DUCKER WORLDWIDE

Advancing Growth

Prepared for:

The International Powered Access Federation

IPAF Powered Access Rental Market Report Europe – 2013

April 2013

Contents

IPAF Powered Access Rental Market Report - Europe

IPAF Powered Access Rental Market Report – Europe

FOREWORD

IPAF

- The International Powered Access Federation (IPAF) promotes the safe and effective use of powered access equipment worldwide. IPAF is a non-profit member organisation representing the interests of rental companies, manufacturers, distributors, users and training companies. It was formed in 1983 and celebrated its 30th anniversary in 2013.
- The IPAF training programme for access platform operators is certified by TÜV as conforming to ISO 18878. More than 100,000 people are trained each year through a worldwide network of more than 500 IPAF-approved training centres. Successful trainees are awarded the PAL Card (Powered Access Licence), the most widely held and recognised proof of training for platform operators.
- Membership of IPAF is open to users of platforms, manufacturers, distributors, rental and training companies. Members enjoy access to practical information and a growing portfolio of member services. They also have the chance to influence the legislation and regulations that govern platform use. More information can be found at www.ipaf.org.
- IPAF has approximately 1000 members.

Additional copies of this report can be ordered at www.ipaf.org or from your nearest IPAF office. IPAF has also published the IPAF US Powered Access Rental Market Report 2013 – details available at www.ipaf.org or from your nearest IPAF office.

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Ducker

- Ducker Worldwide is a primary research-led industrial market research and consulting company, dedicated exclusively to ad hoc business-to-business research and particularly specializing in the markets for construction equipment and materials in Europe and the US.
- Ducker benefits from solid industry experience and a highly international team with the ability to survey global markets at a local level:
  - Product and industry expertise: experience in the MEWP and equipment rental markets through several projects covering access equipment and other types of construction machinery at all levels of the value chain including rental as well as distribution and contracting.
  - International approach applied locally: with a team of permanent native consultants working out of offices that reach across the US, Europe and Asia, Ducker prides itself on the fact that all fieldwork is completed in the respondent's native language by in-house consultants and by Ducker's internal multi-lingual call-centers.
  - Methodological expertise: on-going involvement in strategic consulting within areas such as market sizing and segmentation, distribution structure, competitive positioning, customer satisfaction or market opportunity and new product entry assessments for a variety of products within the global construction and transportation industries amongst others.
  - Quality charter: Ducker Worldwide is certified as conforming to ISO 9001 and works to the guidelines of the ESOMAR ethics standards.
- More information on Ducker can be found at www.ducker.com

Foreword

This report was produced by the European headquarters of Ducker Worldwide in cooperation with its US headquarters.

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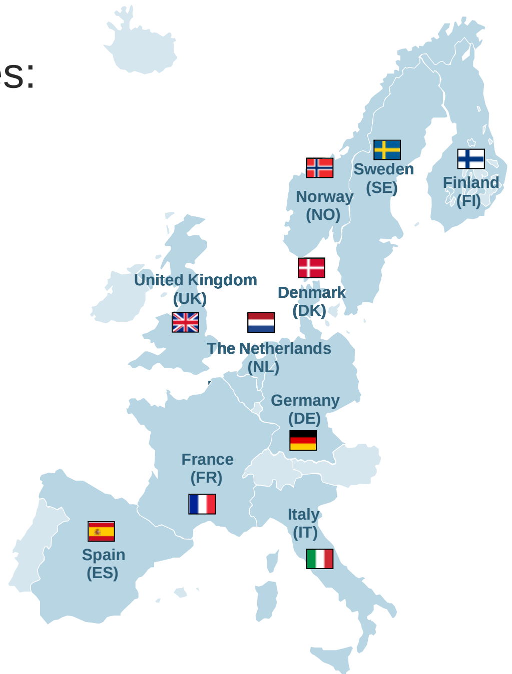
Foreword – Objectives

This study assesses the MEWP (mobile elevating work platform) rental market value for Europe over a six-year period. A separate report is available covering the US market.

- Main objectives by country:
  - 2012 MEWP rental market value and fleet size
  - Trends and dynamics (2008–2014)
  - Operational indicators (investment, retention period, application)
  - In addition to the primary market value and fleet size objective, fleet mix is included to ensure that the value is anchored in reality. Moreover, fleet information is typically more available than rental revenue. This has allowed for cross-checks, revenue-per-unit ratios and the optimisation of secondary sources.
- New in this report:
  - New for 2013 is an estimate of the size of the MEWP rental fleet worldwide, with a breakdown by region and by machine type.
  - Rental companies were asked about their fleet’s compliance with Stage IIIB.
- The current study does not examine rental company profitability.
- The study covers the time period 2008-2014, with particular focus on 2012.
- The conducting of all interviews in the first two months of 2013 has allowed for primary data collection on the full previous year, thus providing for more specifically targeted and up-to-date information than would have been available from any statistical sources.

Products and Countries

- The present study focuses on powered access equipment, i.e. mobile elevating work platforms (MEWPs), also called aerial work platforms (AWPs). It includes the full range (all sizes and types) of powered access equipment except mast climbing work platforms and hoists.
- Included are powered personnel lifts: all booms, scissor lifts and vertical masts
  - Both articulating and straight telescopic booms.
  - Self-propelled as well as vehicle-mounted, push-around, trailer-mounted/towable, hoists.
- Excluded are telescopic material handlers, forklifts, cranes, mast climbing work platforms, hoists and equipment owned by non-rental companies.
- The European part of the study comprises the following ten countries:
  - Denmark (DK)
  - Finland (FI)
  - France (FR)
  - Germany (DE)
  - Italy (IT)
  - Netherlands (NL)
  - Norway (NO)
  - Spain (ES)
  - Sweden (SE)
  - United Kingdom (UK)



These represent 88% of the European* market in value.

** Defined as 27 EU countries + Norway + Switzerland + Croatia + Macedonia*

Target Companies and Respondents

- The main source of information for this study is primary research through telephone interviews. Organisations interviewed for this study include rental companies and other industry experts:
  - Rental companies:
    - Specialist MEWP rental companies (62% of the market): MEWPs account for more than 50% of total rental revenue.
    - Generalist rental companies (38% of the market): MEWP rental revenue accounts for 50% or less of total rental revenue.
    - From rental companies interviewed, on average, MEWP rental revenue represents 66% of their overall rental revenue.
  - National rental associations.
  - Industry experts.
- In addition, an emailing was sent to gather information via a self-administered web questionnaire.
- Secondary data was also gathered to validate major market trends identified.
- Only persons with input in machine selection or management were qualified as respondents. Recurrent respondent job functions were Managing Director, Sales Director, Technical Director, Purchasing Manager, Fleet Manager and Operations Manager.
- Ducker and IPAF would like to thank all industry representatives interviewed, without whose kind assistance it would not have been possible to conduct this research.
- IPAF and Ducker would also like to thank Murray Pollok, Editor of *International Rental News* for his contributions and commentary on the current rental market.

Definitions

- MEWP rental revenue:
  - Includes for example: machine rental rates, machine repair, support (e.g. fuel services), transportation/delivery, training, insurance, operator charges.
  - Used equipment sales are excluded from the MEWP rental revenues reported.

- Specialists vs. Generalists:
  - For specialists: MEWPs account for more than 50% of total rental revenue.
  - Generalists: MEWPs account for 50% or less of total rental revenue.

- Cross-Hire:
  - Rental by one rental company from another rental company (excluded from final results).

- Utilisation rate:
  - Physical number of machines out on hire as percentage of total number in fleet at any given time.

- Retention period:
  - Average time during which rental companies typically keep their powered access equipment.

- Rental rate:
  - Corresponds more to net prices than list prices. Directly linked to the rental revenue.
  - The euro amount that the customer agrees to pay for possession and use of a machine.

Definitions

- Exchange rates:
  - The currency exchange rates used for countries outside the Euro Zone are as below. The same rate has been used throughout the time period in order to eliminate variation in growth rates due to exchange rates rather than to the actual MEWP rental market.

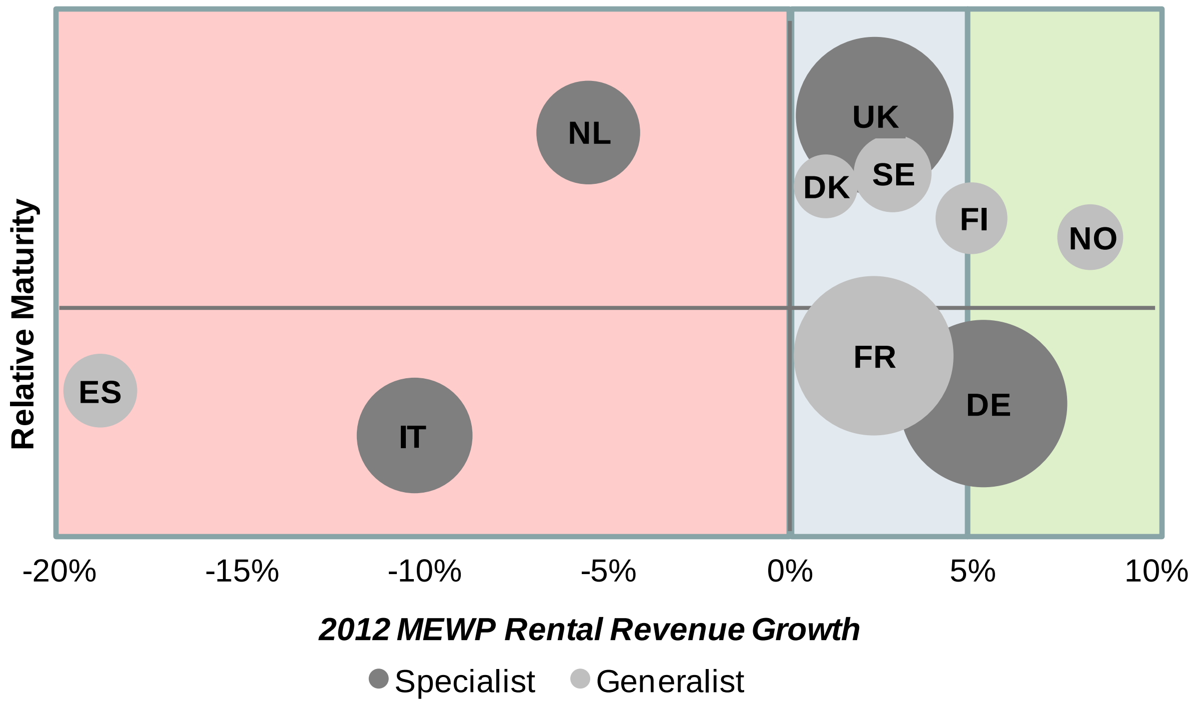
	Currency Unit	Converter to Euro
UK	£ 1	1,2335
Denmark	DKK 1	0,1343
Norway	NOK 1	0,1338
Sweden	SEK 1	0,1149

IPAF Powered Access Rental Market Report – Europe

EXECUTIVE SUMMARY

MEWP Rental Market Situation at End 2012 – European countries

- MEWP rental revenue in the ten countries surveyed remained stable in 2012 (+0%). It is estimated at approximately €2.3bn.
- Three groups of countries stand out in the 2012 market:
  - Three countries struggled in 2012: Spain, Italy and the Netherlands.
  - Four countries only slightly increased rental revenues: Denmark, UK, France, Sweden.
  - Three countries experienced significant growth: Germany, Finland, Norway.



Note: bubble size reflects market size (value).

MEWP Rental Market Situation at End 2012

Region	2012 MEWP revenue growth	2012 MEWP revenue	2012 MEWP fleet size growth	2012 MEWP fleet size	Utilisation rate growth	Rental rate growth
Spain	- 19%	€ 96M	- 10%	20 680	- 3 pts	- 5%
Italy	- 10%	€ 235M	- 1%	24 430	- 2 pts	- 5%
NL	- 6%	€ 191M	- 1%	18 869	- 3 pts	- 1%

- Three countries struggled in 2012 due to several factors: a continuous economic recession with strong GDP decreases (up to -2.4%), a drastic construction market decline (-6% to -31% for Spain), and oversupply.
- The Spanish market has experienced serious problems for several years. In 2012, rental companies continued to de-fleet and reduced investment.
- Italy and the Netherlands still experienced a slight growth in 2011, but negative economic indicators and particularly bad weather conditions led to a declining MEWP market in 2012. In both countries though, rental companies kept increasing investments directed to fleet renewals.
- While the Spanish market is not expected to stabilise before at least 2014, the Italian market is likely to experience slight growth in 2013 driven by rental rates. In the Netherlands a continuous downturn is foreseen for 2013, driven by fleet and rental rates decline. 2014 should see market stabilisation.

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MEWP Rental Market Situation at End 2012

Region	2012 MEWP revenue growth	2012 MEWP revenue	2012 MEWP fleet size growth	2012 MEWP fleet size	Utilisation rate growth	Rental rate growth
Denmark	+ 1%	€ 70M	- 8%	7 712	+ 4 pts	+ 1%
UK	+ 2%	€ 447M	+ 4%	49 736	+ 0 pt	+ 0%
France	+ 2%	€ 464M	+ 5%	39 977	- 2 pts	+ 0%
Sweden	+ 3%	€ 106M	+ 2%	13 590	+ 0 pt	+ 1%

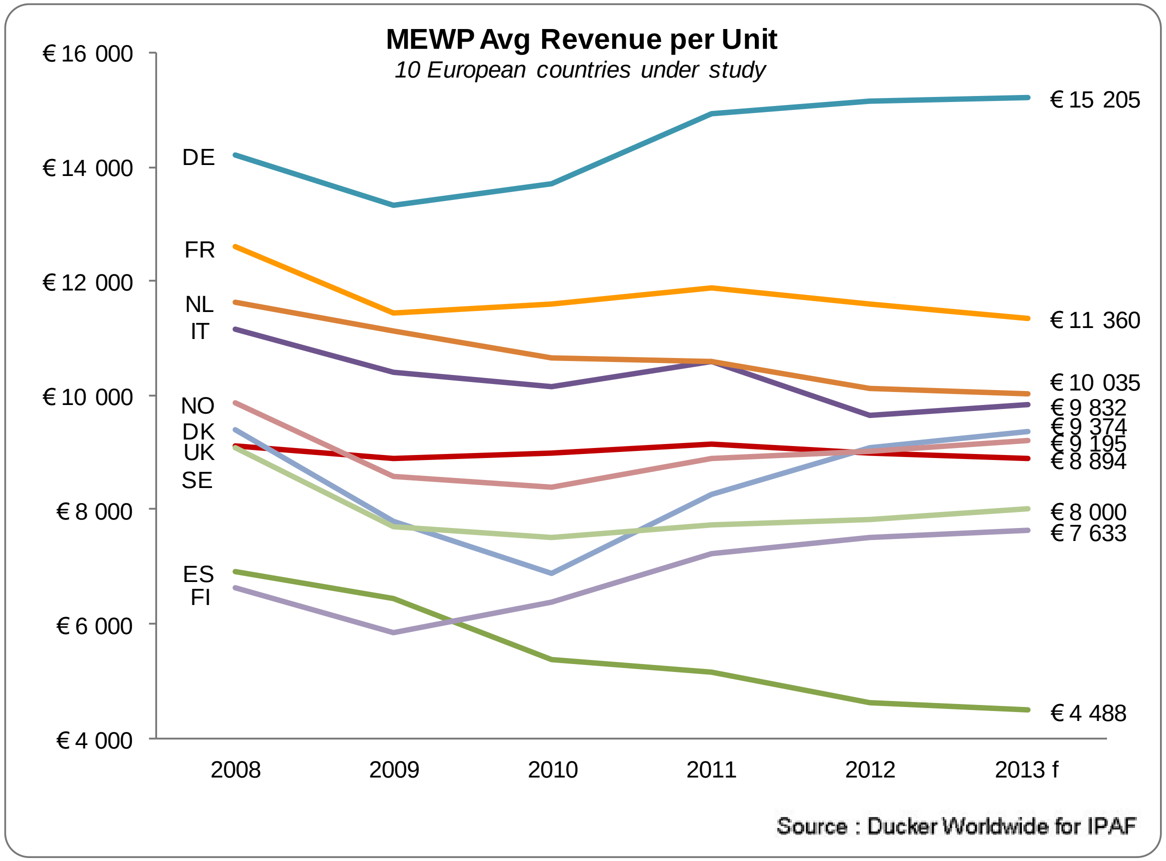
- The Danish, UK, French and Swedish MEWP markets experienced slight growth in 2012. All these markets (except the UK) saw GDP increases in 2012 and construction market stabilisation.
- In all countries except Denmark, rental companies chose to drive revenue growth by fleet expansion, at the expense of utilisation rates. In order to limit the decline of utilisation rates, rental companies kept rental rates flat.
- Only in Denmark did rental companies continue to de-fleet as fleet size remains too large for national demand. Significant fleet reduction allowed for an increase in utilisation rates.
- All four markets should sustain growth in 2013 and 2014.
  - In France however, rental companies are more uncertain than in other countries. They expect very slight growth in both 2013 and 2014, and plan on limiting investments.

MEWP Rental Market Situation at End 2012

Region	2012 MEWP revenue growth	2012 MEWP revenue	2012 MEWP fleet size growth	2012 MEWP fleet size	Utilisation rate growth	Rental rate growth
Germany	+ 5%	€ 505M	+ 4%	33 323	+ 0 pt	+ 2%
Finland	+ 5%	€ 86M	+ 1%	11 479	+ 1 pts	+ 3%
Norway	+ 8%	€ 73M	+ 7%	8124	- 2 pts	+ 4%

- Germany, Finland and Norway all experienced significant growth compared to 2011.
- In Finland and Norway markets are driven by rationalised economies and continuing demand.
- In Norway, the construction industry remained dynamic and GDP continued to grow, primarily driven by the petroleum sector.
- The German MEWP market improvement was driven by a relatively strong economy (improving GDP), as well as the fact that MEWP rental business is heavily weighted towards industrial end-applications. In addition, the German market remains one of the least mature markets in Europe, thus holds high growth potential.
- In all three markets, rental companies expanded fleets and chose to increase rental rates, sometimes at the expense of utilisation rates.
- All countries will experience continuous growth in 2013 and 2014 supported by fleet increase in Norway and Germany, and improving rental rates in Finland.

Profitability in the MEWP rental market has changed significantly since 2008. 2008 levels are not generally expected to be regained in 2013.



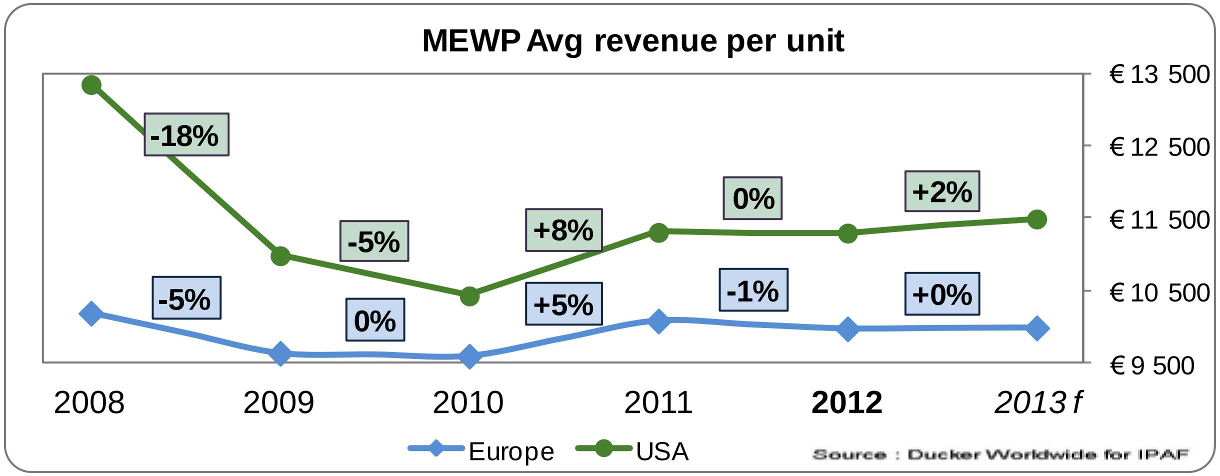
- In Germany, the 2013 average revenue per unit is expected to be significantly higher than in 2008 (+7%). This is due to relatively high GDP levels, and a MEWP market less driven by the construction industry and more towards industrial applications.

- In Finland, the 2013 average revenue per unit is expected to be 15% higher than in 2008. It is expected to reach 2008 levels in Denmark. Rental companies in both countries adapted well to market variations by de-fleeting in order to rationalise the market.

Comparison - Europe vs. USA

Region	2012 MEWP revenue growth	2012 MEWP revenue	2012 MEWP fleet size growth	2012 MEWP fleet size	Utilisation rate growth	Rental rate growth
Europe 10 *	+ 0%	€ 2.3Bn	+ 1%	227 920	- 1 pt	+ 0%
USA	+ 6%	€ 5.1Bn	+ 6%	454 430	- 2 pts	+ 3%

- Compared to Europe, the US MEWP market experienced solid and continuous growth in 2012. Rental companies chose to increase fleets and rental rates, at the expense of utilisation rates.
- Comparison of both regions' average revenue per unit evolution reveals similar trends, however the US market presents more drastic variations.



** These represent approx 85% of the European market.*

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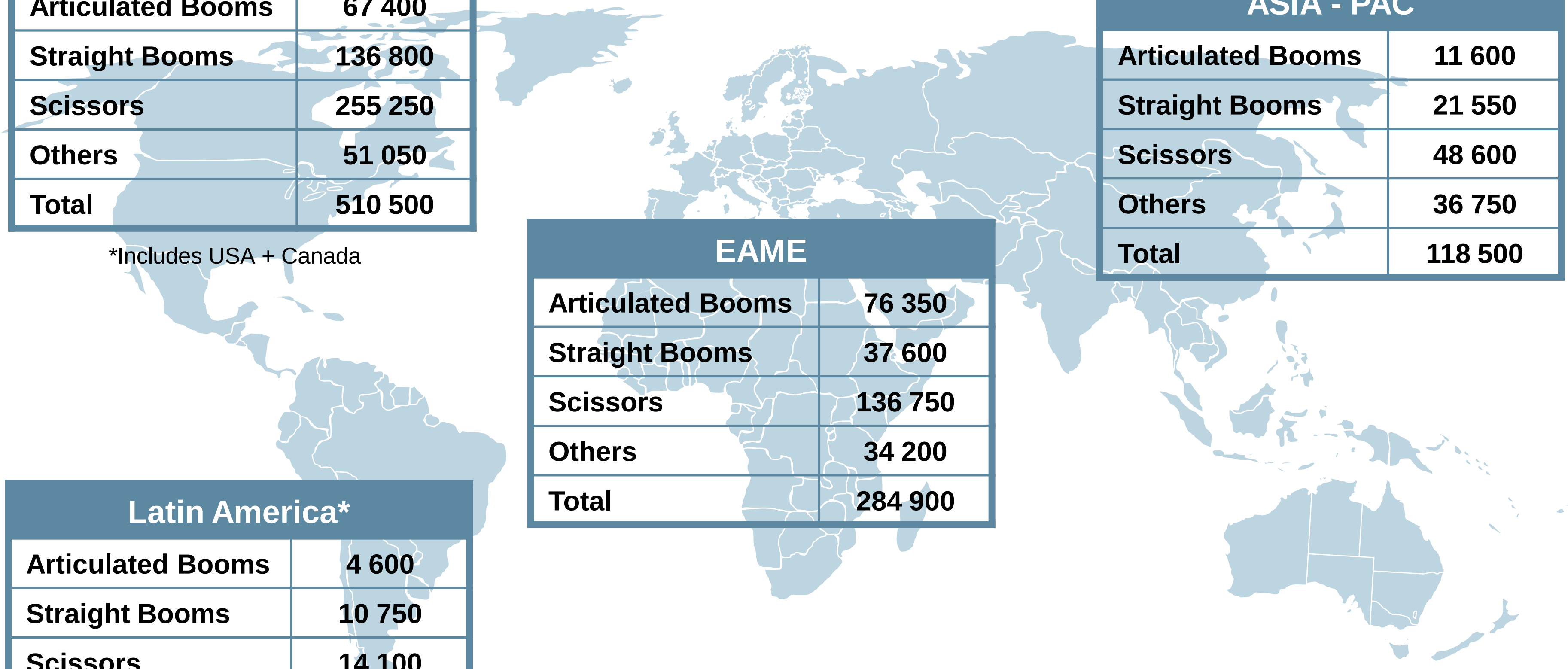
Worldwide MEWP Rental Fleet Size is estimated around 950,000 units.



USA*	
Articulated Booms	67 400
Straight Booms	136 800
Scissors	255 250
Others	51 050
Total	510 500

*Includes USA + Canada

ASIA - PAC	
Articulated Booms	11 600
Straight Booms	21 550
Scissors	48 600
Others	36 750
Total	118 500

EAME	
Articulated Booms	76 350
Straight Booms	37 600
Scissors	136 750
Others	34 200
Total	284 900

Latin America*	
Articulated Booms	4 600
Straight Booms	10 750
Scissors	14 100
Others	2 550
Total	32 000

*Includes Mexico

Others include: vertical lifts, vertical masts, vehicle-mounted booms.

Note : Chinese data (included in Asia) exclude local unidentified Chinese brands which are negligible as of today

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MARKET SIZE 2012

Market Size 2012 - Rental Market Value

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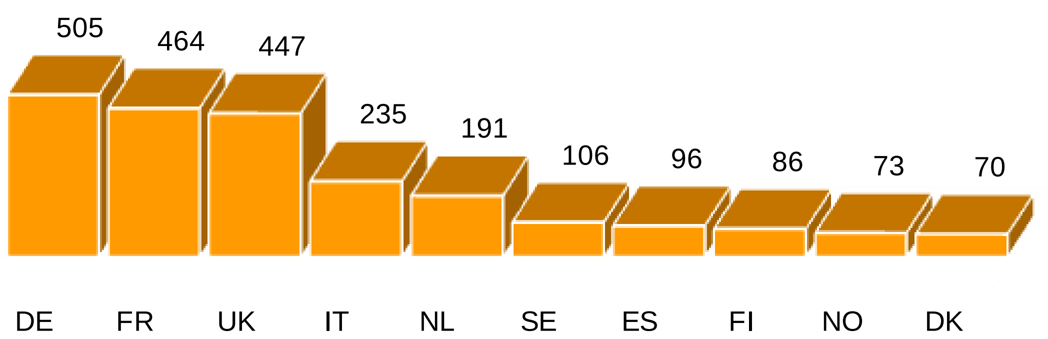
The European MEWP market in the ten countries surveyed is estimated at approximately €2.3B in 2012 which would then give a total European* market around €2.6Bn.

- Germany remains the largest market in value, followed by France and the UK.
- The Swedish MEWP market is now larger than the Spanish one, and Norway is now slightly ahead of Denmark.

MEWP Rental Market (M€) - 2012
10 European countries under study
Total = €2,274M



Source : Ducker Worldwide for IPAF

- The UK remains the leading market in volume.
- In rental companies that own a MEWP fleet, the share of MEWP rental revenues vs. overall rental revenues has kept increasing since 2009, going from 48% to 66% in 2012. This might be explained by the fact that the recession affected MEWPs less than other types of equipment, thus gaining importance in companies' revenues.

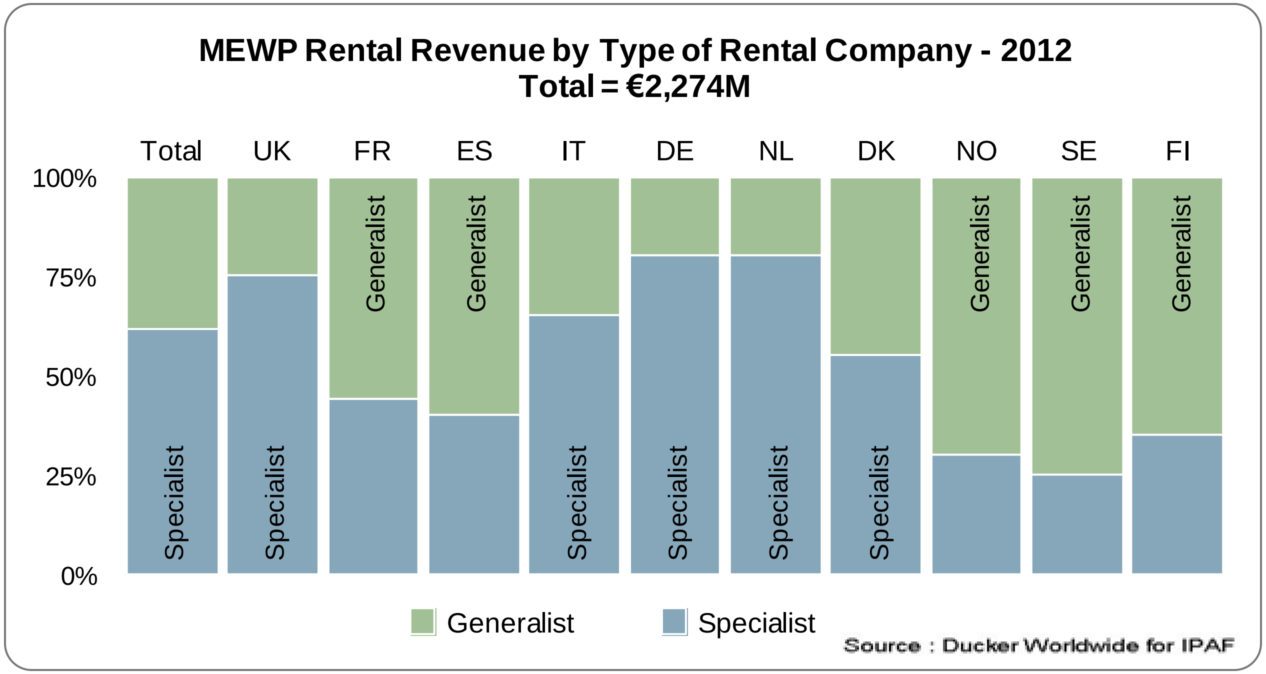
	Total	DE	FR	UK	IT	NL	SE	ES	FI	NO	DK
Rental. Rev. as % of Total Co. Rev.	56%	47%	65%	52%	55%	52%	77%	40%	68%	67%	67%
MEWP Rev. as % of Total Rental Rev.	66%	76%	53%	84%	56%	88%	30%	64%	42%	39%	65%
MEWP Rental. Rev. as % of Total Co. Rev.	35%	36%	34%	43%	31%	46%	23%	25%	28%	26%	43%

** Defined as 27 EU countries + Norway + Switzerland + Slovenia + Croatia + Macedonia*

Market Size 2012 - Company Specialisation

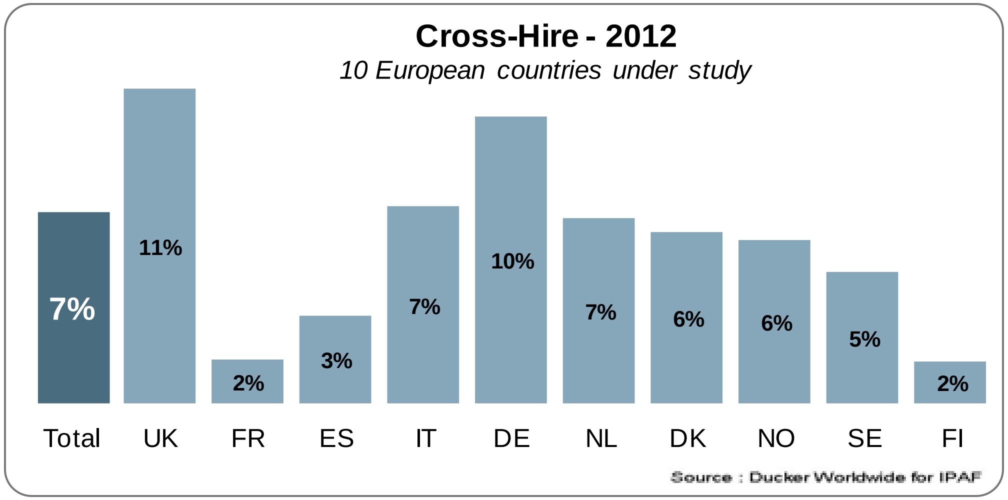
The UK, Italy, Germany and the Netherlands remain dominated by specialist rental companies. In contrast France, Spain and the Nordic countries are dominated by generalists.

