30 April 2002.

Pension plan provision in the UK was reviewed during the year as a result of which it was determined to close the existing UK defined benefit plan to new members and to offer a new defined contribution plan to UK staff compliant with the UK Government's stakeholder initiative. After an extensive briefing and consultation exercise, 556 employees elected membership of the new plan which commenced operation on 1 May 2002. The Company provides an employer's contribution of 5% of salary on a matching basis to the new plan.

The latest triennial valuation of the existing UK defined benefit plan (as at 30 April 2001) was completed in the year. This showed a deficit of 6% (measured as the shortfall in assets compared with liabilities) under the best estimate assumptions required to be

Financial Review

used under SSAP 24 for accounting purposes and 16% under the conservative assumptions used by the actuary for funding purposes. In consequence the employer's contribution was increased from 5% to 11% of salary effective 1 November 2001 which was the level recommended by the actuary to address the funding shortfall.

This year disclosure is also required for the first time under the transitional provisions of the controversial new UK accounting standard on pensions (FRS 17) of the actuarial position of the plan updated to 30 April 2002. In providing this disclosure, FRS 17 requires use of actuarial methods and assumptions which differ from those used by the actuary for the triennial valuations used for funding purposes. Reflecting these differences and the poor performance in the past year of the UK stock market (in which most of the plans' assets are invested) the deficit in the Company's defined benefit plans at 30 April 2002 on the basis required by FRS 17 was £7.1m.

Operating statistics

	Profit centre numbers		Year end staff numbers	
	2002	2001	*2002*	2001
Sunbelt Rentals	*188*	163	*3,886*	3,471
A-Plant	*268*	273	*2,573*	2,498
Ashtead Technology	*7*	7	*71*	61
Corporate office	*-*	-	*15*	13
	463	443	*6,545*	6,043

During the year Sunbelt established 23 new depots, including five through acquisition. Additionally a further two new profit centres were established to enable specialist activities to be managed and reported separately from general businesses. To increase operational efficiency A-Plant merged five previously separately managed profit centres in the year into other profit centres operating at the same sites.

Financial instruments

The Group's financial instruments comprise borrowings, some cash and liquid resources, and various items such as trade debtors, trade creditors and bills of exchange payable, etc., that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Group's operations.

In addition to the foregoing, on 24 August 2000 Ashtead Group plc entered into forward rate agreements with LloydsTSB Bank plc and Bank of America under which the variable interest rates payable under the bank facility on a total of US$250m of borrowings were exchanged for a three year fixed interest rate of 6.825%.

Derivative transactions are only undertaken for the purposes of managing funding and managing interest rate risk and currency risk. The Group does not trade in financial instruments. The main risks arising from the Group's financial instruments are interest risk, liquidity risk and foreign currency risk. The Board reviews and agrees objectives and treasury policies for managing each of these risks and they are summarised below.

Interest rate risk management

The Group's interest rate management policy is to use a combination of fixed and variable rates of interest to provide some element of protection against sudden changes in the level of interest rates. New derivative transactions are only entered into with the authority of the Group's Finance and Administration Committee and the Finance Director provides a regular report on treasury matters to each Board Meeting in which the need for new derivative transactions is reviewed and discussed. At 30 April 2002 some 49% of the Group's borrowings were at fixed rates (comprising $250m of the bank

debt on which interest rates have been fixed for three years from August 2000 as described above and the £134m convertible loan on which interest is fixed at 5.25%).

Liquidity risk

The Group's policy is to ensure continuity of funding which is currently provided through the $825m committed secured loan facility and the eight year convertible loan with the result that all the Group's loan facilities (other than short term overdrafts) currently have a maturity of at least four years although the amount available for borrowing reduces by $50m at each of 30 April 2003 and 2004. At 30 April 2002, £56.9m remained undrawn under the Group's committed borrowing facilities. The Group anticipates that borrowing levels will fall in the coming year reflecting lower levels of capital expenditure.

Foreign exchange risk management

With a significant portion of the Group's operations based outside the UK, the Group faces currency risk on its non-sterling net assets as the translation of overseas subsidiaries can have a considerable effect on the Group's reported net assets. The main exposures are to the US dollar and the Euro (Irish punt) exchange rates against sterling.

The Group seeks to mitigate the effect of these structural currency exposures by matching the currency of third party borrowings against the currency of earnings generated from assets. At 30 April 2002, total net borrowings of £675.8m were drawn as to a net £481.6m in US dollars, £15.4m in Euros and £178.8m in sterling.

The Group's exposure to exchange rate movements on trading transactions is relatively limited. All Group companies invoice revenues in their respective local currency and generally incur expense and, except in the Republic of Ireland, purchase assets in their local currency. Consequently the Group does not routinely hedge either forecast foreign exchange exposures or the impact of exchange rate movements on the translation of overseas profits into sterling. Foreign exchange risk on significant non-trading transactions (eg acquisitions) is considered on an individual basis.

Counterparty risk

The Group is exposed to credit risk related losses in the event of non-performance by a counterparty to its interest rate hedging financial instruments. This risk is managed by entering into derivative transactions only with institutions with a strong credit rating and by limiting the total exposure to any single counterparty. At 30 April 2002 the counterparties to the Group's interest rate hedging transactions were LloydsTSB Bank plc and Bank of America who are not expected to fail to meet their obligations.

Ian Robson

Ian Robson
Finance Director
8 July 2002

Operational Review - Sunbelt Rentals

Markets

This was a year that I believe showed the true skills and determination of the US management team in a difficult US economy. While reacting to the difficult economy we focused first on the customer and then on matching investment in rental fleet to current demand.

We reduced overall capital expenditure by over 50% and transferred under-utilised fleet to the 23 new profit centres opened this year, 5 of which were acquisitions. We achieved same store sales growth of 3.3% and overall growth of 10.6% in a year when most of our peers showed both negative same store sales and overall growth. I am proud of the entire Sunbelt team and what they have accomplished over the past year.

This coming year we will continue to keep a watchful eye on capital expenditure while maintaining our strict fleet replacement policy. Our growth capital will be focused on products that allow us to expand our product offerings and broaden our customer range while enhancing return on invested capital. On 1 May 2002, we completed the consolidation of our accounting and IT functions from three regional facilities to one central facility located in Charlotte, North Carolina. This new efficient structure has allowed us to deliver a greater level of service to the field while focusing on continued cost reduction.

During the past year we have increased our profit centre network from 163 to 188 firmly positioning us in the 26 states (covering some 75% of the total US population) from which we now operate. We will continue the process of developing our general products by clustering profit centres in good markets whilst also investing in expanding our specialist businesses. For example, our specialist Pump and Power profit centres now number 13 stores. Whilst these represented only 5% of our total revenues in the year, the division grew its revenues 43% over the previous year. This year I believe the Pump and Power team can continue significantly to outperform our overall growth.

Another specialist business is Scaffold Services which we acquired through the BET acquisition and strengthened this year by acquiring a two branch business in the southeast. It represented 16% of our total business in the year ended 30 April 2002. We now have what I believe is the most operationally skilled management team in the US scaffold industry. There are three things that are exciting about this business: the higher returns on capital that it delivers; the overall growth opportunities that it presents; and the access that it has given, and will continue to allow us, to strategic industrial customers to whom we can then rent our whole range of products and services.

Prospects

Entering this year, Sunbelt, on a profit centre by profit centre basis, is operationally stronger than it has ever been. Anticipating a flat economy, our plans for the coming year are for only five greenfield openings, continued focus on investment in higher return assets and on improving the overall cost efficiency of our business. Regardless of the economy we expect, as in this past year, to see continued market share gains across all key areas of our business.

Bruce Dressel
President and Chief Executive
Sunbelt Rentals
8 July 2002

SUNBELT
RENTALS

Operational Review - A-Plant

Results

As reported at the half-year, the market in general equipment rental remained competitive and this, along with our strategic decision to reduce our exposure to certain high volume, low return markets, resulted in a 3.9% reduction in revenues year-on-year.

Operating profits were down 48% from £25.1m to £13.0m. Capital expenditure was reduced by 60% from £67.0m to £26.7m and will continue to be linked to our focus on return on investment.

This was a year of consolidation as we addressed a number of internal issues such as the exceptional equipment disposal programme. Although overall the year has been difficult with the time spent on internal issues acting, in some cases, as a distraction to the business, I am pleased to say that the necessary actions are now completed.

Prospects

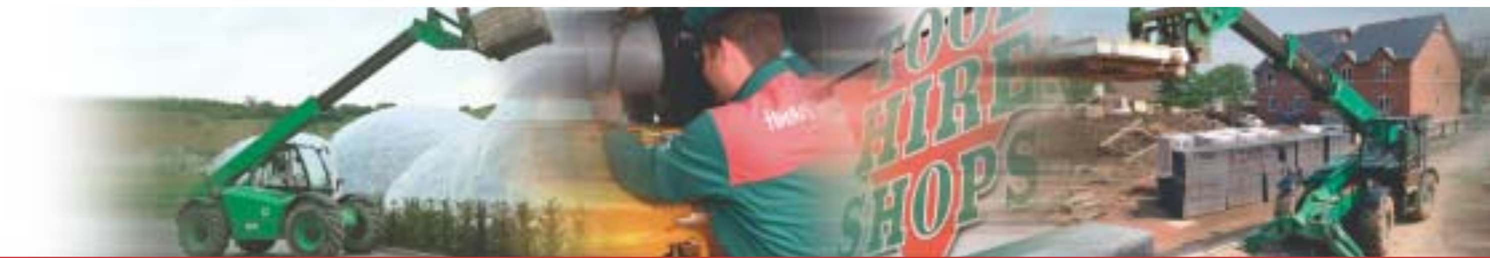
Looking ahead, the new structure of A-Plant, which I introduced, is now fully operational and gives us the ability to focus on our three core business areas: Main Plant (general equipment), Tool Hire and Specialist Products.

Four operating divisions, A-Plant North, South, Midlands and Ireland, will develop the Main Plant and Tool Hire businesses geographically. Specialist Products, which was previously part of the regional structure, includes Rail, Power Generation, Pumps, Welding, Accommodation, Powered Access, Acrow (formwork and falsework), Groundcare, Big Air, Trenchless Technology and Traffic, will be run, for the first time, on a national basis by senior managers, experts in their field, with appropriate authority and profit accountability. This will give us greater flexibility in servicing and meeting customers' needs as well as real focus on these specialists markets, in many of which we have a top five market position.

Our expectation for the coming year is that the Main Plant market will continue to remain competitive but that there will be good opportunities in many of our Specialist Products and Tool Hire businesses to improve market share and hire rates.

A-Plant now has 73 dedicated Tool Hire locations in the UK with a further 65 Main Plant locations also offering Tool Hire as part of their general plant fleet. Despite this number of locations putting us in the top ten nationwide, A-Plant is not perceived as a major player in the Tool Hire market. Instead, customers' perception of A-Plant is of the core Main Plant products such as diggers, dumpers and rollers. Therefore, during the next six months, we will be re-branding our dedicated Tool Hire locations as 'Tool Hire Shops', a brand name we have owned (but not used) for many years. This will help in changing customers' perceptions and allow us to focus with a dedicated management team and staff on increasing our share of this market.

National accounts and large regional accounts continued to grow and represented 25% of total revenues in 2001/2. We believe we are one of very few companies in the UK who can offer the full range and breadth of product to support such customers' wish to outsource their equipment needs. We were pleased to be appointed sole supplier to Transco in April under an agreement estimated by our customer to be worth some £4m annually. We will continue to use our market leadership to develop our major account business as our large customers themselves increase their businesses through, inter alia, winning large PFI projects. Accordingly, in the April 2002 reorganisation, we restructured and enlarged our major accounts sales team to help us better serve this market.



This does not, however, mean that the local marketplace is being ignored. Our business has always been built on the foundation of local business and relationships between our profit centres and customers. That is why we have a manager at every one of our locations empowered to make decisions on developing business in their market. It is also why, after a period of experimentation last year when we managed the local salesforce on a regional basis, we reverted in my recent reorganisation to a structure where the local salesman is part of the profit centre team and reports to the profit centre manager.

The future progress of A-Plant will result from a focused and committed management team along with the continued hard work by all our highly motivated profit centre staff who are intent on improving turnover, profitability and return on investment.

Sat Dhaiwal
Chief Executive, A-Plant
8 July 2002

Operational Review - Ashtead Technology Rentals

Markets

Offshore & Inspection

Overall the business achieved 11% revenue growth in the year. All three offshore and inspection businesses have benefited from our ability to react to local demands by moving equipment quickly and efficiently between locations. This ability to match availability and demand profiles has led to improved utilisation of our assets worldwide.

Our Aberdeen operation, which deals with Europe and Africa, had a mixed year. The North Sea sector had a very good start to the year with a poorer second half whilst the West African deepwater market was strong and consistent throughout the year. Pricing remained very competitive in our major product areas as there was strong pressure in the market for reduced prices both from our customers and our competition. An enhanced marketing effort has enabled us to maintain our market share.

Singapore performed well with the recovery in the Far East economies continuing to drive a demand for energy. This increased demand in the field development market has more than replaced the subsea cable business lost in the collapse of the telecom market. There has been considerable strength in this offshore market recovery as demand has come from across Australasia. Our inspection business achieved growth throughout the region.

Houston, like Aberdeen, had an excellent start to the year followed by a slower second half. As the year progressed, offshore saw a significant decline in field development related work. The inspection business was generally robust throughout the year but there was some slackness in the second half of the year due to a slowdown in offshore activity as the US economy slowed down.

Environmental

We have now had our first full year of results from the environmental instrument rental business we purchased in October 2000. Like for like total revenues were up 3% overall but more importantly like for like rental revenues grew 17% reflecting a reduced emphasis on lower margin sales business. The four locations in North America that came with the business have all increased their profitability. Although there was an overall decline in the US environmental market, our own performance continued to improve as our marketing initiatives and selective asset investments following the acquisition helped us to increase market share.

Both our UK and Singapore operations have started to develop their environmental fleets to meet their local market demands.

Prospects for the coming year

Offshore we expect the UK sector of the North Sea to remain subdued following tax changes announced in the April Budget. We anticipate a slight improvement in the Norwegian sector and continued strength in West Africa. The Gulf of Mexico will remain quiet overall but we will see additional work from South America, primarily Brazil, and from Eastern Canada. In South East Asia we expect to see moderate growth from the current high base.

We are forecasting that our inspection business will maintain growth in all geographical areas, the most promising area for development again being the onshore segment of our inspection market.

In Environmental the prospects remain bright in spite of the weakness in the overall US economy. We expect this year to

add to the number of locations supplying these instruments.

Overall the outlook for our technology based business looks promising. We have in place the necessary procedures, marketing, product range and, above all, good people to continue to make this business a success.

Rob Phillips
Chief Executive
Ashtead Technology Rentals
8 July 2002

Directors

1. Henry Staunton, Non-executive Chairman

Aged 54, Henry Staunton, BA, FCA, is Finance Director and Deputy Chairman, Media Ventures of Granada plc. He is also Chairman of the Nominations Committee and a member of the Audit and Remuneration Committees.

Executive directors

2. George Burnett, Chief Executive

Aged 55, George Burnett, MA, LLB, CA, was Managing Director from May 1984 until being appointed Chief Executive in February 2000. He is a non-executive director of Henderson Strata Investments plc and Chairman of the Governors of the Surrey Institute of Art and Design, University College.

3. Ian Robson, Finance Director

Aged 43, Ian Robson, BSc, FCA, was appointed Finance Director on 26 June 2000 having joined the Group on 22 May 2000. For the preceding four years he held a series of senior financial positions in Reuters Group Plc and before that he was a partner of Price Waterhouse (now PricewaterhouseCoopers).