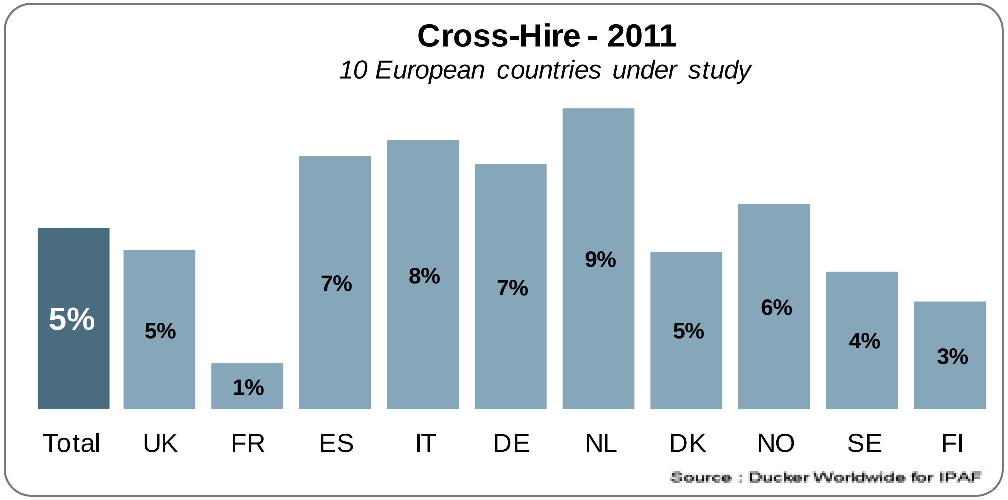
- The European level of specialisation did not change much in 2012 compared to 2011.
- Specialists still account for more than 60% of MEWP rental revenues.



All re-rental amounts have been eliminated from totals expressed in this report

Cross-hire, i.e. rental by one rental company from another, slightly increased in 2012, representing 7% of the MEWP rental market.

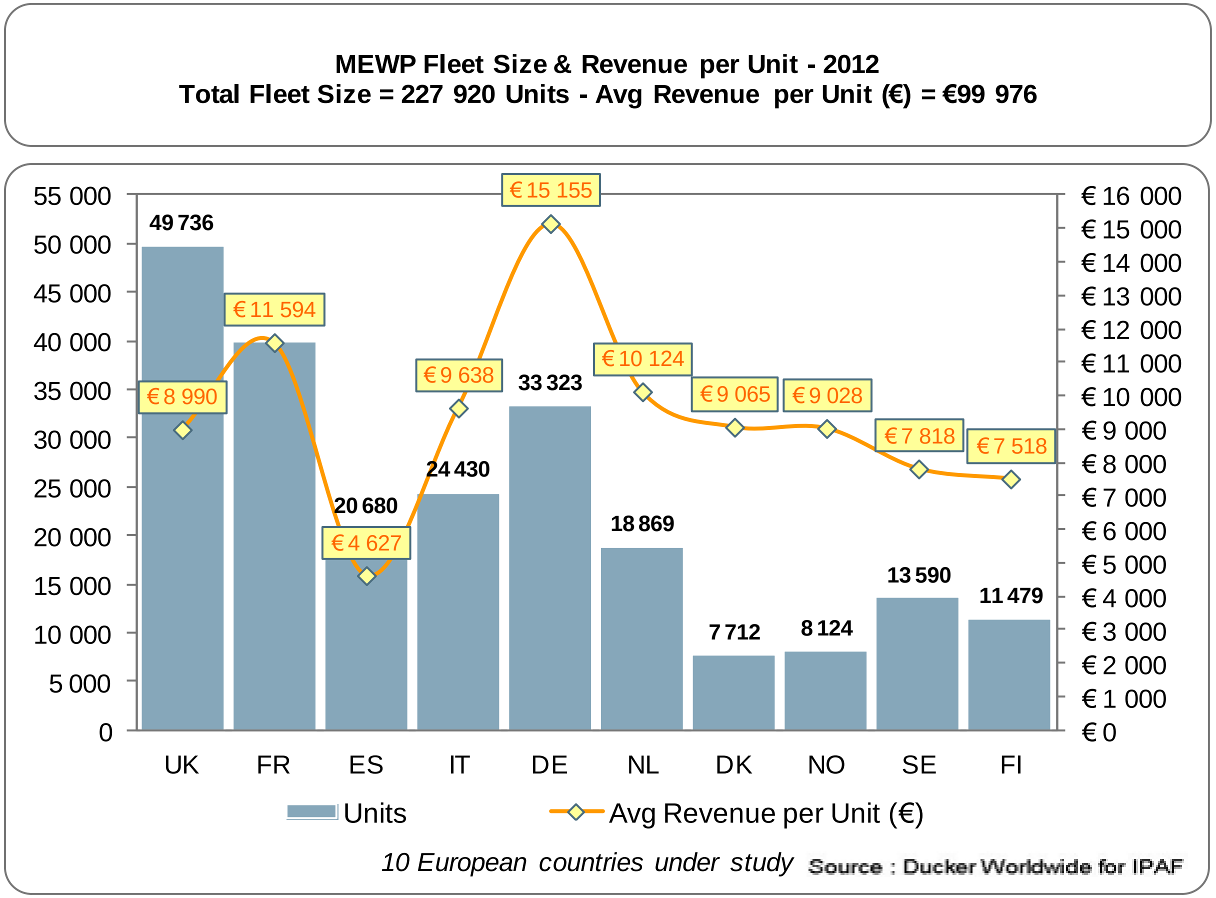




All re-rental amounts have been eliminated from totals expressed in this report

- The small increase in cross-hire might be explained by the fact that large rental companies have slightly increased internal cross-hire.

The total number of MEWP units in 2012 is estimated at approximately 228,000 machines in the ten European countries surveyed. The total European* fleet size is estimated at approximately 265,000.



End of the year data

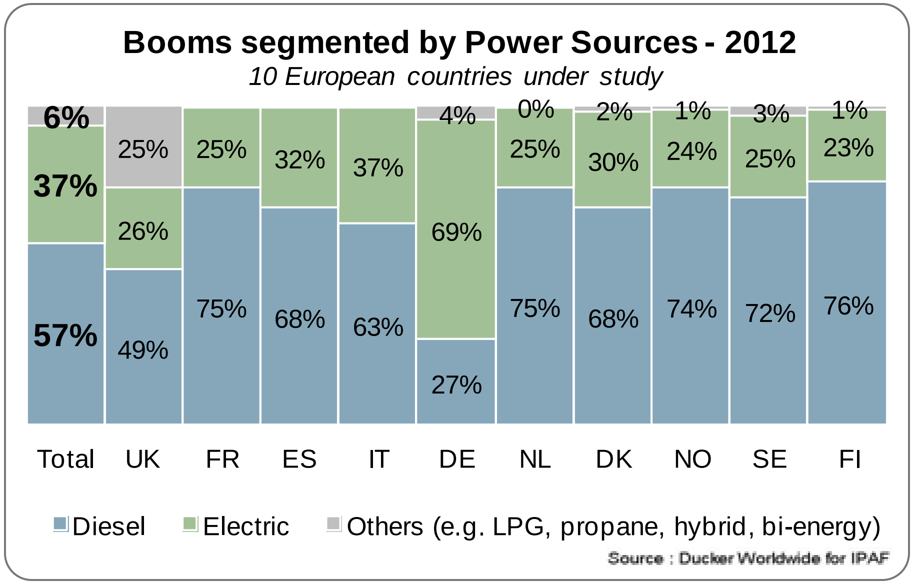
- Being the most mature European MEWP market, the UK still holds the largest fleet.
- Due to a larger proportion of higher-value equipment (larger and truck-mounted machines), France, Germany and to a lesser extent Italy and the Netherlands continued to maintain the highest revenue per unit.
- The average revenue per unit increased only in Germany and the Scandinavian markets.

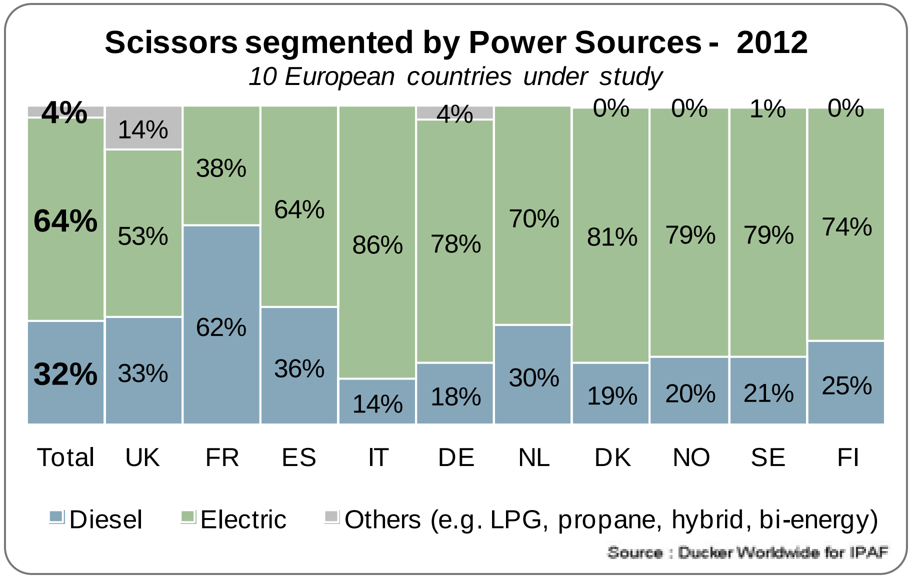
** Defined as 27 EU countries + Norway + Switzerland + Slovenia + Croatia + Macedonia*

Market Size 2012 - Power Sources

Slightly more than half of the European boom fleet is diesel, while two thirds of scissors are electric. Other power sources remain limited in both markets.

- Only approximately a third of the European MEWP rental fleet is Stage IIIB compliant. Rental companies in the UK, Germany, the Netherlands and Scandinavia are the most advanced in terms of compliance with this regulation.
- Rental companies expect manufacturers to promote such machines.





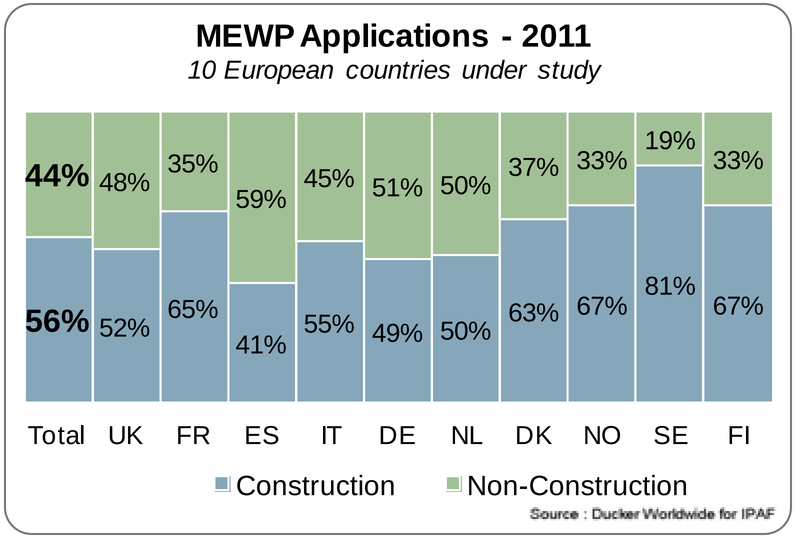
<u>% of fleet</u> powered by electric vs. diesel engine.

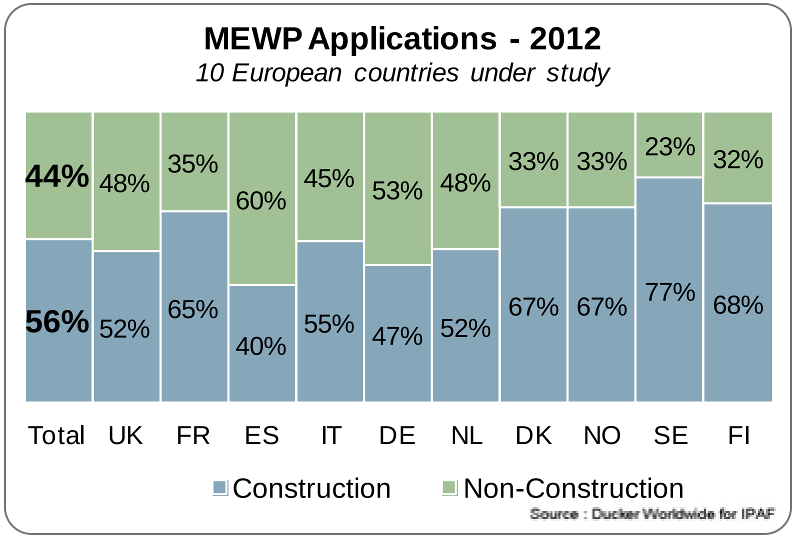
No major change appeared in 2012 concerning the share of the European MEWP rental revenue generated from construction work.

- In 2012, rental companies have tried to maintain a good balance between cyclical and non-cyclical sectors.
- Non-cyclical/non-construction applications include maintenance and services, utilities, retail, leisure, events, etc.

<u>Non-construction</u> includes e.g. property care, maintenance, cleaning, utilities, events.

<u>Construction</u> includes new build and renovation; including all types of buildings, also industrial.





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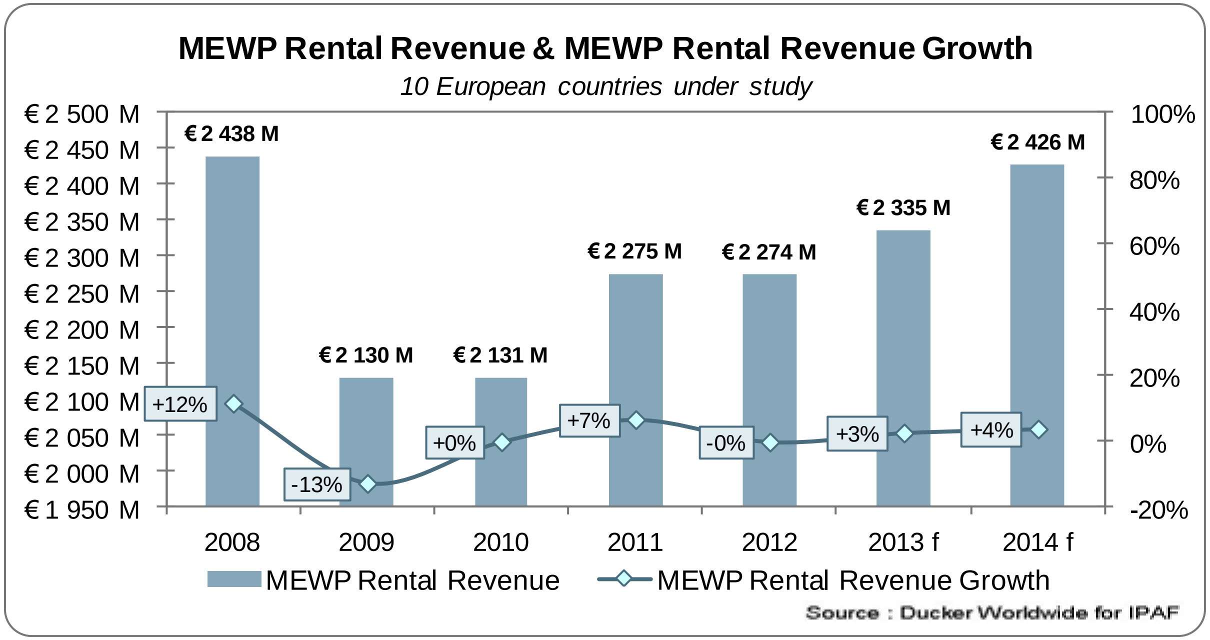
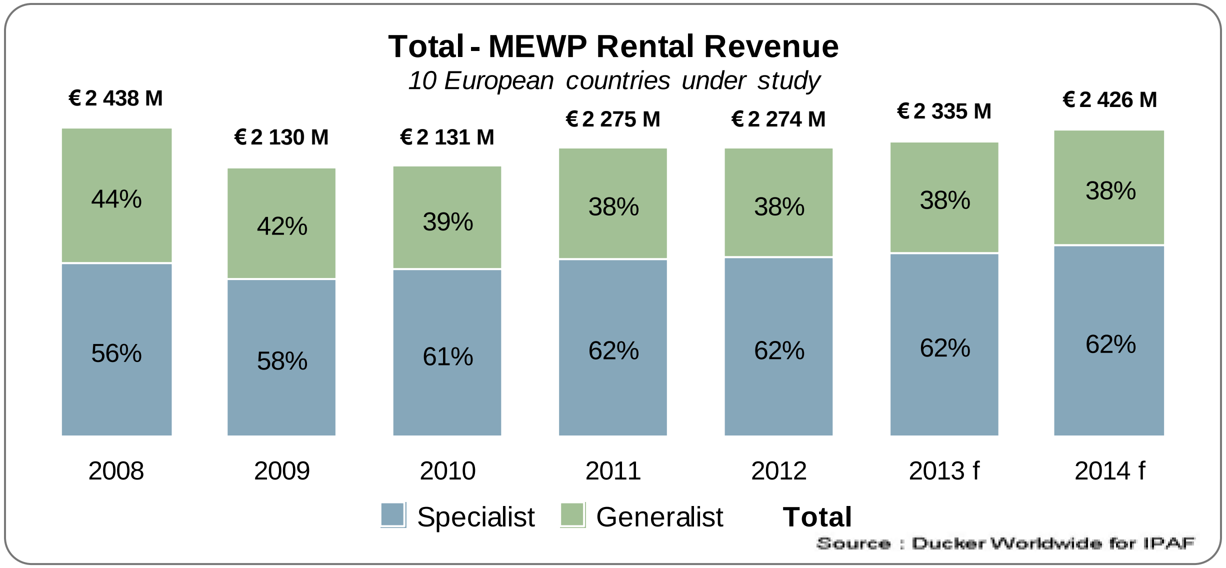
MARKET DYNAMICS 2008-2014

While the MEWP rental market experienced a rebound in 2011, 2012 did not confirm this positive trend.

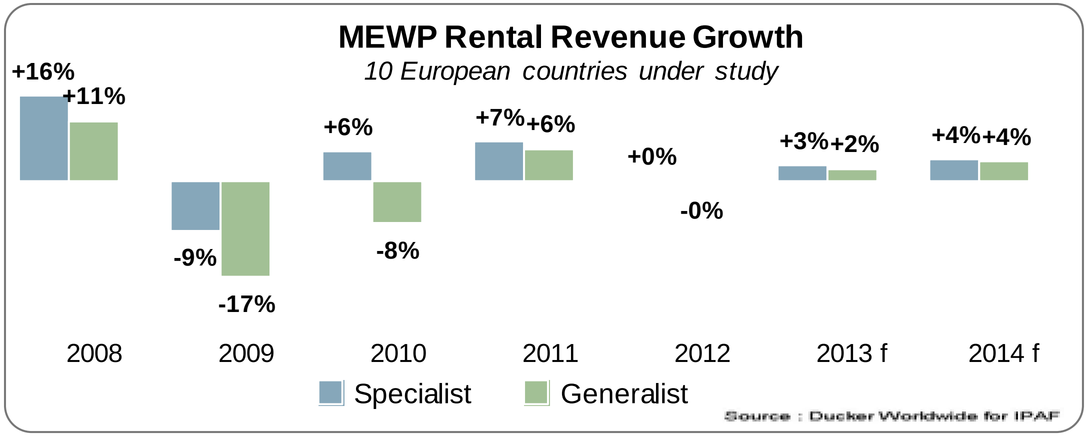
- Market players from most countries are highly uncertain about the future. Only slight growth is expected in 2013 and 2014.
- In 2013, the European GDP is expected to rise in all countries except Italy and Spain and in 2014, only Spain should see a slight deterioration.
- Construction industry forecasts show slight degradation in 2013 and a rebounding construction market in 2014.
- Pre-recession levels will not be reached in the next two years.



Europe's market structure remains stable in 2012. The share of specialist rental companies should not change in the next two years.

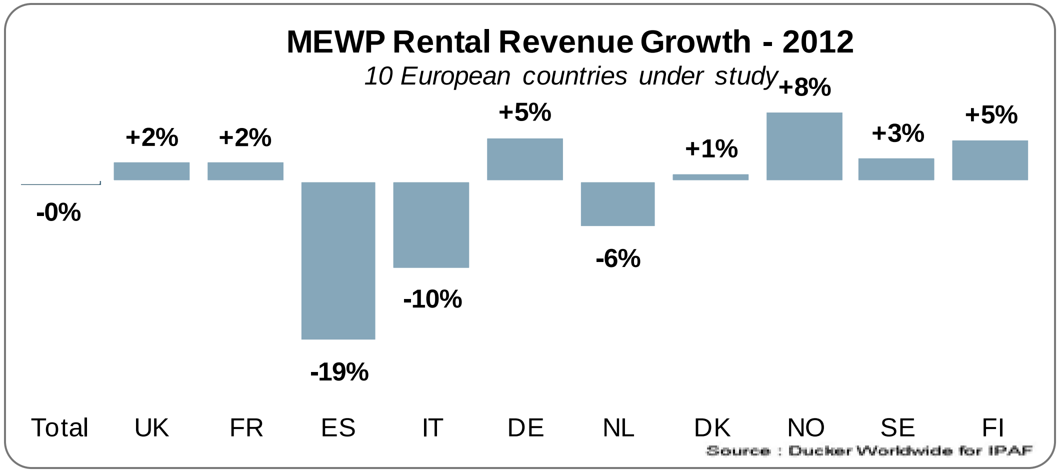


Specialists and generalists experienced very similar growth in 2012.



- It is expected that both rental company types will experience similar growth trends in the next two years.

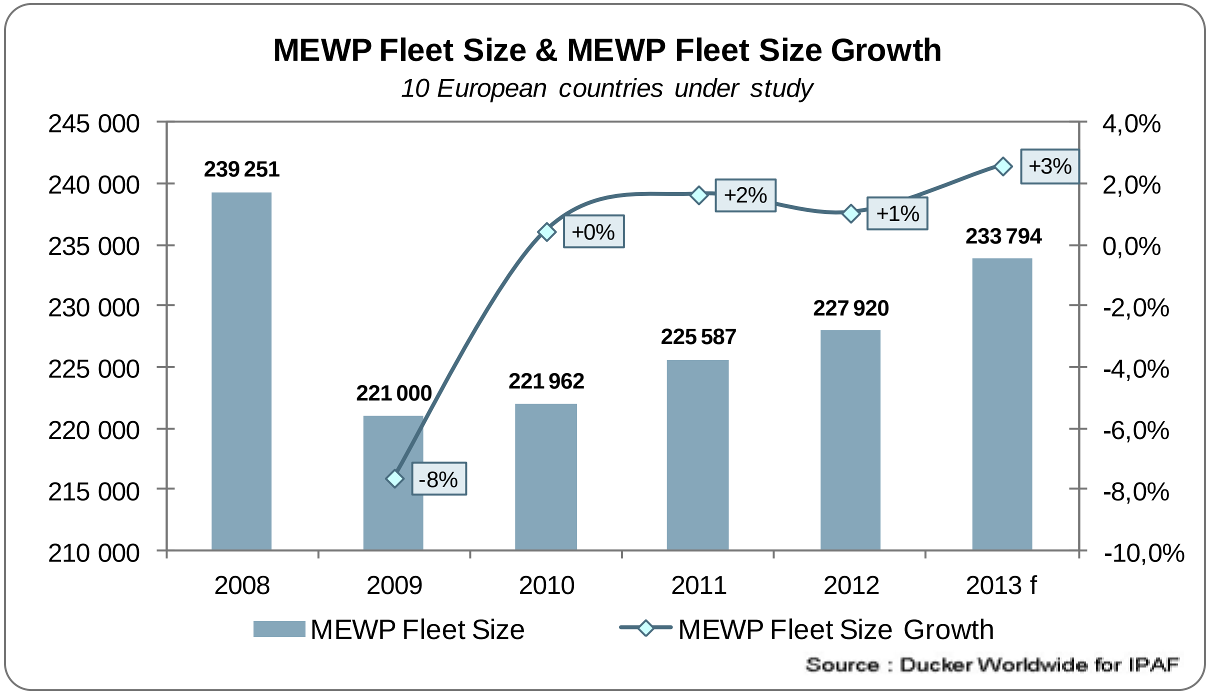
- Spain, Italy and the Netherlands did not experience growth in 2012.
- Nordic countries (except Denmark) and Germany saw the highest growth. All these countries focused on improving rental rates, sometimes at the expense of utilisation rates.



Market Dynamics 2008-2014 - Market Size in Units

Fleet expansion was more limited than previously expected in 2012.

- Rental companies in Norway, Germany, France and the UK expanded fleets while Spain, Italy, the Netherlands and Denmark de-fleeted, sometimes extensively.
- In all, rental companies remained cautious in their investments, and focused primarily on fleet replacement.
- Forecasts for 2013 show a slight increase in fleet size, primarily driven by Norway, Germany and the UK.



End of the year data

Market Dynamics 2008-2014 - Market Size in Units

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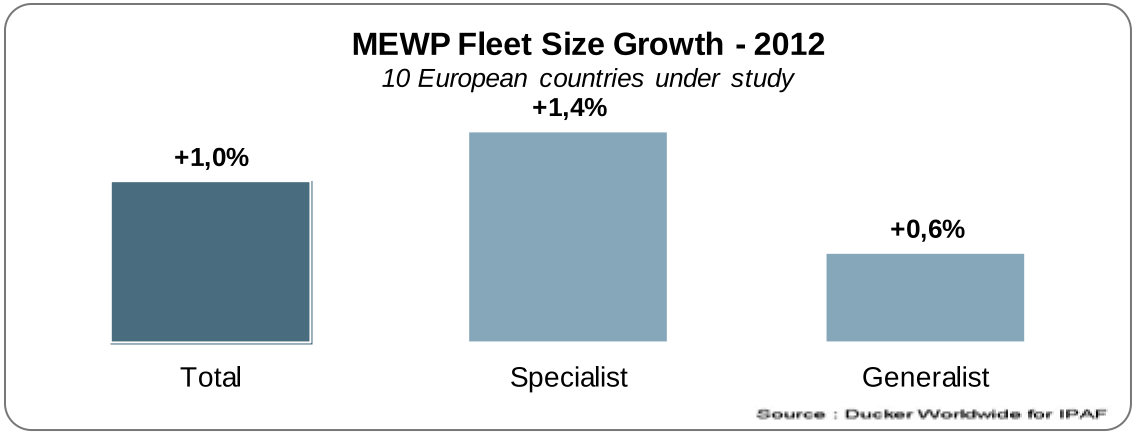
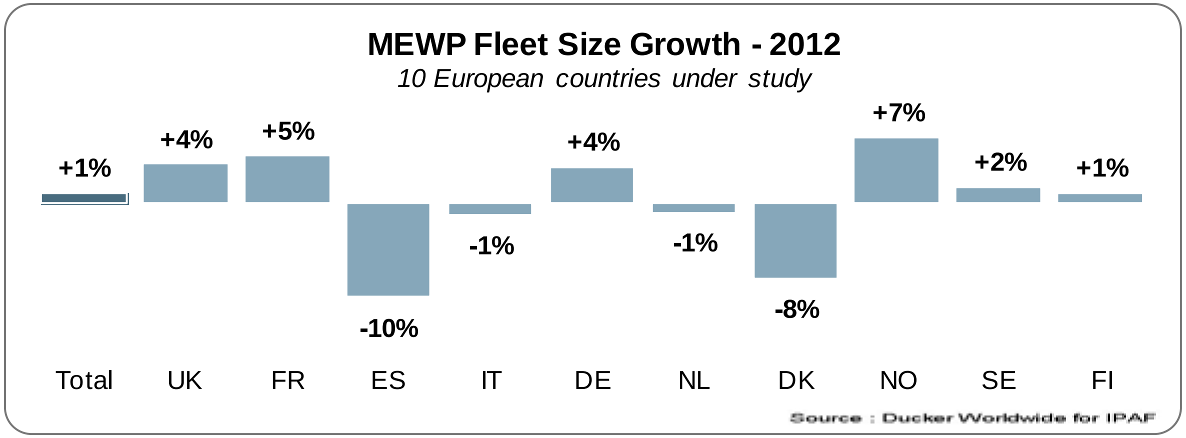
As in 2011, specialists grew their fleets slightly more in 2012 than generalists, who remained more conservative.



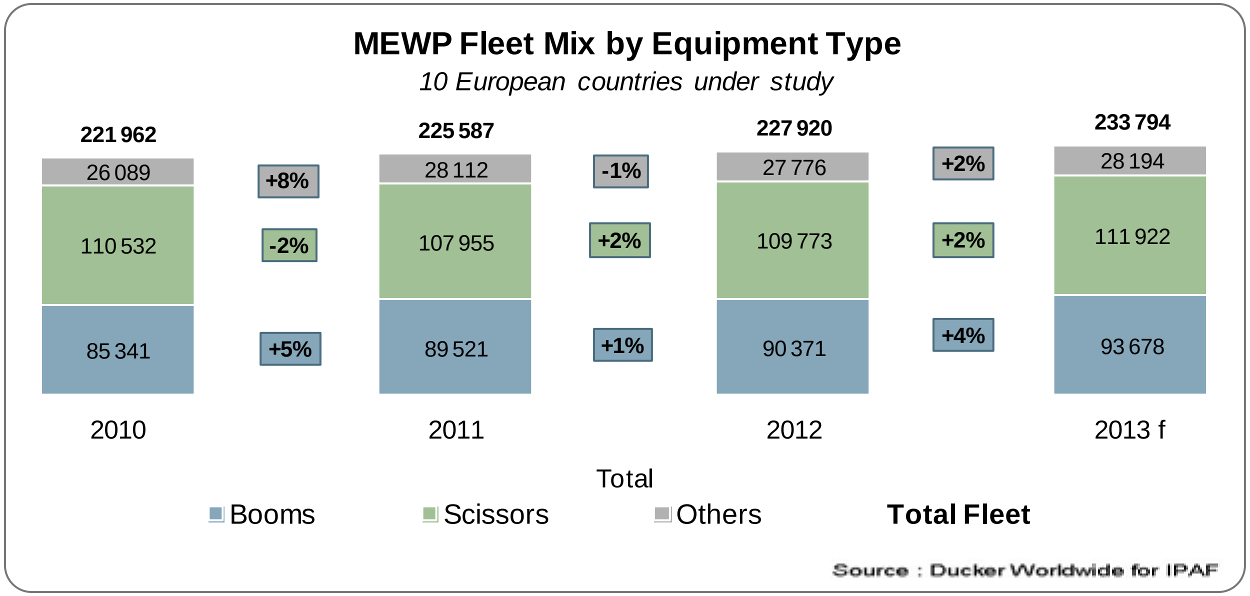
- In Spain, Denmark, and Netherlands to a lesser extent, fleets were still too large for market demand, leading rental companies to continue de-fleeting in 2012.

- Rental companies in Norway, France, the UK and Denmark used fleet expansion as the first lever for improving revenues.
- Part of the Spanish fleet was sent to other countries including Latin America as well as France.



Both booms and scissors fleet sizes slightly increase in 2012.

- Booms are strongly appreciated by rental companies due to their higher versatility. However, they are typically more costly than scissors, which is a key factor in the purchase decision in the current recession period.

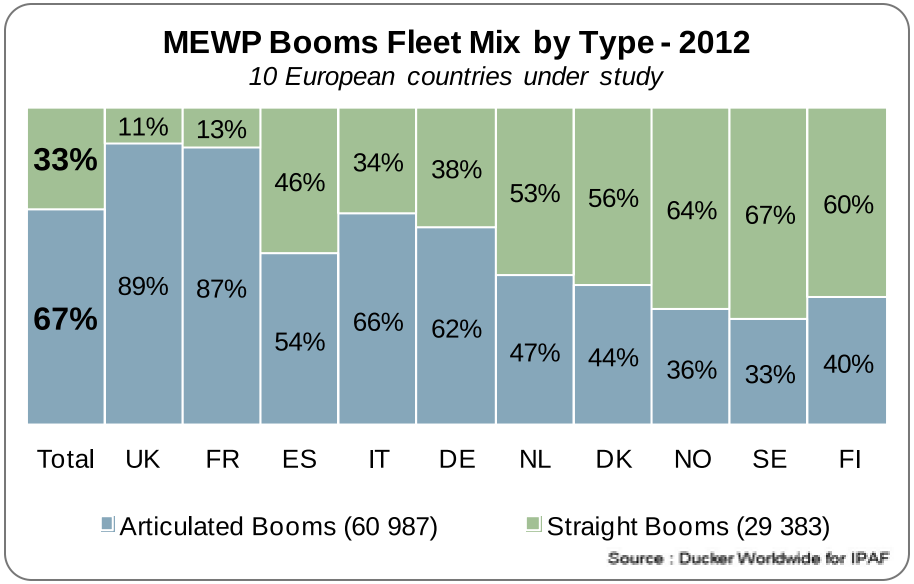


+X% *% unit growth, e.g. Booms fleet increased by 1% from 2011 to 2012*

Others include: vertical lifts, vertical masts, vehicle-mounted booms.

In 2012, articulated booms represented two thirds of the total European boom fleet.

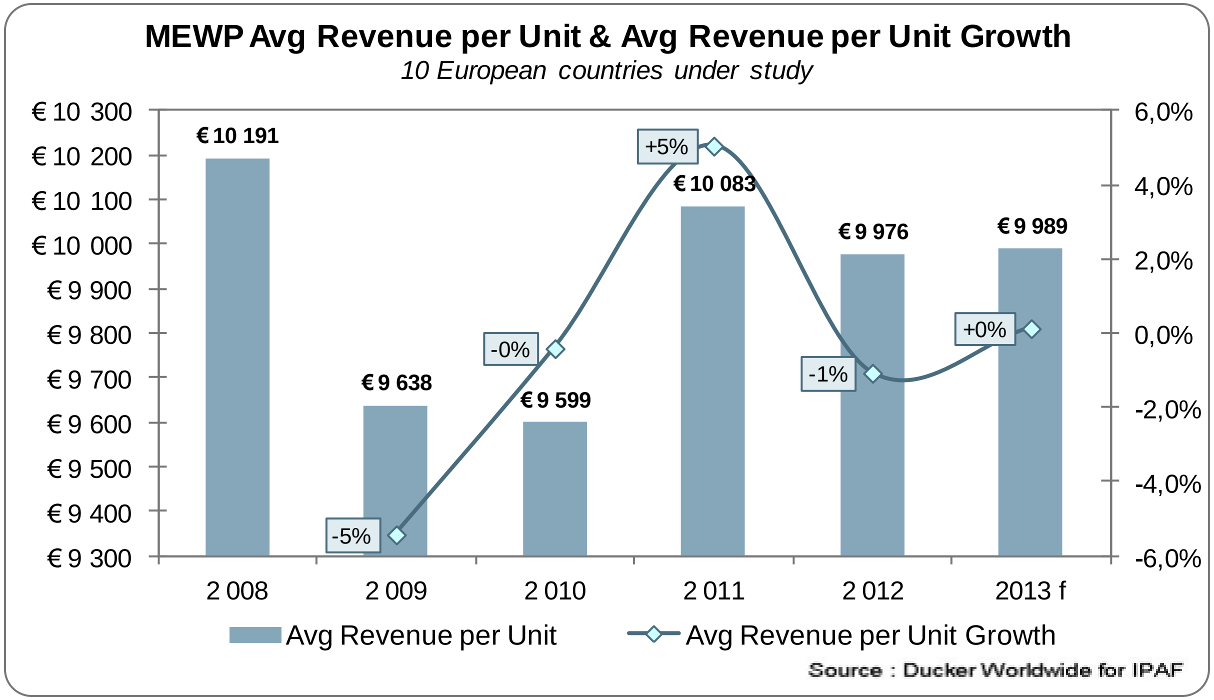
- The UK and France are heavily weighted towards articulated booms. In contrast, Nordic rental companies tend to own more straight booms.



End of the year data

After a significant improvement in 2011, the revenue per unit slightly decreased in 2012 as fleet size grew at the expense of utilisation, and rental rates remained stable.

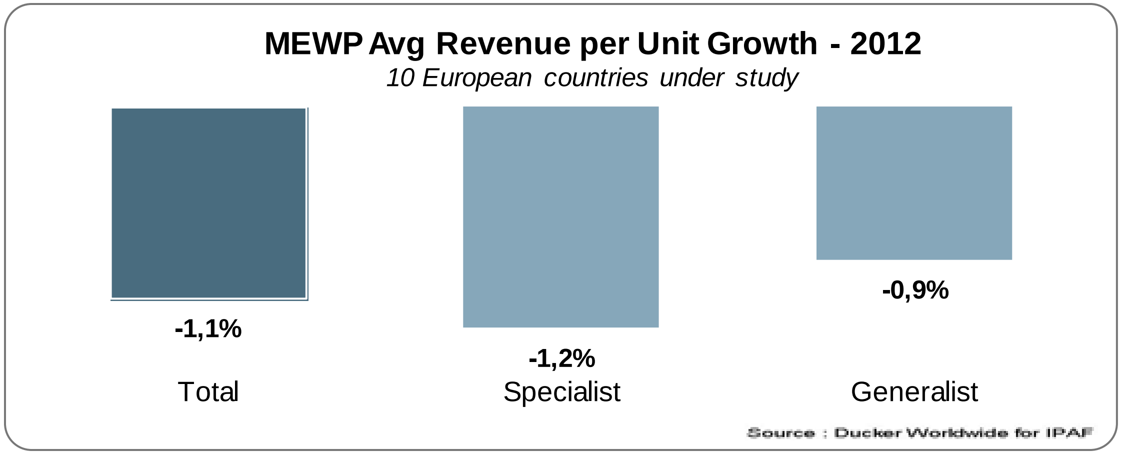
- The average revenue per unit will not reach 2008 levels in 2013.



Market Dynamics 2008-2014 - Revenue per Unit

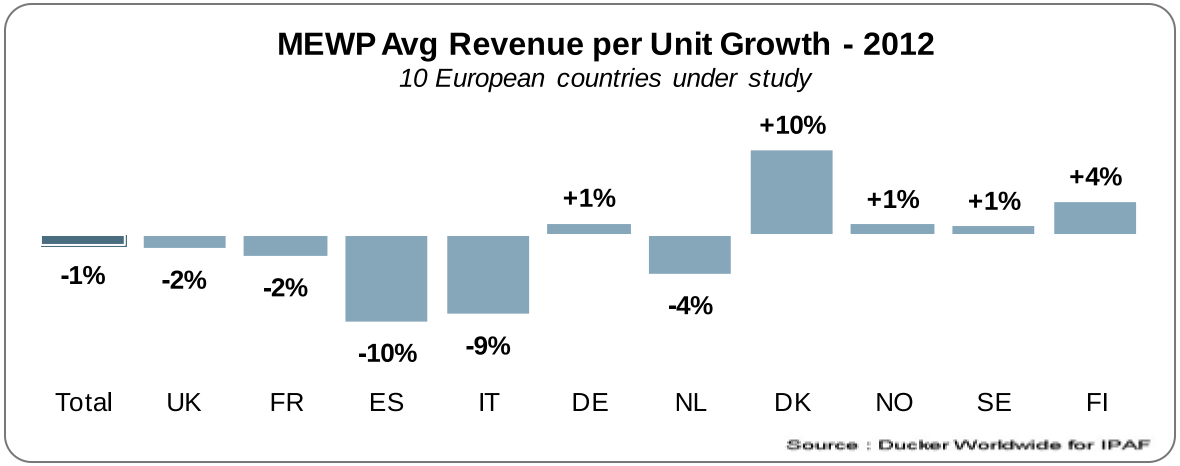
DUCKER WORLDWIDE

Rental companies' revenue per unit in 2012 increased only in Scandinavia and Germany, primarily driven by improvements on rental rates.



- There are no significant differences between specialists and generalists concerning the average revenue per unit.

- Denmark experienced a strong improvement in revenue per unit due to heavy de-fleeting which allowed for higher utilisation rates, as well as improving rental rates.

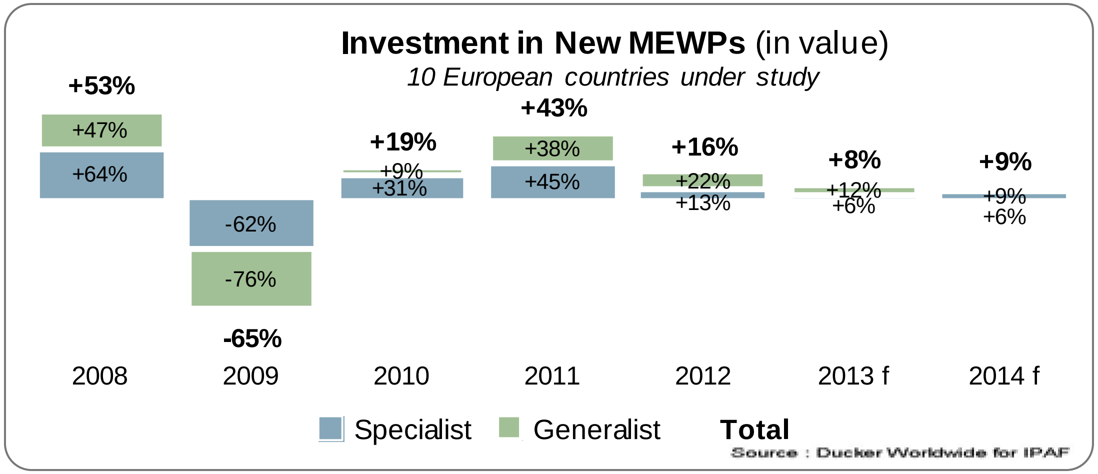


IPAF Powered Access Rental Market Report – Europe

INVESTMENT 2008-2014

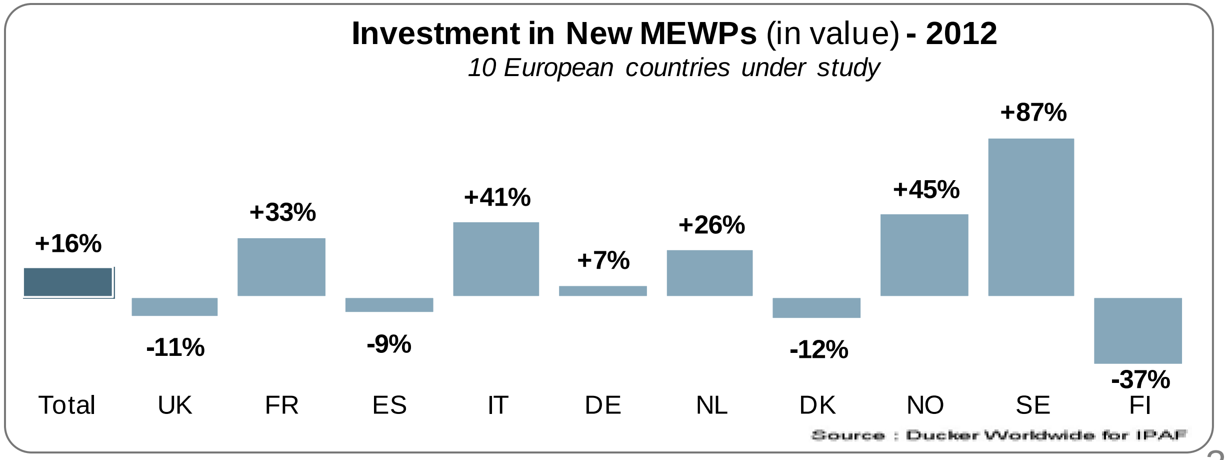
DUCKER WORLDWIDE

Investment in new equipment slightly increased in 2012, though at a slower pace than in 2011. Part of the increase in investment value may be attributable to higher equipment prices.



- Investment made in 2012 continued to be primarily to renew and modernise fleet, in order for rental companies to remain attractive.
- Investment is expected to remain relatively stable in 2013 and 2014, due to market uncertainties.

- Rental companies in France, Germany and Norway primarily invested in fleet expansion, while in Italy, the Netherlands and Sweden, investment was directed to fleet renewal.



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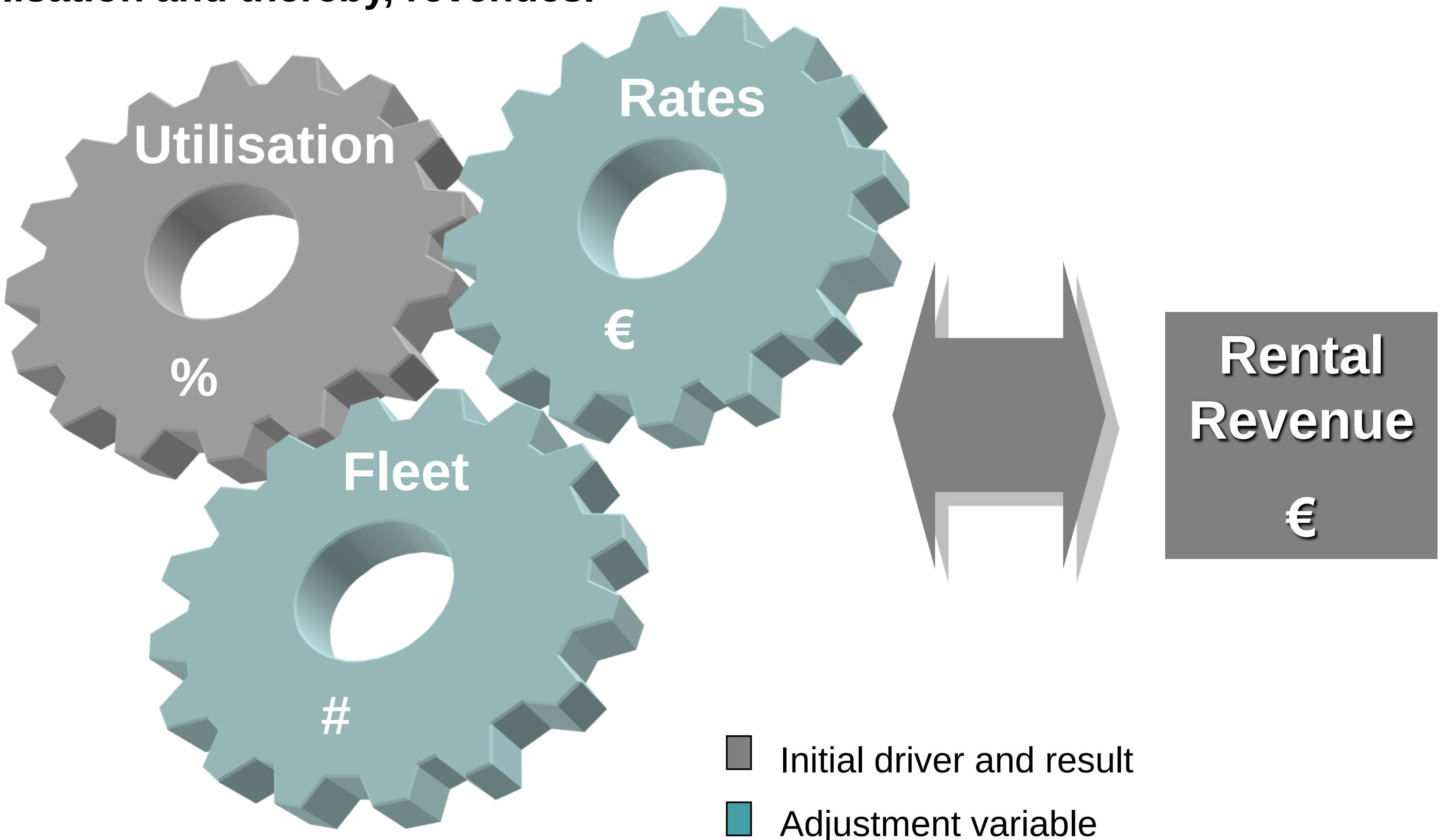
OPERATIONAL ASPECTS 2009-2013

Operational Aspects - Market Variables

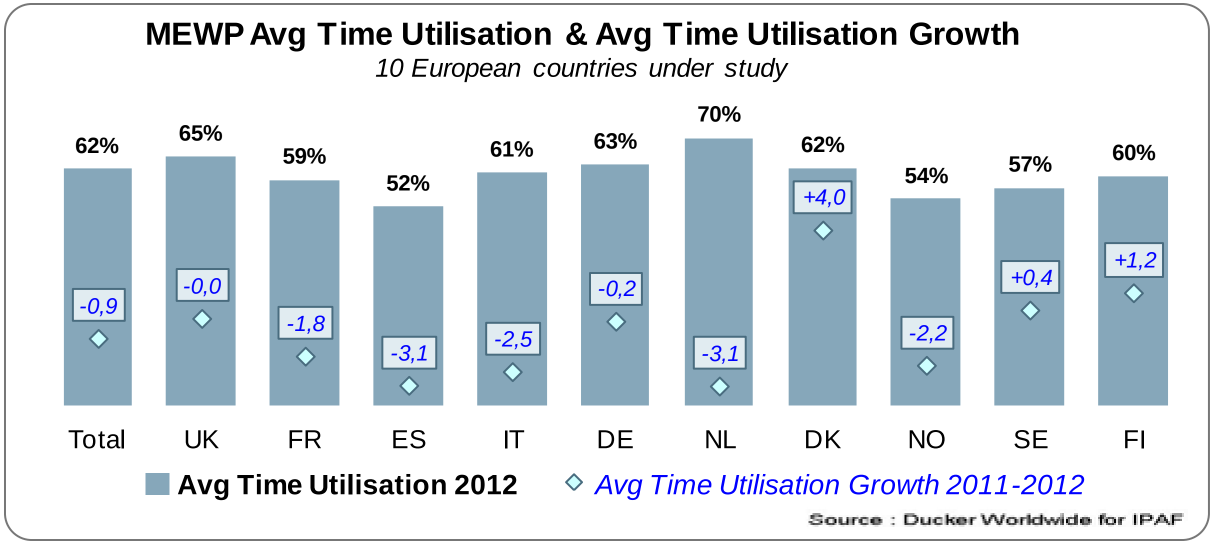
Rental revenues are the result of three main factors, namely equipment time utilisation rate, rental rates and fleet size/mix. Rental rates and fleet build-up are the two strategies that rental companies can choose to vary in order to influence utilisation and thereby, revenues.



Operational Aspects - Time Utilisation Rate

Time utilisation decreased in most countries in 2012. However diverse reasons explain this situation.

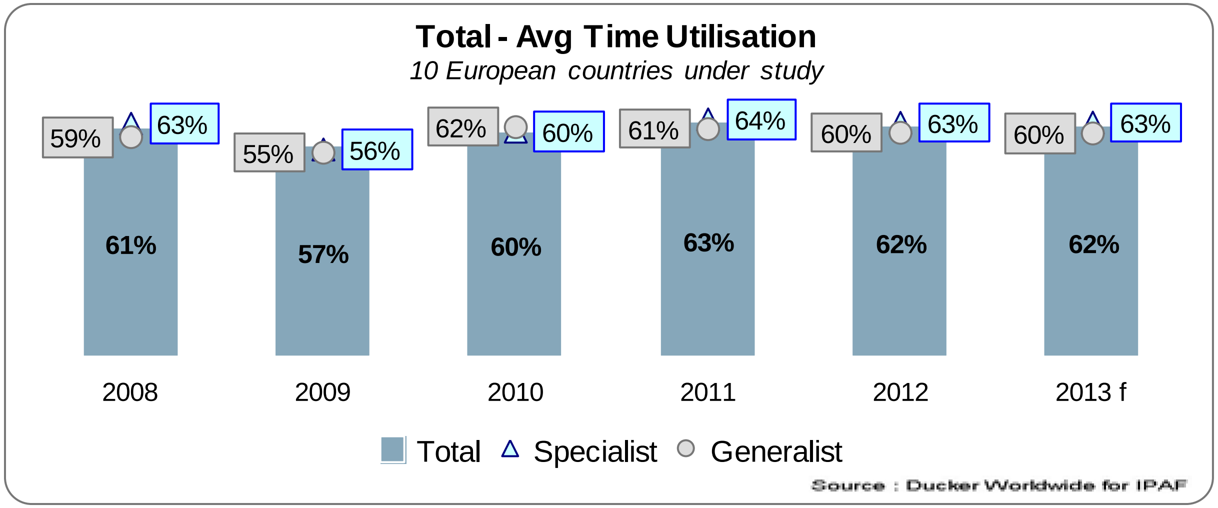
- In 2012, rental companies in Germany, Finland and Norway gave priority to rental rates at the expense of utilisation rates.
- The UK and French companies strategically expanded fleets, which maintained or lowered utilisation rates.
- In Spain, Italy and the Netherlands, the negative economic conditions led to decreasing demand.
- In contrast, utilisation rates improved significantly in Denmark due to a strong effort from rental companies to de-fleet.



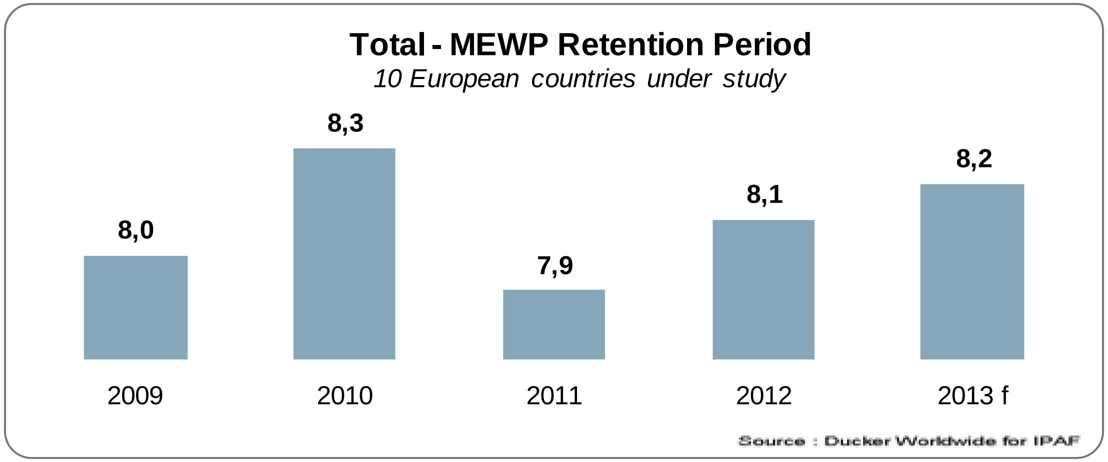
Operational Aspects - Time Utilisation Rate

The overall European MEWP utilisation rate in 2012 remained relatively stable compared to 2010. As in previous years, specialists tend to have slightly higher utilisation rates than generalists.

- Rental companies do not anticipate any significant growth of utilisation rates in 2013.

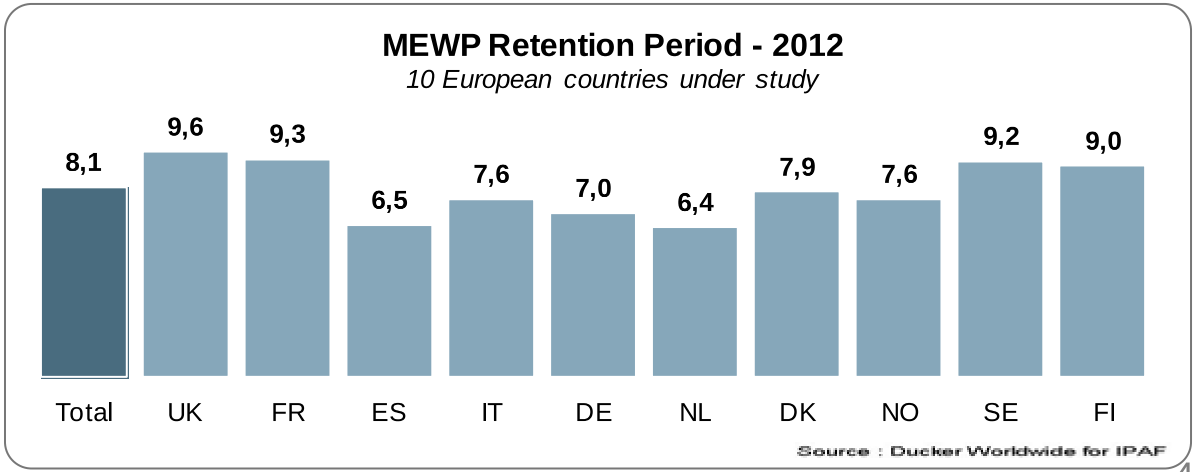


Average retention period increased slightly in 2012. Rental companies report making strong efforts to improve machine maintenance and fleet management in order to keep equipment longer.



8,1 = 8 years and 1 month

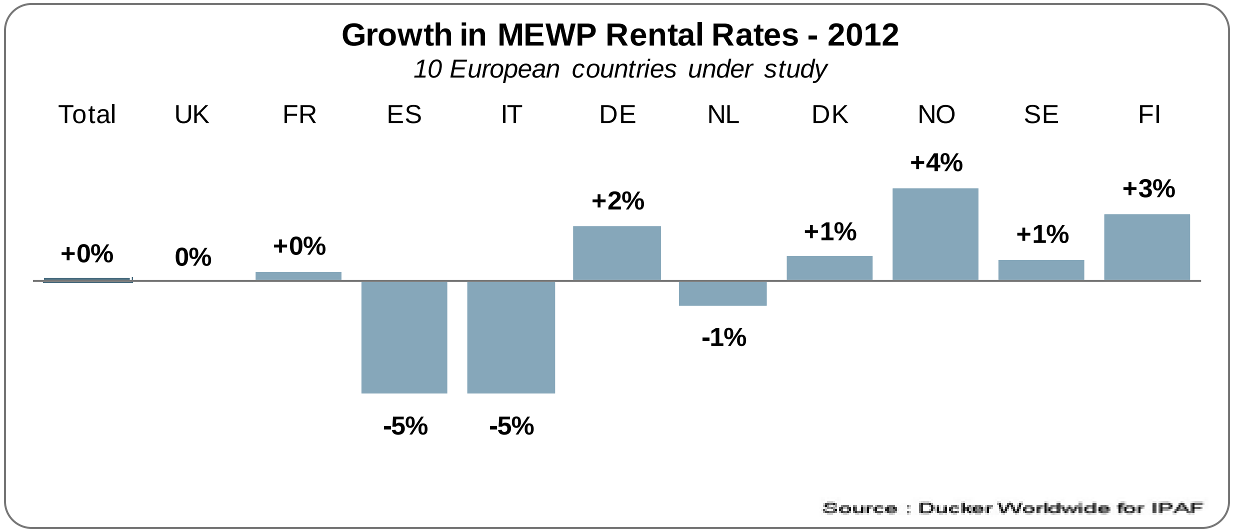
- Since 2008, retention period has been typically longer in the UK, France and Sweden.
- It is expected that the trend towards longer retention period continues in the next years.



After a slight increase in rental rates in 2011, European MEWP rental companies remained cautious in 2012 and rental rates stayed stable on average.

Major discrepancies exist between countries:

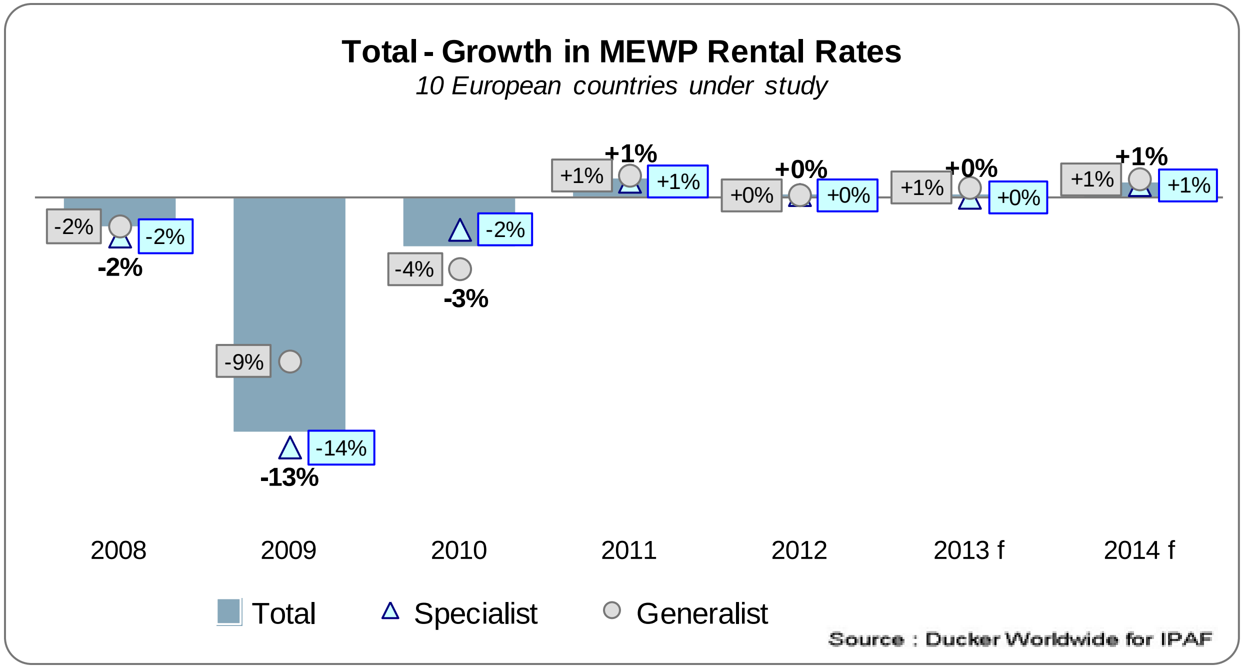
- In Norway, Finland and Germany, rental companies followed a strategy of improving rental rates, sometimes at the expense of utilisation rates.
- In Spain, Italy, and to a certain extent the Netherlands, rental companies were forced to decrease rental rates due to the lack of demand.



DUCKER WORLDWIDE

Due to economic uncertainties, rental companies do not anticipate any significant rental rate improvement in the next two years.