4. Bruce Dressel, President and Chief Executive Officer, Sunbelt Rentals

Aged 38, Bruce Dressel is President and Chief Executive Officer of Sunbelt Rentals Inc, the Group's equipment rental division in the USA. Bruce Dressel has some 20 years experience in the industry and joined the Group on the acquisition of the business of McLean Rentals in March 1996. The re-election of Bruce Dressel, who retires by rotation in accordance with the Articles of Association, as a director of the Company will be proposed at the Annual General Meeting.

5. Sat Dhaiwal, Chief Executive Officer - A-Plant

Aged 33, Sat Dhaiwal was appointed a director of the Company and Chief Executive Officer of A-Plant on 4 March 2002. Sat Dhaiwal has spent his career to date in the UK hire industry and joined A-Plant in 1993 as a manager of one of its profit centres. He was promoted to trading director in 1995 and Managing Director of A-Plant East, one of A-Plant's four operational regions, in 1998. Having been appointed by the directors, Sat Dhaiwal retires in accordance with the Articles of Association and his election will be proposed at the Annual General Meeting.

Directors

Non-executive directors

6. Alan Wheatley, Deputy Chairman and senior independent non-executive director

Aged 64, Alan Wheatley, FCA, is currently Chairman of Special Utilities Investment Trust plc and a non-executive director of Babcock International Group Plc, ComXo plc and of IntaMission plc. He is Chairman of the Remuneration Committee and a member of the Audit and Nominations Committees.

7. Philip Lovegrove, Independent non-executive director

Aged 64, Philip Lovegrove, LLM, is Chairman of VTR plc and a non-executive director of Environmental Polymers plc and Fiske plc. He is Chairman of the Audit Committee and a member of the Remuneration and Nominations Committees. The re-election of Philip Lovegrove, who retires by rotation in accordance with the Articles of Association, as a director of the Company, will be proposed at the Annual General Meeting.

8. Chris Cole, Independent non-executive director

Aged 55, Chris Cole, C.Eng, FCIBSE, is Chief Executive of WSP Group plc. He is a member of the Audit and Remuneration committees. Having been appointed by the directors on 10 January 2002, Chris Cole retires in accordance with the Articles of Association and his election will be proposed at the Annual General Meeting.

Details of the Directors' contracts, emoluments and share interests can be found in the Report of the Remuneration Committee on pages 32 to 37.

Company secretary

9. Robert Clark,

Aged 58, Robert Clark, FCA, ATII, joined the Group in August 1991 as Group Corporate Controller and was appointed Company Secretary in May 1997.

Advisers

Auditors

PricewaterhouseCoopers
1 Embankment Place
London WC2N 6NN

Registrars & Transfer Office

Lloyds TSB Registrars
The Causeway
Worthing
West Sussex BN99 6DA

Financial PR Advisers

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London EC1A 4ES

Principal Bankers

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London EC3M 1LL

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London E1 8DE

Bank of America
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Charlotte
North Carolina 28255

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London
E1Y 8YY

Parker, Poe, Adams & Bernstein LLP
Three First Union Center
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Charlotte
North Carolina 28202

Speechly Bircham
6 St Andrew Street
London EC4A 3LX

Joint Brokers

Schroder Salomon Smith Barney
Citigroup Centre
33 Canada Square
Canary Wharf
London E14 5LB

WestLB Panmure Limited
Woolgate Exchange
25 Basinghall Street
London EC2V 5HA

Directors' Report

The Directors present their report and the audited accounts for the financial year ended 30 April 2002.

Principal activities

The principal activity of the Company is that of an investment holding and management company. The principal activity of the Group is the rental of equipment to industrial and commercial users.

Trading results & dividends

The Group's consolidated loss before taxation for the year is £15.5m (2000/1 - profit of £11.1m). A review of the Group's performance is given on pages 2 to 23.

An interim dividend of 0.62p per ordinary share was paid on 6 April 2002. The directors recommend that a final dividend of 2.88p per ordinary share amounting to £9.3m be paid to the holders of the ordinary shares and that the retained loss of £7.6m be transferred to reserves. If approved, this dividend will be paid on 30 September 2002 to ordinary shareholders on the record at 6 September 2002.

Share capital

The following shareholders 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 28 June 2002
	%
Schroders Investment Management Limited	11.5
AMVESCAP	8.6
Henderson Investment Management Limited	6.5
Lazard Asset Management Limited	5.4
JM Harvey	5.0
UBS Asset Management Limited	4.1
GB Burnett	4.1
Barclays Bank plc	3.7
Aegon Asset Management	3.3
Capital Group of Companies	3.0

Share option schemes

At 30 April 2002, the following shares were subject to option:

Discretionary schemes	*Number of shares*	*Option price per share*
Exercisable between 16 September 1995 and 16 September 2002	524,676	14.870p
Exercisable between 26 August 1997 and 26 August 2004	996,500	61.440p
Exercisable between 27 September 1998 and 27 September 2005	1,134,694	72.535p
Exercisable between 27 February 2000 and 27 February 2007	441,500	134.665p
Exercisable between 27 February 2000 and 27 February 2007	1,297,700	132.250p
Exercisable between 3 February 2001 and 3 February 2008	305,700	191.200p
Exercisable between 5 February 2001 and 5 February 2008	2,463,500	184.200p
Exercisable between 5 January 1998 and 5 January 2004 *	2,248	170.370p
Exercisable between 24 February 2002 and 24 February 2009	522,450	177.830p
Exercisable between 26 February 2002 and 26 February 2009	1,111,600	172.500p
Exercisable between 22 February 2003 and 22 February 2010	1,076,000	102.000p
Exercisable between 8 March 2003 and 8 March 2010	363,500	101.840p
Exercisable between 8 August 2003 and 8 August 2010	920,500	102.500p
Exercisable between 16 August 2003 and 16 August 2010	29,500	101.670p
Exercisable between 9 February 2004 and 9 February 2011	3,424,140	125.000p
Exercisable between 26 February 2004 and 26 February 2011	524,000	124.500p
Exercisable between 26 February 2005 and 26 February 2012	4,626,000	41.500p
	19,764,208	

Directors' Report

SAYE scheme	*Number of shares*	*Option price per share*
Exercisable between 1 April and 30 September 2002 (5 year contract)	545,136	98.000p
Exercisable between 1 April and 30 September 2003 (5 year contract)	65,551	152.140p
Exercisable between 1 April and 30 September 2002 (3 year contract)	75,545	133.600p
Exercisable between 1 April and 30 September 2004 (5 year contract)	19,700	133.600p
Exercisable between 1 April and 30 September 2003 (3 year contract)	201,206	81.340p
Exercisable between 1 April and 30 September 2005 (5 year contract)	143,690	81.340p
Exercisable between 1 April and 30 September 2004 (3 year contract)	103,791	94.800p
Exercisable between 1 April and 30 September 2006 (5 year contract)	52,688	94.800p
Exercisable between 1 April and 30 September 2005 (3 year contract)	2,783,126	41.600p
Exercisable between 1 April and 30 September 2007 (5 year contract)	1,495,815	41.600p
	5,486,248	

** These options result from the rolling over of options under the Sheriff Holdings share option schemes into options under the Company's schemes.*

Employees

The total number of employees worldwide of the Group at 30 April 2002 was 6,545.

The Group makes every reasonable effort to give disabled applicants, and existing employees becoming disabled, opportunities for work, training and career development in keeping with their aptitudes and abilities. The Group is an equal opportunities employer.

The Group has taken action consistently through the year to maintain and develop arrangements aimed at involving employees in its affairs. For example, monthly meetings are held at Profit Centres to discuss the previous month's performance. The Group has a positive approach to health and safety at work and to compliance with the law and the requirements of the regulatory bodies in both the UK and the USA. A copy of the relevant formal statement of the Group's policy on health and safety is on display at profit centres in the UK and the USA.

The Group encourages employees to become shareholders through discretionary and SAYE share option schemes. Details of options outstanding under these schemes are set out above.

Directors and directors' insurance

Details of the current directors of the Company are given on pages 24 and 25. In addition, PD Lewis served as non-executive Chairman in the year until his retirement on 31 July 2001 and EJ Forshaw served as a director in the year until his resignation on 4 March 2002.

The Company has maintained insurance throughout the year to cover all directors against liabilities in relation to the Company and its subsidiary undertakings.

Future developments

The Group seeks to develop by expansion of its activities in equipment rental in the United Kingdom, the United States, the Republic of Ireland and the environmental and offshore oil and gas industries throughout the world.

Policy on payment of suppliers

Suppliers are paid in accordance with the individual payment terms agreed with each of them. The number of Group creditor days at 30 April 2002 was 85 days (30 April 2001 - 132 days) which reflects the terms agreed with individual suppliers. There were no trade creditors in the Company's balance sheet at any time during the past two years.

Directors' Report

Political and charitable donations

The Group made a charitable donation during the year of US$100,000 to The American Red Cross National Capital Chapter following the events of 11 September 2001. Additionally other charitable donations of £8,650 were made in the UK (2000/1 - donations totalled £1,500). No political donations were made in either year.

Environmental report

The Group, through its equipment purchasing policies, maintenance programmes and environmental monitoring practices, endeavours to ensure that its trading activities have as little adverse impact on the environment as it is possible to achieve. In pursuit of this ideal, the Group has developed environmental management processes which are designed to ensure:

- compliance with relevant legislation;
- removal of potential causes of environmental damage where practicable; and
- continuous reduction in environmental impact through monitoring and corrective action.

The Group's continued investment in its rental fleet, along with its maintenance programmes, minimises both pollution to the atmosphere and accidental contamination. The facilities the Group maintains throughout its profit centre network enable waste to be disposed of correctly, bulk fuels to be stored safely and fleet cleaning and maintenance to be carried out efficiently.

Group companies have documented procedures at profit centre level for fleet maintenance, removal of waste from customers' sites back to Company premises for safe disposal as well as contractual arrangements for the disposal of all major waste products.

The Group's Performance Standards teams measure and monitor environmental performance and control measures at profit centres as part of their rolling audit programme and report their findings to senior operational management.

Post balance sheet event

On 14 June 2002 the Company and certain of its subsidiaries entered into the accounts receivable securitisation described in note 31 to the accounts.

Auditors

PricewaterhouseCoopers 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.

Annual General Meeting

The Annual General Meeting will be held at 12.30pm on Friday 20 September 2002, at the offices of West LB Panmure Limited, Woolgate Exchange, 25 Basinghall Street, London EC2V 5HA. For ordinary shareholders, a separate Notice of Annual General Meeting, which includes an explanation of the proposed resolutions, is enclosed with the Report and Accounts. In addition to the ordinary business of the meeting, shareholder consent will be sought to renew authorities for the directors to allot ordinary shares in the Company as set out more fully in the Notice.

By Order of the Board

Robert Clark
Company Secretary
8 July 2002

Corporate Governance Report

The Group is committed to high standards of corporate governance. The Board recognises that it is accountable to the Company's shareholders for corporate governance and this statement describes how the relevant principles have been practised by the Company.

The Company complied during the year with the principles of corporate governance set out in Section I of the Combined Code save that the service contracts of George Burnett and Bruce Dressel provide for either notice periods in excess of one year or pre-determined compensation in excess of one year's salary. Details of these arrangements and the justification for them are given in the Remuneration Committee Report. New directors appointed since April 2000 have service contracts containing notice periods of one year or less.

Additionally as described in the Report and Accounts for last year the Company did not comply throughout that year in the following areas of the Code, all of which were addressed during this year:

- the Company's Articles of Association were amended at the Annual General Meeting held on 8 October 2001 to ensure that every director is now required to retire by rotation and offer himself for re-election at least once in any period of three consecutive years;
- procedures were established in June 2001, for directors, singularly or collectively, to obtain independent professional advice at the Company's expense; and
- the Board resolved in June 2001 that all newly appointed directors would, as needed, receive appropriate training to prepare them for their role as a director. Additionally the three executive directors appointed in 2000 attended such training in November 2001 and Mr Dhaiwal has also commenced this training.

The Board and the Executive

The Company's Board currently comprises the non-executive chairman, the chief executive, the finance director, the executive heads of Sunbelt and A-Plant and three non-executive directors. Short biographies of the directors are given on pages 24 and 25.

All directors are responsible under the law for the proper conduct of the Company's affairs. The directors are also responsible for ensuring that the strategies proposed by the executive directors are discussed in detail and critically assessed to ensure that they conform with the long term interests of shareholders and are compatible with the interests of employees, customers and suppliers. The Board has reserved to itself those matters which reinforce its control of the Company.

To ensure that the directors are suitably briefed to fulfil their roles, regular reports and briefings are provided to the Board by the executive directors and the company secretary. The Board normally meets at least five times a year and there is contact between meetings to advance the Company's activities. The directors also have access to the company secretary and a procedure has been adopted for them to take independent advice as needed at the Company's expense.

Board sub-committees

Audit Committee

Comprising the non-executive directors under the chairmanship of Philip Lovegrove, the Audit Committee meets twice a year to consider the draft interim and final financial statements and to receive the report of the Auditors. The Committee considers the effectiveness of the Group's internal controls and its financial and accounting policies and practices and also meets periodically with the heads of the US and UK Performance Standards (internal audit) teams. It also deals with any matters which may be brought to the attention of the Committee by the Auditors.

Nominations Committee

With Henry Staunton as chairman, and George Burnett, Alan Wheatley and Phillip Lovegrove as members, the Nominations Committee is responsible for reviewing the composition of the Board and for recommending to the Board any appropriate changes in its structure.

Remuneration Committee

Comprising the non-executive directors under the chairmanship of Alan Wheatley, the Remuneration Committee is responsible for setting the remuneration packages of the executive directors and for establishing the terms and conditions of their employment.

Corporate Governance Report

Finance and Administration Committee

The Board has delegated authority for dealing with routine financial and administrative matters to the Finance and Administration Committee chaired by George Burnett. The Committee, of which Henry Staunton and Ian Robson are the other members, meets periodically as necessary to discharge its functions. This Committee has a quorum of any two members but there is also a list of its business which it can only validly perform in the presence of Henry Staunton (eg final approval of announcements, other than routine notices of major shareholdings, to the London Stock Exchange).

Financial reporting

The directors are required by UK company law and financial reporting standards to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the Group at the end of the financial year and of the profit and cash flows of the Group for the period.

In preparing the financial statements, applicable accounting standards have been followed, the most appropriate accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made.

Going concern

The directors also have a responsibility under UK company law and financial reporting standards to prepare the financial statements on a going concern basis unless the entity is being liquidated or the directors have no realistic alternative but to liquidate the entity or to cease trading. When preparing the financial statements the directors are also required to assess whether there are any significant doubts concerning the Group's ability to continue as a going concern.

After making appropriate enquiries the directors have reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future and that it is therefore appropriate to adopt the going concern basis in preparing the financial statements. In forming this view the directors have reviewed the Group's budgets and cash flow forecasts to 30 April 2003 and outline projections for the subsequent year.

Internal controls

The directors acknowledge their responsibility for the Group's system of internal control and confirm they have reviewed its effectiveness. In doing so, the Group has taken note of the guidance for directors on internal control, Internal Control: Guidance for Directors on the Combined Code (the Turnbull Guidance).

The Board confirms that there is a process for identifying, evaluating and managing significant risks faced by the Group. This process has been in place for the full financial year and is ongoing. It is kept under regular review by the Finance and Administration Committee and is considered periodically by the Board and accords with the Turnbull Guidance.

The Board considers that the Group's internal control system is appropriately designed to manage, rather than eliminate, the risk of failure to achieve business objectives. Any such control system, however, can only provide reasonable and not absolute assurance against material misstatement or loss. The concept of reasonable assurance recognises that the cost of a control procedure should not exceed the benefits.

The process for keeping risks and the related internal control under review is based initially on work undertaken by the heads of the US and UK Performance Standards (internal audit) teams. In the year ended 30 April 2001 they undertook a thorough review of the Group and of the risks it faces in its business and of how these risks are managed. This year, they have reviewed and updated this work and produced a new report in conjunction with the management teams of each of the Group's businesses. Their work included consideration of whether there were any matters which had arisen since their first report was prepared which might indicate omissions or inadequacies in their initial review. They also considered whether, as a result of changes in either the internal or external environment, new significant risks had arisen.