- The slight revenue growth expected by rental companies in 2013 (+3%) and 2014 (+4%) should be driven by fleet expansion, more than increases in rental rates.



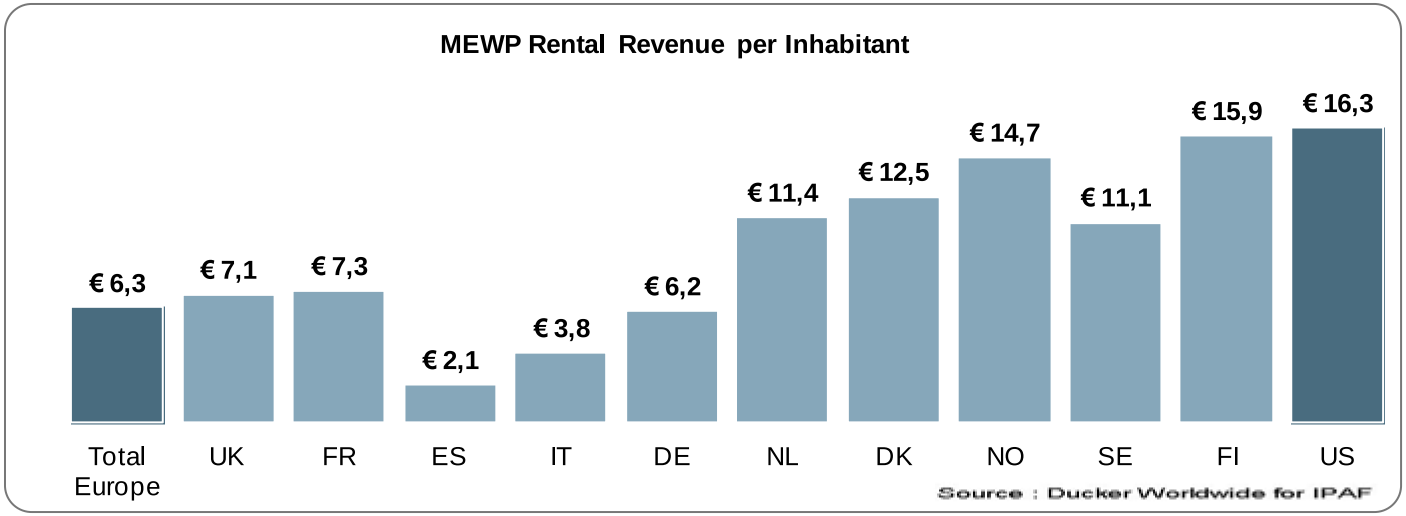
IPAF Powered Access Rental Market Report – Europe

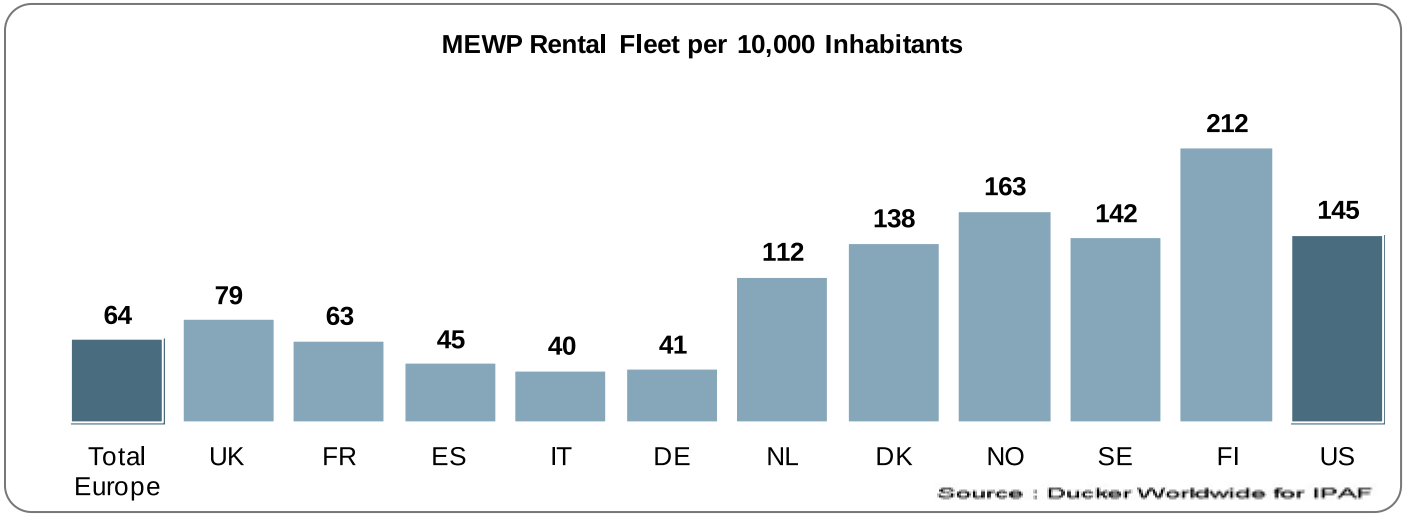
MARKET TRENDS AND DRIVERS

MEWP rental revenue per inhabitant and MEWP rental fleet per inhabitant.

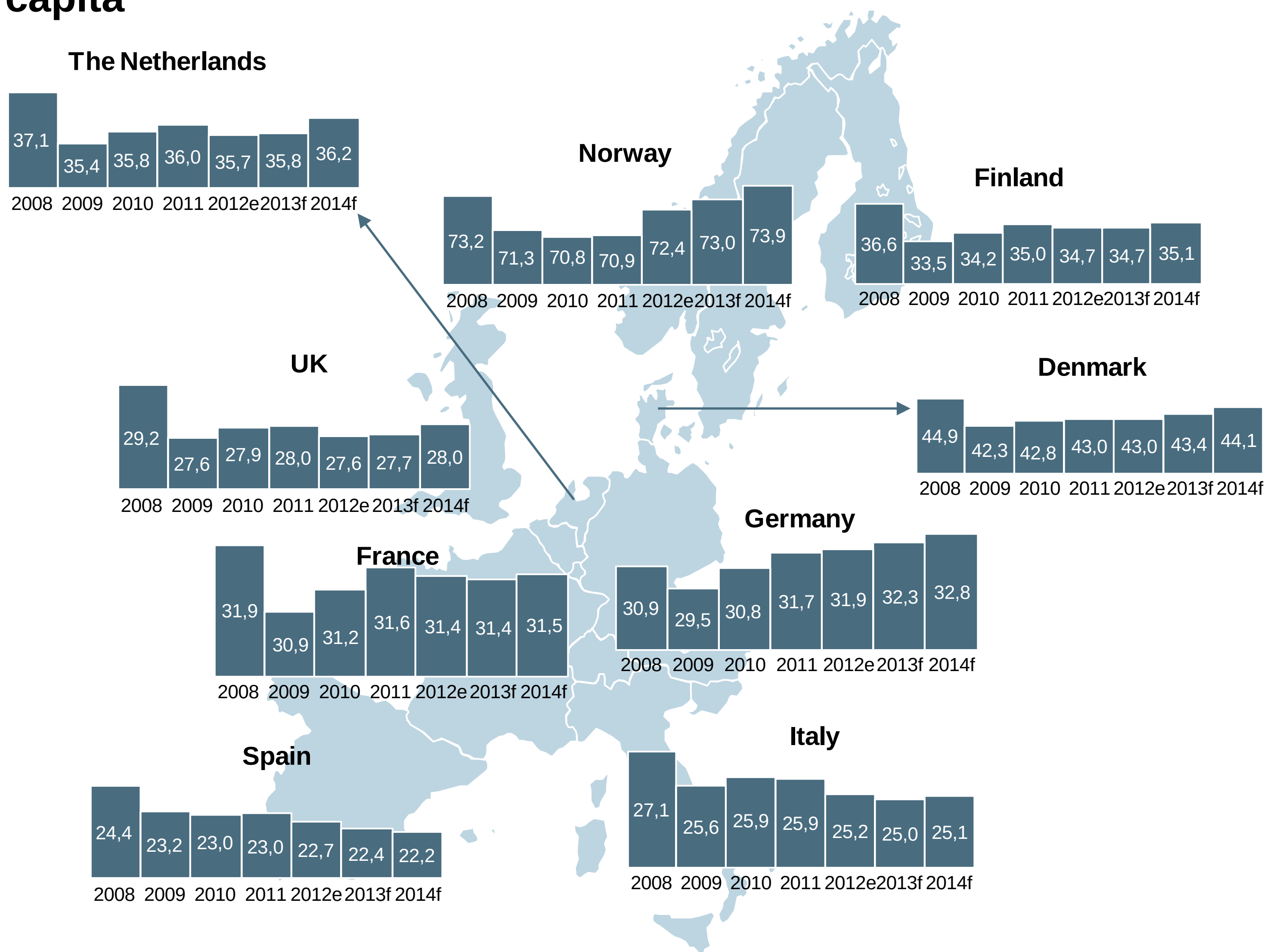
Exchange rate:

$1 = €0.778



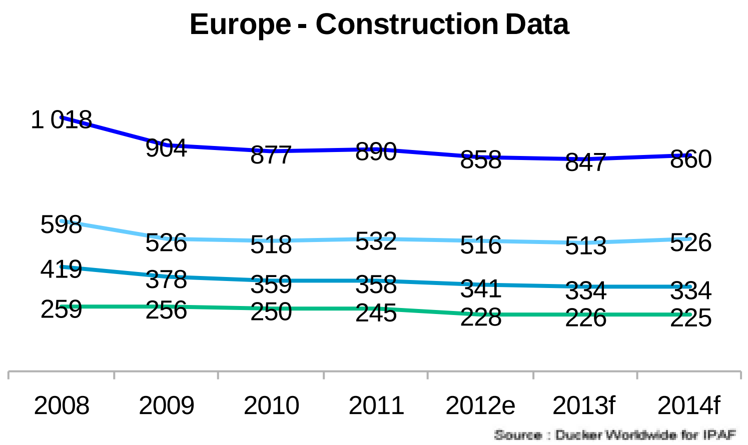


GDP per capita



Thousand Euro at 2011 prices. Source: Ducker Worldwide for IPAF based on Euroconstruct 2012

Overall, the European construction market contracted in 2012; it is expected to start growing again in 2014.



Construction put in place in million Euros based on Euroconstruct 2012

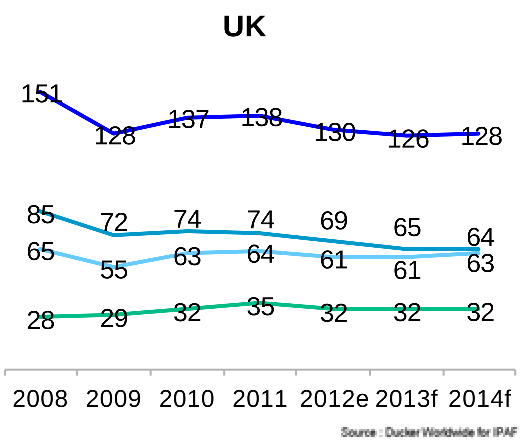
Residential construction
Non-residential construction
Total construction
Civil engineering

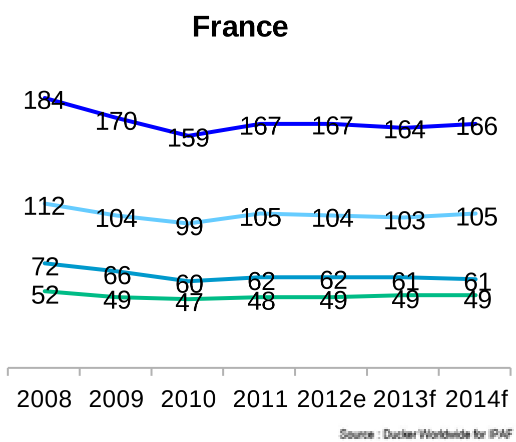
DUCKER WORLDWIDE

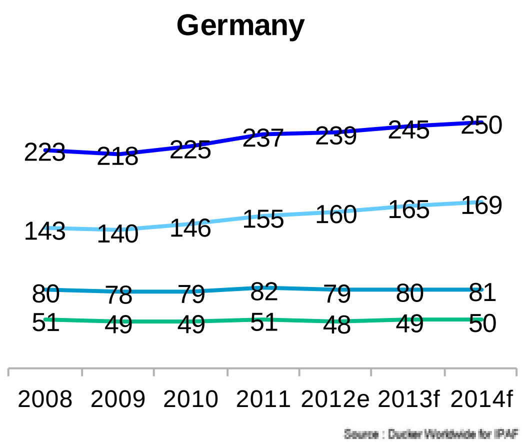
All construction sectors declined in 2012, especially the non-residential one.

After a short recovery in 2011, all the indicators in construction slightly decreased in 2012.

Residential construction drives the overall construction growth .







Construction put in place in million Euros based on Euroconstruct 2012

- Residential construction
- Non-residential construction
- Total construction
- Civil engineering

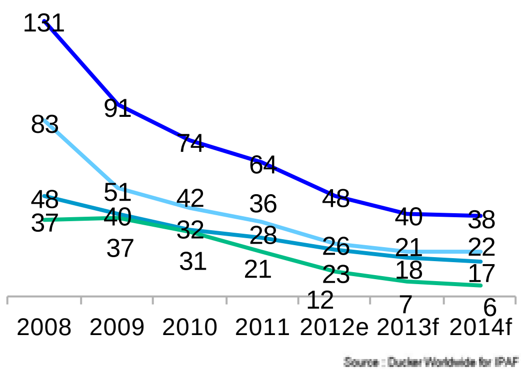
Market Trends and Drivers

Construction sector keeps crashing and no improvement is expected in the coming years.

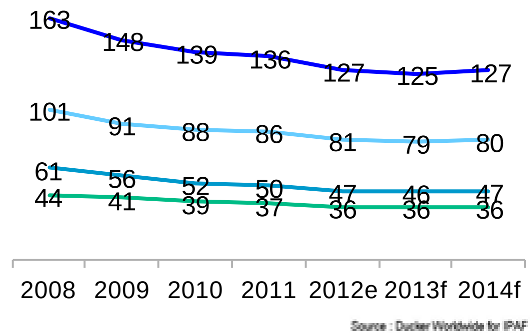
The construction sector is still in trouble and no recovery is expected before 2014.

Construction has dropped in 2012; growth is expected for 2014.

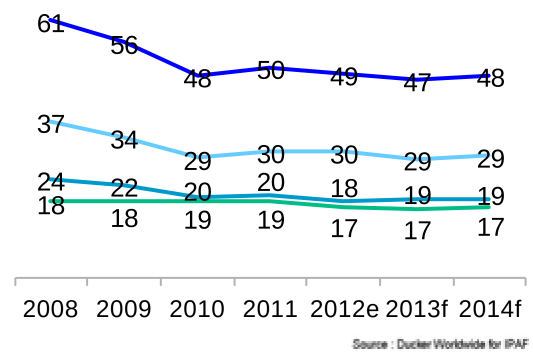
Spain



Italy



The Netherlands

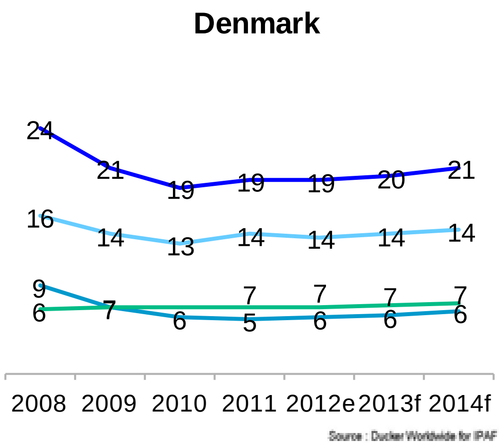


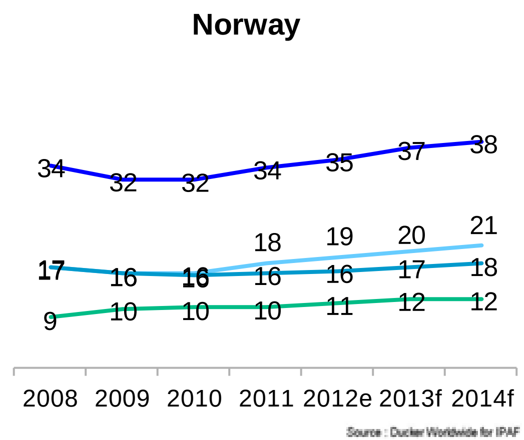
Construction put in place in million Euros based on Euroconstruct 2012

- Residential construction
- Non-residential construction
- Total construction
- Civil engineering

Market Trends and Drivers

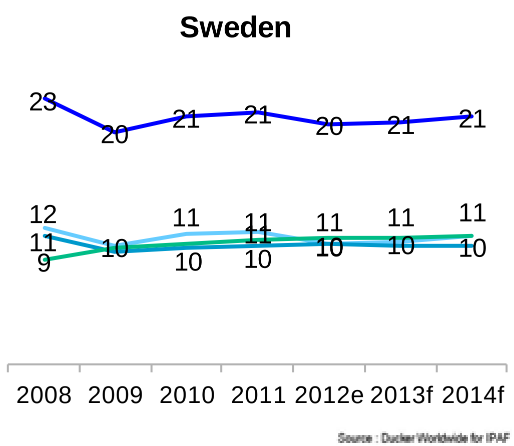
Construction started to rise again in 2011 and remained stable in 2012. It will slightly increase in the years to come.

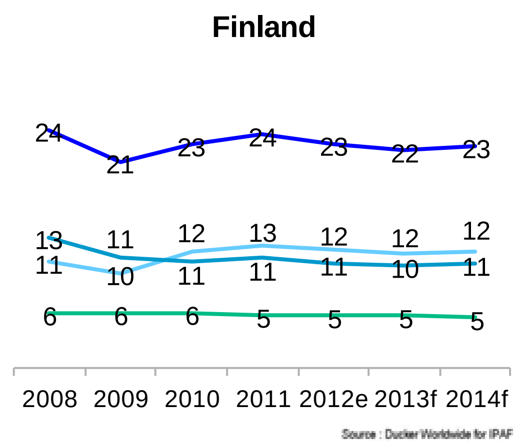




All the construction sectors are growing and expected to grow in the next years.

The non-residential building sector kept growing in 2012, in contrast to the residential construction sector.



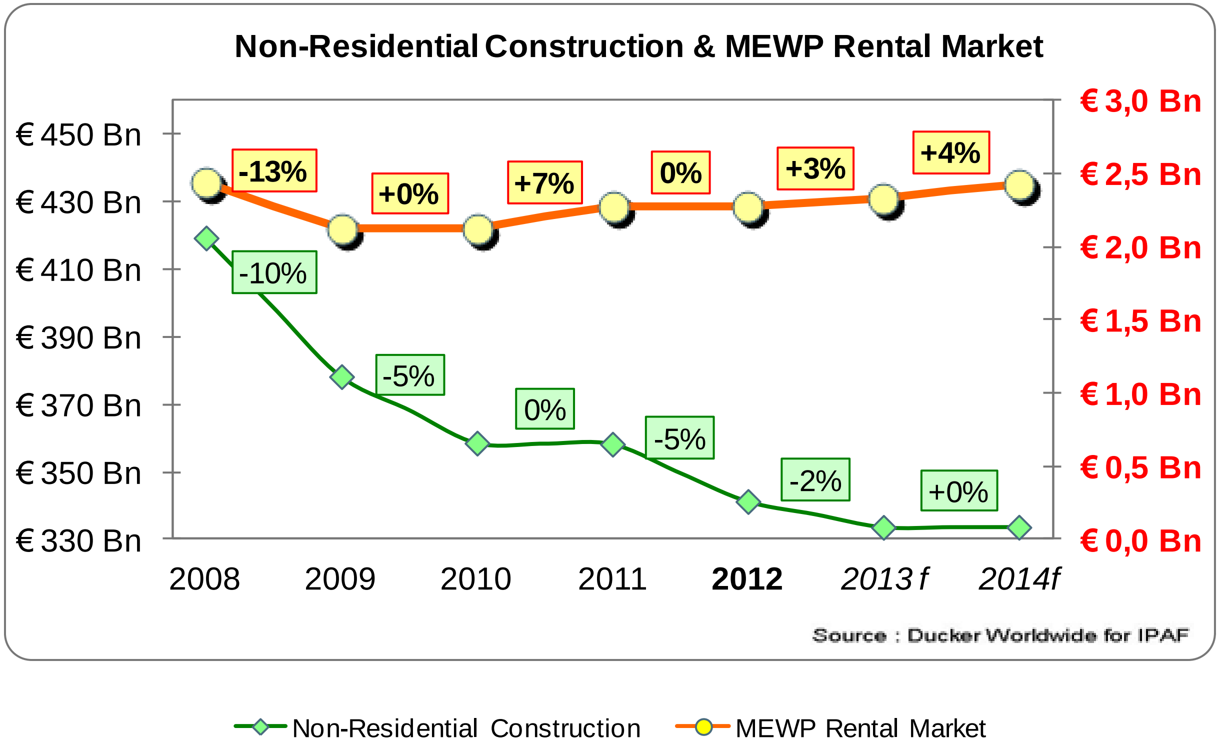


Total construction volume contracted in 2012, and is now expected to remain stable.

Construction put in place in million Euros based on Euroconstruct 2012

- Residential construction
- Non-residential construction
- Total construction
- Civil engineering

The MEWP rental market is typically more stable than the construction industry. This is due to high rental penetration and the fact that interest in fleet outsourcing (rental) typically increases during a recession.



New non-residential construction put in place based on Euroconstruct 2011

Many rental companies are confident that rental penetration rate will continue to increase in the future. In addition, market players believe that interest in fleet outsourcing (rental) will continue, even when the economy rebounds.

Better fleet management	▪ Replacing under-performing machines with higher profitable equipment. ▪ Optimise fleet maintenance: improve maintenance regimes, develop preventive maintenance in order to extend age of fleet.
Superior service	▪ Most rental companies plan on investing in better and newer services in order to differentiate themselves from competition. ▪ Flexibility, availability, proximity, fast on-site deliveries, operator rental.
Need for more environmental equipment	▪ Stage IIIB regulations are expected to act in favour of rental penetration. As compliant machines are more expensive and require specialist maintenance, user companies will most likely prefer to rent such machines rather than purchase them.

IPAF Powered Access Rental Market Report – Europe

APPENDIX

Countries included in the total European market.

Ten countries under study:

- **UK**
- **France**
- **Spain**
- **Italy**
- **Germany**
- **Netherlands**
- **Nordic Region (DK, NO, SE, FI)**

- Austria
- Belgium
- Bosnia
- Bulgaria
- Croatia
- Cyprus
- Czech Republic
- Estonia
- Greece
- Hungary
- Ireland
- Latvia
- Lithuania
- Luxembourg
- Macedonia
- Malta
- Poland
- Portugal
- Romania
- Slovak Republic
- Slovenia
- Switzerland

IPAF Powered Access Rental Market Report – Europe

COUNTRY REPORT FRANCE

Key Findings

- While 2011 had seen a flurry of significant acquisitions, 2012 was a calmer year. The quieter environment was also a reflection of the increasingly uncertain economic outlook for France and Europe as a whole, which generally made rental companies more cautious about further expansion.

- However several major companies continued to expand and experienced growth in 2012.

- France remains a market where growth potential exists as market penetration is still limited compared to other more mature European countries.

- After significant improvement in 2011, the market grew only slightly in 2012, with rental revenue growth increasing by 2%. The uncertain environment should limit revenue increase in the next two years (+1%).

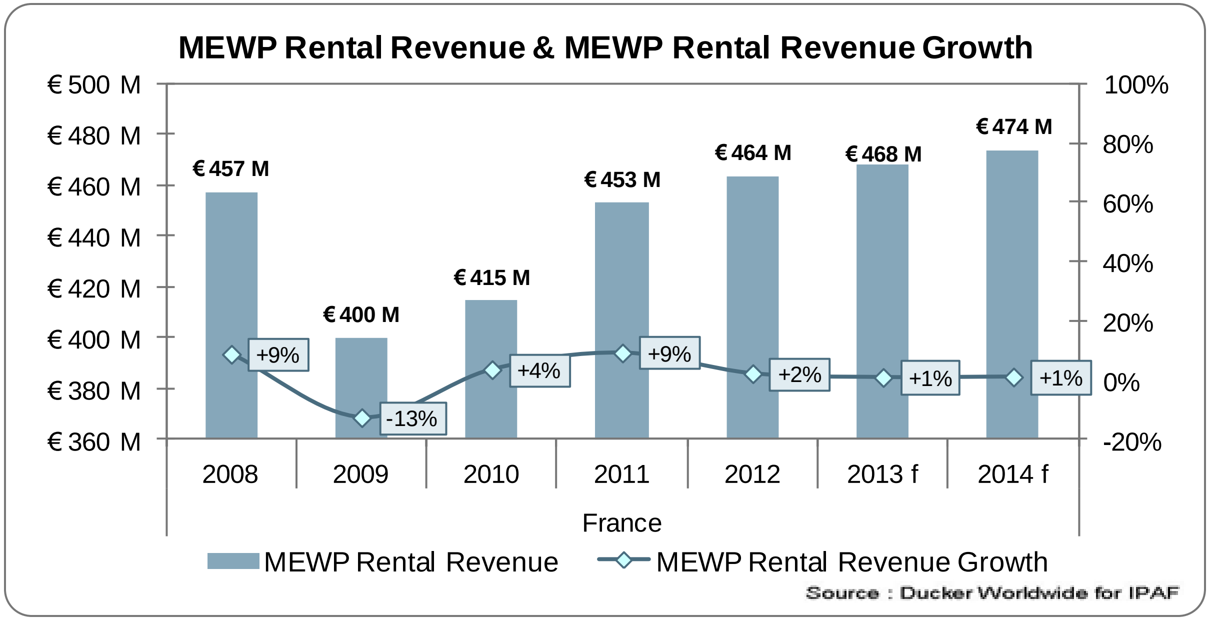
Key Findings

- Nevertheless, MEWP rental companies continued to significantly increase their investments (+33%) in 2012 in order to expand fleets (+5%). They expect investments to continue to grow in 2013, but at a slower pace (+11%).
  - Fleet expansion happened at the expense of utilisation rates. Utilisation is down by 2 points in 2012 compared to 2011.
  - Despite these continuous investments, the average retention period remained stable in 2012. Rental companies in France (as in other European countries) are making strong efforts to optimise machine maintenance in order to prolong machine life.

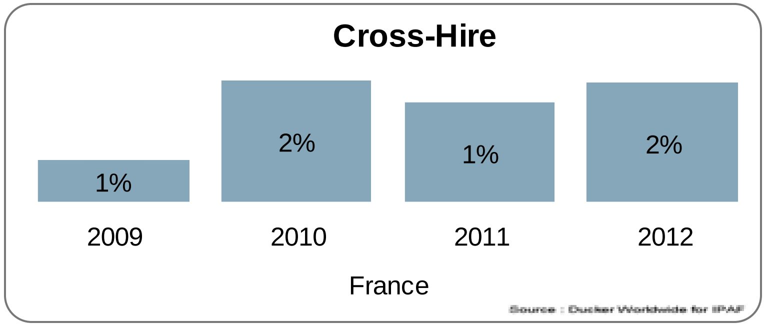
- As in 2011, French rental companies remained conservative and did not increase rental rates, in order not to affect utilisation rates.

France – Rental Market Value and Growth

After strong recovery in 2011, the French MEWP market only improved slightly in 2012.



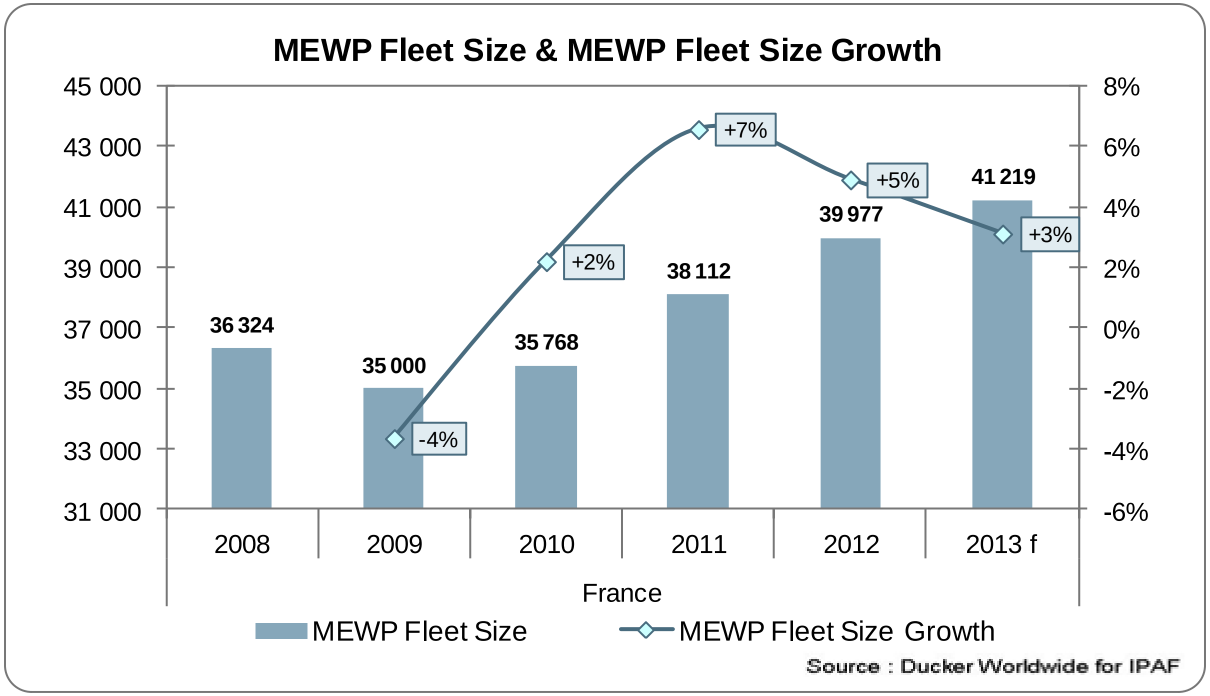
- The next two years should only see market stabilisation.
- Cross-hire remained at a similar level in 2012 compared to the past few years.



France – Market Size in Units

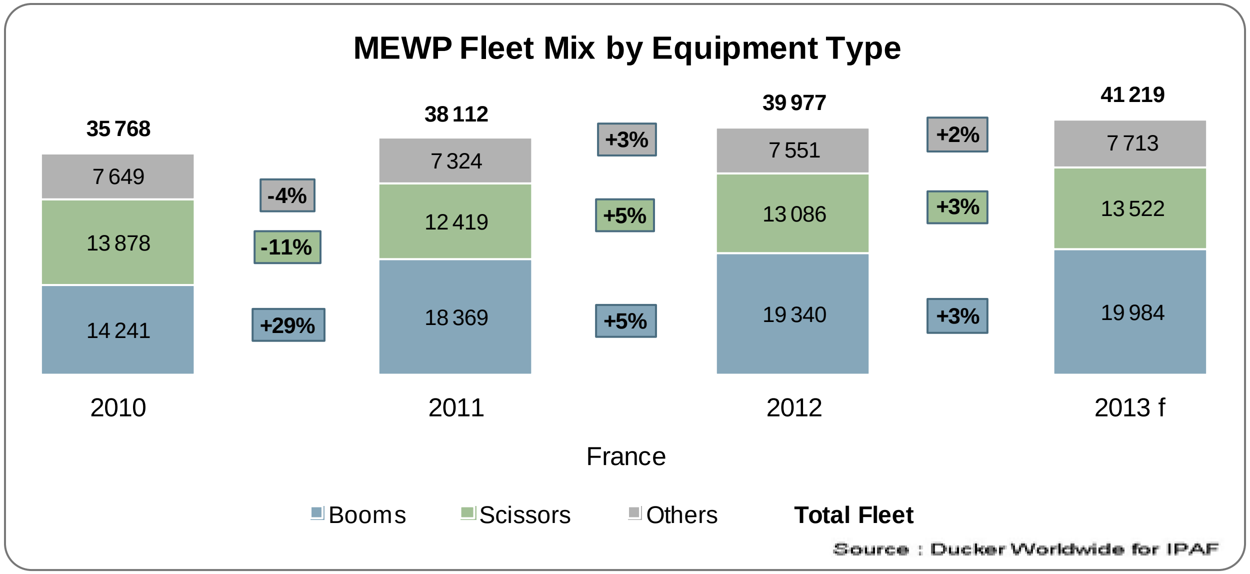
MEWP fleet size kept increasing, though at a slower pace compared to 2011. Fleet size growth should be even more limited in 2013.

- Despite a depressed construction industry, rental companies continued to invest in renewals and new equipment in 2012.
- Several rental companies also moved equipment from other countries to France (especially from Spain).



In 2012, both boom and scissor shares increased in the same proportions. It is expected that the mix between both machine types will remain stable in 2013.

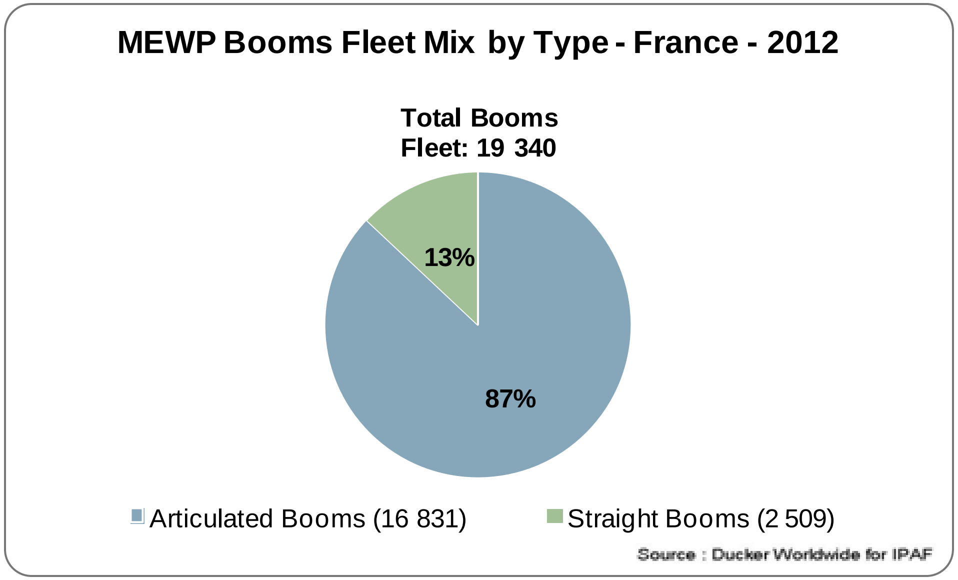
- In France (as in the Nordic countries and Italy), small vertical lifts and vehicle-mounted machines account for almost 20% of the overall fleet, which is significantly more than in other European countries.
- Rental companies are concerned with the Stage IIIB regulations as compliant machines are more expensive, and maintenance and repairs are more costly.



Others include: vertical lifts, vertical masts, vehicle-mounted booms.

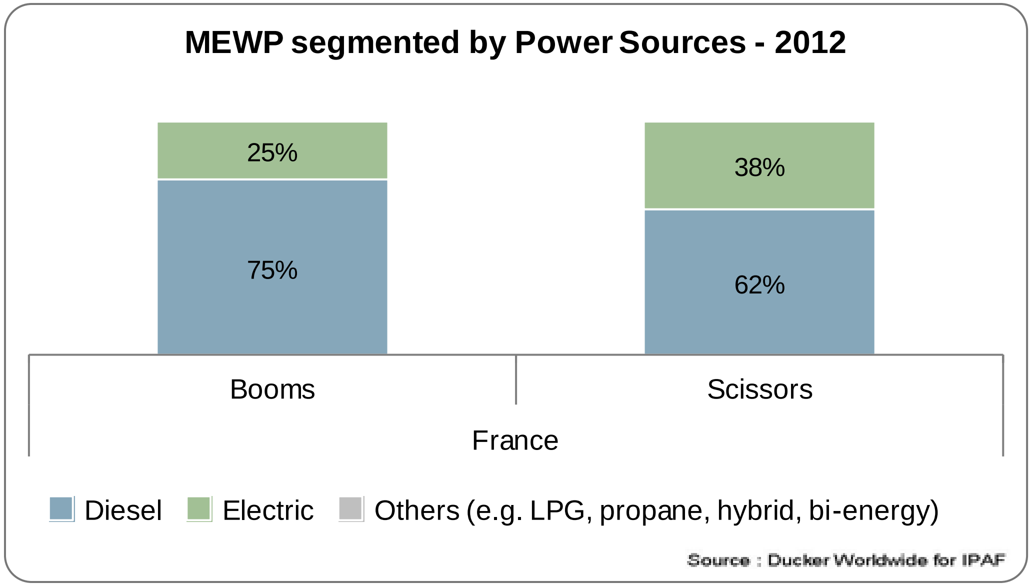
+X% *% unit growth, eg. Booms fleet increased by 5% from 2011 to 2012*

France is one of the highest users of articulated booms in Europe.



In France, while the share of diesel booms is relatively similar compared with other European countries, rental companies rely primarily on diesel scissors.

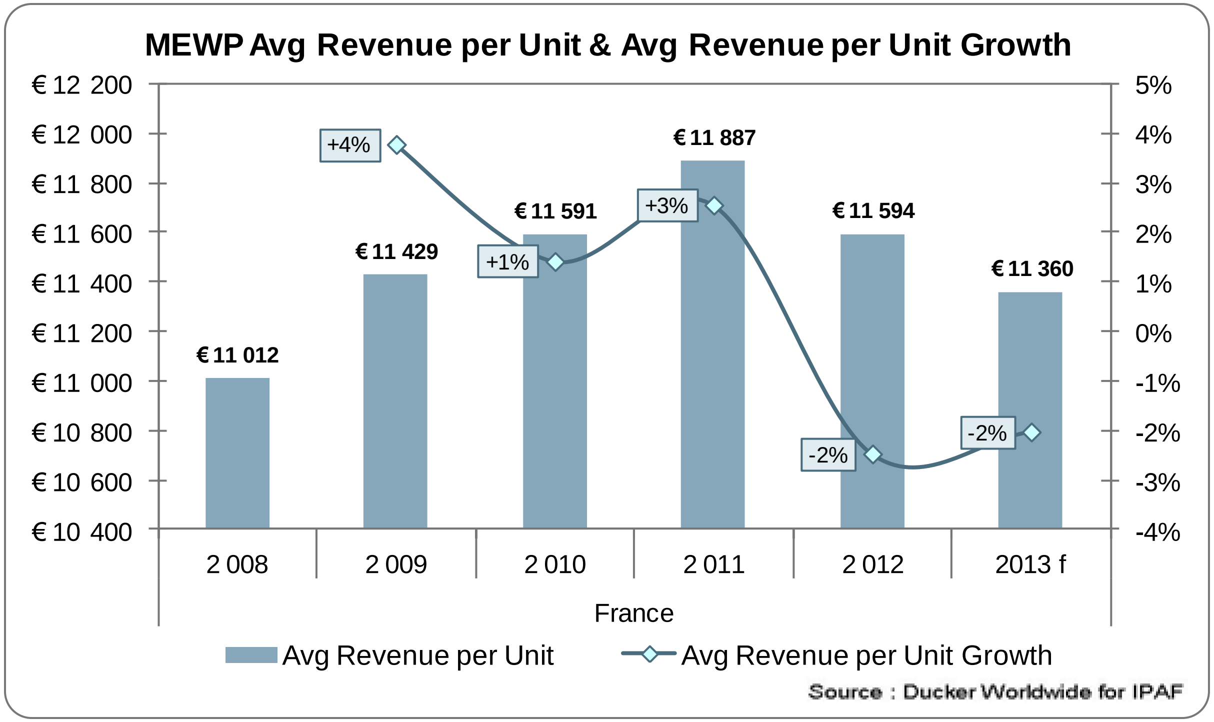
- This is specific to France, as in all other countries under study, electric scissors dominate.



France – Revenue per Unit

After several years of improvement, the average revenue per unit deteriorated in 2012, due to fleet expansion, lower utilisation and stable rental rates.

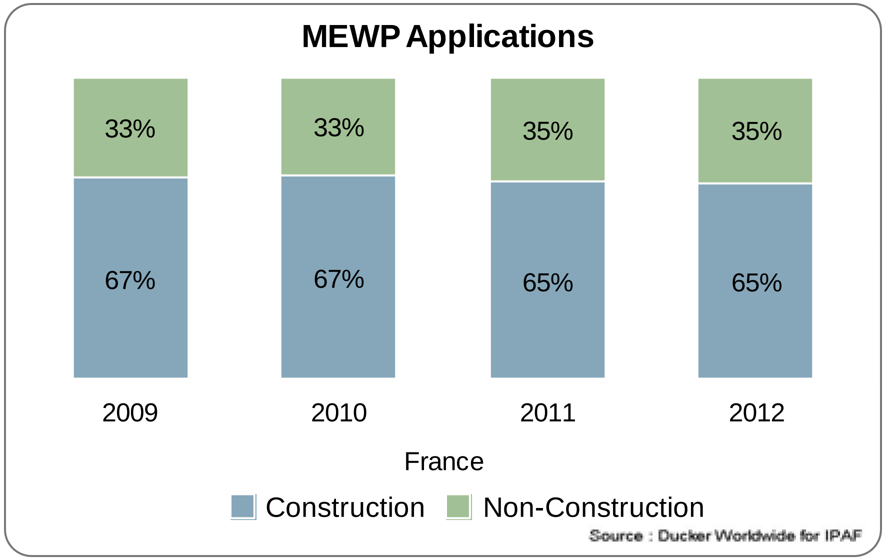
- France still holds the second highest revenue per unit after Germany, compared to the other markets under study. This is due to a larger proportion of high-value equipment.



France – Applications

Confirming last year's trend, the share of MEWP rental revenue coming from construction applications remained stable in 2012.

- The construction market is expected to start recovering in 2014 and the share of construction applications could then increase.



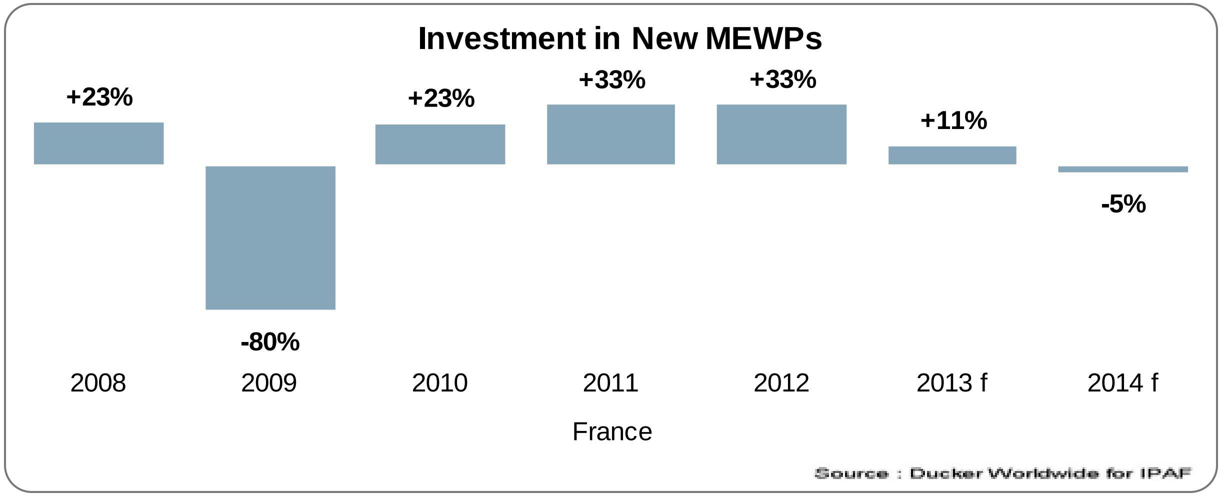
Share of rental revenues

Non-construction includes industry, maintenance, cleaning, utilities, events.

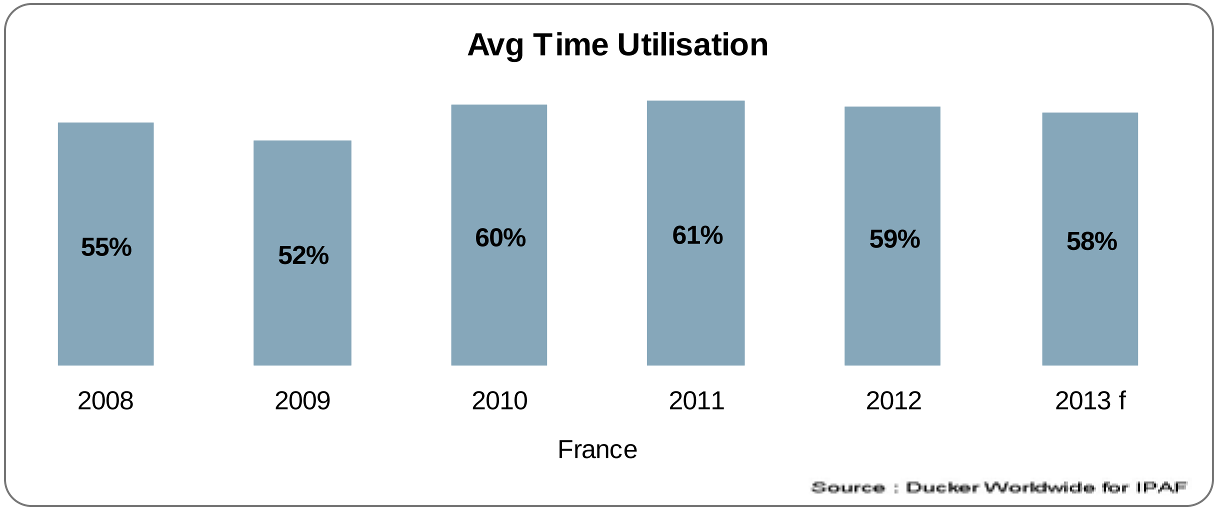
Construction includes new build and renovation; including all types of buildings, also industrial.

Despite the uncertain economic situation, French rental companies continued to increase investments at the same pace than in 2011.

- However, MEWP fleets should not expand as much in 2013, and rental companies expect investments to grow only slightly in 2013, and be relatively stable in 2014.



Utilisation rates slightly deteriorated in 2012, primarily due to fleet expansion. They are expected to remain relatively stable in 2013.

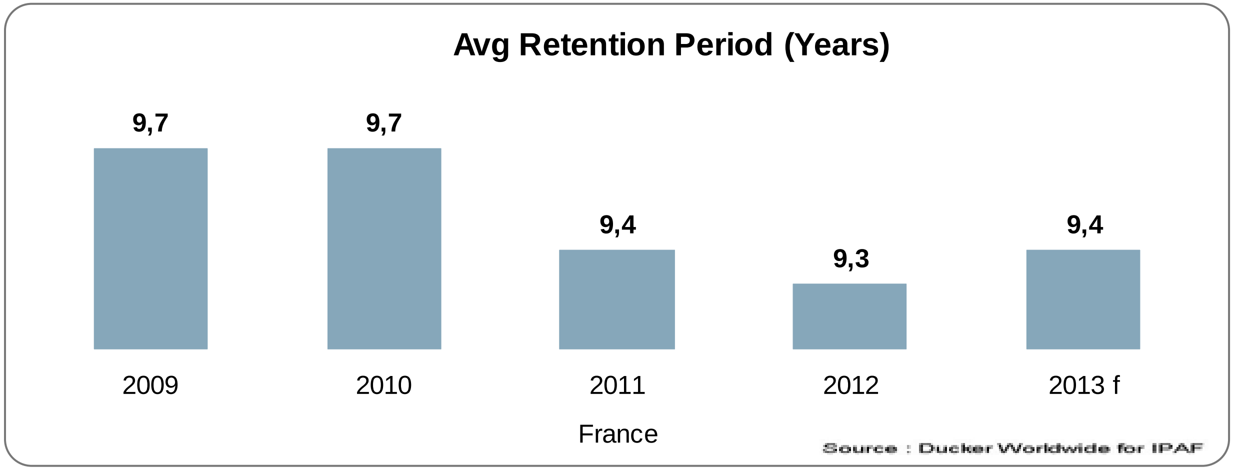


Definition: Physical number of machines out on hire as % of total number in fleet at any given time.

France – Retention Period

Continuous fleet expansion balanced by optimised maintenance led to a relative stabilisation of the average retention period.

- French rental companies (along with the UK, Sweden and Finland) tend to keep equipment significantly longer than in most European countries.



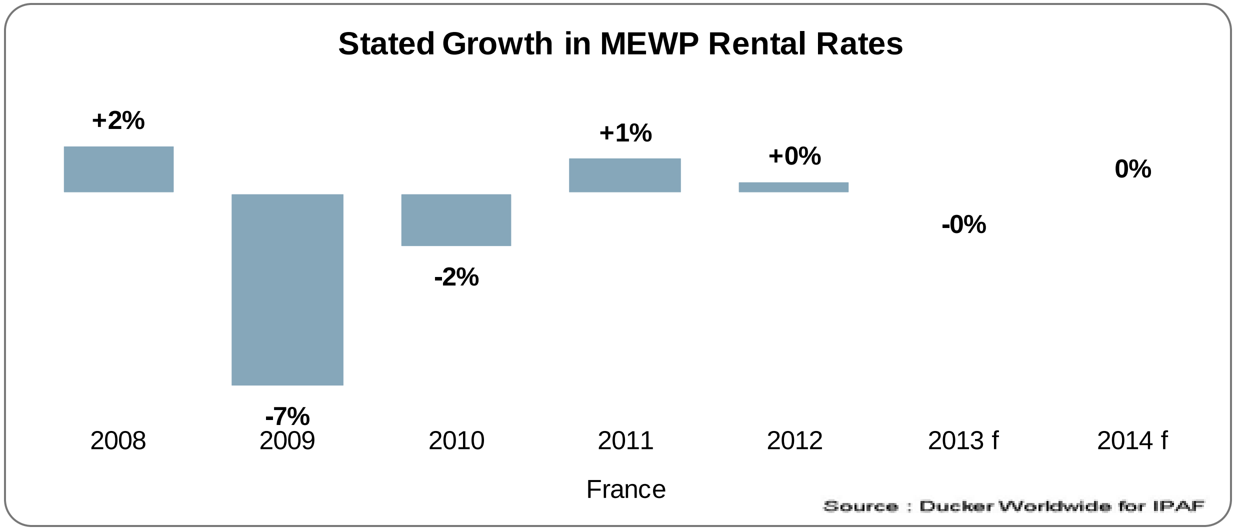
9.3 = 9 years and 3 months

Definition: Period of time that a machine is kept in fleet = selling age if acquired new

France – Rental Rates

In 2012, rental companies increased revenue growth through fleet expansion. Consequently, they maintained stable rental rates in order to limit deterioration of utilisation rates.

- Rental companies do not plan on improving rental rates in the next two years.



France – Future Trends

After a strong rebound in 2011, 2012 saw the return of uncertainty. Rental companies do not expect market rebound before 2015.

- Despite uncertainty, market players are confident that the French MEWP market still holds high potential growth.

- Several rental companies believe that the penetration of rental will continue to increase at the expense of acquisition. This should be driven by the Stage IIIB regulations as compliant machines are more expensive to acquire and maintain, thus making rental highly interesting.

- Safety remains one of rental companies' main concern. They explain that customers always ask for safer equipment. Rental companies expect MEWP manufacturers to keep developing innovative safety solutions.

IPAF Powered Access Rental Market Report – France

A PERSPECTIVE FROM THE EDITOR OF *INTERNATIONAL RENTAL NEWS*

There was a flurry of significant rental acquisitions in 2011, with Loxam buying Locarest and Kiloutou acquiring BM Location, Top'Loc and Mediac'Up.

That 'busy' year contrasted with a calmer 2012. Kiloutou did manage one further deal last year, acquiring Paris-based Urbaparc, but otherwise the 'big two' were digesting their new businesses.

The quieter environment was also a reflection of the increasingly uncertain economic outlook for France and Europe as a while, which generally made rental companies more cautious about further expansion and investment in their fleets.

There was, however, good evidence that the French market still presents opportunities for entrepreneurial specialist access renters. Riwal, for example, is still building its business in France and managed a very significant increase in turnover during 2012. The business now has nine rental branches in France.

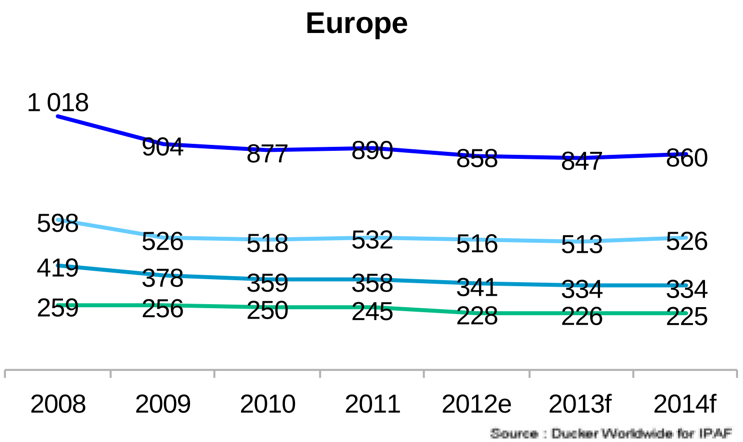
Acces Industrie reported broadly flat revenues for the year – based on the first nine months of the year – while Lavendon managed 17% growth. This was partly the result of having a larger fleet – some of the machines from the closed Spanish operation were moved to France – but also, claimed Lavendon, the result of growing market share in a "relatively flat" market.

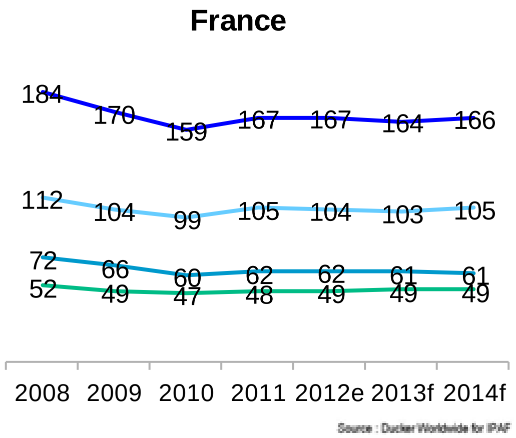
Despite wider uncertainties in the French economy, Lavendon said it was going to increase its allocation of capital to its French business in 2013, which is a very positive sign.

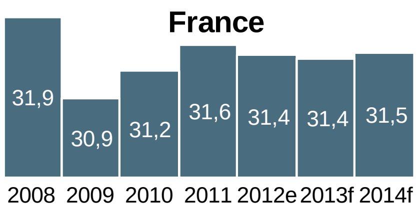
IPAF Powered Access Rental Market Report – France

APPENDIX

After a short recovery in 2011, all the indicators in construction slightly decreased in 2012.







Construction put in place in million Euros based on Euroconstruct 2012

- Residential construction
- Non-residential construction
- Total construction
- Civil engineering

IPAF Powered Access Rental Market Report – Europe

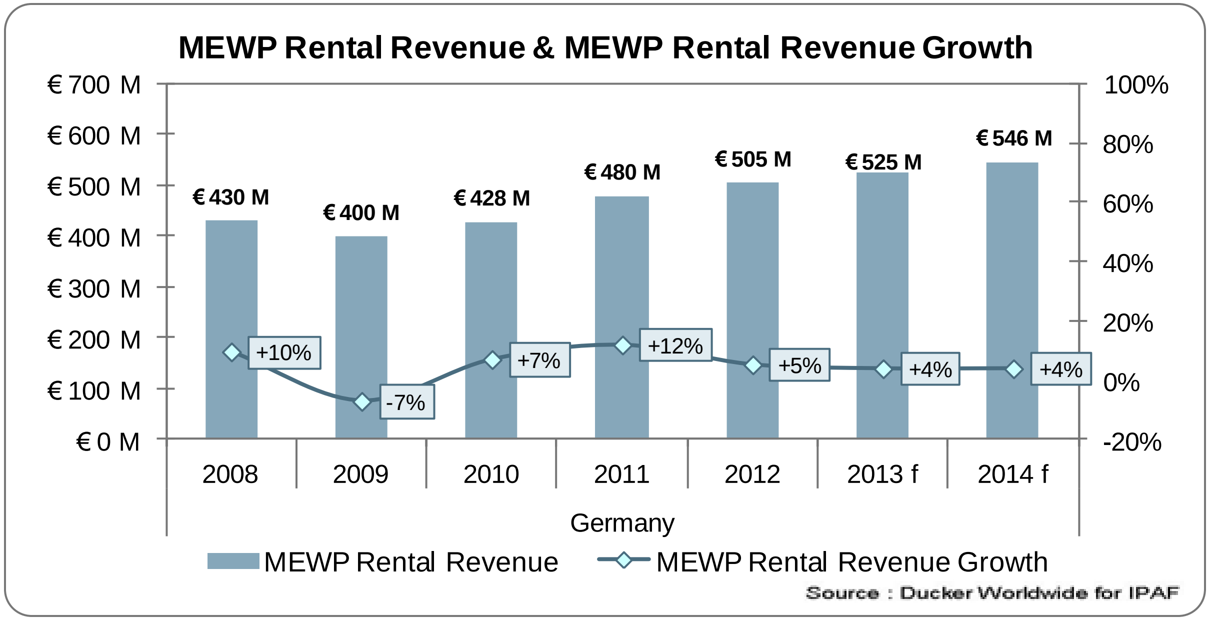
COUNTRY REPORT GERMANY

Key Findings

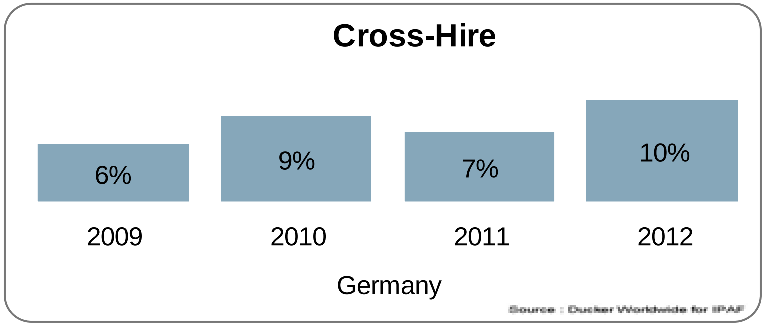
- The German MEWP market remains fragmented with a large number of mid-sized, family-owned businesses who traditionally take a cautious approach to investment.
  - However, 2012 produced evidence that times were changing with several major European companies entering the German market and acquiring some existing companies.
- Although evolving, the German rental market remains, with the Italian one, quite immature compared to other European countries.
- The market grew again in 2012(€505M), though at a slower pace than the previous year (+5% in 2012 vs. +12% in 2011).
- As forecast, the growth of investment slowed (+7%) and new equipment was purchased for both renewing and expanding fleets.
  - The overall fleet size continued to grow and reached more than 33,300 units.
  - The average retention period slightly decreased in 2012.
- German rental followed the trend begun in 2011 and limited rental rate increases (+2%) while the utilisation level remained stable (63%).

Germany – Rental Market Value and Growth

The German MEWP rental market is still growing (€505M) , although growth is more limited than in 2011.



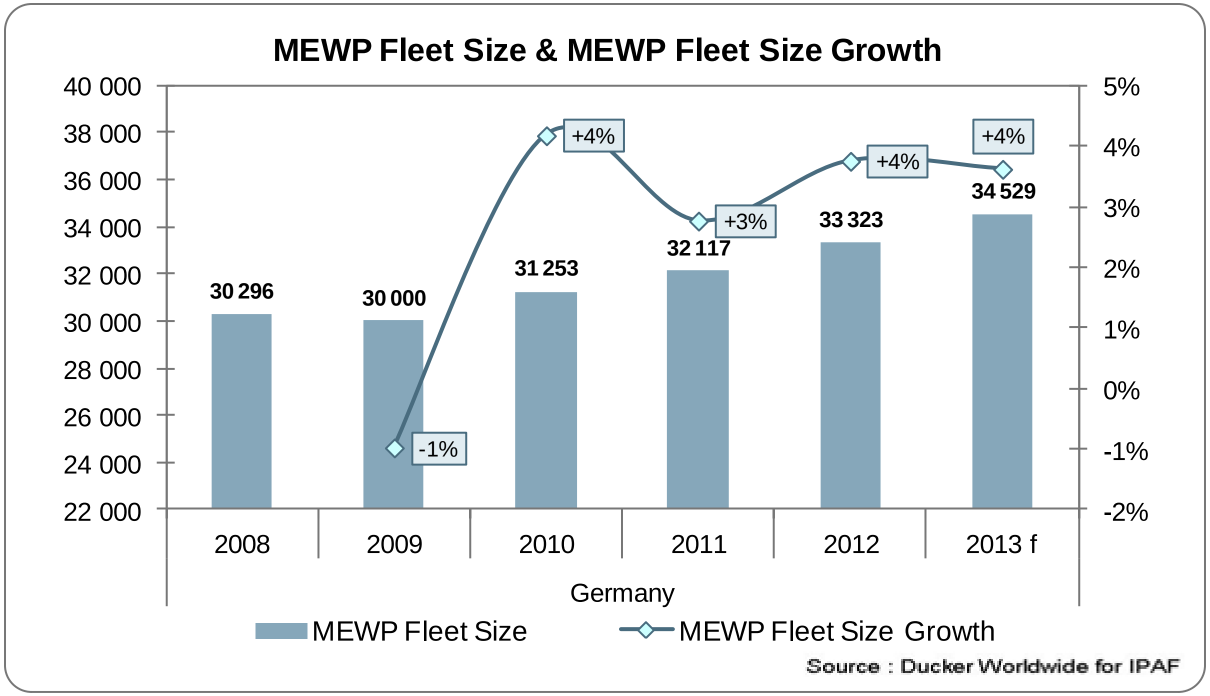
- In contrast to most European countries, the Germany rental market is expected to grow continuously over the next two years.
- Cross-hire increased in 2012 to its highest level over the last four years.