The executive directors met and reviewed their draft report which was then presented to and discussed by the Group Board at its April 2002 meeting. Additionally, the executive directors and the Group Board considered business risk and internal control during the year in relation to major projects, such as the UK disposal programme.

Corporate Governance Report

Before producing the statement on internal control for the annual report and accounts for the year ended 30 April 2002, the Board reconsidered the operational effectiveness of the Group's internal control systems on the basis of the reports discussed above. Each of the most significant risks the Group faces and how well these are controlled and managed were reviewed. The control system includes written policies and control procedures, clearly drawn lines for accountability and delegation of authority, and comprehensive reporting and analysis against budgets and latest forecasts.

In a group of the size and complexity and geographical diversity of Ashtead, it should be expected that minor breakdowns in established control procedures might occur. There are supporting policies and procedures for investigation and management of control breakdowns at any of the Group's profit centres or elsewhere.

The Audit Committee also meets with PricewaterhouseCoopers twice annually to discuss the results of their work.

In relation to internal financial control, the Group's control and monitoring procedures include:

- the maintenance and production of accurate and timely financial management information, including a monthly profit and loss account for each profit centre;
- the control of key financial risks through clearly laid down authority levels and proper segregation of accounting duties at the Group's accounting support centres;
- the preparation of a regular financial report to the Board including profit and loss accounts for the Group and each subsidiary, balance sheets and cash flow statements;
- the preparation of annual budget and periodic update forecasts which are reviewed by the executive directors and then by the Board;
- a programme of periodical rotational rental equipment inventories conducted fortnightly at each profit centre by equipment type and independently checked on a sample basis;
- full inventory counts at all profit centres on at least a six monthly basis with independent scrutiny on a sample basis; and
- comprehensive audits of all profit centres carried out on average at least once per year by the Performance Standards Department. These reports are copied to the Finance Director to whom the heads of the Sunbelt and A-Plant Performance Standards Departments have direct access in the event of any issues which they may need to discuss independently of the operational management team.

By order of the Board

Robert Clark
Company Secretary
8 July 2002

Remuneration Committee Report

Structure of the Committee

During the year the Committee consisted of the non-executive directors under the Chairmanship of Mr Wheatley. Mr Lewis was also a member until his retirement on 31 July 2001. Mr Cole became a member of the Committee with effect from 10 January 2002 following his appointment as a director. None of the Committee members has any personal financial interests, other than as shareholders, in the matters to be decided.

Remuneration policies

In formulating its policies, the Committee has access to professional advice from outside the Company and to publicly available reports and statistics. Executive remuneration packages are designed to attract, motivate and retain directors of the high calibre needed to achieve the Group's objectives and to reward them for enhancing value to shareholders. The main elements of the remuneration package for executive directors and senior management are:

- basic annual salary and benefits in kind;
- annual performance bonus plan;
- share related incentives, including the new Investment Incentive Plan (a long-term co-investment plan) approved by shareholders on 8 October 2001; and
- pension arrangements.

In assessing all aspects of pay and benefits, the Company compares packages offered by similar companies, which are chosen having regard to:

- the size of the company (turnover, profits and number of people employed);
- the diversity and complexity of its businesses;
- the geographical spread of its businesses; and
- their growth, expansion and change profile.

In making the comparisons, the Company takes into consideration the international scope, complexity and speed of change of the Group's business and, particularly, its now significant operations in the USA. In relation to share option awards, the Committee's policy is to make regular awards to senior staff in order that their personal interests are aligned with those of shareholders. The value of the shares underlying the options awarded is assessed by reference to a number of factors including the employee's salary, seniority and length of service.

The Committee implements its remuneration policies by the design of reward packages for executive directors comprising the appropriate mix of salary, performance related cash incentive bonuses and share options. Mr Burnett, with the approval of the Board, holds two non-executive appointments outside the Group and is allowed to retain the fees arising therefrom. None of the other executive directors has any outside appointments.

The remuneration of the non-executive directors is determined by the Board. None of the non-executive directors has a service contract with the Company and their appointment is therefore terminable by the Board at any time.

Executive directors' service agreements

Mr Burnett's service agreement, first entered into on 27 November 1986 and amended periodically until consolidation into a new agreement dated 21 May 1997, provides for termination by either party by the giving of two years' notice. However, Mr Burnett is entitled at any time after reaching age 59 to give at least six months' notice to retire from age 60. Otherwise the contract remains in place until he reaches age 65. The unexpired period of the contract is a little over 9 years.

Mr Dressel entered into a new service agreement with Sunbelt Rentals Inc on 15 January 2001 under which he is employed as its President and Chief Executive Officer for an automatically extended rolling period of two years until the contract is terminated. Mr Dressel may not terminate the contract in the first two years but can do so at any point thereafter by giving 180 days' notice to Sunbelt. Early termination provisions apply should there be a change of control of Ashtead Group, defined as at least 50% of the voting rights becoming held by a single person. Sunbelt, however, can only terminate Mr Dressel's employment by giving two years' notice except in the case of misconduct. On termination, except on change of control, Mr Dressel is prohibited from working in the rental industry in the USA for two years. The Remuneration Committee considered that it was appropriate to secure the services of Mr Dressel for an initial minimum period of two and a half years in light of the importance of his contribution to Sunbelt's successful development within the Group and accordingly decided to depart from the recommendations of the Combined Code by entering into a contract with more than one year's notice.

Remuneration Committee Report

The service agreements between the Company and Mr Robson (dated 4 August 2000) and Mr Dhaiwal (dated 5 July 2002) are terminable by either party giving the other twelve months' notice.

Mr Lewis retired as non-executive chairman of Ashtead Group plc and of Sunbelt Rentals Inc on 31 July 2001 whereupon his contract with the Company terminated. On retirement Mr Lewis did not receive any payments beyond his remuneration accrued up to that date.

Mr Forshaw resigned as a director of the Company and of Ashtead Plant Hire Company Limited, of which he was Chief Executive Officer, on 4 March 2002. His employment within the Group terminated on 1 May 2002.

The service agreements of the executive directors all contain suitable non-compete provisions appropriate to their roles in the Group.

Directors' emoluments

The emoluments of the directors, which are included in staff costs in note 3 to the financial statements, were as follows:

Name	*Fees £'000*	*Salary £'000*	*Performance related bonus £'000*	*Compensation for loss of office £'000*	*Other benefits in kind £'000*	*Total emoluments excluding pension benefits £'000*
Year ended 30 April 2002						
George Burnett	-	420	-	-	19	439
Ian Robson	-	220	80	-	14	314
Bruce Dressel	-	261	189	-	10	460
Sat Dhaiwal	-	24	-	-	2	26
Ted Forshaw	-	185	1	347	8	541
Henry Staunton	104	-	-	-	-	104
Alan Wheatley	55	-	-	-	-	55
Philip Lovegrove	30	-	-	-	-	30
Chris Cole	8	-	-	-	-	8
Peter Lewis	-	38	-	-	-	38
	197	1,148	270	347	53	2,015
Year ended 30 April 2001						
Peter Lewis	-	199	541	-	15	755
George Burnett	-	216	541	-	23	780
Ian Robson	-	152	161	-	29	342
Bruce Dressel	-	233	245	-	1	479
Ted Forshaw	-	180	46	-	9	235
Alan Anderson	-	23	-	-	3	26
Henry Staunton	25	-	-	-	-	25
Alan Wheatley	55	-	-	-	-	55
Philip Lovegrove	30	-	-	-	-	30
	110	1,003	1,534	-	80	2,727

The 2001/02 emoluments of:
(1) Sat Dhaiwal are those for the period from his appointment on 4 March 2002 until 30 April 2002.
(2) Ted Forshaw are those for the period until his resignation on 4 March 2002; and
(3) Peter Lewis are those for the period until his retirement on 31 July 2001;

The 2000/01 emoluments of:
(1) Ian Robson are those for the period from his appointment on 26 June 2000; and
(2) Alan Anderson are those for the period to his retirement on 26 June 2000. In addition, an ex-gratia payment of £30,000 was made to Mr Anderson at the time of his retirement.

Directors' emoluments (continued)

Effective 1 May 2001, the Company adopted new annual performance related bonus plans for the executive directors under which payments are related directly to performance in the year. The maximum entitlement under annual bonus plans was also capped at two-thirds of salary for all executive directors other than Mr Dressel whose annual bonus was capped at 100% of salary. The annual bonus plan of Mr Dressel and Messrs Forshaw and Dhaiwal depended exclusively on the performance of Sunbelt and A-Plant respectively, Mr Robson's depended partly on the Group's financial performance and partly on non-financial targets relating to the management of the Group's financial position and its relationships with its lenders and Mr Burnett's depended on the Group's financial performance. Actual payments reflect the extent to which these objectives were attained.

In accordance with the provisions of his contract, which provided for one year's notice, on or shortly after the termination of his employment with the Group on 1 May 2002, Mr Forshaw received compensation of £250,000, his existing company car valued at £6,200, and outplacement counselling and other benefits paid for by the Company to a value of £41,000. His remuneration for the period from the date of his resignation as a director on 4 March 2002 until his employment terminated on 1 May 2002 was £35,000. He was also allowed, in accordance with the rules of the relevant option plans, to retain his existing outstanding share options as described further below. In addition the Company agreed to procure that the Trustees of the Ashtead Group plc Retirement Benefits Plan credited Mr Forshaw with the benefits accruing from an additional year's membership of the pension plan at a cost to the Company of £49,500.

Directors' pension benefits

	Age at 30 April Years	Accrued pensionable service at 30 April Years	Contributions paid by the director £000	Accrued annual pension £000	Increase in annual pension at 30 April £000
Year ended 30 April 2002					
George Burnett	55	18	-	348	18
Ian Robson	43	2	11	14	8
Sat Dhaiwal	33	8	1	11	3
Year ended 30 April 2001					
George Burnett	54	17	-	330	62
Ian Robson	42	1	8	6	6
Ted Forshaw	50	8	7	19	8

Under the terms of his service contract, Mr Burnett is entitled to retire at age 60 with a pension of two-thirds of remuneration on retirement. For this purpose remuneration is defined as the highest average annual remuneration received in the best three consecutive years in the ten years prior to retirement with remuneration meaning basic salary effective from 1 May 2001 under a change to Mr Burnett's employment contract agreed on 10 January 2002. Prior to that date, remuneration is defined as the gross value of emoluments received in the year.

Mr Burnett's pension entitlement is funded through contributions to the managed funds of independent fund managers operated through the Ashtead Group plc Pension Scheme. Mr Burnett's pension in payment increases in line with price inflation, up to 7% a year. A spouse's pension of two-thirds of Mr Burnett's retirement benefit is payable in the event of his death either before or after retirement. The Company receives regular advice from external advisers on the level of contributions required to meet the anticipated final salary liability. The current level of funding is as most recently recommended by the advisers.

Under the terms of his contract, Mr Robson is entitled to retire at age 60 on a pension equal to one-thirtieth of his final salary for each year of pensionable service. He is a member of the Company's Retirement Benefits Plan, which is a defined benefits scheme, in respect of his earnings up to the Inland Revenue limit. The pension in respect of his earnings above that limit is provided by an unapproved unfunded retirement benefits arrangement agreed between him and the Company. Mr Robson's contract also contains early retirement provisions allowing him to retire and draw a pension based on actual years of service, but without deduction for early payment which take effect once he has completed ten years service with the Company (or at anytime after age 50 if there is a change of control). Mr Robson pays contributions equal to 5% of his salary, all of which was paid to the Retirements Benefits Plan in the current year.

Remuneration Committee Report

Mr Dhaiwal's and Mr Forshaw's pension benefits are also provided through the Ashtead Group plc Retirement Benefits Plan. Their pension rights accrue at the rate of one-sixtieth of basic salary for each year of pensionable service and normal retirement is at age 65.

Except where otherwise stated above, the Retirement Benefits Plan provides:

- in the event of death, between leaving service and retirement while retaining membership of the Plan, a spouse's pension equal to 50% of the member's deferred pension calculated at the date of death plus a return of his contributions;
- in the event of death in retirement, a spouse's pension equal to 50% of the member's pension at the date of death;
- an option to retire at any time after age 50 with the Company's consent. Early retirement benefits are reduced by an amount agreed between the Actuary and the Trustees as reflecting the cost to the Plan of the early retirement;
- pension increases in line with the increase in retail price inflation up to 5% a year; and
- transfer values do not include discretionary benefits.

Mr Dressel is a member of the US defined contribution plan to which the Group contributed £2,024 in the year (£3,600 in 2000/01).

Directors' interests in shares

The Directors of the Company are shown below together with their interests in the share capital of the Company:

	28 June 2002 Number of ordinary shares of 10p each		*30 April 2002 Number of ordinary shares of 10p each*		30 April 2001* Number of ordinary shares of 10p each	
	Beneficial	*Non-beneficial*	*Beneficial*	*Non-beneficial*	Beneficial	Non-beneficial
GB Burnett	*12,284,399*	*1,056,192*	*12,284,399*	*1,056,192*	12,000,000	1,056,192
SI Robson	*105,821*	-	*105,821*	-	11,000	-
BJ Dressel	*317,157*	-	*317,157*	-	200,000	-
SS Dhaiwal	*13,000*	-	*13,000*	-	13,000	-
PA Lovegrove	*382,500*	-	*382,500*	-	182,500	-
HE Staunton	*245,000*	-	*245,000*	-	145,000	-
AE Wheatley	*282,000*	-	*282,000*	-	132,000	-
C Cole	*20,000*	-	*20,000*	-	-	-

** or date of appointment where later*

Investment Incentive Plan

This new long-term incentive plan under which executive directors who elect to invest all or a portion of their annual cash bonuses in shares of the Company are eligible for matching awards in the form of shares which only vest subject to demanding performance conditions was approved by shareholders of the 2001 Annual General Meeting on 8 October 2001.

Initial matching awards were made on 23 January 2002 as follows:

	Maximum number of shares which may vest
George Burnett	1,422,006
Ian Robson	474,107
Bruce Dressel	650,878
Ted Forshaw	175,541

These matching awards, made in respect of investment shares acquired with all or part of the directors' bonuses for the year ended 30 April 2001, will only vest, in whole or part, based on the annual growth in the Company's earnings per share in the three year period ended 30 April 2004 over that of the year ended 30 April 2001 and on the Company's Total Shareholder Return ("TSR") performance relative to a comparator group comprising all of the FTSE250 mid-cap stocks other than investment trusts over the three year period from 8 October 2001 (when the Company's share price at close was 72p) to 8 October 2004.

Investment Incentive Plan (continued)

Vesting of the matching awards is based on the following required performance grid:

Real EPS growth performance	*TSR performance against peer group*			
	Below Median TSR	Median	63rd Percentile	75th Percentile
upper range RPI + 7% p.a.	1.0 x match	2.0 x match	2.5 x match	3.0 x match
target range RPI + 5% p.a.	0.75 x match	1.5 x match	2.0 x match	2.5 x match
minimum range RPI + 3% p.a.	0.5 x match	1.0 x match	1.5 x match	2.0 x match
	No matching award vests			

Vesting operates on a scaled basis for performance between the target levels shown in the grid above. Performance is measured at the end of the performance period when the awards either vest in full or part or lapse completely. For performance measurement purposes earnings per share is based on the profit before exceptional items measured under consistently applied accounting policies.

In connection with the operation of the Plan, the Company has established an Employee Share Ownership Trust which, on 21 and 22 January 2002, purchased 2,722,575 shares at an average cost of 57p per share, being the number of shares potentially equal, at the maximum performance level, to the matching awards granted. Ownership of these shares was conditionally transferred to each director on 15 April 2002 subject to forfeiture to the extent that the required performance conditions are not attained. The executive directors have also waived their entitlement to any dividend on these shares until the conclusion of the performance period.