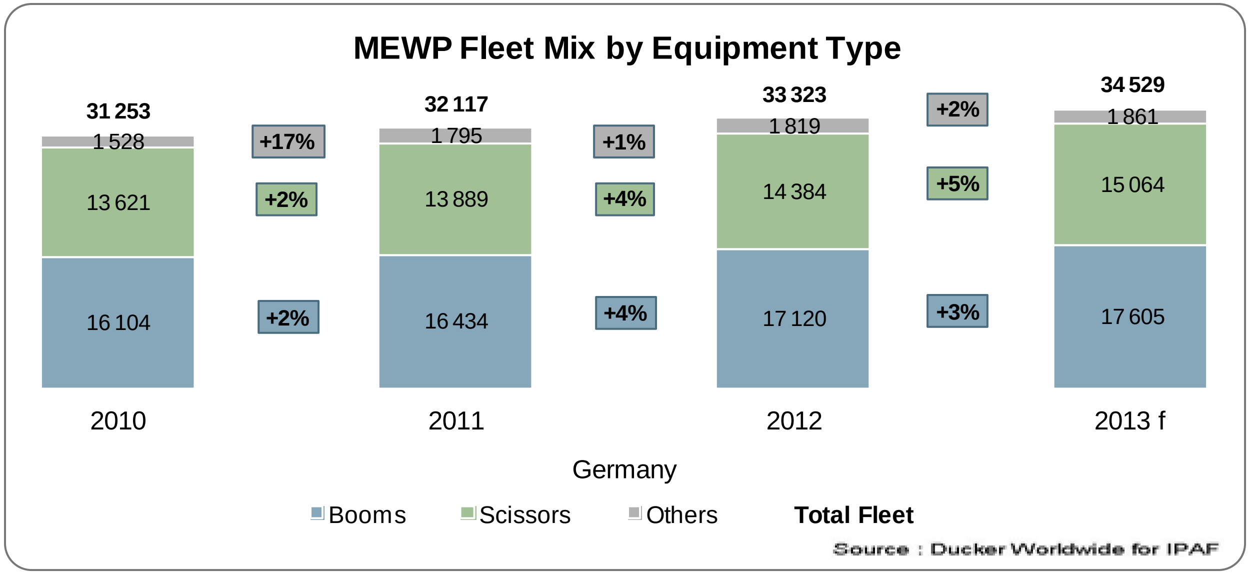
Germany – Market Size in Units

In 2012, rental companies invested in both fleet renewal and expansion.

- As more investment is directed toward fleet expansion, the overall fleet size is expected to continue to increase at a stable rate in the next years.



Fleet mix was unchanged in 2012 with a slight preponderance of booms.



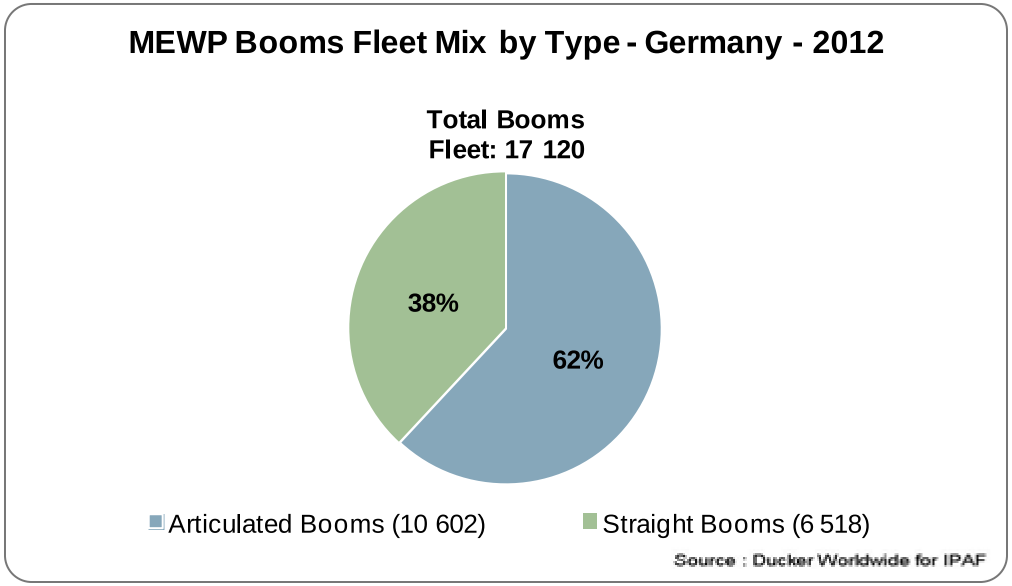
Others include: vertical lifts, vertical masts, vehicle-mounted booms.

+X% *% unit growth, eg. Booms fleet increased by 4% from 2011 to 2012*

DUCKER WORLDWIDE

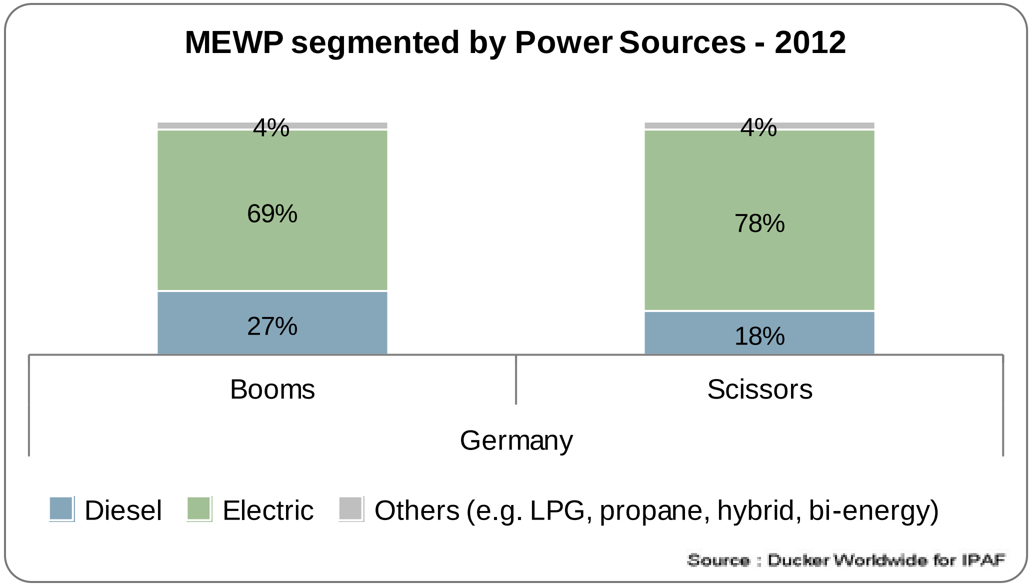
The German boom fleet is dominated by articulated booms.

- Articulated booms are more versatile and easier to use in non-construction applications, which are a large share of German rental companies' end-applications.



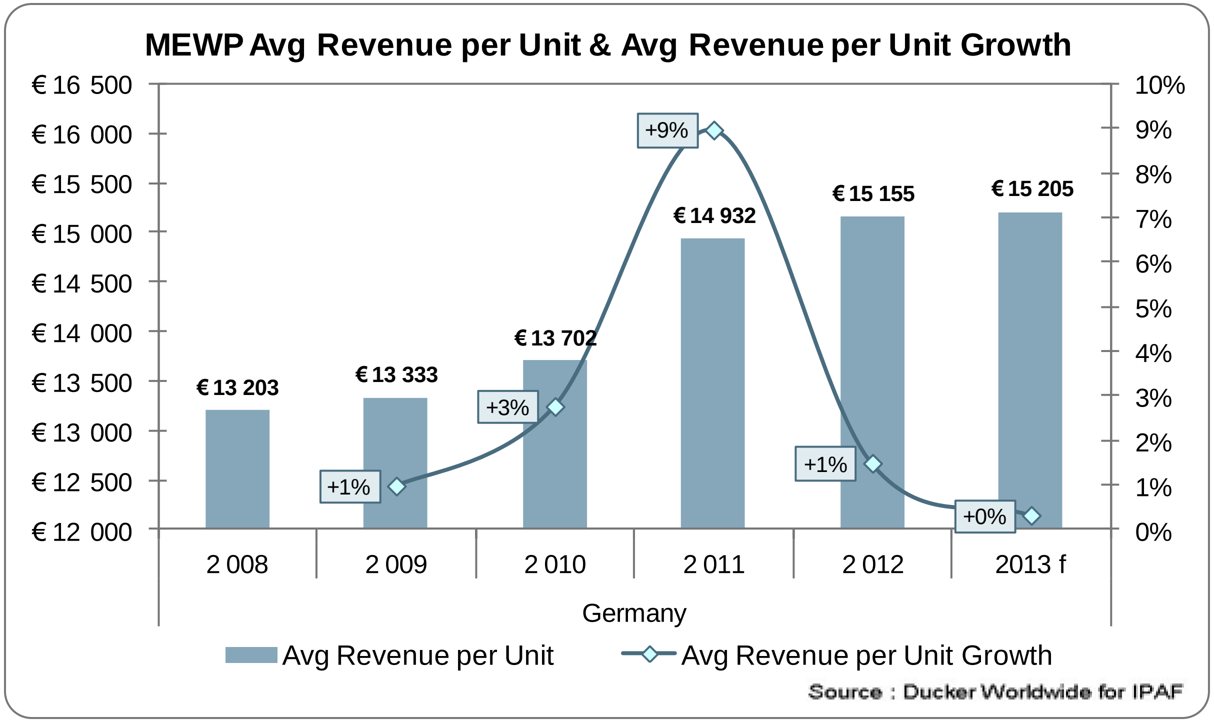
The German boom fleet is the most heavily driven towards electric power rather than diesel. The scissor fleet is also more weighted towards electric than many other countries under study.

- Less than half of total MEWP fleet is reported to be Stage IIIB compliant.



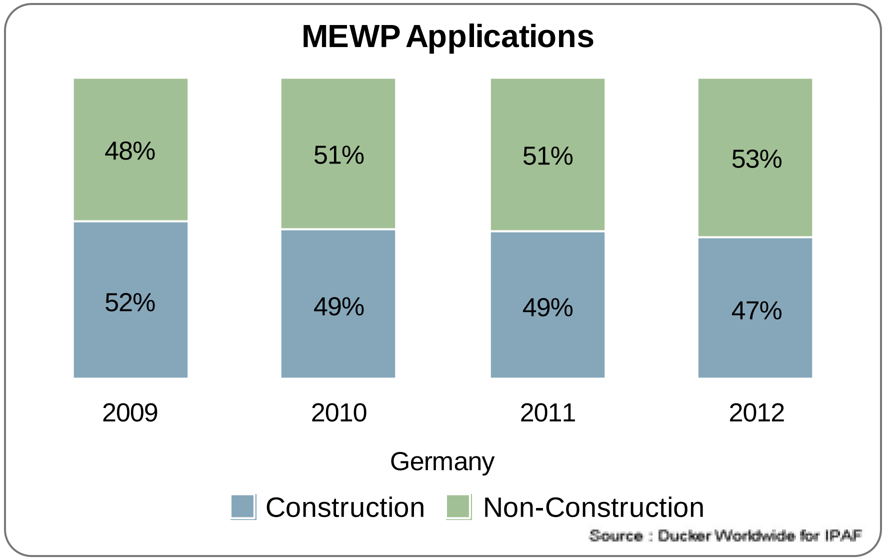
The revenue per unit slightly increased in 2012 as rental rates improved and utilisation remained stable.

- As rental rates should stay stable in 2013, the average revenue per unit is expected to stay steady.
- Germany remains the European country under study with the highest average MEWP revenue per unit, thanks to its large and specialised equipment.



Germany has for many years been focused on non-construction applications. This helped it to minimise the impact of the 2009 construction crisis.

- The share of MEWP rental revenue evolved toward more non-construction applications in 2012.



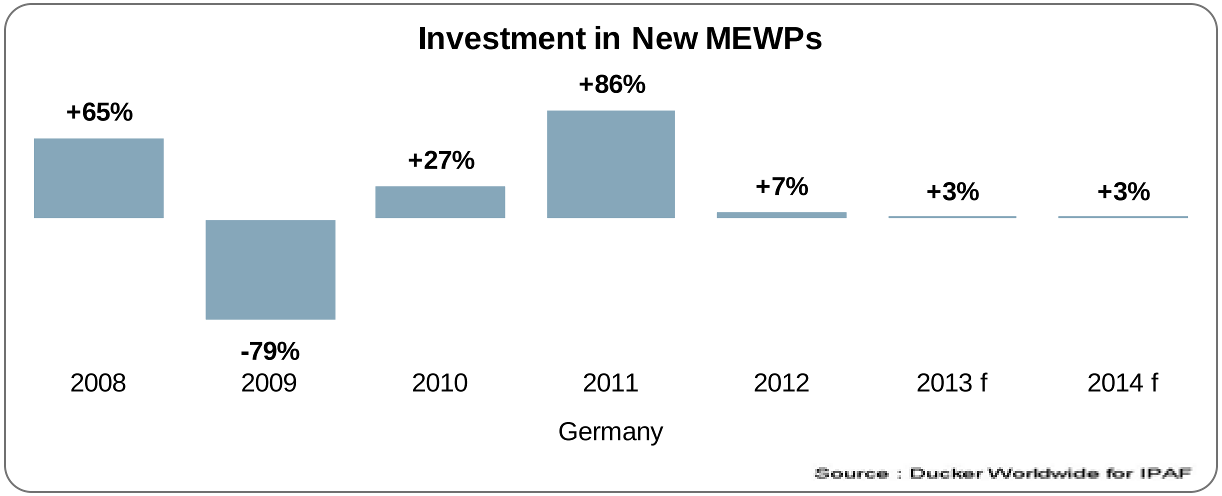
Share of rental revenues

Non-construction includes industry, maintenance, cleaning, utilities, events.

Construction includes new build and renovation; including all types of buildings, also industrial.

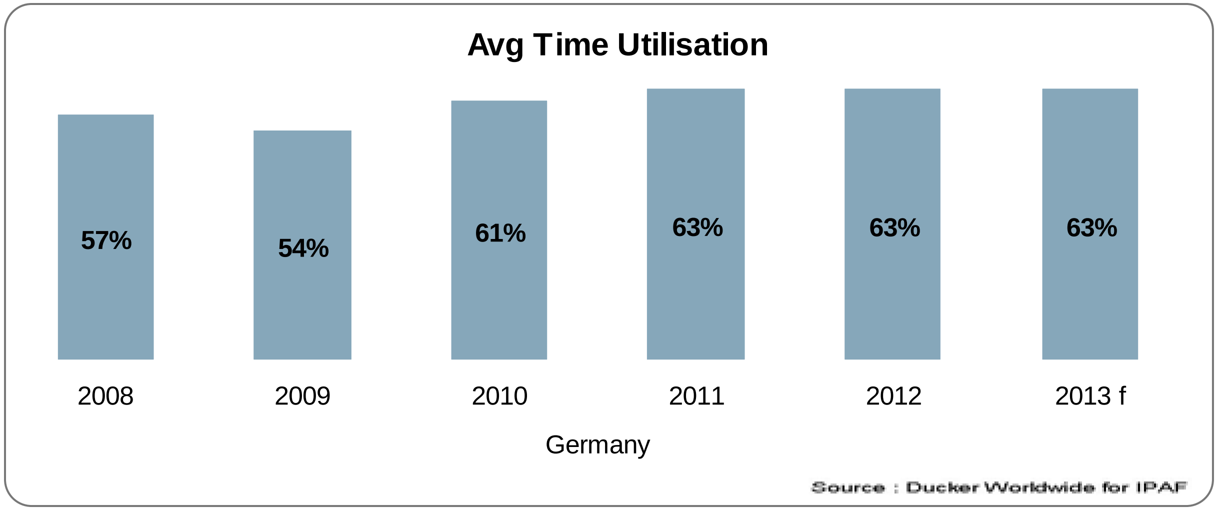
Rental companies continue to increase their investments in new equipment for both fleet renewal and expansion, but at a much slower pace.

- Investment is expected to increase slightly in 2013 and 2014.



Germany – Utilisation Rates

Utilisation rate has now stabilised at 63%, and should remain steady in 2013.

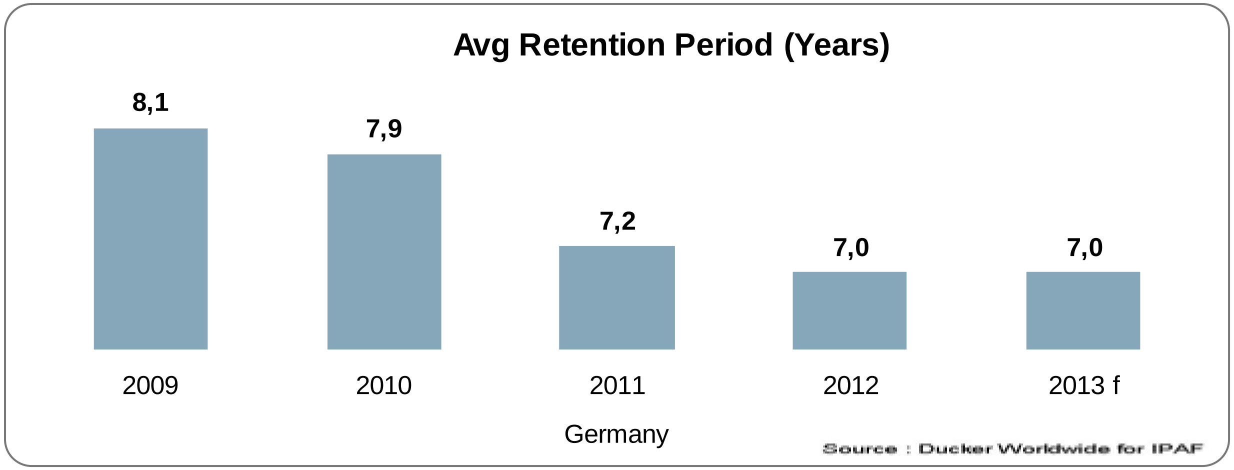


Definition: Physical number of machines out on hire as % of total number in fleet at any given time.

Germany – Retention Period

While fleet continued to increase, rental companies in Germany made strong efforts to optimise maintenance, and as such, prolong retention periods.

- Retention period is expected to stabilise in 2013.

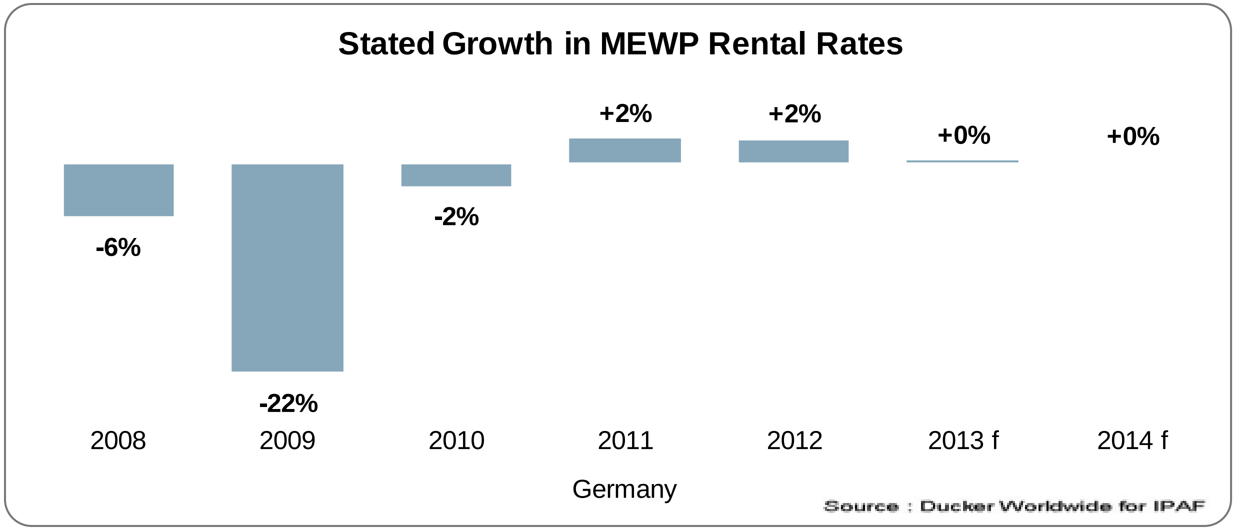


7,0 = 7 years

Definition: Period of time that a machine is kept in fleet = selling age *if* *acquired new*

After drastic decreases up tp 2010, rental rates are now improving slightly.

- German companies remain cautious and rates are expected to be maintained at their current level during the next two years.



The German market is currently evolving toward more consolidation.

- The German rental market is currently changing with competition getting stronger. Large companies are conducting significant deals and extending their product range by acquiring smaller specialised businesses.

- Rental companies respond to the increased competition by developing strong relationships with their customers and offering more services (transport of the equipment, rental with operator, etc.).

- Market players expect safety and environmental standards to be reinforced, which will increase the popularity of MEWPs against cheaper solutions such as ladders and scaffoldings.

IPAF Powered Access Rental Market Report – Germany

A PERSPECTIVE FROM THE EDITOR OF *INTERNATIONAL RENTAL NEWS*

Germany has to some extent carved a singular path in the access sector over the past 15 years, with a large number of mid-sized, family owned businesses who traditionally take a cautious approach to investment.

While that model remains the dominant one in the German access market, 2012 produced evidence that times were changing.

Mateco – one of the most famous names in access rental in Europe – and number one player in Germany - was acquired by Belgian parts specialist TVH. TVH, which also owns Gunco in the Netherlands, had previously tried to buy Lavendon, so its acquisition of Mateco illustrated how seriously it is taking its move into access rentals.

There were other significant deals as well. Cramo acquired the Theisen construction rental business in late 2011 and is now trying to recreate its own business model in the country, which will mean the addition of aerial platforms to the German fleet.

Similarly, Boels Rental acquired Baurent, a Japanese-owned rental company specialising in earthmoving equipment, and it is anticipated that Boels will expand the product offering to include aerials. The company now operates around 150 aerial platforms in Germany.

Also notable has been the return to the access market of Wolfgang Roth, the long-time managing director of Mateco who left the company in 2009, and who has just joined Riwal as interim manager of its German operation.

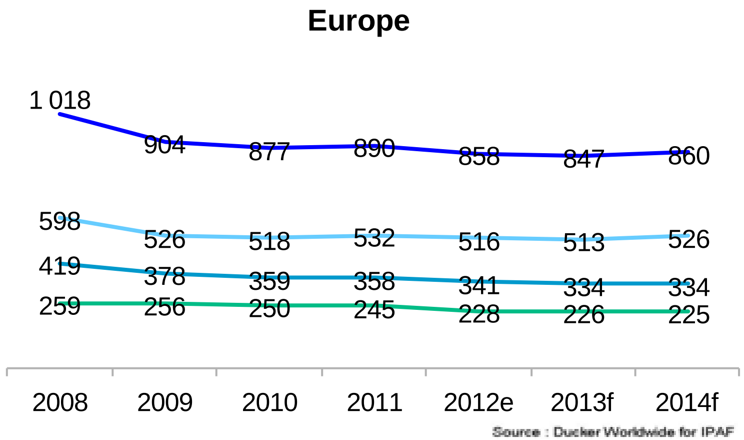
Lavendon, meanwhile, continued to restructure Gardemann, its German business, dropping the number of depots at year end from 36 in 2011 to 28 now, and reducing the fleet size by around 350 machines to 3300 units. Its revenues fell by 6% last year, although fleet utilisation was improving.

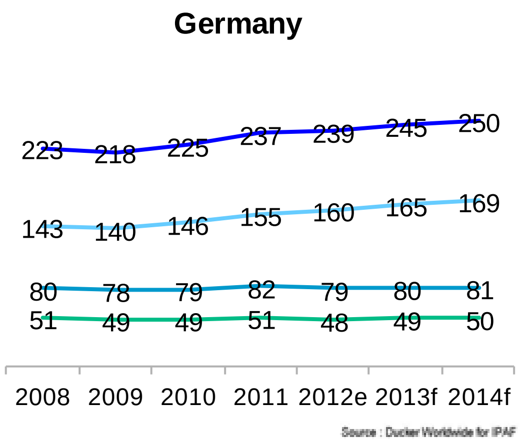
The strength of Germany’s independent sector is illustrated by the existence of two major cooperative organisations, SystemLift and PartnerLift, each with more than 70 members and aggregate fleets of more than 6000 platforms. PartnerLift, now managed by former JLG executive Kai Schliephake, who joined in mid-2012, is expanding its business in Germany and increasingly also looking for members outside of Germany.

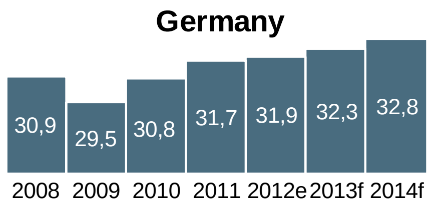
IPAF Powered Access Rental Market Report – Germany

APPENDIX

Residential construction drives the overall construction growth.







Construction put in place in million Euros based on Euroconstruct 2012

Germany GDP estimates based on Euroconstruct 2012

- Residential construction
- Non-residential construction
- Total construction
- Civil engineering

IPAF Powered Access Rental Market Report – Europe

COUNTRY REPORT ITALY

Key Findings

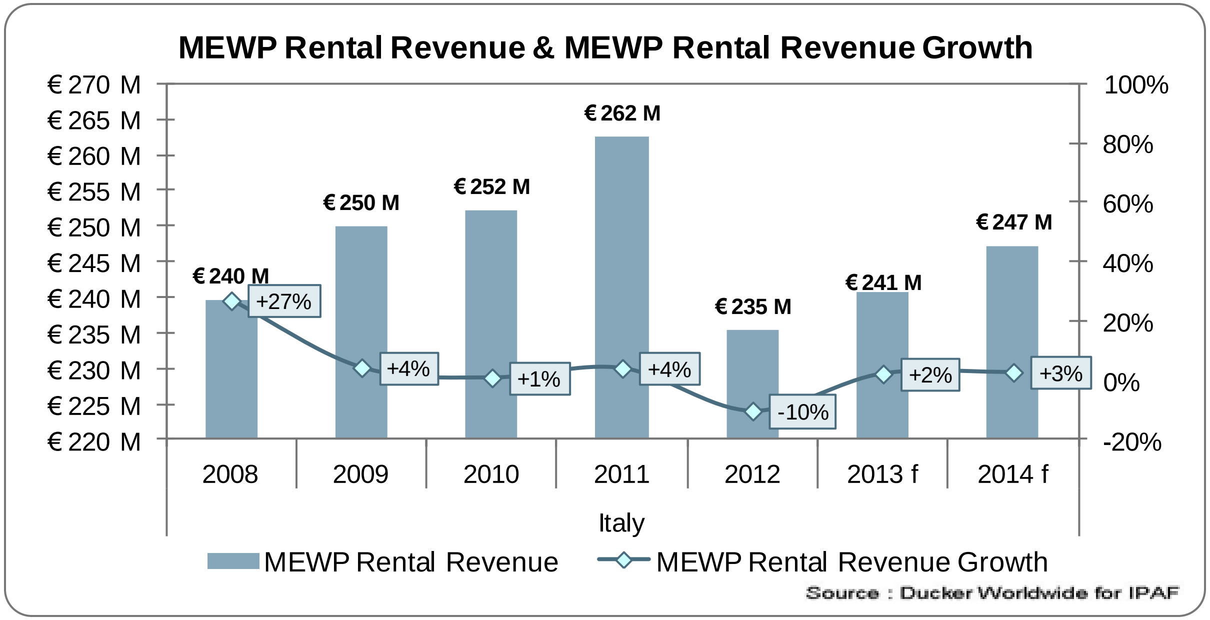
- The Italian rental market has been among the worst hit in Europe as a result of the sovereign debt crisis, and is now often lumped in with Greece and Spain as one of the “sick men” of Europe.
  - The rental market decreased drastically in 2012 (-10%) and is expected to recover slowly in 2013 (+2%) and 2014 (+3%).

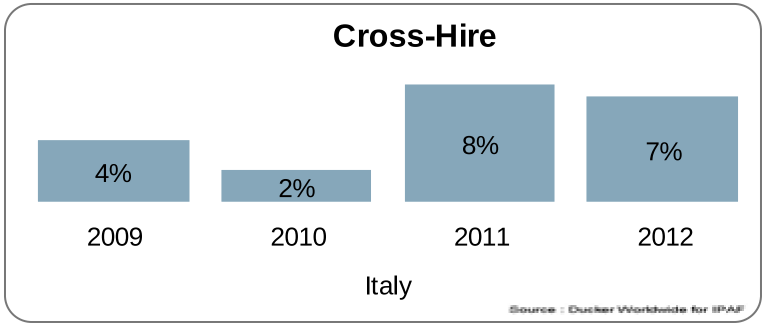
- Despite the slowdown, there have been relatively few major company failures, or consolidation.
  - The Italian market remains fragmented, composed of many small regional rental companies.

- Rental companies’ investments (+41%) were directed towards fleet replacement. They believe investments will continue to grow, although at a much slower pace in 2012.
  - Fleet size remained stable with just under 24,500 units.
  - Rental companies have initiated in 2011 a change in their fleet mix towards more truck-mounted platforms and versatile equipment, at the expense of scissors.

- Despite further rental rates reduction (-5%), the average time utilisation decreased slightly (61% in 2012 vs. 63% in 2011).

Contrary to previous years when it resisted the recession quite well, the Italian market dropped 10% in 2012 to reach a revenue of €235M.



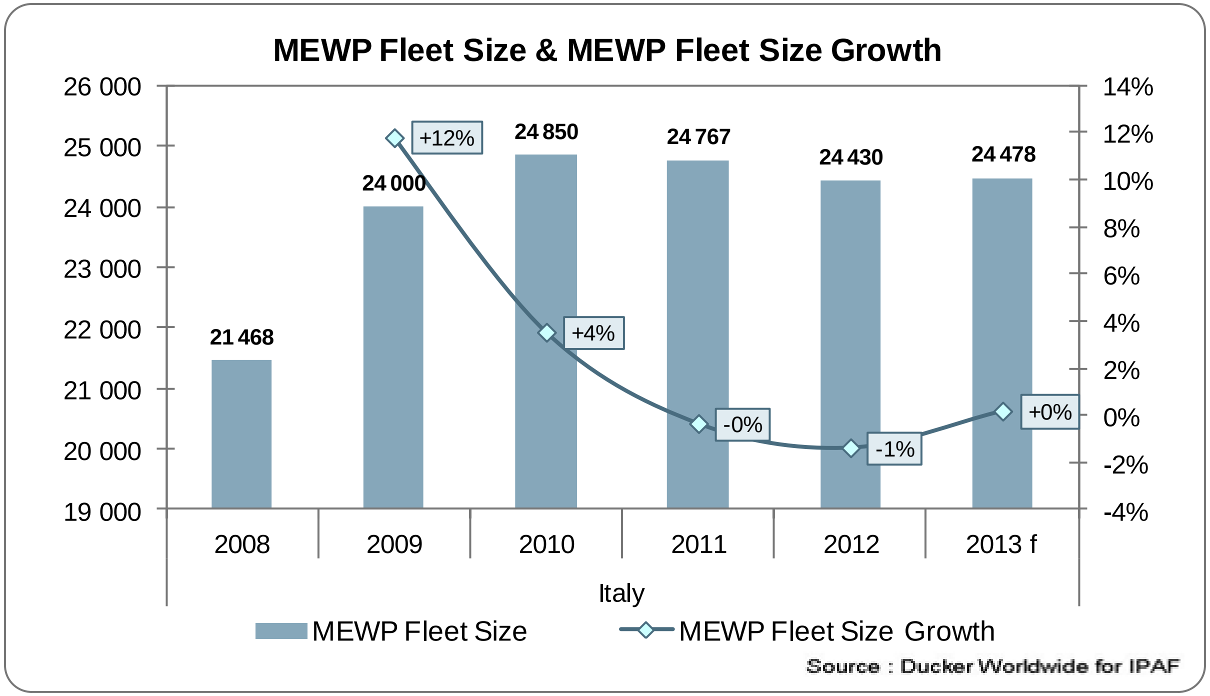


- The rental market decreased strongly in 2012, to its lowest level since 2008.
  - Bad weather conditions affected the market in early 2012.
- Following the 2011 trend, cross-hire is almost twice as important than in 2009.
  - Cross-hiring allows geographically close companies to have more machine, available without expanding fleet.