The Company will charge against profit each year an amount equal to one-third of the expected cost of the proportion of the matching award expected to vest at the end of the three year performance period.

Directors' interests in share options

	Options at 1 May 2001 or on appointment	Granted during the year	Exercised/ lapsed during year	Market price at date of exercise	Options at 30 April 2002	Exercise price	Earliest normal exercise date	Expiry
Discretionary schemes								
GB Burnett	521,362	-	-	-	521,362	14.870p	Sept 1995	Sept 2002
	491,400	-	-	-	491,400	61.440p	Aug 1997	Aug 2004
	487,494	-	-	-	487,494	72.535p	Sept 1998	Sept 2005
	200,000	-	-	-	200,000	132.250p	Feb 2000	Feb 2007
	350,000	-	-	-	350,000	184.200p	Feb 2001	Feb 2008
	166,700	-	-	-	166,700	172.500p	Feb 2002	Feb 2009
	300,000		-	-	300,000	102.500p	Aug 2003	Aug 2010
	90,000		-	-	90,000	125.000p	Feb 2004	Feb 2011
SI Robson	29,500		-	-	29,500	101.670p	Aug 2003	Aug 2010
	195,500		-	-	195,500	102.500p	Aug 2003	Aug 2010
	230,000		-	-	230,000	125.000p	Feb 2004	Feb 2011
	-	300,000	-	-	300,000	41.500p	Feb 2005	Feb 2012

Remuneration Committee Report

	Options at 1 May 2001 or on appointment	Granted during the year	Exercised/ lapsed during year	Market price at date of exercise	Options at 30 April 2002	Exercise price	Earliest normal exercise date	Expiry
Discretionary schemes								
SS Dhaiwal	40,000	-	-	-	*40,000*	132.250p	Feb 2000	Feb 2007
	32,500	-	-	-	*32,500*	184.200p	Feb 2001	Feb 2008
	50,000	-	-	-	*50,000*	172.500p	Feb 2002	Feb 2009
	35,000	-	-	-	*35,000*	125.000p	Feb 2004	Feb 2011
	-	100,000	-	-	*100,000*	41.500p	Feb 2005	Feb 2012
JB Dressel	60,000	-	-	-	*60,000*	132.250p	Feb 2000	Feb 2007
	200,000	-	-	-	*200,000*	184.200p	Feb 2001	Feb 2008
	66,700	-	-	-	*66,700*	172.500p	Feb 2002	Feb 2009
	140,000		-	-	*140,000*	102.500p	Aug 2003	Aug 2010
	230,000		-	-	*230,000*	125.000p	Feb 2004	Feb 2011
	-	300,000	-	-	*300,000*	41.500p	Feb 2005	Feb 2012
SAYE scheme								
GB Burnett	17,602	-	-	-	*17,602*	98.000p	April 2002	Sept 2002
S I Robson	17,800	Contract cancelled	-	-	-	94.800p	April 2006	Sept 2006
	-	39,783	-	-	*39,783*	41.600p	April 2007	Sept 2007
SS Dhaiwal	3,520	-	-	-	*3,520*	98.000p	April 2002	Sept 2002
	-	22,836	-	-	*22,836*	41.600p	April 2005	Sept 2005

The market price of the Company's shares at the end of the financial year was 42.0p; the highest and lowest share prices during the financial year were 130.5p and 30.0p respectively.

Mr Dressel also holds an award over 250,000 units under the Company's Cash Incentive Scheme which was granted on 22 February 2000 at a price of 102p per unit. This award is subject to the same performance conditions as apply to the Company's unapproved share option scheme and is exercisable on 22 February 2003 if the performance criteria have been satisfied when the difference between the mid market price of Ashtead Group shares on that day and the grant price multiplied by the number of units held will be paid to him by way of a cash award. On his appointment on 4 March 2002, Mr Dhaiwal held 50,000 units under the Cash Incentive Scheme which were granted to him on 22 February 2000. In his case, he can exercise his options in the period from 22 February 2003 to 21 February 2010.

Mr Forshaw was allowed to retain the options held at the date of his resignation as a director of the Company for exercise according to the rules of the relevant scheme. His holdings under the approved scheme, 109,210 shares granted in August 1994 at 61.44p per share and 152,334 shares granted in September 1995 at 72.525p per share, will lapse on 1 November 2002, if not exercised on or before that date. His holdings of options under the unapproved scheme, 60,000 shares granted in February 1997 at 132.25p per share, 125,000 shares granted in February 1998 at 184.20p per share and 230,000 shares granted in February 2001 at 125.00p per share, will lapse on 1 May 2003 if not exercised on or before that date. The matching shares awarded to Mr Forshaw under the Investment Incentive Plan reverted to the ESOT on 1 May 2002. Mr Forshaw's holdings of 250,000 units under the Cash Incentive Scheme granted in February 2000 lapsed on 1 May 2002. Finally, Mr Forshaw has until the end of September 2002 to exercise his options over 17,602 shares at 98.00p per share granted under the Company's SAYE scheme.

Following his retirement from full time office, Mr Lewis' holdings of options granted in September 1992, September 1994 and August 1995 would have lapsed on 31 July 2001 in accordance with the rules of the approved share option scheme unless previously exercised. Accordingly, on 18 July 2001 he exercised all these options crystallising a profit before taxes of £804,716. Mr Lewis' holdings of options granted in February 1997 (200,000 shares at 132.250p), February 1998 (350,000 shares at 184.2p) and February 1999 (166,700 shares at 172.5p), which he was permitted to retain on his retirement on 31 July 2001, will lapse unless exercised by 31 July 2002 in accordance with the rules of the unapproved share option scheme.

Alan Wheatley
Chairman of the Remuneration Committee
8 July 2002

Statement of Directors Responsibilities

The directors are required by the Companies Act 1985 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and the Group as at the end of the financial year and of the profit or loss for the financial year.

In preparing the financial statements the Directors are required to:

- select suitable accounting policies and then apply them consistently supported by judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless this is inappropriate.

The directors are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 1985. The directors also have responsibility for taking reasonable steps to safeguard the assets of the Group and prevent and detect fraud and other irregularities.

The maintenance and integrity of the Ashtead Group 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.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the Board

Robert Clark
Company Secretary
8 July 2002

Independent Auditors’ Report to the Members of Ashtead Group plc

We have audited the financial statements which comprise the consolidated profit and loss account, the consolidated balance sheet, the Company balance sheet, the consolidated cash flow statement, the consolidated statement of total recognised gains and losses and the related notes and the additional disclosures within the remuneration committee report relating to the remuneration of the directors specified for our review by the London Stock Exchange.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements, United Kingdom Auditing Standards issued by the Auditing Practices Board and the Listing Rules of the Financial Services Authority.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law or the Listing Rules regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report, the chairman's report, the chief executive's review, the financial review, the Sunbelt Rentals, A-Plant and Ashtead Technology operational reviews and the corporate governance report.

We review whether the corporate governance report reflects the company's compliance with the seven provisions of the Combined Code specified for our review by the Listing Rules, and we report if it does not. We are not required to consider whether the board's statements on internal control cover all risks and controls, or to form an opinion on the effectiveness of the group's corporate governance procedures or its risk and control procedures.

Basis of audit opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company and the group as at 30 April 2002 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.

PricewaterhouseCoopers

PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
London
8 July 2002

Consolidated Profit & Loss Account

for the year ended 30 April

	Notes	2002 Before goodwill amortisation and exceptional items £m	2002 Goodwill amortisation and exceptional items £m	2002 Total £m	2001 Before goodwill amortisation and exceptional items £m (restated)	2001 Goodwill amortisation and exceptional items £m (restated)	2001 Total £m (restated)
Turnover	2	583.7	-	583.7	552.0	-	552.0
Cost of sales		(462.2)	-	(462.2)	(430.8)	-	(430.8)
Gross profit		121.5	-	121.5	121.2	-	121.2
Administrative expenses		(40.2)	-	(40.2)	(32.6)	(12.3)	(44.9)
Goodwill amortisation		-	(8.8)	(8.8)	-	(8.1)	(8.1)
Operating profit	2,3	81.3	(8.8)	72.5	88.6	(20.4)	68.2
Exceptional loss on disposal of fixed assets	23	-	(32.6)	(32.6)	-	-	-
Net interest payable and similar charges	5, 23	(52.4)	(3.0)	(55.4)	(47.4)	(9.7)	(57.1)
(Loss)/profit on ordinary activities before taxation		28.9	(44.4)	(15.5)	41.2	(30.1)	11.1
Taxation on profit on ordinary activities: - current tax	6	0.3	-	0.3	1.2	-	1.2
- deferred tax	6, 19	18.9	-	18.9	(10.1)	-	(10.1)
		19.2	-	19.2	(8.9)	-	(8.9)
Profit for the financial year	21	48.1	(44.4)	3.7	32.3	(30.1)	2.2
Equity dividends	8			(11.3)			(11.3)
Retained (loss)/profit transferred to reserves				(7.6)			(9.1)
Basic earnings per share	9			1.1p			0.7p
Diluted earnings per share	9			1.1p			0.7p

Consolidated Statement of Total Recognised Gains & Losses For the Year Ended 30 April

	Notes	2002 £m	2001 £m (restated)
Profit for the financial year		3.7	2.2
Foreign currency translation differences		(0.7)	(0.2)
Total recognised gains and losses relating to the year		3.0	2.0
Prior period adjustments relating to deferred taxation	19	(48.4)	
Total gains and losses recognised since the last annual report		(45.4)	

All acquisitions made this year were immediately integrated into the Group's ongoing operations. No segregated operating profit information is therefore available.

There is no material difference between the results shown above and those which would have been shown on a historical cost basis.

Comparative figures have been restated as described in note 19.

Consolidated Balance Sheet at 30 April

	Notes	2002 £m	2001 £m (restated)
Fixed assets			
Intangible assets			
- goodwill	10	160.8	164.3
Tangible fixed assets:			
- rental equipment	11	678.1	725.6
- other fixed assets		72.8	76.9
	11	750.9	802.5
Investments			
- own shares held by ESOT	12	1.6	-
		913.3	966.8
Current assets			
Stock	13	12.9	15.3
Debtors	14	110.7	125.7
Cash at bank and in hand	26 (c)	0.5	1.1
		124.1	142.1
Creditors - amounts falling due within one year			
Bank loans, overdrafts and finance lease obligations	15	(23.5)	(4.8)
Trade and other creditors	16	(121.7)	(222.7)
		(145.2)	(227.5)
Net current liabilities		(21.1)	(85.4)
Total assets less current liabilities		892.2	881.4
Creditors - amounts falling due after more than one year			
Bank and other loans		(504.4)	(480.7)
Finance lease obligations		(18.2)	-
5.25% unsecured convertible loan note, due 2008		(129.7)	(127.9)
	17	(652.3)	(608.6)
Provision for liabilities and charges			
Deferred taxation	19	(41.1)	(66.0)
Other provisions	19	(4.3)	(4.7)
		(45.4)	(70.7)
Total net assets		194.5	202.1
Capital and reserves			
Called up share capital	20	32.5	32.4
Share premium account	21	100.7	100.1
Revaluation reserve	21	0.5	0.5
Profit and loss account	21	60.8	69.1
Total equity shareholders' funds		194.5	202.1

Comparative figures have been restated as described in notes 15, 17 and 19.
These financial statements were approved by the Board on 8 July 2002.

GB Burnett
SI Robson

Company Balance Sheet at 30 April

	Notes	2002 £m	2001 £m
Fixed assets			
Investments - own shares held by ESOT	12	1.6	-
Investments in group companies	12	351.7	348.5
		353.3	348.5
Current assets			
Debtors	14	132.5	133.5
Creditors - amounts falling due within one year			
Trade and other creditors	16	(15.2)	(11.4)
Net current assets		117.3	122.1
Total assets less current liabilities		470.6	470.6
Creditors - amounts falling due after more than one year			
5.25% unsecured convertible loan note, due 2008	17	(129.7)	(127.9)
Other loan notes	17	(0.3)	(0.3)
		(130.0)	(128.2)
Total net assets		340.6	342.4
Capital and reserves			
Called up share capital	20	32.5	32.4
Share premium account	21	100.7	100.1
Revaluation reserve	21	198.6	198.6
Profit and loss account	21	8.8	11.3
Total equity shareholders' funds		340.6	342.4

These financial statements were approved by the Board on 8 July 2002.

GB Burnett
SI Robson

Consolidated Cash Flow Statement

for the year ended 30 April

	Notes	2002 £m	2002 £m	2001 £m	2001 £m
Net cash inflow from operating activities					
Cash inflow before integration costs	26(a)		202.0		173.0
Exceptional BET USA integration costs			-		(10.3)
Net cash inflow from operating activities			202.0		162.7
Returns on investments and servicing of finance					
Interest received		-		0.6	
Interest paid		(43.5)		(37.3)	
Exceptional costs re bank facility		(1.3)		(9.7)	
Interest element of finance lease payments		(5.6)		-	
Net cash outflow from returns on investments and servicing of finance			(50.4)		(46.4)
Taxation (outflow)/inflow			(0.7)		1.7
Capital expenditure and financial investment					
Purchase of tangible fixed assets		(203.3)		(202.6)	
Sale of tangible fixed assets		39.2		38.3	
Purchase of own shares by employee share ownership trust		(1.6)		-	
Net cash outflow from capital expenditure and financial investment			(165.7)		(164.3)
Acquisitions & disposals outflow	26(d)		(3.3)		(214.1)
Equity dividends paid			(11.3)		(10.4)
Net cash outflow before management of liquid resources and financing			(29.4)		(270.8)
Inflow from management of liquid resources			-		15.6
Financing					
Issue of ordinary share capital		0.7		0.5	
Drawdown of loans	26(e)	89.3		466.6	
Redemption of loans	26(e)	(56.8)		(170.3)	
Capital element of finance lease payments		(10.7)		-	
Net cash inflow from financing			22.5		296.8
(Decrease)/increase in cash	26(b)		(6.9)		41.6

All acquisitions made this year were immediately integrated in to the Group's ongoing operations. No segregated cash flow information is therefore available.

Notes to the Financial Statements

1 Accounting policies

Accounting convention and basis of consolidation

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain freehold properties and in accordance with applicable accounting standards. The financial statements include the results of the Company and all its subsidiaries. A summary of the more important accounting policies, which have been applied consistently with the exception of the impact of the adoption of FRS 19: Deferred tax as described in note 19, is given in the following paragraphs. Comparative figures have been restated to reflect the change in accounting policy.

Foreign currency translation and derivative financial instruments

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. Other exchange differences are dealt with in the profit and loss account. Assets and liabilities in foreign currencies including long term liabilities are translated at rates of exchange ruling at the balance sheet date. This treatment is required by statement of standard accounting practice number 20 (SSAP 20) in order to give a true and fair view of the Group's results. Compliance with SSAP 20 overrides Schedule 4, paragraph 12 of the Companies Act 1985 which states that only profits realised at the balance sheet date should be included in the profit and loss account.

The group uses derivative financial instruments to manage its interest rate exposures. These are principally swap agreements used to manage the balance between fixed and floating rate finance on long term debt. The group accounts for such derivatives, which are only used for hedging purposes, using the accrual method under which amounts payable or receivable in respect of derivatives are recognised rateably in net interest payable over the period of the contract. They are not revalued to fair value or shown on the group balance sheet at the balance sheet date.

Turnover

Turnover represents the total amount receivable for the provision of goods and services to customers net of returns and value added tax. Rental income is recognised on a straight line basis over the period of the contract.

Fixed assets

Fixed assets are stated at historical cost or valuation (net of any discounts received) less accumulated depreciation and provisions for impairment where appropriate. Leasehold properties are amortised over the life of each lease. Other fixed assets, including those held under finance leases, are depreciated on a straight line basis applied to the opening cost to write down each asset to its residual value over its useful economic life. The rates in use are as follows:

	Per annum
Freehold property	4%
Rental equipment	5% to 33%
Motor vehicles	16% to 25%
Office and workshop equipment	20%

Fixed assets that are not capable of individual identification (non-itemised equipment) are depreciated so as to write them down to their residual value over their useful economic lives of 5 to 20 years. Some of the group's freehold and long leasehold properties were revalued on the basis of their open market value at 30 April 1989. On adoption of FRS 15 the group followed the transitional provisions to retain the book value of land and buildings that were revalued in 1989 but not to adopt a policy of revaluation in future.

Repair and maintenance

Repair and maintenance of rental equipment is charged against revenue costs incurred in the period.

Notes to the Financial Statements

Acquisitions and goodwill

Acquisitions during the financial year have been accounted for on an acquisition basis and the results of companies acquired are therefore included from the effective date of acquisition. The net tangible assets of companies acquired are incorporated in the consolidated accounts at their fair value to the Group. In accordance with the requirements of FRS 7, post acquisition integration expenses are charged to the profit and loss account and, where material, disclosed as an exceptional item.

Goodwill, being the difference between the cost and fair value of the Group's share of net assets acquired, arising on all acquisitions since 1 May 1999 has been capitalised in the year in which it arises and is amortised on a straight line basis over its useful economic life. Goodwill arising before 1 May 1999 has been deducted from the accumulated profit and loss account reserve but will be written back and taken to the profit and loss account in the event that it either becomes impaired or if the business to which it relates is disposed of.

Deferred taxation

Deferred tax is provided using the incremental liability approach and is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws substantively enacted at the balance sheet date. Deferred tax is recognised in respect of timing differences that originated but not reversed by the balance sheet date except that (a) deferred tax in respect of the unremitted earnings of overseas subsidiaries is only recognised where there is a binding intent to distribute past earnings at the balance sheet date; and (b) deferred tax assets are only recognised to the extent that they are regarded as recoverable.

Leases

Assets held under finance leases are capitalised with a related credit to finance lease obligations in respect of the capital asset of the lease payments. Such assets are depreciated in accordance with the Company's depreciation policy at the same rate as applied to equivalent owned assets. Interest payable on finance leases is computed at the rate inherent in the lease.

Operating lease rentals are charged against profits on a straight line basis over the period of the lease.

Stocks

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

Pensions

The Group operates defined benefit and defined contribution pension plans for the benefit of its employees under arrangements established by Group companies. In respect of the defined benefit plans, actuarial valuations are made regularly and the contributions payable are adjusted as appropriate. Pension costs are accounted for on the basis of charging the expected cost of providing pensions over the period during which the Group benefits from the employees' services. The effect of variations from regular cost are spread over the expected average remaining service lives of the members of the plan. Contributions to defined contribution plans are expensed as incurred.

Investments

Investments in subsidiary undertakings are stated at cost less any necessary provision for impairment in the parent company balance sheet. Where an investment in a subsidiary undertaking is transferred to another subsidiary undertaking, any uplift in the value at which it is transferred over its carrying value is treated as a revaluation of the investment prior to the transfer and is credited to the revaluation reserve.

Own shares held by the Employee Share Ownership Trust

Shares owned beneficially by the Employee Share Ownership Trust are capitalised as fixed asset investments at cost less any required provision for permanent impairment. Where these shares are subject to commitments to release them to employees (subject to the attainment of performance target) in connection with the Group's long term incentive plans, then provision is made by way of a charge against profits to write off the estimated cost of the shares expected to be released at the end of the performance period over the long term incentive period which is normally three years.

Notes to the Financial Statements

2 Segmental analysis

The Company operates one class of business: rental of equipment. The segmental analysis by geographic unit is given below:

	Turnover		Operating profit		Net assets	
	2002	2001	2002	2001	2002	2001
	£m	£m	£m	£m	£m	£m
				(restated)		(restated)
North America	389.1	350.2	66.0	61.2	659.7	591.5
United Kingdom	192.3	199.7	14.6	26.8	249.1	286.9
Rest of World	2.3	2.1	0.7	0.6	2.1	2.0
	583.7	552.0	81.3	88.6	910.9	880.4
Exceptional costs	-	-	-	(12.3)	-	-
Goodwill amortisation	-	-	(8.8)	(8.1)	-	-
Central items*	-	-	-	-	(716.4)	(678.3)
	583.7	552.0	72.5	68.2	194.5	202.1

** net borrowings and deferred taxation*

There is no material difference between turnover by origin as shown above and turnover by destination. Acquisitions in the year added £7.7m (2000/1 - £175.2m) to revenue in the North American segment. The exceptional loss on disposal of fixed assets in the year of £32.6m (note 23) arises in the UK.

3 Operating profit

Operating profit is stated after charging / (crediting) :	2002	2001
	£m	£m
		(restated)
Staff costs:		
Salaries	169.6	149.7
Social security costs	21.6	17.4
Other pension costs	2.8	3.1
Depreciation (see note 11)	120.9	114.5
Goodwill amortisation	8.8	8.1
Profits on disposal of fixed assets	(1.5)	(6.8)
Net currency gain	(1.0)	(1.2)
Hire of plant and machinery	6.6	15.9
Other operating leases	20.4	13.1

Audit fees payable to PricewaterhouseCoopers were £409,000 (2001 - £259,500). This includes £25,000 (2001 - £20,000) in respect of the parent company. Fees paid to PricewaterhouseCoopers for non-audit services amounted to £244,500 (2001 - £999,400) in the UK and £70,304 in the US (2001 - £140,600).

Profits on disposal of fixed assets (excluding the exceptional UK disposal programme) have been included within operating profit as they resulted from routine sales of rental equipment and are considered in effect to be no more than required adjustments to depreciation previously charged.

4 Directors' emoluments

Directors' remuneration and interests are given in the Report of the Remuneration Committee on pages 32 to 37.

5 Net interest payable and similar charges

	2002 £m	2001 £m
Bank interest payable	39.2	41.4
Accrued interest amortisation on convertible loan	7.6	6.6
Interest payable on finance leases	5.6	-
Total interest payable	52.4	48.0
Bank interest receivable	-	(0.6)
Exceptional costs re bank facility	3.0	9.7
	55.4	57.1

Exceptional costs in relation to the bank facility in 2002 comprise variation fees payable in connection with (i) the adjustments made to bank covenants in July 2001 consequent upon adoption of new accounting policies under FRS18 in the 2001 accounts and (ii) the adjustments made to bank covenants in April 2002 to provide greater future financial flexibility in light of the impact of the downturn in the US economy.

6 Taxation

	2002 £m	2001 £m (restated)
UK Corporation tax at 30% (2000/1 - 30%)		
- current year charge	-	0.1
- credit in respect of prior year	(0.9)	(1.1)
	(0.9)	(1.0)
Double taxation relief	-	(0.1)
	(0.9)	(1.1)
Overseas taxation		
- current year charge	0.6	0.1
- credit in respect of prior year	-	(0.2)
	0.6	(0.1)
Total current tax credit	(0.3)	(1.2)
Deferred taxation		
- current year charge	2.5	10.1
- prior year credit	(21.4)	-
	(18.9)	10.1
	(19.2)	8.9

All of the 2001/2 and 2000/1 deferred tax relates to the origination and reversal of timing differences. Details of the restatement of the prior year taxation charge on implementation of FRS 19 - Deferred taxation and of the reconciliation between the tax credit expected on the basis of the loss before taxation evaluated at the UK standard rate of corporation tax of 30% and the actual tax credit are given in note 19.

7 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 £8.8m (2001 - £11.5m).

Notes to the Financial Statements

8 Equity dividends

	2002 £m	2001 £m
Interim dividend paid at 0.62p net per share (2001 - 0.62p)	2.0	2.0
Proposed final dividend of 2.88p net per share (2001 - 2.88p)	9.3	9.3
	11.3	11.3

9 Earnings per share

Earnings per share for the year ended 30 April 2002 have been calculated based on the profit for the financial year and on 324,090,666 ordinary shares, being the weighted average number of ordinary shares in issue during the year which excludes the 2,722,575 shares held by the ESOT since 22 January 2002 in respect of which dividends have been waived (2001 - 323,334,079 ordinary shares). Diluted earnings per share for the year are computed using the profit for the financial year and the diluted number of shares calculated as follows:

	2002			2001		
	Profit for the financial year £m	Weighted average no. of shares millions	Per share amount p	Profit for the financial year £m (restated)	Weighted average no. of shares millions	Per share amount p (restated)
As used in the calculation of basic earnings per share excluding the shares held by the ESOT	3.7	324.1	1.1	2.2	323.3	0.7
Outstanding share options	-	1.6	-	-	3.0	-
As used in the calculation of diluted earnings per share	3.7	325.7	1.1	2.2	326.3	0.7

10 Intangible assets - goodwill

	Cost £m	Amortisation £m	Net book value £m
Group			
At 1 May 2002 as previously reported	158.4	(7.7)	150.7
Prior year adjustment re BET USA deferred tax	14.4	(0.8)	13.6
At 1 May 2001 as restated	172.8	(8.5)	164.3
Arising in respect of acquisitions in the year	2.8	-	2.8
Adjustment in relation to BET USA acquired 1 June 2000	2.5	-	2.5
Amortisation during the year	-	(8.8)	(8.8)
At 30 April 2002	178.1	(17.3)	160.8

Goodwill written off directly to reserves as at 30 April 2002 was £58.1m (2001 - £58.1m).

An amortisation period of 20 years has been selected for the goodwill arising on acquisitions in the year and in previous years because this is considered to best represent the useful life of the goodwill arising on these acquisitions.

Notes to the Financial Statements

11 Tangible fixed assets

	Freehold property £m	Leasehold property £m	Rental equipment Owned £m	Rental equipment Held under finance leases £m	Office & workshop equipment £m	Motor vehicles £m	Total £m
Cost or valuation							
At 1 May 2001	41.0	23.4	962.8	-	16.7	28.9	1,072.8
Exchange difference	(0.3)	(0.2)	(11.7)	0.9	(0.1)	(0.3)	(11.7)
Acquisitions	-	-	(0.9)	32.9	0.1	-	32.1
Additions	1.1	6.8	98.0	-	6.1	1.8	113.8
Disposals	(1.1)	(1.4)	(110.1)	-	(4.7)	(23.1)	(140.4)
At 30 April 2002	*40.7*	*28.6*	*938.1*	*33.8*	*18.1*	*7.3*	*1,066.6*
Depreciation							
At 1 May 2001	(4.5)	(4.3)	(237.2)	-	(8.3)	(16.0)	(270.3)
Exchange difference	-	0.1	4.3	-	0.1	0.2	4.7
Charge for the period	(0.5)	(1.6)	(105.5)	(6.7)	(3.6)	(3.0)	(120.9)
Disposals	0.2	0.6	51.3	-	4.1	14.6	70.8
At 30 April 2002	*(4.8)*	*(5.2)*	*(287.1)*	*(6.7)*	*(7.7)*	*(4.2)*	*(315.7)*
Net book value							
At 30 April 2002	*35.9*	*23.4*	*651.0*	*27.1*	*10.4*	*3.1*	*750.9*
At 30 April 2001	36.5	19.1	725.6	-	8.4	12.9	802.5

The net book amount of leasehold property comprises:	*2002 £m*	2001 £m
Long leasehold	*1.1*	2.1
Short leasehold	*22.3*	17.0
	23.4	19.1

The closing net book value of property stated at cost or valuation may be analysed as follows:	*Freehold £m*	*Leasehold £m*
Stated at cost	34.4	22.4
Stated at valuation performed at 30 April 1989	1.5	1.0
	35.9	*23.4*
The net book value at which assets stated at valuation would have been shown if they had not been revalued is as follows:	*1.2*	*0.8*

12 Investments

Group

Fixed asset investments of the group of £1.6m comprise own shares held by the Employee Share Ownership Trust ("ESOT") which is established in Jersey and holds an interest in 2,722,575 shares in the Company acquired at a cost of 57p per share. These shares, which as described in the Remuneration Committee report on pages 32 to 37, relate to matching awards to directors under the Company's Investment Incentive Plan and had a market value at 30 April 2002 of £1.1m.

Notes to the Financial Statements

12 Investments (continued)

Company

	Shares in group companies £m	Loans to group companies £m	Employee share ownership trust £m	Total £m
At 1 May 2001	224.1	124.4	-	348.5
Additions in the year	-	3.2	1.6	4.8
At 30 April 2002	*224.1*	*127.6*	*1.6*	*353.3*

The Company's principal subsidiaries are:

Name	Country of incorporation	Principal country in which subsidiary undertaking operates
Ashtead Plant Hire Company Limited	England	United Kingdom
Ashtead Plant Hire Company (Ireland) Limited	England	Republic of Ireland
Ashtead Technology Limited	Scotland	United Kingdom
Ashtead Technology (South East Asia) pte Limited	Singapore	Singapore
Ashtead Technology Inc.	USA	USA
Sunbelt Rentals Inc.	USA	USA

The issued share capital (all of which comprises ordinary shares) of subsidiaries is 100% owned by the Company or by subsidiary undertakings and all subsidiaries are consolidated. The principal activity of each subsidiary undertaking listed above is equipment rental. All of the above subsidiaries are held by Ashtead Group plc except for Sunbelt Rentals Inc. and Ashtead Technology Inc. which are owned indirectly through other subsidiary undertakings.

13 Stock

Group	*2002 £m*	2001 £m
Raw materials, consumables and spares	*11.1*	12.9
Goods for resale	*1.8*	2.4
	12.9	15.3

14 Debtors

	The Group 2002 £m	The Group 2001 £m	*The Company 2002 £m*	The Company 2001 £m
Trade debtors	*96.6*	107.4	*-*	-
Amounts due from group undertakings	*-*	-	*132.3*	133.0
Prepayments and accrued income	*14.1*	18.3	*0.2*	0.5
	110.7	125.7	*132.5*	133.5

15 Bank loans, overdrafts and finance lease obligations

	The Group 2002 £m	The Group 2001 £m (restated)	The Company 2002 £m	The Company 2001 £m
Secured bank overdrafts	8.5	2.2	-	-
Short term portion of secured bank loans	2.6	2.6	-	-
Finance leases due in less than one year	12.4	-	-	-
	23.5	4.8	-	-

Comparative figures have been restated to correct a misclassification of the 1% term loan amortisation per annum which was previously ignored in the ageing analysis with all the term loan having been shown as repayable in more than five years.

16 Trade and other creditors

	The Group 2002 £m	The Group 2001 £m	The Company 2002 £m	The Company 2001 £m
Trade creditors	59.5	69.8	-	-
Bills payable	11.6	90.7	-	-
Taxation	0.9	1.9	-	-
Other taxes and social security	5.7	9.3	-	-
Proposed dividend	9.3	9.3	9.3	9.3
Accruals and deferred income	34.7	41.7	5.9	2.1
	121.7	222.7	15.2	11.4

Trade and other creditors include amounts relating to the purchase of fixed assets (including outstanding bills of exchange) of £60.7m (2001: £150.2m). Accruals and deferred income include accrued deferred consideration of £0.9m (2001: £nil).