Italy – Market Size in Units

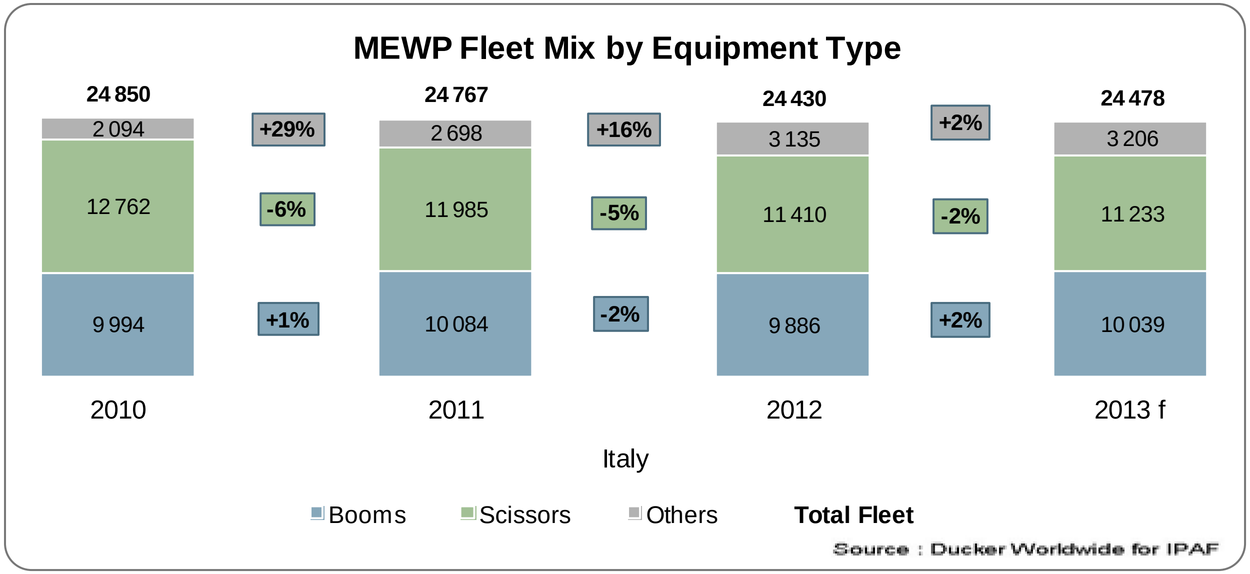
After massive fleet expansion between 2008 and 2010, the overall fleet size has now stabilised to around 24,500 machines.

- Most of the investments in new equipment are directed toward fleet renewal, thus maintaining the fleet size at its current level.



Although the overall fleet size remains stable, the share of vehicle mounts and high-reach equipment continued to increase in 2012.

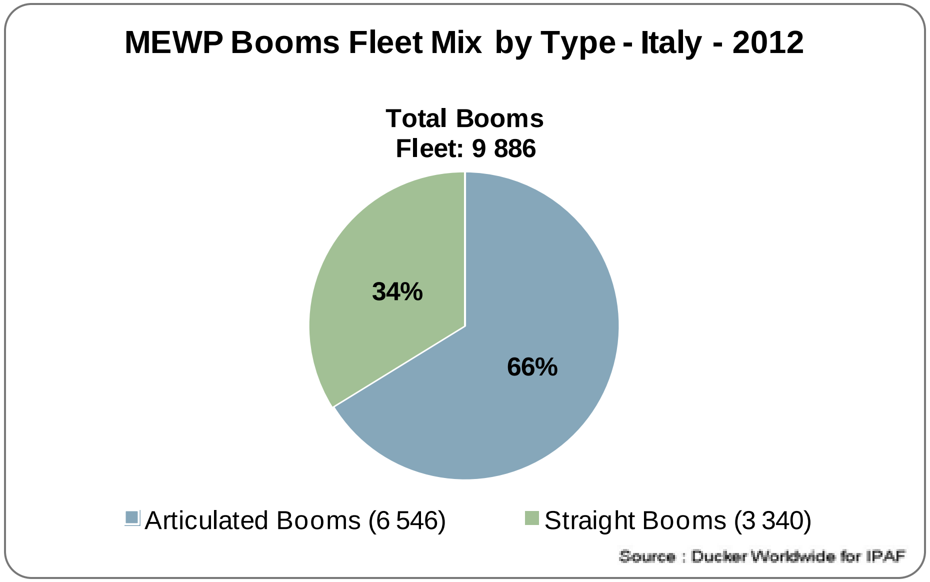
- The share of truck-mounted equipment has been increasing for the last two years and will continue doing so, but at a slower pace.
- Although booms remain at a stable level, rental companies are de-fleeting their scissors as there are too many of them on the market, with low rental rates and limited revenue outlooks.



Others include: vertical lifts, vertical masts, vehicle-mounted booms.

+X% *% unit growth, eg. Booms fleet decreased by 2% from 2011 to 2012*

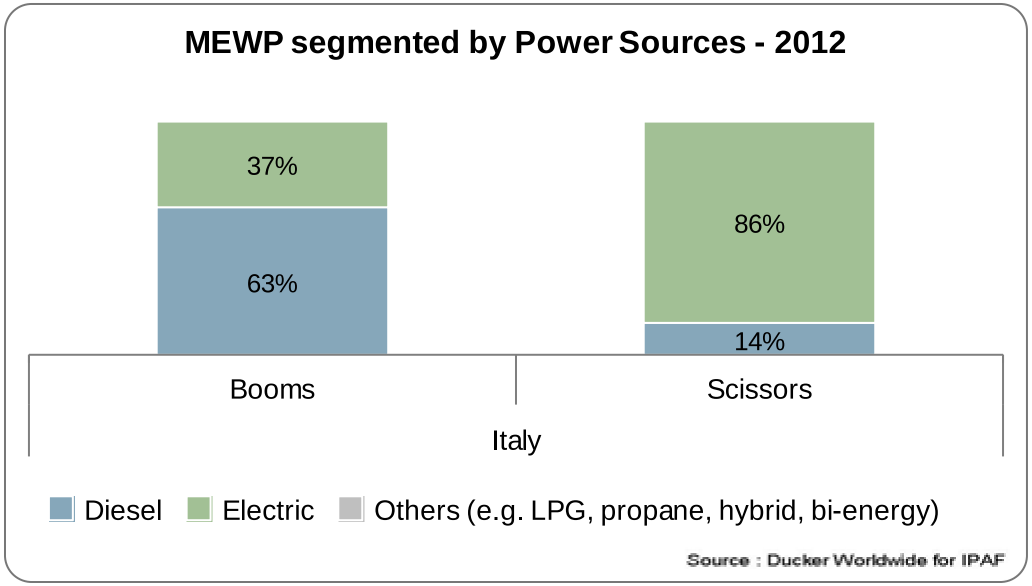
Like most European countries under study, the majority of the boom fleet is made up of articulated booms.



DUCKER WORLDWIDE

The majority of rental companies' booms are diesel-powered. However, Italy is the European country with the highest share of electric scissors.

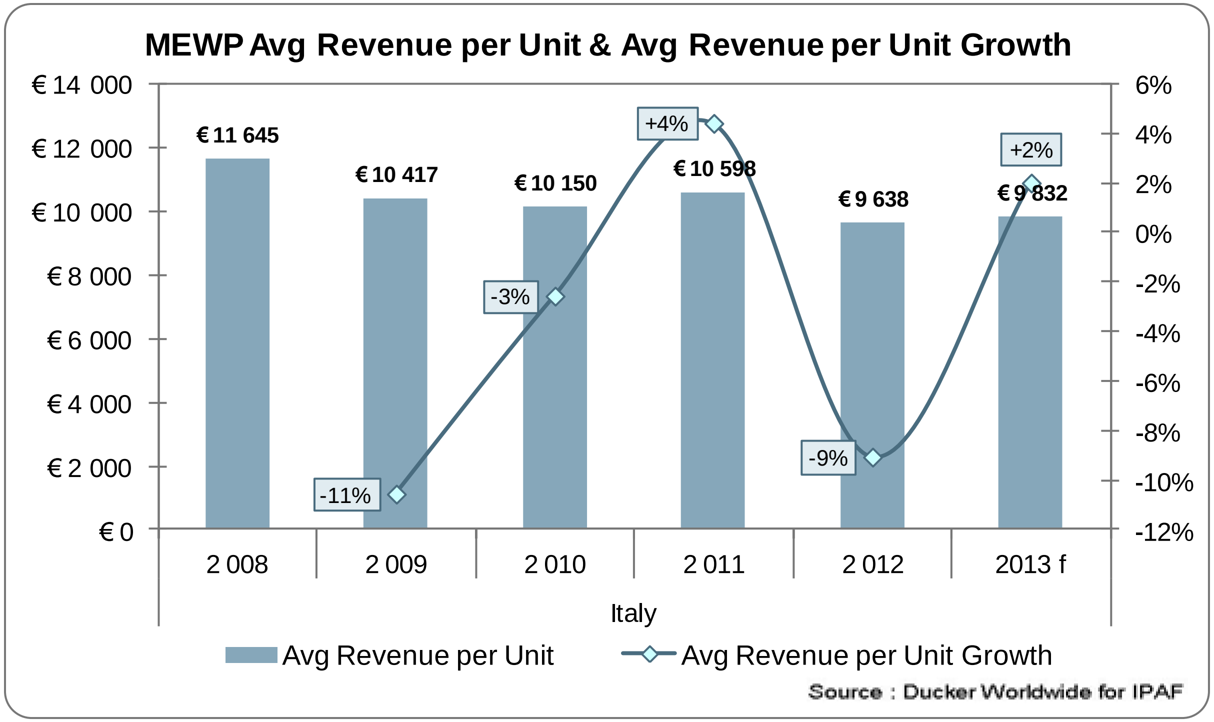
- Most rental companies report not being aware of their fleet level of compliance with the Stage IIIB regulations.



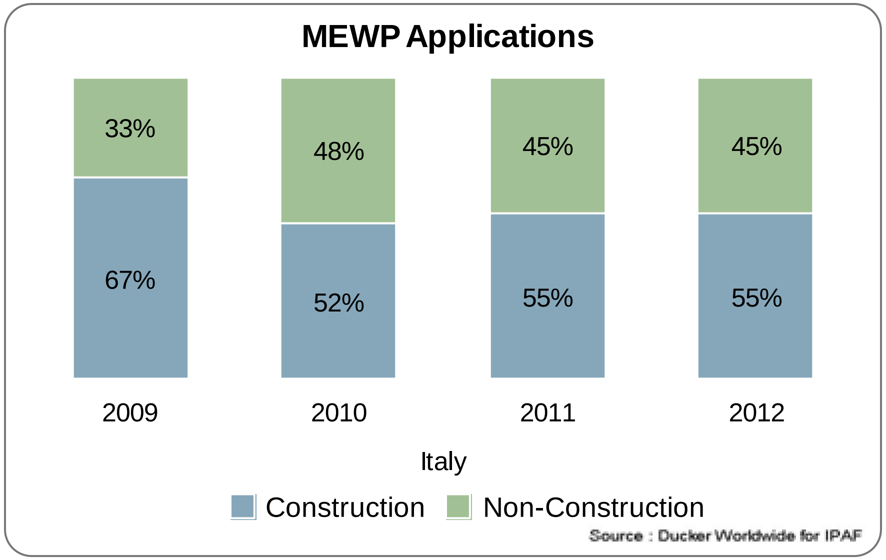
Italy – Revenue per Unit

Contrary to last year's growth, the average revenue per unit has decreased in 2012 and reached its lowest level since 2008.

- Rental companies are trying to resist the economic recession and lowered activity by reducing their rental rates and are thus struggling with lower revenue per unit.



As the construction sector is still in bad condition, rental companies continue to rely on the non-construction sector to maintain their activity.



Share of rental revenues

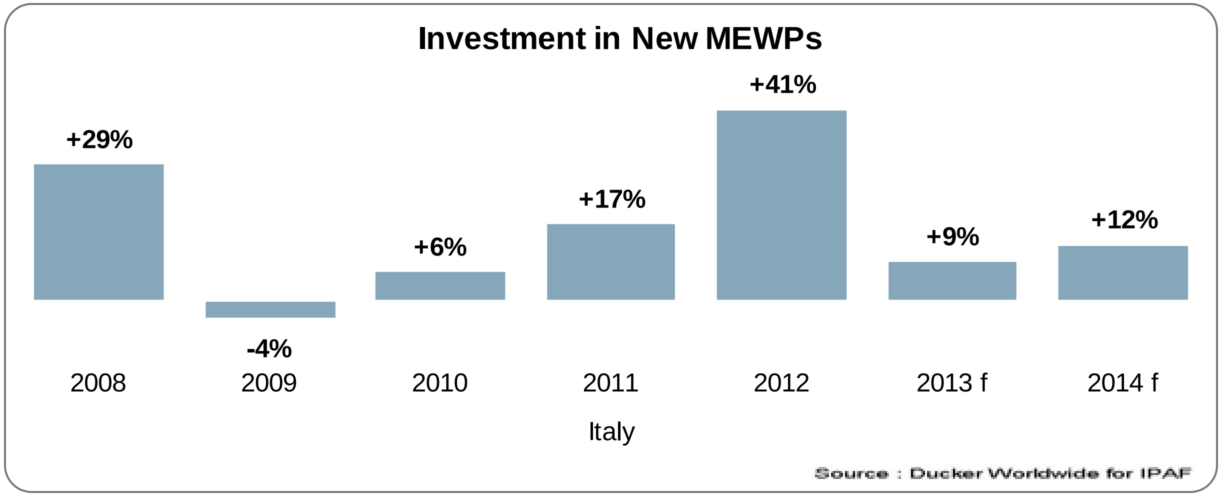
Non-construction includes industry, maintenance, cleaning, utilities, events.

Construction includes new build and renovation; including all types of buildings, also industrial.

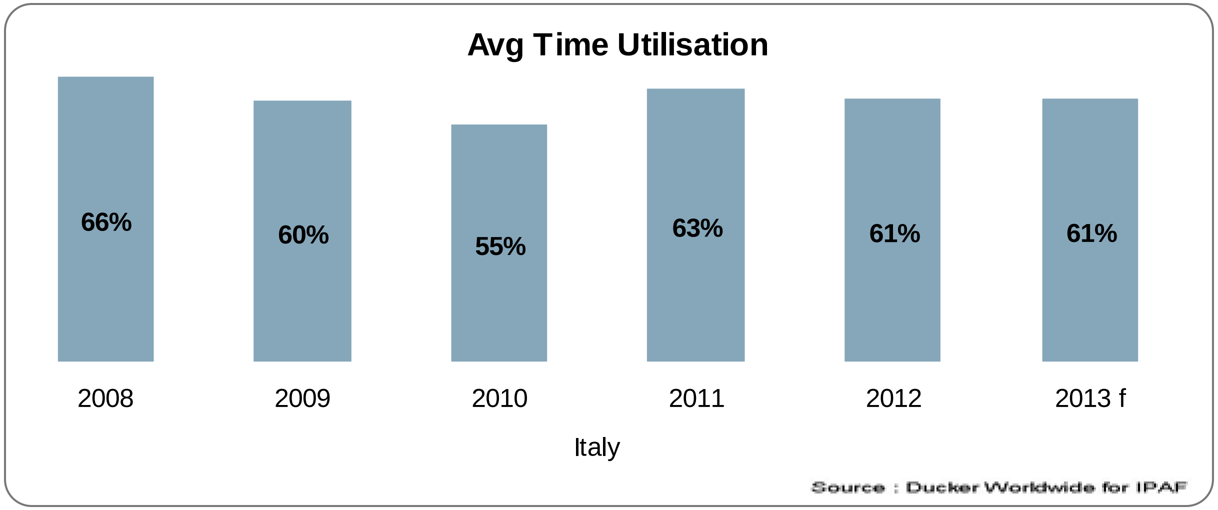
Italy – Investments

In 2012, most of the investments were directed towards fleet replacement, with a shift towards more truck-mounts.

- Investments should increase at a much slower pace in 2013 and 2014.
- Rental companies plan on focusing future investments on articulated booms instead of telescopic, as articulated booms are more versatile, and generate higher revenues.



Despite further rental rates reduction, the average time utilisation decreased slightly in 2012.

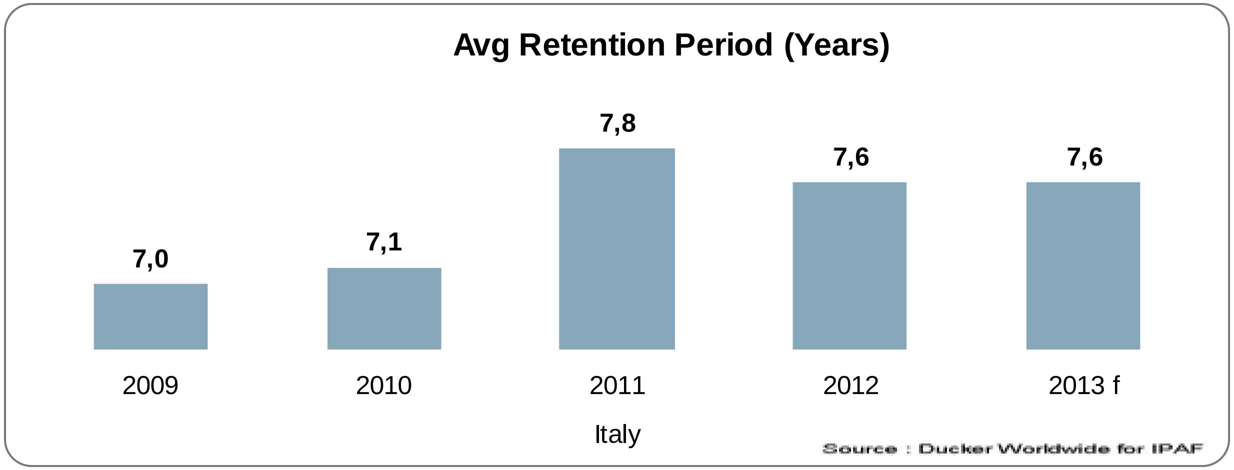


Definition: Physical number of machines out on hire as % of total number in fleet at any given time.

Italy – Retention Period

As forecast last year, the average retention period remained similar to 2011.

- The average retention period should remain stable in the next few years, due to a trend towards refurbishment.

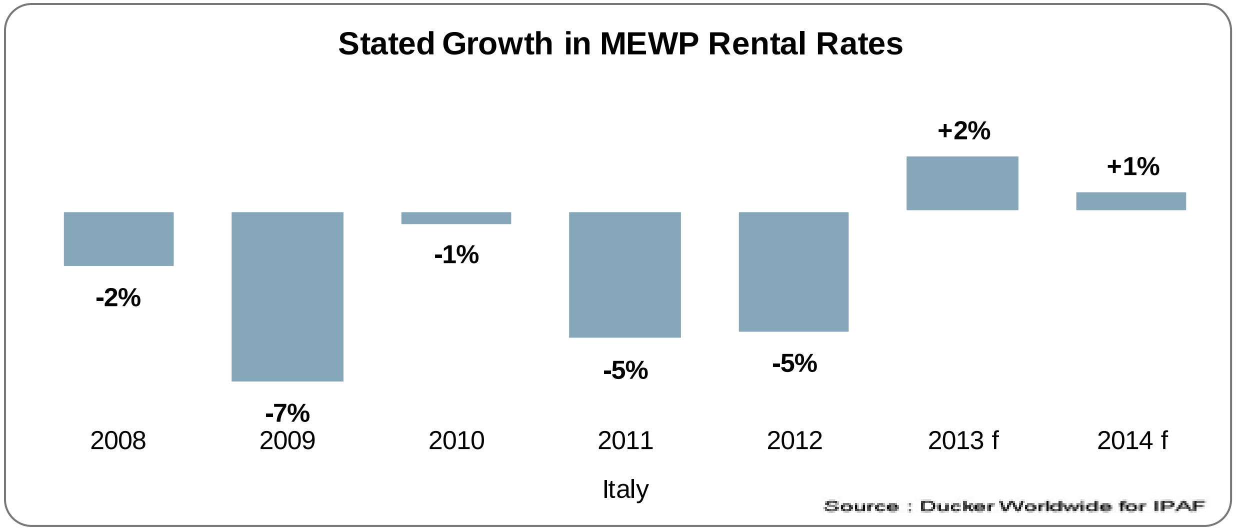


7,6= 7 years and 6 months

Definition: Period of time that a machine is kept in fleet = selling age if acquired new

DUCKER WORLDWIDE

Italian rental companies had no choice but to further decrease rental rates in 2012. Slight improvement is expected for 2013.



Italy – Future Trends

The Italian market still faces a deeply troubled economic situation.

- Italian rental companies still have to face severe cut-backs in government spending as well as lower private investment.
  - As they have reached the limits of their profitability, rental companies do not expect to reduce rental rates anymore.

- They rely on a diversification of their customer base and applications to further maintain their activity in the coming years. Major adaptations consist in:
  - Diversifying beyond the construction sector.
  - Expanding the business by renting truck mounted platforms with operators.
  - Orientating the fleet mix towards more versatile equipment and de-fleeting scissors with too low revenue per unit.

IPAF Powered Access Rental Market Report – Italy

A PERSPECTIVE FROM THE EDITOR OF *INTERNATIONAL RENTAL NEWS*

The Italian rental market has been among the worst hit in Europe as a result of the sovereign debt crisis, and it is now often lumped in with Greece and Spain as one of the ‘sick men’ of Europe.

Italian rental companies have had to face severe cut-backs in government spending as well as lower private investment, and this has been reflected in lower spending on fleet and cut-backs in service infrastructure.

As yet there have been relatively few major company failures, or consolidation, as a result of the slowdown, but major renters like Nacanco and Venpa have been impacted.

Venpa has responded by grouping together with three other rental companies in Italy - E-Mac, Milantractor and Tecnifor-FAE – to provide a ‘one stop shop’ for major contracts in the country. It has also moved some of its fleet of large truck mounts into Qatar.

Its main competitor, Nacanco, has also been affected by the downturn, seeing a small decline in revenues last year, but performing better than the market. The company continues to invest in renewing its fleet, and one particular target – which it shares with many rental companies in Europe – is to diversify beyond the construction sector, a goal in which it has found some success.

Italy’s many smaller and mid-sized rentals, although operating in the same difficult environment, seem to have fared slightly better than the bigger companies, possibly because they have been less reliant on work associated with major construction projects.

For example, Mollo Nollegio, based in Alba in north west Italy, has managed to almost double its revenues to €17.2 million between 2007 and 2011, including 20% growth last year.

The company believes its strategy of having a dense network of depots within a relatively small area - in Piedmont province – is serving it well. The company has also been successful in expanding its business renting truck mounted platforms with operators.

The examples of Venpa, Nacanco and Mollo show, in their different ways, how Italian rental companies have been forced to innovate or adapt in the face of recession.

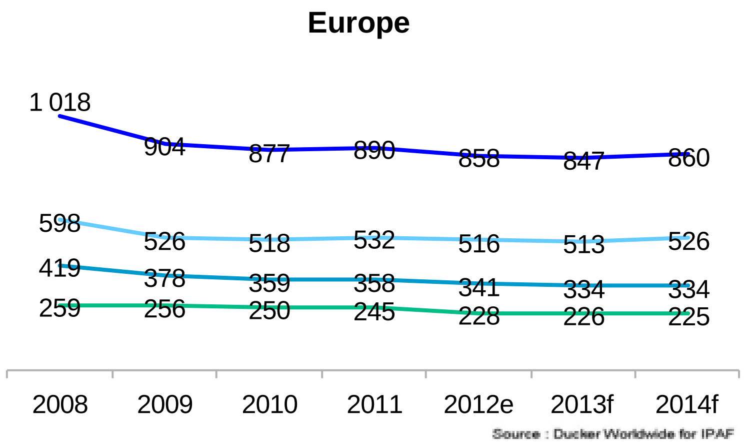
Also significant over the past 18 months has been the decision by Netherlands company Boels Rental to move into the Italian market. It now has branches in Milan, Brescia and Verona. Many of Europe’s largest rental firms have so far resisted Italy – including companies like Loxam and Lavendon – so Boels’ move is a significant one.

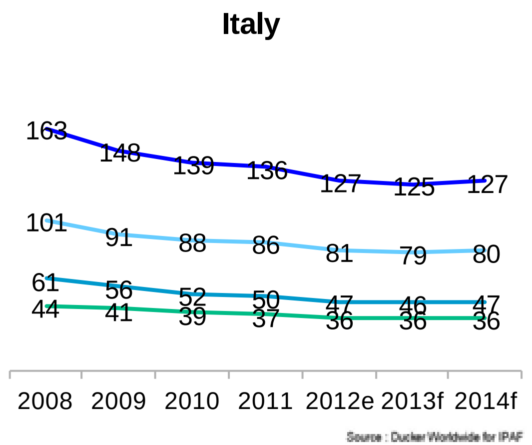
IPAF Powered Access Rental Market Report – Italy

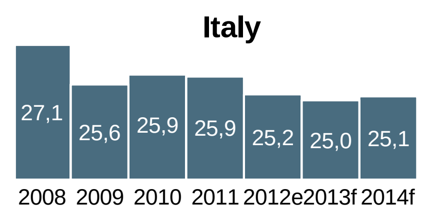
APPENDIX

Italy - Construction Statistics

The construction sector is still in trouble in Italy and no recovery is expected before 2014.







Construction put in place in million Euros based on Euroconstruct 2012

Italy GDP estimates based on Euroconstruct 2012

Residential construction
Non-residential construction
Total construction
Civil engineering

IPAF Powered Access Rental Market Report – Europe

COUNTRY REPORT NETHERLANDS

Key Findings

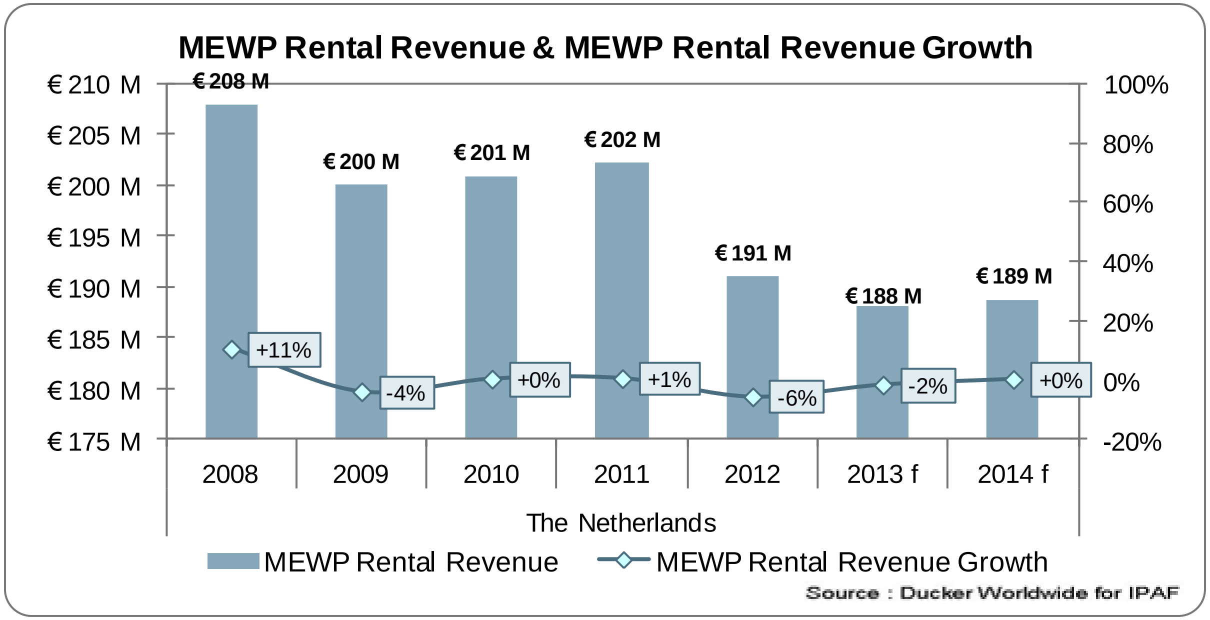
- In the Netherlands, MEWP market growth potential is limited as the country is one of the most mature markets in Europe.

- After a relatively stable market in 2010 and 2011, the MEWP rental market decreased in 2012 to rental revenue of €191M (-6%). A further decline (-2%) is expected in 2013 before the market stabilises.

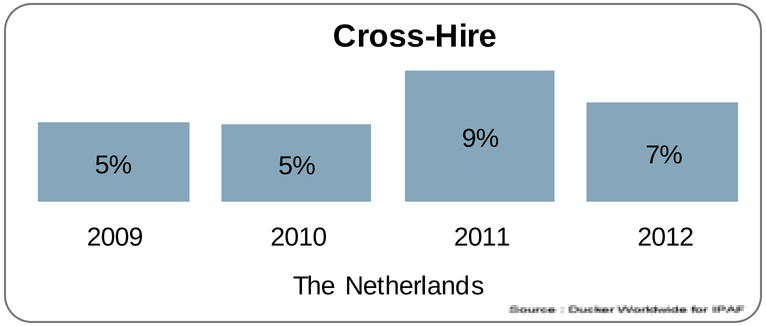
- Nevertheless, rental companies continued to increase investments (+26% in 2012) in order to renew equipment.
  - Total fleet size was slightly reduced (-1%).
  - Average retention period decreased.
  - Purchases will remain limited in the coming years as there are many uncertainties on the market.

- Dutch rental companies had to decrease rental rates (-1%) in this highly competitive environment.
  - Thanks to optimised fleet management, utilisation rates are among the highest of the European countries under study.

The Dutch MEWP rental market contracted to €191M, largely due to a fall in market confidence.



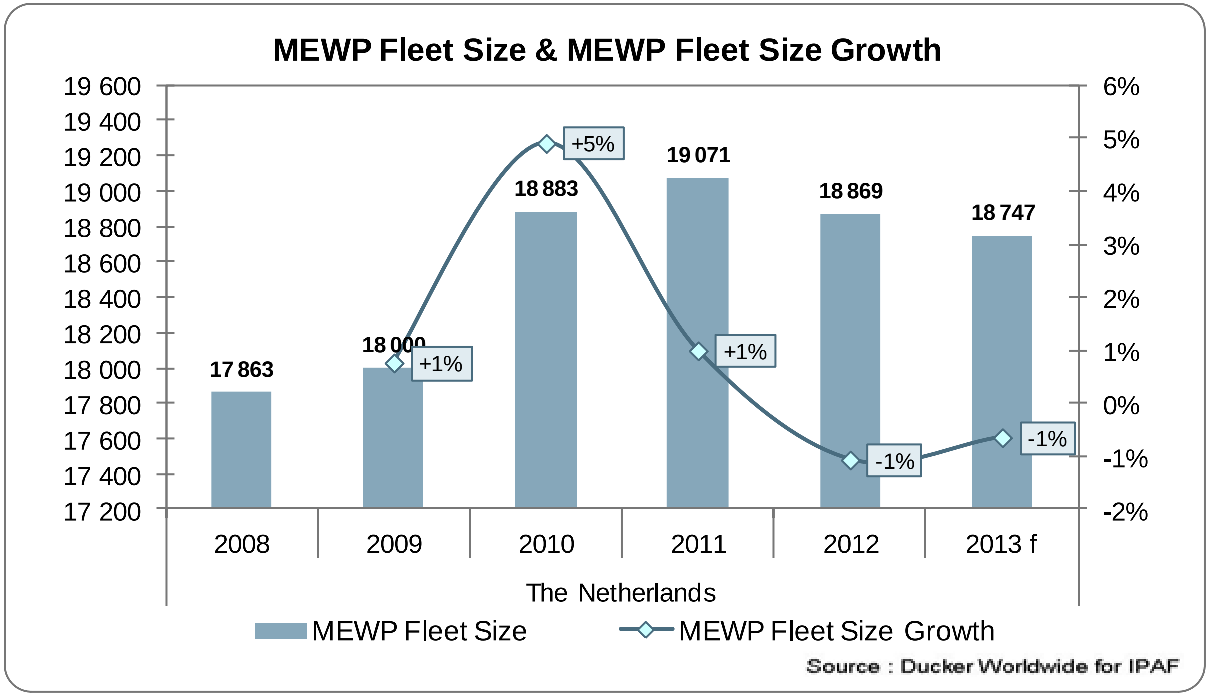
- Market is not expected to stabilise before 2014 primarily due to the construction crisis limiting MEWP demand.
- Cross-hire rate remained at similar levels in 2012.