17 Creditors - amounts falling due in more than one year

	The Group 2002 £m	The Group 2001 £m (restated)	The Company 2002 £m	The Company 2001 £m
Loans are payable as follows:				
Between two and five years:				
- Secured bank debt	262.7	232.3	-	-
- Finance lease obligations	18.2	-	-	-
Over five years:				
- Secured bank debt	241.4	248.1	-	-
- Loan notes	0.3	0.3	0.3	0.3
- 5.25% Unsecured convertible loan note due 2008	129.7	127.9	129.7	127.9
	652.3	608.6	130.0	128.2

Interest is payable on these loans currently at rates between 3.9% and 7.1%. Loans payable in between two and five years relate principally to revolving advances within the US$825m committed secured senior credit facility. These revolving advances were repayable in May 2001 but have been presented as long term because the revolving advance facility is committed until 31 May 2005. The secured bank debt over five years relates to the medium term bank loan also provided under the senior credit

17 Creditors - amounts falling due in more than one year (continued)

facility which is repayable on 31 May 2007 except in respect of an amount equal to 1% of the original term facility of £2.6m ($3.75m) which is repayable annually on 1 June each year. Secured bank debt is secured by way of fixed and floating charges over substantially all of the Group's assets. Comparative figures have been restated to correct a misclassification of the 1% term loan amortisation per annum which was previously ignored in the ageing analysis with all the term loan having been shown as repayable in more than five years.

18 Financial instruments

A discussion of financial instruments used by the Group and its approach to managing foreign exchange risk are included in the financial review on pages 16 and 17. Short term debtors and creditors have been excluded from all the following disclosures (except the currency profile of monetary assets).

a) The currency and interest rate profile of the Group's financial assets is:

	Total £m	Floating rate deposits £m	Financial assets on which no interest is received £m
Sterling	0.1	-	0.1
US dollar	0.4	-	0.4
At 30 April 2002	*0.5*	*-*	*0.5*
Sterling	0.3	-	0.3
Irish punt (Euro)	0.3	0.3	-
US dollar	0.3	-	0.3
Singapore dollar	0.2	-	0.2
At 30 April 2001	1.1	0.3	0.8

Floating rate financial assets are deposited for variable periods at prevailing money market rates.

b) The currency and interest rate profile of the Group's financial liabilities is:

	Total £m	Floating rate borrowings £m	Fixed rate borrowings £m	Weighted average interest rate at 30 April %	Weighted average time for which rate is fixed Years
Sterling	178.8	48.8	130.0	5.6	6.0
US dollar	481.6	279.4	202.2	5.7	1.4
Euro	15.4	15.4	-	6.4	-
At 30 April 2002	*675.8*	*343.6*	*332.2*	*5.7*	*2.6*
Sterling	204.1	75.9	128.2	5.6	7.2
US dollar	400.0	225.3	174.7	6.8	2.3
Euro	9.3	9.3	-	-	-
At 30 April 2001	613.4	310.5	302.9	6.3	4.4

The Group's sterling fixed rate borrowings at 30 April 2002 comprised the £134m nominal value unsecured convertible loan note due 2008 (see note 20) on which interest is fixed at 5.25% per annum and £0.3m of fixed rate loan notes issued by the Company. The fixed rate US dollar borrowings relate to US$250m (£171.6m) of the borrowings under the group's secured loan facility on which interest rates have been fixed by means of two interest rate swaps executed in August 2000 with LloydsTSB Bank plc (US $125m) and Bank of America (US$125m) and to finance lease obligations which are at fixed rate. Interest payable on floating rate borrowings is linked to LIBOR rates for the relevant currency.

18 Financial instruments (continued)

c) Currency profile of monetary assets
During the year the Company has used financial instruments for the purpose of managing funding, interest rate and currency risk. Such derivative financial instruments are only used to manage or hedge underlying exposures and not to create exposures. At 30 April 2002 the only currency exposures in the group's operations in currencies other than their own functional currency related to payables of £0.2m in the Republic of Ireland, all of which is payable in pounds sterling. The equivalent comparatives at 30 April 2001 were payables of £25.9m in the US, £16.6m of which was payable in pounds sterling and £9.3m of which was payable in Euros, and payables of £11.4m in the Republic of Ireland, all of which was payable in pounds sterling.

d) Maturity of financial liabilities
The maturity profile of the Group's financial liabilities included in note 15 and 17 was:

	2002	2001
	£m	£m
		(restated)
In one year or less	*23.5*	4.8
In more than two years but not more than five years	*280.9*	232.3
In more than five years	*371.4*	376.3
	675.8	613.4

e) Borrowing facilities
Undrawn committed facilities at 30 April 2002 in respect of which all conditions precedent had been met totalled £56.9m and relate to the undrawn balance of the revolving loan commitment under the Group's senior secured bank loan facility which expires in more than two years but less than five years. At the same date undrawn, uncancelled overdraft facilities totalled £9.9m.

f) Fair value of financial assets and liabilities
The table below provides a comparison, by category of the carrying amounts and the fair values of the Group's financial assets and liabilities at 30 April 2002. Fair value is the amount at which a financial instrument could be exchanged in an arm's length transaction between informed and willing parties and includes accrued interest. Where available, market values have been used to determine fair values. Where market values are not available, fair values have been calculated by discounting expected cash flows at prevailing interest and exchange rates.

Summary of methods and assumptions:

- Bank loans and overdraft, loan notes, finance lease obligations and cash: - fair value approximates to the carrying value because of the short maturity of these items or because they bear interest at floating rates which are reset to market rates at intervals of less than one year.
- 5.25% convertible loan note: - fair value at 30 April 2002 is calculated by reference to an independent opinion provided by Schroder Salomon Smith Barney
- Interest rate swap agreements: - fair value is determined by reference to market quotations obtained with reference to interest rates ruling at 30 April 2002

Primary financial instruments held or	*At 30 April 2002*		At 30 April 2001	
issued to finance the Group's operations:	*Book value*	*Fair value*	Book value	Fair value
	£m	*£m*	£m	£m
			(restated)	(restated)
Short term borrowings and overdrafts	*11.1*	*11.1*	4.8	4.8
Finance lease obligations	*30.6*	*30.6*	-	-
Other secured bank loans				
(all of which bear interest at floating rates)	*504.1*	*504.1*	480.4	480.4
Other loan notes	*0.3*	*0.3*	0.3	0.3
5.25% unsecured convertible loan note due 2008	*129.7*	*100.2*	127.9	131.1
Cash at bank	*(0.5)*	*(0.5)*	(1.1)	(1.1)
	675.3	*645.8*	612.3	615.5
Derivative financial instruments held to				
manage interest rate profile:				
Interest rate swaps (net loss)	*-*	*10.1*	-	8.0

18 Financial instruments (continued)

In line with the Group's accounting policy of accounting for derivatives used to manage the balance between fixed and floating rate interest rates on long term debt rateably in earnings over the period of the contracts, £7.4m of the total unrecognised loss on the interest rate swaps of £10.1m at 30 April 2002 will be recognised in the year ending 30 April 2003.

19 Provisions for liabilities and charges

Deferred taxation	*2002*	2001
	£m	£m
Liability recognised in the accounts:		
- Short term timing differences	*(1.0)*	(3.7)
- Tax effect of losses in subsidiary company	*(54.7)*	(26.2)
- Accelerated capital allowances	*96.8*	95.9
	41.1	66.0
Unrecognised deferred tax asset relating to:		
- Accelerated capital allowances	*9.8*	-
- Tax losses in subsidiary company	*0.8*	-
	10.6	-

The movement in the year in the liability provided is:	*£m*
At 1 May 2001 as previously reported under SSAP 15	4.0
Prior year adjustment to reserves	47.6
Restatement of fair market value of acquired BET USA deferred taxation	14.4
At 1 May 2001 as restated under FRS 19	66.0
Exchange differences	(1.1)
Credited to profit and loss account	(18.9)
Adjustments to goodwill relating to acquisition of BET USA (note 22)	(4.9)
At 30 April 2002	*41.1*

The Company has adopted FRS 19 - Deferred taxation this year which requires full provision to be made for deferred taxation as opposed to the partial provision required by the previous accounting standard, SSAP 15. Comparative figures for the previous year have been restated accordingly by way of a prior year adjustment to reserves. 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 it is not the Group's 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. Additionally no deferred tax is provided on the unremitted earnings of overseas subsidiaries because it is not intended to remit these in the foreseeable future.

The reconciliation between the tax credit for the year and that expected on the basis of the UK standard corporation tax rate of 30% is as follows:	*£m*
Expected tax credit based on the loss before taxation of £15.5m for the year at the standard UK corporation tax rate of 30%	4.7
Prior year tax items included in the actual tax credit (£0.9m credit re current tax and £21.4m credit re deferred tax)	22.3
Tax benefits deriving from the structure of the BET USA acquisition	6.7
Increase in unrecognised deferred tax assets in the year	(10.6)
Goodwill amortisation included in the loss before tax not allowable for tax	(2.6)
Impact of overseas profits taxed at rates above the UK standard rate	(2.5)
Other permanent differences	1.2
Actual tax credit for the year	*19.2*

19 Provisions for liabilities and charges (continued)

Other provisions

	Self insurance £m	*Other £m*	*Total £m*
At 1 May 2001	2.9	1.8	4.7
Exchange differences	-	-	-
Utilised	(9.3)	(1.7)	(11.0)
Charged in the year	9.9	0.7	10.6
At 30 April 2002	*3.5*	*0.8*	*4.3*

Self insurance provisions relate to the estimated liability in respect of costs to be incurred under the Group's self insurance programmes for events occurring on or prior to the year end. The provision is determined, with advice from external insurance brokers, based on claims notified to date plus an allowance for claims incurred but not yet reported. The majority of the amount provided is expected to be utilised within one year.

Other provisions include individually insignificant items expected to be utilised within one year.

20 Called up share capital and 5.25% unsecured convertible loan note due 2008

Ordinary shares of 10p each	*2002 Number*	2001 Number	*2002 £m*	2001 £m
Authorised	*450,000,000*	450,000,000	*45.0*	45.0
Allotted, called up and fully paid	*325,131,792*	323,611,327	*32.5*	32.4

During the year to 30 April 2002, 1,520,465 ordinary shares were issued for cash to employees exercising options granted over the Company's share capital.

Also on 1 June 2000, in connection with the acquisition of BET USA, the Company issued the 5.25% £134m nominal value unsecured convertible loan note due 2008. This loan note is convertible, at the holder's option, into 89,333,333 ordinary shares at any time after 1 June 2001 and if not converted is redeemable at par on 1 June 2008. The convertible loan note bore no interest in its first year of issue. No transfer of the loan note is permitted in its first year of issue and thereafter it may only be transferred with the consent of the Company which will be granted if the Company is satisfied that the transferee (and any connected persons) would not, in consequence of the transfer, hold ten per cent or more of the issued share capital of the Company after conversion. Certain orderly marketing restrictions also apply to ordinary shares issued through conversion.

Notes to the Financial Statements

21 Movements in shareholders' funds

	Share capital £m	Share premium account £m	Revaluation reserve £m	Profit and loss account £m	Total £m	2001 £m (restated)
Group						
Profit for the financial year	-	-	-	3.7	3.7	2.2
Equity dividends	-	-	-	(11.3)	(11.3)	(11.3)
	-	-	-	(7.6)	(7.6)	(9.1)
Other recognised gains and losses relating to the year	-	-	-	(0.7)	(0.7)	(0.2)
Share capital subscribed	0.1	0.6	-	-	0.7	0.5
Net additions/(reductions) to shareholders' funds	0.1	0.6	-	(8.3)	(7.6)	(8.8)
At 1 May 2001 as previously reported	32.4	100.1	0.5	117.5	250.5	236.8
Prior year adjustment	-	-	-	(48.4)	(48.4)	(25.9)
At 1 May 2001 as restated	32.4	100.1	0.5	69.1	202.1	210.9
Closing shareholders' funds	*32.5*	*100.7*	*0.5*	*60.8*	*194.5*	*202.1*
Company						
Profit for the financial year	-	-	-	8.8	8.8	11.5
Equity dividends	-	-	-	(11.3)	(11.3)	(11.3)
	-	-	-	(2.5)	(2.5)	0.2
Transfer of Group undertaking to subsidiary	-	-	-	-	-	(0.1)
Share capital subscribed	0.1	0.6	-	-	0.7	0.5
Net additions/(reductions) to shareholders' funds	0.1	0.6	-	(2.5)	(1.8)	0.6
At 1 May 2001	32.4	100.1	198.6	11.3	342.4	341.8
Closing shareholders' funds	*32.5*	*100.7*	*198.6*	*8.8*	*340.6*	*342.4*

The prior year adjustment of £48.4m relates to the adoption of FRS 19 - Deferred taxation and comprises the £47.6m increase in deferred tax arising at 1 May 2001 on implementation of FRS 19 together with the additional goodwill amortisation of £0.8m for the period to 30 April 2001 consequent on remeasuring, under FRS 19, the fair market value of the deferred tax liability of BET USA at acquisition on 1 June 2000.

Notes to the Financial Statements

22 Acquisitions

i) Current year acquisitions

(a) on 29 June 2001, the business and certain assets of two East Coast locations of United Scaffolding were acquired and (b) on 1 August 2001, the business and certain assets of SuperRents which traded from three locations in the Seattle, Washington area were acquired.

	Total
Assets acquired at provisional fair market value:	£m
- Fixed assets	4.1
- Debtors	1.1
	5.2
Consideration (including costs):	
Cash paid	7.1
Accrual deferred consideration	0.9
Goodwill arising	2.8

No fair value adjustments have been made to the value of assets acquired in relation to these acquisitions at this time but fair values remain provisional pending agreement of the related consideration. These acquisitions have been accounted for from their respective acquisition dates stated above.

ii) Adjustments to prior year fair values

On 1 June 2000 the Group acquired BET USA. The acquisition was accounted for by the acquisition method of accounting. The fair values used in the 2001 accounts were provisional. In the year ended 30 April 2002 post acquisition amendments, as explained below and in accordance with FRS7 'Fair values in acquisition accounting', have been made to these provisional fair values. The differences have been taken as an adjustment to goodwill on acquisition. Provisional and amended fair values for net assets acquired were as follows:

	Provisional fair value to the Group £m	Change of accounting policy £m	Completion & hindsight period adjustments £m	Final fair value to the Group £m
Fixed assets	173.0	-	28.0	201.0
Stocks	4.6	-	-	4.6
Debtors	32.4	-	-	32.4
Cash	2.0	-	-	2.0
Creditors	(29.0)	-	(40.1)	(69.1)
Deferred taxation	-	(14.4)	4.9	(9.5)
	183.0	(14.4)	(7.2)	161.4
Purchase consideration	326.2	-	(4.7)	321.5
Goodwill	143.2	14.4	2.5	160.1

The change of accounting policy adjustment relates to FRS19 - Deferred taxation which was adopted during the year.

The principal hindsight period adjustment to fair values relates to the reclassification of certain leases over rental equipment as finance leases which were previously treated as operating leases by the acquired company, increasing fixed assets by £32.9m, increasing creditors by £40.3m and generating additional goodwill of £7.4m. Other adjustments are in respect of reassessments of asset and liability valuations completed in the year which have reduced fixed assets and creditors by £4.9m and £0.2m respectively less related deferred taxation of £1.8m and the inclusion of a deferred tax asset relating principally to acquired tax losses of £3.1m.

22 Acquisitions (continued)

The final purchase price was also agreed in the year under the price adjustment mechanism in the original acquisition agreement reducing the purchase consideration and goodwill by £4.7m. This reduction was effected through £3.8m received as a cash repayment from Rentokil and the agreement by Rentokil to assume responsibility for settling a pre-acquisition tax liability of BET USA totalling £0.9m.

The adjustment to redesignate assets held under certain leases as finance leased assets has resulted in an increase in depreciation charge and interest expense of the Group but with a reduction in hire of plant and machinery costs. The impact on the prior year profit and loss account, if these leases had been treated as finance leases in that year, would have been as follows:

	£m
Turnover	-
Cost of sales	4.7
Gross profit	4.7
Administrative expenses	(0.4)
Operating profit	4.3
Net interest payable	(2.9)
Profit before tax	1.4

These adjustments have been reflected in the current year profit and loss account in addition to current year depreciation and interest charges.

23 Exceptional costs

	2002 £m	2001 £m
Loss on disposal of UK assets	32.6	-
BET USA integration costs	-	12.3
Bank facility costs included in interest payable (note 5)	3.0	9.7
	35.6	22.0

The exceptional loss on disposal of UK assets is net of proceeds received of £4.9m and also includes incremental transport, storage and disposal costs of £1.1m. A fuller description of these items is given in the financial review on pages 8 to 17.

24 Operating leases

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

	2002 £m	2001 £m
Land and buildings:		
Expiring in one year	0.8	1.1
Expiring between two and five years	4.3	5.5
Expiring in more than five years	9.4	7.3
	14.5	13.9
Other:		
Expiring in one year	1.6	4.4
Expiring between two and five years	10.4	5.4
Expiring in more than five years	1.4	0.6
	13.4	10.4
Total	27.9	24.3

25 Pensions

The Group operates pension plans for the benefit of qualifying employees. The Group's principal pension plan for its UK employees, which is a funded defined benefit plan with trustee administered assets held separately from those of the Group, was subject to an actuarial valuation as at 30 April 2001 by Aon Limited. This valuation used the projected unit credit method and was carried out on a market-related basis, using a conservative set of actuarial assumptions for funding purposes and a "best estimate" set for accounting purposes (as required by SSAP 24).

The principal actuarial assumptions used for funding and for accounting purposes were the same except for the pre-retirement investment return where 6.9% per annum and 7.25% per annum were used respectively for past service and future service for funding purposes against 7.9% per annum in both cases for accounting purposes and the assumed annual increase in salaries which was 4.5% for funding purposes and 4% for accounting purposes. The other main assumptions for both funding and accounting purposes were the post-retirement investment return for current pensioners of 5.1% and for non-current pensioners of 5.25% and the annual inflation rate of 2.5%.

The market value of the plan assets was £18.3m at the valuation date of 30 April 2001. On an on-going basis, assets at market value were sufficient to cover 84% of the benefits that had accrued to members on the funding basis and 94% on the SSAP 24 accounting basis. On the advice of the actuary, employer's contributions were paid to this plan during the year ended 30 April 2002 at the rate of 5.0% of members' pensionable salaries at 1 May 2001, as adjusted for leavers during the year, increasing to 11% of pensionable service from November 2001. For accounting purposes, the actuarial deficit in the main UK plan is being spread over the ten year average remaining expected service life of the employees in the scheme.

The table below shows the employer's cost calculated in accordance with the provisions of SSAP 24 for the main UK plan and for the other plans:

	2002	2001
Principal UK scheme:	*£m*	£m
Regular cost	*1.1*	0.8
Variation from regular cost	*0.1*	(0.2)
Other plans	*1.5*	2.4
	2.7	3.0
Accrual for future contributions included in creditors	*0.1*	0.1

Other plans include the defined contribution 401K plan operated by Sunbelt Rentals for the benefit of its employees and the Ashtead Group plc pension scheme described more fully in the Remuneration Committee report on pages 32 to 37.

Additional pension disclosures under FRS17

Each of the Company's defined benefit pension commitments were valued at 30 April 2002 under the provisions of FRS 17 by independent qualified actuaries using the projected unit valuation method. The major financial assumptions applied by the actuary were: a discount rate of 6.0%; a rate of increase in pensions in payment of 2.5% in respect of pension accrued after April 1997; an inflation rate of 2.75%; and a rate of increase in salaries of 4.25%. The classes of asset in the plans and their expected rates of return were: equities 6.9%; fixed interest bonds and gilts 5.5%; property 6.9% and cash 4.0%.

Under these assumptions and the methods prescribed in FRS 17, the Group's total commitment at 30 April 2002 in respect of its defined benefit pension commitments is:

	£m
Equities	17.3
Bonds	3.1
Property	2.0
Cash	1.4
Total market value of assets	23.8
Present value of schemes' liabilities as determined by the actuaries using the method and assumptions prescribed by FRS17 as outlined above	30.9
Net deficit on the basis prescribed by FRS17	*7.1*

26 Notes to the cash flow statement

a) Cash flow from operating activities

	2002 £m	2001 £m
Operating profit	72.5	68.2
Exceptional BET USA integration costs	-	12.3
Amortisation of goodwill	8.8	8.1
Depreciation of tangible fixed assets	120.9	114.5
Gain on sale of tangible fixed assets	(1.5)	(6.8)
Decrease/(increase) in stocks	2.4	(0.7)
Decrease/(increase) in trade debtors	15.3	(12.1)
(Decrease) in trade creditors	(15.4)	(9.3)
Exchange differences	(1.0)	(1.2)
Net cash inflow from operating activities before BET integration costs	202.0	173.0

b) Reconciliation to net debt

		2002 £m	2001 £m
Decrease/(increase) in cash in the period		6.9	(41.6)
Increase in bank loans		32.5	296.3
Cash inflow from decrease in short term investments		-	15.6
Change in net debt from cash flows		39.4	270.3
Translation difference		(8.8)	22.8
Movement in net debt in the period		30.6	293.1
Net debt at 1 May		612.3	191.3
Net debt at 30 April		642.9	484.4
Non cash movement	- 5.25% unsecured convertible loan note, due 2008	1.8	127.9
	- obligation due on finance leases	30.6	-
Net debt at 30 April		675.3	612.3

c) Analysis of movement in net debt

	1 May 2001 £m (restated)	Cash flow £m	Non-cash movements £m	Exchange movement £m	30 April 2002 £m
Cash at bank and in hand	(1.1)	0.6	-	-	(0.5)
Overdrafts	2.2	6.3	-	-	8.5
	1.1	6.9	-	-	8.0
Debt due after 1 year	608.6	32.5	20.0	(8.8)	652.3
Debt due within 1 year	2.6	-	12.4	-	15.0
Total net debt	612.3	39.4	32.4	(8.8)	675.3

Non-cash movements relate to the accrued interest on the 5.25% unsecured convertible loan note, due 2008 and to acquired finance lease obligations (see note 22).

Notes to the Financial Statements

26 Notes to the cash flow statement (continued)

d) Acquisitions	2002 £m	2001 £m
Cash consideration on current year acquisitions	7.1	211.3
Cash consideration refunded on prior year acquisition	(3.8)	-
Less: cash acquired with subsidiary undertakings	-	(2.0)
Deferred consideration paid on prior year acquisitions	-	4.8
	3.3	214.1

Because the acquired businesses were fully integrated immediately into the Group's operations it is not practicable to analyse net cash flows between the acquired entities and the Group's other operations.

e) Drawdown/redemption of loans	2002 £m	2001 £m
Drawdown of loans		
Term loan	-	251.2
Revolver loans	89.3	215.4
	89.3	466.6
Redemption of loans		
Bank loans	(56.8)	(79.6)
US$ private placement notes	-	(90.4)
Other loan notes	-	(0.3)
	(56.8)	(170.3)
	32.5	296.3

f) Exceptional items

Cash flows relating to exceptional items comprise £4.9m of disposal proceeds less disposal costs of £1.1m relating to the UK equipment disposal programme. In addition £1.3m was paid in relation to the exceptional bank facility costs and the balance of this exceptional item was paid in May 2002.

27 Contingent liabilities

The Group is subject to periodic legal claims in the ordinary course of its business. However, the claims outstanding at 30 April 2002 are not expected to have a significant impact on the Group's financial position.

The Company has guaranteed bank and other borrowing facilities of subsidiary undertakings under the Group's secured credit facility. At 30 April 2002 the amount borrowed under these facilities was £515.2m (30 April 2001 - £485.2m).

The Company has also guaranteed annual operating lease commitments of subsidiary undertakings where the minimum lease commitment at 30 April 2002 totalled £79.0m (2001 - £53.2m) in respect of land and buildings and £28.3m (2001 - £26.2m) in respect of other operating lease rentals of which £3.4m and £8.6m respectively is payable by subsidiary undertakings in the year ending 30 April 2003.

28 Capital commitments

At 30 April 2002 capital commitments in respect of purchases of rental equipment totalled £8.6m (2001 - £33.9m), all of which had been ordered. There were no other material capital commitments at the year-end.

29 Related party transactions

During the year Sunbelt Rentals Inc incurred £0.2m in the purchase of artwork, equipment decals and business cards from Images Unlimited, a company controlled by the wife of Mr B Dressel, a director of the company. The amount due to Images Unlimited at the end of the year was less than £0.1m.

30 Employees

The average number of employees during the year was as follows:	*2002*	2001
North America	*3,807*	3,158
United Kingdom	*2,578*	2,669
Rest of World	*8*	7
	6,393	5,834

31 Post balance sheet event

On 14 June 2002 the Company and its subsidiaries Sunbelt Rentals Inc, Ashtead Technology Inc and Ashtead Plant Hire Company Limited entered into an accounts receivable securitisation programme under which the trade debtors of these subsidiaries were pledged as security in return for non-recourse advances of up to £60m. Concurrently with the initial funding of the programme on 20 June 2002 which raised £59.4m, £60m of commitments under the Company's secured bank loan agreement were cancelled and repaid. The securitisation programme is committed until 1 June 2005, the same date as the revolving advance portion of the Company's bank debt. Advances received under the programme will be accounted for as a reduction in trade debtors.

Seven Year History

	Year to 30 April 2002	Year to 30 April 2001	Year to 30 April 2000	Year to 30 April 1999	Year to 30 April 1998	Year to 30 April 1997	Year to 30 April 1996
		Restated					
In £m							
Turnover	583.7	552.0	302.4	256.0	202.5	147.6	95.9
Depreciation	120.9	114.5	66.8	63.3	48.5	33.1	21.2
Operating profit+ •	81.3	91.1	57.5	46.3	40.7	29.2	19.5
Pre-tax profit+ •	28.9	43.7	46.6	38.6	35.7	27.4	18.3
Capital expenditure	113.8	237.7	158.2	145.7	153.4	98.9	61.0
Book cost of rental equipment	971.9	962.8	629.5	527.9	394.1	245.6	172.2
Net cash inflow from operating activities	202.0	173.0	111.4	89.1	77.6	56.5	33.1
Shareholders' funds	194.5	202.1	236.8	207.5	151.3	119.9	107.7
In pence							
Dividends per share	3.50	3.50	3.16	2.70	2.30	1.825	1.52
In percent							
Depreciation (% of turnover)	20.7	20.7	22.1	24.7	23.9	22.4	22.1
Operating profit margin+ •	13.9	16.6	19.0	18.1	20.0	19.8	20.3
Pre-tax profit margin+ •	5.0	7.9	15.4	15.1	17.6	18.6	19.1
People							
Employees at year end	6,545	6,043	3,930	3,735	3,174	2,268	1,968
Locations							
Profit Centres at year end	463	443	352	341	275	181	164

+ Before exceptional items and goodwill amortisation and the non-recurring salary costs of £2.5m paid to redundant former BET USA employees before they were made redundant in the year 30 April 2001.
• The results for the years up to 30 April 2000 were restated in 2000/1 to reflect the adoption of new accounting policies and estimation techniques under FRS 18 in that year.

Who we are

Senior staff - Sunbelt

Directorate
Bruce Dressel
Kurt Kenkel
Charles Miller
Brendan Horgan
Cliff Miller
Rod Nease
Randy Nelson
Earl Rose
Brian Tate

Trading Managers
Bradley Anderson
Carlos Aquino
Jeffrey Bair
Kenneth Beck
Douglas Bertz
Russ Brown
Steven Brown
Patrick Connolly
Eddie Dempster
Mark Ellis
Duane Francis
David Glaser
Kyle Horgan
Lon Jenkins
Chad Maughan
Paul Nicely
Christopher Pera
Greg Schamel
Kenneth Smerz
Donnie Smith
Thomas Wall
Jason Wallace
Frederick Weidner
Wayne Young

Support Managers

CMIS
Mark Long
Paul Hartland

Finance
Cheryl Black
Mike Godsey
Ron Matley
Matt Reinhard

Pump & Power Services
Jeff Cooper
Eric Eaton
Scott Webb

Performance Standards
Dawn Atkins
Jonathan Dalton
Bonnie Everett
Donna Nicely
James Parrish
Robert Swingle
Ollie Windle
Chris Watson

Training
James Cowley
Jeff Stachowiak
Steve Costantini
Chip Brunt
Bill Moertel

Marketing Services
Brad Lull
Jake Stout
Mary Roberts
Brett Bigham

Strategic Account Sales
David Titus
Rob Murn
Steve Heyman
Ken Rothmel
Al Kabo
Danny Grimes

Safety and Risk Management
Byron Adkins
Chuck Leeper
Brad Palmer
Darrylle Hood
Matt Harding

Scaffold Services
Peter Casey
Keith Lane
Francis Lombardi
Bruce Williams

Profit Centre Managers
Jeff Adair
Kenneth Allen
Brent Anderson
Charles Ambrose
Craig Ambrose
Paul Anthony
Jaime Aquino
Tim Ardell
Timothy Atkins
Douglas Atkins
Michel Axline
William Bacon
Stephen Bailey
Michael Barrow
Christopher Belcher
Keith Bengtson
Peter Blaikie
Kent Borror
James Bradley
Greg Brewer
Clarence Browder
Conway Brown
Scott Brown
Alan Buchanan
Bryan Bumpus
John Calvano
Richard Carpenter
Jeffrey Casto
Randy Clark
Jeffrey Coscia
Tim Cousino
Douglas Davidson
Roger Day
James Dennis
James Deutsch
David Dicks
Andrew Dixson
Ralph Douglas
John Drew
Christopher Dulnik
Larry Eason
Miles Edge
Stephen Edwards
Brian Elbrecht
Everett Evans
James Faulkner
William Fish
James Fitzpatrick
Gregory Flanagan
Troy Fleming
Verland Fluharty
Cristopher Follett
Gregory Frost
Bruce Funderburgh
Robert Furr
Donald Furr
Michael Gervasini
Samuel Glova
Jason Goldberg
James Grech
Jeffrey Groundwater
Bryan Hadley
Samuel Harding
James Hartsfield
Roberta Hassele
Stephen Hassett
Daniel Heselton
Andrew Hewitt
Sara Hinsey
Barry Holdcroft
Christopher James
Jared Jansen
Joseph Johnson
Kirk Johnson
Robert Jones
Robert Kaczenski
Thomas Kagey
Jacco Kappers
David Kenyon
David King
Jeffrey Labenski
Dwayne Landry
Keith Lee
Robert Longello
Steve Lowder
David Lytle
Chris. Macey
Steven Martucci
William Mather
John May
Christopher Mayer
Todd Mayer
Kenneth McBride
Cynthia McBride
Jacquelyn McCoy
Scott McCoy
David McGlone
Joseph McIntyre
Scott McLeod
Tom Meeuwsen
Stephen Mick
Richard Minton
Brian Morrison
David Morse
Richard Morse
Robert Morse
Richard Moss
Wayne Myers
Clark Neff
Paul Neff
Richard Newbold
Carey Nicholson
Shawn Olmstead
Brandon Owens
Billy Page
Ricky Parker
Richard Parr
Russell Pate
Rodney Patterson
Russell Pavur
Steven Peterson
Carl Pierce
Donald Pline
Michael Poteete
Charles Powell
Paul Rice
Hugh Rickles
Christopher Ritz
Curtis Rogers
Richard Rollason
Albert Salchenberg
Jared Sampson
Kyle Sandidge
Court Sawyer
Larry Schaff
Bradley Schlottman
Steve Seelbach
William Sentelle
John Sepa
Brent Sexton
Jerry Shaw
Ryan Sherwood
Jamie Simmons
William Sinclair
Douglas Smith
Scott Smith
Timothy Smith
William Smith
Kurtis Specht
Todd Staley
James Stallings
Robert Stinson
Richard Suarez
John Suberbielle
Paul Syverson
Thomas Tegner, Sr.
Scott Telford
Gunner Thompson
Jason Thompson
Johnny Tippie
George Tompkins
Bruce Turner
Michael Varnell
John Vedok
Douglas Wallace
Richard Wallace
Thomas Walton
Chris Wear
Russell Weidner
Kevin White
Mark White
Jude Yimin
James Yonce
Lawrence Zellner
Wendy Zielinski
Dirk Zienow
Gregory Zoeller
David Zoss

Who we are

Senior staff - A-Plant

Directorate
Sat Dhaiwal
John Bankes
Richard Dey
Tony Durant
Paul Fereday
Paul Mooney
Mark Sharkey
Gary Thompson
Bob Watts
Richard Winfield

Support Managers

Marketing & National Sales
Mike Abbott
Maria Congreve
Marc Daley
Steve Doughty
Tony Grimshaw
Seamus Kelly
Carli Milsom
Tony Reynolds
Keith Robertson
Barry Stephens
Tim Tait

Legal
Paul Edmunds

Training
John Devonport
Tom McNeill
Derek Purdon

Transport Services
Paul Green

Performance Standards
Ian Armstrong
Bob Harper
John Helliwell
Serena Lucas
Mel Moore
Chris Ryan
Dale Thurnham
George Winker

Finance
Sue Carey
Colin Foster
Iain Guthrie
Anne Hopkins
Mark Siney
Steve Westhead

North
Ian Cass
Paul Dennis
Bob Dixon
Dave Mellor
Steve Pickering
Derek Stewart

Midlands
Steve Day
Chris Muirhead
Jason Newell
Yas Swindell

South
Karl Dunstan
Susan Files
Dick May
Richard Mills
Penny Noad
Derek Smith
Ashley Tarrant

Ireland
Bert Benson
John Owens

Specialist Products
John Crook
Mike Dixon
Kevin Foord
Peter Fearn
Dave Jones
Jim Jones
Michael Thistlethwaite

Profit Centre Managers
Vince Akers
Mick Allen
Kamal Amanullah
Tony Andrews
Mark Antoine
Nigel Arnott
Simon Ashby
Tony Ashton
Brian Aspin
Mark Atkins
Ken Bailey
Neil Bailey
Sarah Barber
Alan Barnes
Barry Barnes
Kevin Barrett
Mark Barron
Vince Barry
Andy Benham
Barry Bevis
Wayne Bolton
Dave Bone
Darren Brady
Phil Briggs
Steve Buckley
Jim Buffoni
Richard Bull
Helen Bullock
John Bunting
Mark Burdge
Paul Burns
Andrew Burrows
Mandy Buss
Sean Byrne
Dean Cable
David Cadwallader
Mike Caesar
Olga Carroll
Sharon Carruthers
Adrian Chapman
Lorraine Cavanagh
Andy Chatham
Richard Clark
Ciaran Clancy
Peter Clay
Gary Clements
Len Clough
Tommy Coates
Scott Cooper
Steve Cornforth
Dean Corthorn
David Creasey
Mike Crumpton
Andy Cullen
Phil Davies
Douglas Davy
Jim Denihan
Alistair Dickson
Brian Dillon
Russell Dodd
Pete Dodds
Darryl Doherty
Martyn Dolan
Craig Donley
Andy Douglas
Barney Duffy
Matt Duggins
Paul Dukes
Graeme Dunlop
John Dunne
Jane Dyckoff
Matthew Eames
Nick East
Dean Edwards
Jim Edwards
Steve Elkington
Tom Fenton
Ross Fitzgerald
Eddie Ford
Jamie Fountain
Richard Freeman
Brian Galt
Jane Garfield
Clive Gilbert
Fraser Gillespie
Eddie Gilmore
Scot Graham
Jamie Grant
Jonathan Greenwood
Tom Grieve
Dave Griffiths
Dean Groves
John Guthrie
Eric Gwynne
Dermot Hagerty
Anthony Hales
Gary Hallam
Daren Hallas
John Hansbury
Tony Harrison
Richard Hart
Peter Hayward
Graham Hewitt
Douglas Hill
Tony Holland
Doug Hoskins
Marianne How
Phil Howell
Mark Huckle
Dale Hudson
Michael Hufton
Steve Hulley
Howard Hunt
Ian Jackson
Scott Jamieson
Jesse Johal
Ian Johnson
Mark Jones
Ian Jordan
Paul Keenan
Steve Kelf
Maria Kennedy
Terry Kingcott
John Kingham
Haydn Kinsey
Jason Kinsey
Gary Kirby
Ian Knight
Martin Lambert
Robbie Lamond
Mark Laud
Paul Lewis
Leon Lippett
Richard Llewellyn
Colin Lockless
Alex Love
Martin Ludkins
Jon McCarthy
Paul McClusky
Kevin McDade
Bill McGuckin
Alex McGuffie
Lisa McMahon
Andy Mackey
Wayne Maddocks
Steve Matthews
Shaun Medd
David Meek
Colin Meikle
Sean Mercer
Mike Merrigan
David Methven
Graham Milne
Kevin Mitchell
Bob Mitchinson
Peter Molloy
Martin Moody
Stephen Morell
Jim Morrison
Keith Moss
Joe Murphy
John Murray
Ian Needham
Dyllis Newman
Ian Nicholls
Andy Nightingale
Hamish Oliphant
Mike Omond
Jim Oliver
Gary Orton
Jim Palmer
Richard Parry
Mandy Payton
Dave Pearcy
Alan Peck
Graham Peel
Andy Perchard
Paul Perks
Michael Phelan
Alan Plant
John Plumb
Lee Prince
Alan Purdie
Mike Purdy
David Quantril
Steve Raper
Jim Reed
Norman Riches
Lee Rigby
Julian Ring
Dave Roberts
Denny Robinson
Adrian Rose
Shaun Ryan
Kevin Sanderson
John Savage
Sean Scarah
Chris Schaschke
Andy Scott
Mark Scutt
Keith Simpson
Nat Singleton
David Skyner
Mark Skyner
David Smith
Leslie Smith
Paul Smith
Robin Smith
Steve Smith
Peter Stalker
Cornal Stewart
Ian Stewart
Bill Stoodley
Ruth Swain
Colin Tall
Gordon Taylor
Jane Taylor
Keven Theobald
Karen Thomas
Andy Thompson
Ian Thompson
Jason Thorne
Carl Tidey
Steven Tinsley
Paul Trantum
Jamie Trevis
Andy Tribble
Andy Varley
Jamie Vincent
Wilson Walker
Gary Ward
Graham Ward
Steven Welling
Metro Werezak
Brian White
Colin Wight
Mike Wigley
Martin Williams
Mark Wilson
Mike Wishart
Lawrence Woodward
Roy Woods
Simon Yarwood

Who we are

Senior staff - Ashtead Technology & Corporate Office

Ashtead Technology

Corporate
Rob Phillips
Peter Simpson

Singapore
Neil Christie

North America
Andy Holroyd
Wendy Zielinski
Michael Klembus
Doug Allen
Steve Rozunick
Tony Barreca

UK
Andy Doggett

Support Managers

Marketing & National Sales
Chris Echols
Lorraine Monteiro
Colin Erskine

Finance
Iain Guthrie
Mary Ruth Carlton

Technical
Mark Emslie
Ian Harvey
Dave Thomson

Ashtead Group plc Corporate Office

Leatherhead
Robert Clark FCA ATII
Company Secretary
Ritain Patel ACCA
Group Financial Controller
Emily Shotter PhD ATII
Group Taxation Manager

CMIS
Derrick Adamson
Andrew Wortley

Where we are

Locations - Sunbelt

Alabama
Birmingham
Birmingham Access
Birmingham AWP
Mobile
Mobile Pump & Power

Allegheny
Ashland
Charleston
Charlottesville
Roanoke
Winchester

California
Belmont
Concord
Fontana
Fresno
Fresno Access
Glendale
La Mirada
Sacremento

Capital
Frederick
Fredericksburg
Gaithersburg
Manassas
McLean
Northern Pile Driving
Springfield
Sterling

Central
Charlotte
Charlotte Access
Charlotte AWP
Charlotte Pump & Power
Concord
Gastonia
Hickory
Indian Trail
Lake Wylie
Mooresville
Pineville
Rock Hill

Central Florida
Convention Services
East Orlando
Lake Fairview
Mid City Orlando
Orlando
Orlando Access
Orlando AWP
Orlando Pump & Power
Orlando Traffic Safety
Sanford
Titusville
Wintergarden

Coastal
Little River
Myrtle Beach
Wilmington
Wilmington Access
Wilmington Industrial Resources

Coastal Atlantic
Charleston
Charleston Access
Coastal Pump & Power
Hilton Head
Savannah
Summerville

Delaware Valley
Pennsauken
Philadelphia
Southampton
South Jersey Pump & Power
Swedesboro

Eastern Central
Evansville
Granite City
Indianapolis
Kokomo
Lansing
Layfayette
St Louis
South Bend
Toledo

Florida Gulf
Ft Myers
Ft Myers Access
Ft Myers Mast Climbers
Oldsmar
Tampa
Tampa Access
Tampa AWP
Tampa Pump & Power

Inland Mountain
Boise
Las Vegas
Tempe
West Valley Access
West Valley AWP

Mid Altantic
Durham
Fayetteville
Greensboro
Raleigh
Raleigh Access
Raleigh AWP
Wake Forest
Winston Salem
Winterville

Northern
Baltimore
Baltimore Washington Access
Finsburg
Hunt Valley
Laurel
Maryland Pump & Power
Parkville
Waldorf
Washington

North Florida
Brunswick
Imeson Park
Jacksonville
Jacksonville Access
Jacksonville AWP
Jacksonville Pump & Power
Orange Park
West Jacksonville

North Georgia
Atlanta Access
Atlanta Pump & Power
Atlanta AWP
Augusta
Augusta Access
College Park
Conyers
Douglasville
Lake Lanier
Macon
Marietta
Mid Town Atlanta
Norcross

North Texas
Arlington
Austin
Dallas
Kyle

Ohio Valley
Cincinnati
Clarksville
Columbus
Dayton
Lexington
Louisville
Louisville Access
West Columbus

Oregon
Albany
Eugene
Gresham
Hillsboro
Portland
Salem

Southern VA
Chesapeake
Chesapeake Access
East Richmond
Newport News
Richmond
Richmond Access
Richmond AWP
Virginia Beach
VA Beach Pump & Power
West Creek

South Florida
Ft. Lauderdale
Pembroke Pines
South Florida Access
South Florida AWP

South Texas
Beaumont
Houston Access
Houston AWP
San Antonio

Tennessee
Clarksville
Decatur
La Vergne
Nashville
Nashville Access
Nashville Pump & Power
Rivergate

Upstate South Carolina
Augusta
Columbia
Florence
Greenville
Spartanburg

Washington
Kent Access
Kent AWP
Lakewood
Lynwood
North Bend
Pasco
Redmond
Seattle Pump & Power
Tacoma
Woodinville

Western Central
Bloomington
Chicago Pump & Power
Decatur
Des Moines
East Peoria
Joliet
Moline

Locations - A-Plant

North West Tool
Blackpool
Ellesmere Port
Liverpool North
Liverpool City
Manchester UK
Oldham UK
Salford
Stockport UK
Warrington
Worsley

North West Plant
Astley
Barrow
Carlisle
Deeside
Dumfries
Egremount
Kendal
Liverpool
Preston
Reddish
Whitehaven

Scotland East
Aberdeen St Machar
Dundee
Dundee Main Road
Earlston
Edinburgh
Edinburgh Main
Ladybank
Inverness
Perth

Where we are

Scotland West
Ayr
Cumbernauld Tool
Falkirk
Glasgow Anniesland
Glasgow Baillieston
Glasgow South
Glasgow Traffic
Kilmarnock
Stevenson

North East Tool
Doncaster
Gateshead
Hartlepool
Hull City
Leeds UK
Leeds City
Sheffield City
Scunthorpe
Sunderland
Teeside TH
Tyneside
Wetherby

North East Plant
Bradford Tool
Bradford TS
Hull
Immingham
Leeds
Leeds Stanningly
Middlesbrough
Newcastle
Rotherham UK
Sheffield
Teeside MP
York

South East Plant
Barking
Battersea MP
Canterbury
Charlton
Ford
Leatherhead
Maidstone
Medway
New Cross
Romford
Southampton
Staines TT

South East Tool
Arundel
Basildon
Fareham
Gatwick
Heathrow
Leatherhead TH
Lancing
Maidstone
Southampton City

London Tools
Battersea TH
Bow TH
East London
Luton
Southwark
Staples Corner
Watford TH

Thames Valley & West
Bridgend
Bristol Central
Cardiff
Cardiff City
Colnbrook TM
Heathrow MP
Milford Haven
Newport
St Phillips
Swansea
Swindon
Thatcham

Northern Home Counties
Aylesbury
Bedford
Bedford TM
Cambridge
Colchester
Epping
Hemel Hempstead
Ipswich
Long Stratton
Letchworth
Milton Keynes
Norwich
St Albans
Watford
Westerfield

South West Plant
Barnstaple
Bodmin
Bridgwater
Exeter
Plymouth
Plymouth
Weymouth

North Midlands Tool
Burton TH
Chesterfield North
Derby North
Derby South
Grantham
Heanor
Kesteven
Leicester City
Lincoln City (Tool)
Loughborough Central
Newark
Nottingham East
Nottingham West

North Midlands Plant
Boston
Burton
Chesterfield South
Derby Ascot
Leicester
Leicester Central
Lincoln
Loughborough TM
Loughborough
Mansfield
Nottingham
Nottingham Central
Sleaford

Midlands Plant
Cheltenham
Coventry
Northampton Central
Nuneaton
Oldbury
Rugby
Stoke
Telford
Walsall Wood
Wolverhampton
Worcester

Midlands Tool
Birmingham City
Corby
Coventry City
Donnington
Erdington
Hunsbury
Shrewsbury
Stoke City
Stoke Fenton
Tamworth TH
Wolverhampton Tool

Ireland General Plant
Carlow
Cork
Dublin Main Plant
Dublin Rail
Dublin Tools
Galway
Limerick
Lisburn

Ireland Specialist Plant
Belfast Acrow
Cork Acrow
Dublin Acrow
Galway Acrow
Lisburn Rentarc

A-Plant Specialist Products

Acrow
Aberdeen Acrow
Bristol Acrow
Cardiff Acrow
Chesterfield Acrow
Colnbrook Acrow
Edinburgh Acrow
Glasgow Acrow
Leeds Acrow
Liverpool Acrow
Manchester Acrow
Newcastle Acrow
Norwich Acrow
Romford Acrow
Tavistock Acrow
Walsall Acrow

Groundcare
Abergavenny
Irvine
Manchester
Newcastle (Dunston)
Peterborough
Storrington

Big Air
Bridgend
Derby
Stockton

Rail
Avonmouth
Derby
Manchester
Norwich
Romford
Scotland (Perth)
West London

Powered Access
Aberdeen
Avonmouth
Birmingham
Brentwood
Brentwood Masts
Bridgend
Kendal
Kilmarnock
Leeds
Manchester
Northampton
Nottingham
Southampton
Stockton
Tamworth
West London

Accommodation
Alresford
Ampthill (Bedford)
Basildon
Boroughbridge
Bridgend
Exeter
Kilmarnock
Lincoln
Maidstone
Manchester
Nottingham
West Midlands

Power Generation & Rentarc
Aberdeen
Barton
Birkenhead
Cambridge
Carlisle
Derby
Eastleigh
Lowestoft
Manchester
Newmains
Newport
Salford
Stockton
Walsall (West Midlands)

Pumps
Falkirk
Manchester
Leeds
Preston
Romsey
Tottenham

Future dates

2002 Annual General Meeting	*20 September 2002*
Payment of final dividend	*30 September 2002*
Payment of interim dividend	*7 April 2003*
2003 Annual General Meeting	*26 September 2003*

Robert Clark, FCA, ATII
Company Secretary

Registered Office
Ashtead House
Business Park 8
Barnett Wood Lane
Leatherhead
Surrey KT22 7DG

Corporate Office
King's Court
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Surrey
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Registered number: 1807982

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