Netherlands – Market Size in Units

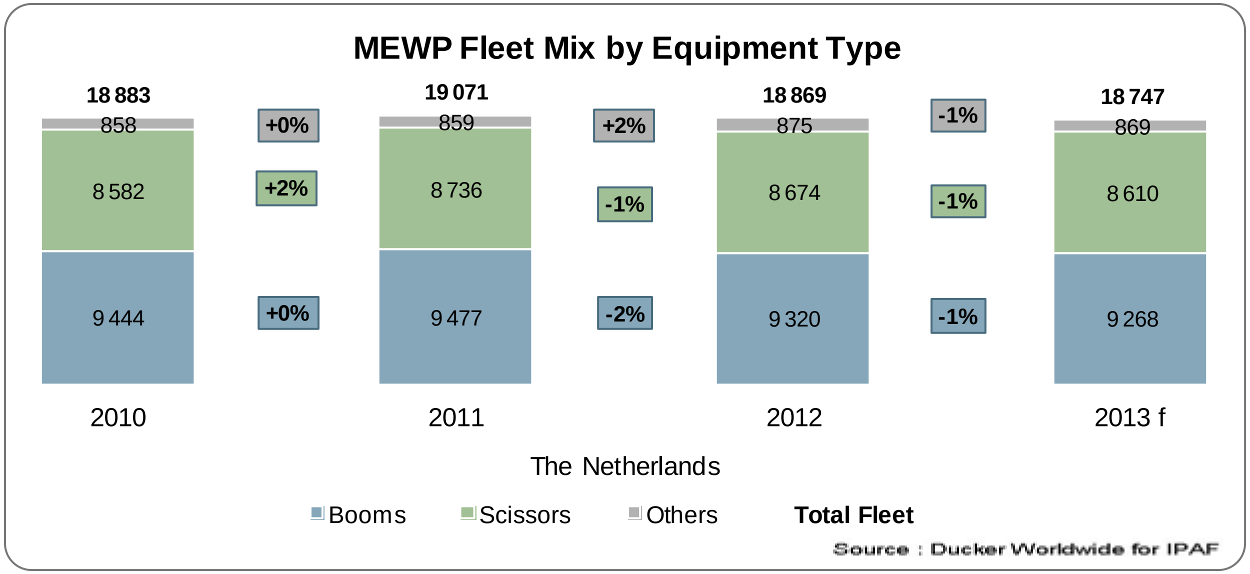
For the first time since 2008, fleet size started to decrease slightly in 2012.

- In 2012, rental companies got rid of their older equipment, and did not replace all of them as the Dutch MEWP supply currently exceeds market demand.



DUCKER WORLDWIDE

The slight fleet reduction in 2012 affected booms and scissors in almost the same proportion. The share of booms remained slightly higher than scissors.

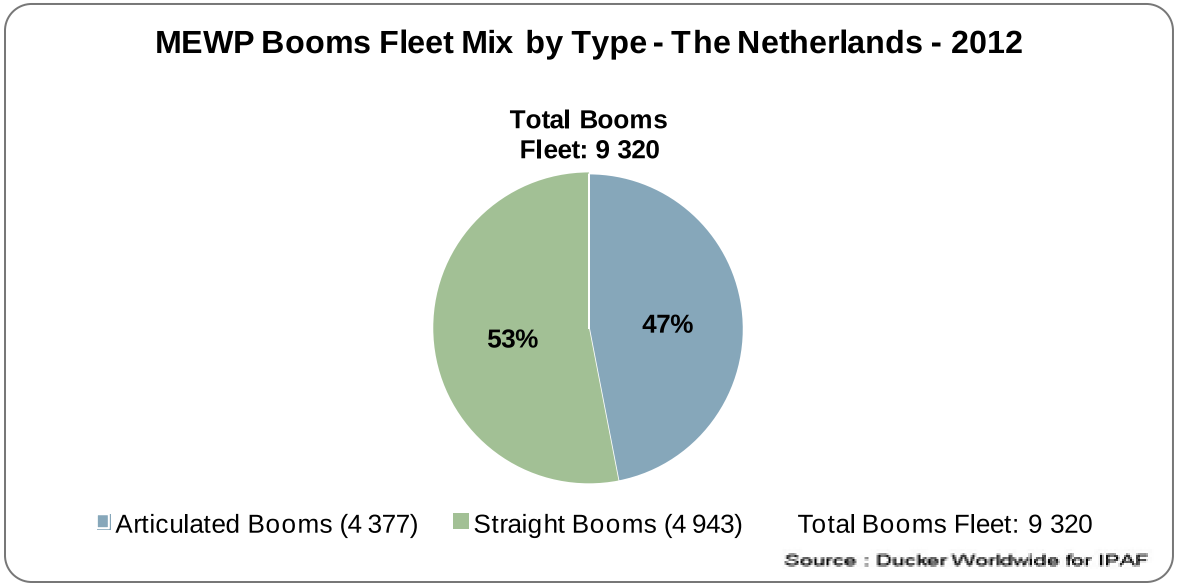


Others include: vertical lifts, vertical masts, vehicle-mounted booms.

+X% *% unit growth, eg. Booms fleet decreased by 2% from 2011 to 2012*

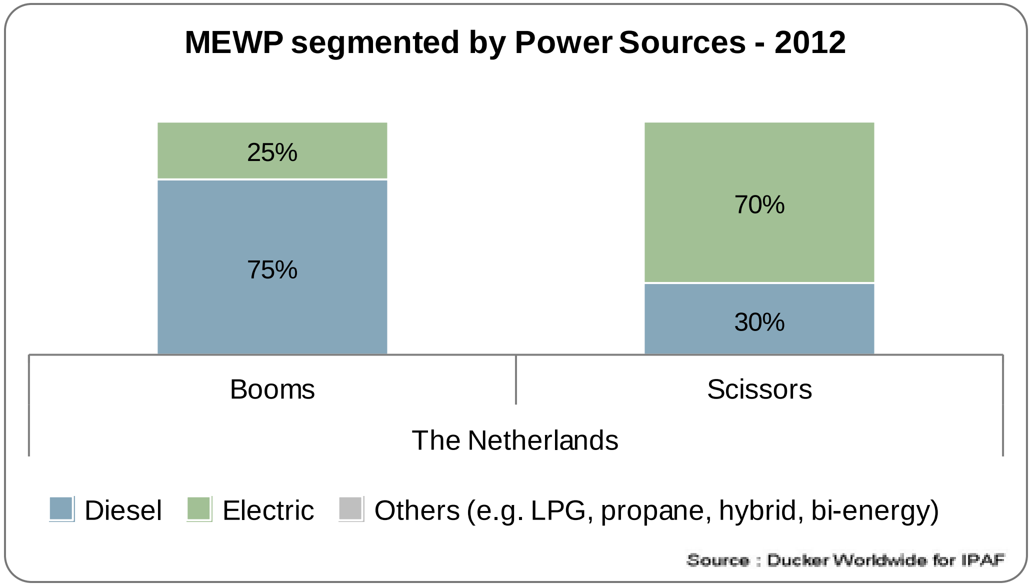
Netherlands – Market Size in Units

Similarly to Nordic markets and as opposed to other regions, the boom fleet in the Netherlands is primarily made up of straight booms.



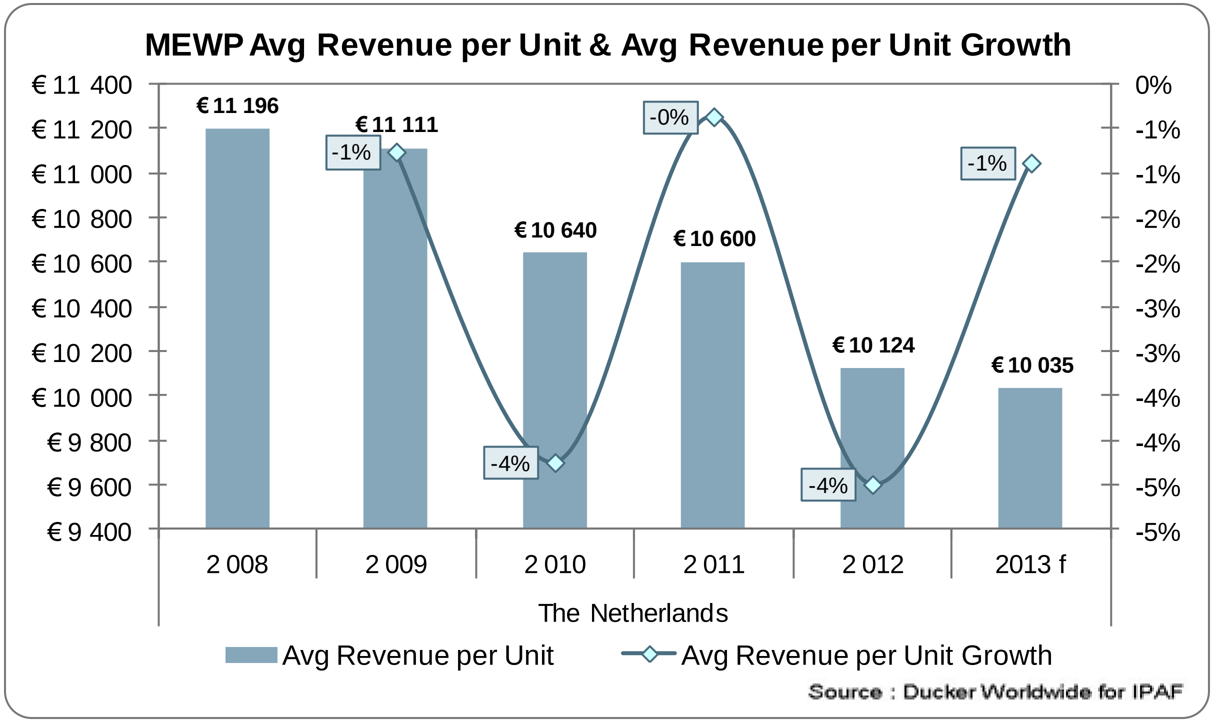
As in most of the other European countries, 75% of booms are diesel while scissors are more driven toward electric power source.

- It is reported that almost a quarter of total MEWP fleet is Stage IIIB compliant.



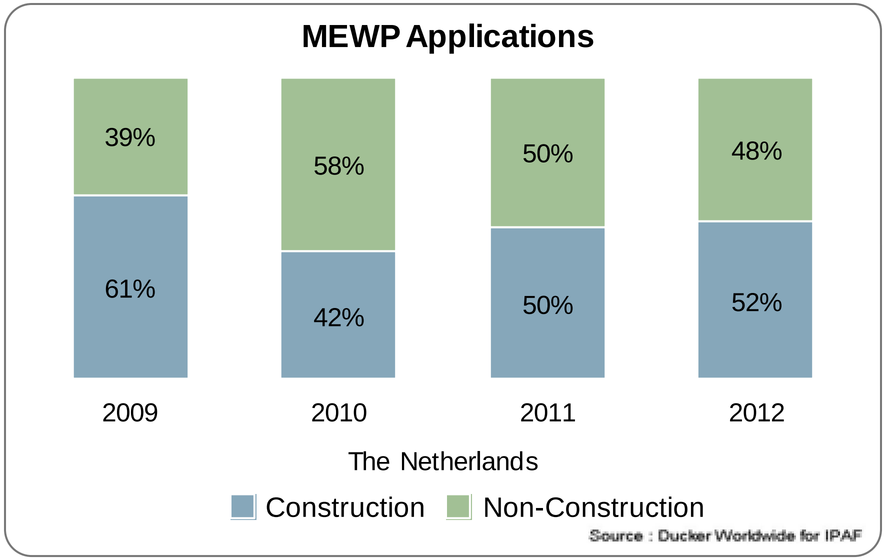
As forecast and despite last year's stabilisation, the average revenue per unit decreased again in 2012.

- Decrease in rental rates and utilisation levels led to a deterioration of the revenue per unit.
- However, the Dutch average revenue per unit remains one of the highest of the ten countries under study, due to a higher share of specialised machines in the fleet mix.



In 2012, the share of construction applications increased again and account for more than half of total revenue coming from MEWP rental activity.

- After a strong direction change toward non-construction in 2010, rental companies have kept increasing the share of construction applications since 2010.



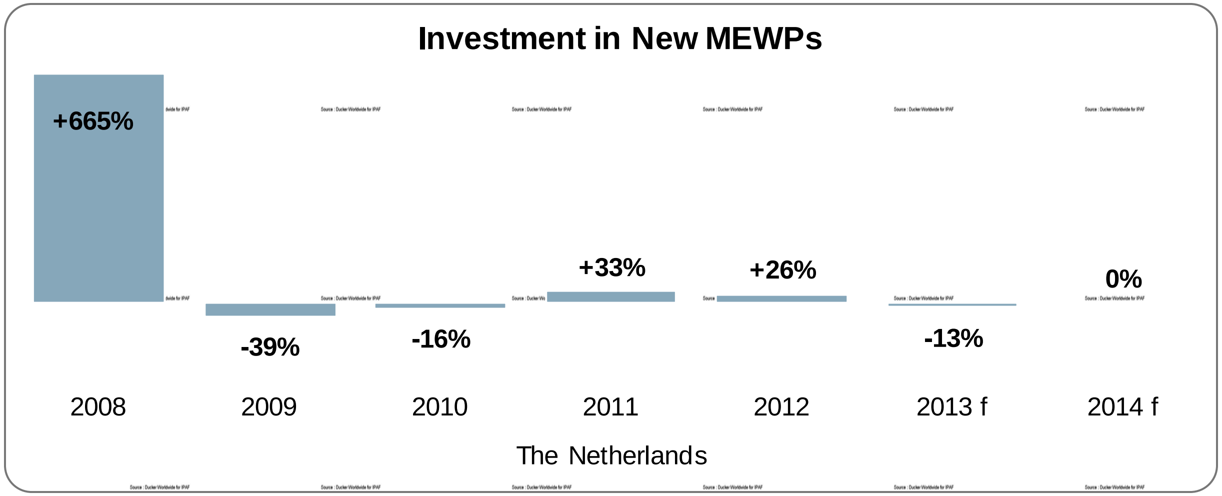
Share of rental revenues

Non-construction includes industry, maintenance, cleaning, utilities, events.

Construction includes new build and renovation; including all types of buildings, also industrial.

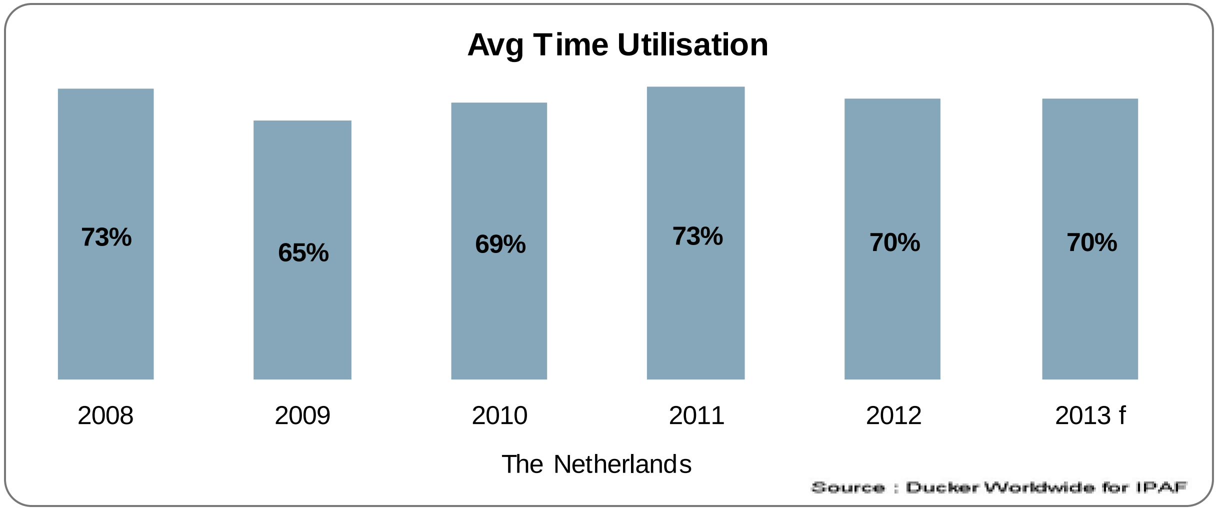
Although rental activity decreased in 2012, some rental companies were still confident enough to invest in new equipment and replacement.

- However, most access rental companies adopted a wait-and-see attitude and focused on renewing their fleet only.



MEWP average time utilisation rate decreased in 2012, as a consequence of the construction market deterioration and lack of demand.

- As the Dutch rental market is one of the most mature, the average MEWP time utilisation remains one of the highest in Europe.

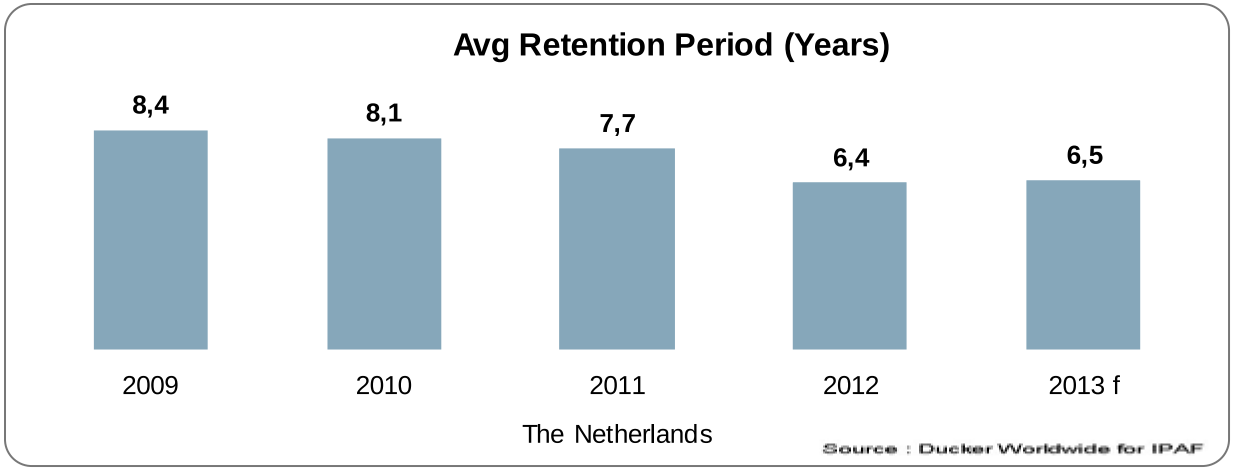


Definition: Physical number of machines out on hire as % of total number in fleet at any given time.

Netherlands – Retention Period

In 2012, the average retention period decreased by more than one year.

- Investments were made for fleet renewals and thus drove the retention period down.



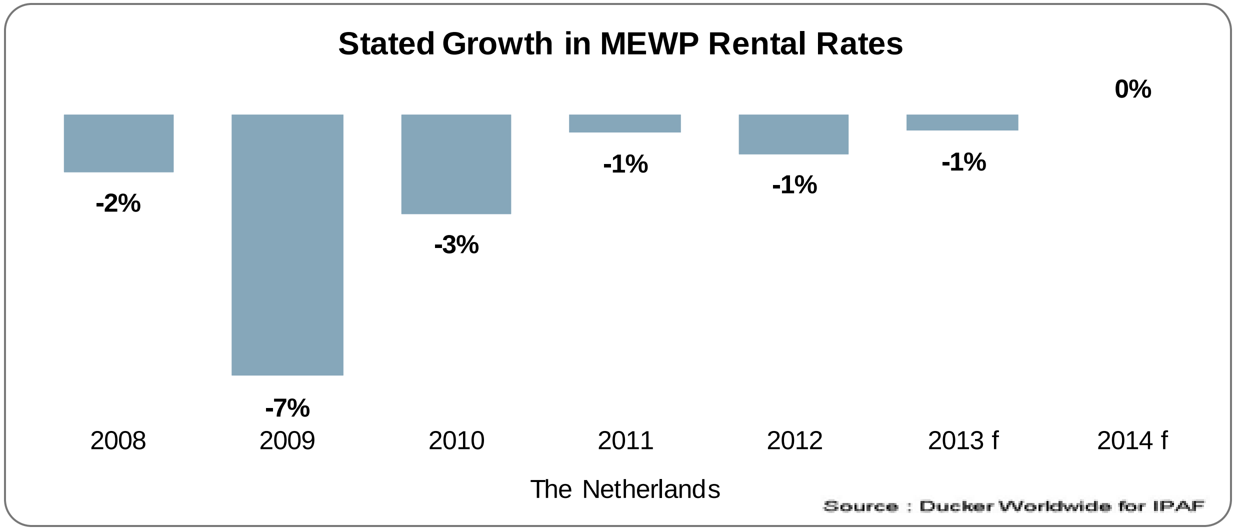
6,4 = 6 years and 4 months

Definition: Period of time that a machine is kept in fleet = selling age if acquired new

Netherlands – Rental Rates

In the Netherlands, rental rates have decreased every year since 2008 due to the fierce competition in this mature market.

- Rental rate stabilisation is not expected before 2014 at the earliest.



Netherlands – Future Trends

The Dutch market is most likely to experience stagnation, if not further downsizing, in the coming years due to its maturity and the difficult conditions of the construction sector.

- Market players report strong uncertainties regarding their activity in the next years as the sector relies heavily on a potential improvement of construction activity.
  - That being said, an increase in safety regulations is likely to drive the demand towards more MEWP rental at the expense of other elevating equipment (scaffolds, ladders).

- Rental companies are resisting the economic recession and the fall in demand by offering the best service quality possible:
  - They make sure machine deliveries are done on time
  - They offer good quality equipment by selling off oldest machines.
  - They try to adjust prices and improve competitiveness.
  - They offer more services (operators, transport of the equipment to site)

IPAF Powered Access Rental Market Report – The Netherlands

A PERSPECTIVE FROM THE EDITOR OF *INTERNATIONAL RENTAL NEWS*

It would be wrong to characterise the Netherlands rental scene with reference only to Boels Verhuur and Riwal, but the truth is the two companies exert a powerful influence on the market.

For both companies, the last 12 months have been eventful. In the case of Riwal, the business continued to invest in its fleet – a 900 platform order was announced in July 2012 – but more significant was the departure from the business of long-standing chief executive Dick Schalekamp and the arrival as new CEO of former Hertz executive Norty Turner.

This next phase in Riwal development saw Mr Turner bring in new management experience, including former Matceo CEO Wolfgang Roth and from Spain, Pedro Torres, the ex-HUNE managing director.

Boel's influence was two-fold, first as a fierce competitor and investor in the access sector and second as consolidator of the Benelux rental market. Over the past 15 months the company has acquired five rental companies, including Loca-System, K-Rental, Warmerdam Hoogwerk and Floris Verhuur.

Of course the Netherlands is one of Europe's more mature markets and has many players in the access rental market. Although the country was facing the impact of a dampening of confidence as the year 2012 went on, there were still rental companies with the confidence to invest, including Collé Rental & Sales and HWS Vehuur, the latter making a significant 45 unit order in mid-2012.

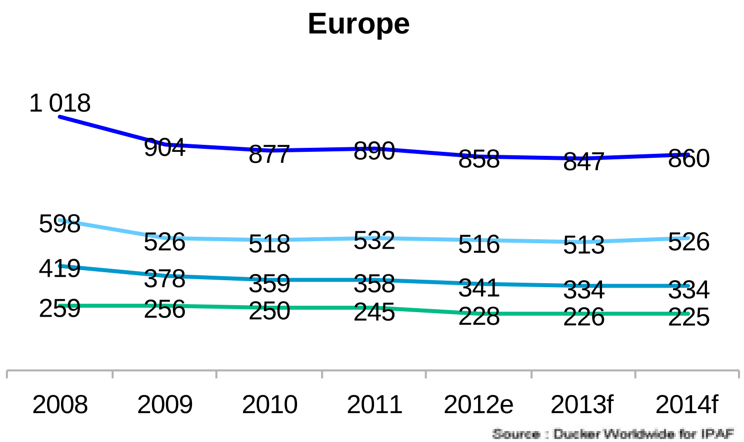
That said, the past 15 months has seen a kind of wait and see attitude among many access rental companies, with replacement of fleet rather than expansion being the watchword. That is reflected also in the relatively low level or mergers and acquisitions activity in the country, notwithstanding Boel's efforts.

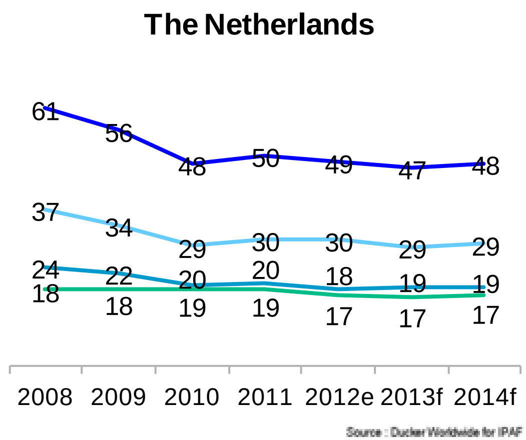
IPAF Powered Access Rental Market Report – The Netherlands

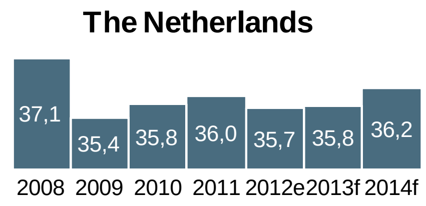
APPENDIX

DUCKER WORLDWIDE

Construction has dropped in 2012; growth is expected for 2014.







Construction put in place in million Euros based on Euroconstruct 2012

Netherlands GDP estimates based on Euroconstruct 2012

- Residential construction
- Non-residential construction
- Total construction
- Civil engineering

IPAF Powered Access Rental Market Report – Europe

COUNTRY REPORT NORDIC REGION

Key Findings

- The Nordic countries of Sweden, Norway, Finland and Denmark have generally fared better than the rest of Europe over the past year, with Norway reporting particularly strong growth.
- In all countries, except Denmark, MEWP markets remain relatively consolidated with few major players (some active in several countries) representing typically more than 75% of the MEWP markets.
- While all four MEWP markets of the Nordic region had experienced strong growth in 2011 (+13%), improvement in 2012 was more limited (+4%).
  - Denmark experienced relative market stabilisation (+1%), however other countries all experienced small to solid growth with +3% in Sweden, +5% in Finland and +8% in Norway.
  - This growing trend should continue for all countries in 2013 and 2014.
- Fleet size remained stable in Scandinavia, but showed strong variations across countries:
  - In Denmark, rental companies continued to de-fleet, at an even more rapid pace than in previous years (-8%), due to a heavily saturated market.
  - Finnish (+1%) and Swedish (+2%) fleets increased only slightly.
  - Norway significantly expanded fleets (+8%), as one tool to drive revenue increase.

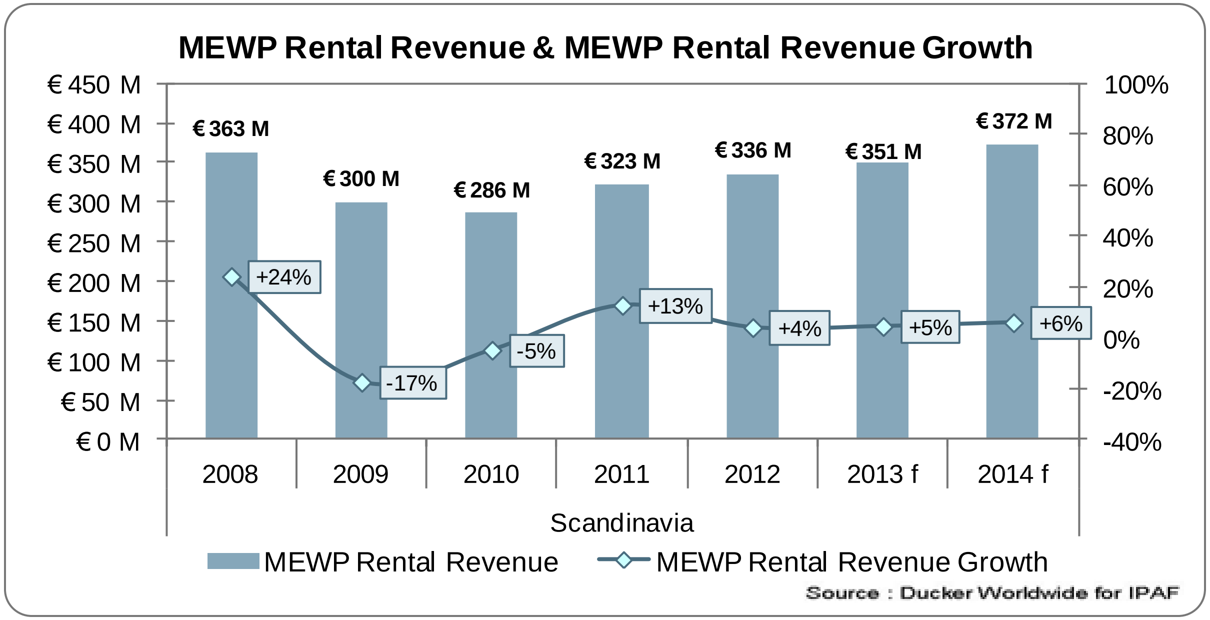
Key Findings

- Rental companies' investments remained conservative in 2012, increasing at a more slower pace than in 2011 (+26% in 2012 vs. +56% in 2011). In the forthcoming years, rental companies expect to remain conservative in their investment.

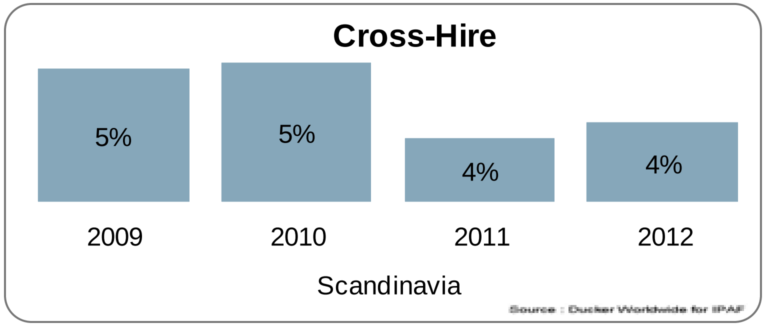
- All indicators are positive in 2012:
  - Rental companies increased rental rates in all countries (from 1% to 4%) and foresee a continuous improvement in 2013 and 2014 (+3%).
  - Utilisation levels improved slightly (+1 pt) and are expected to remain stable in 2013. Rental companies focused their strategy on rental rate growth, and should continue to do so in the next years.

DUCKER WORLDWIDE

All countries experienced an increase in MEWP rental in 2012. The positive growth trend should continue in 2013 and 2014.

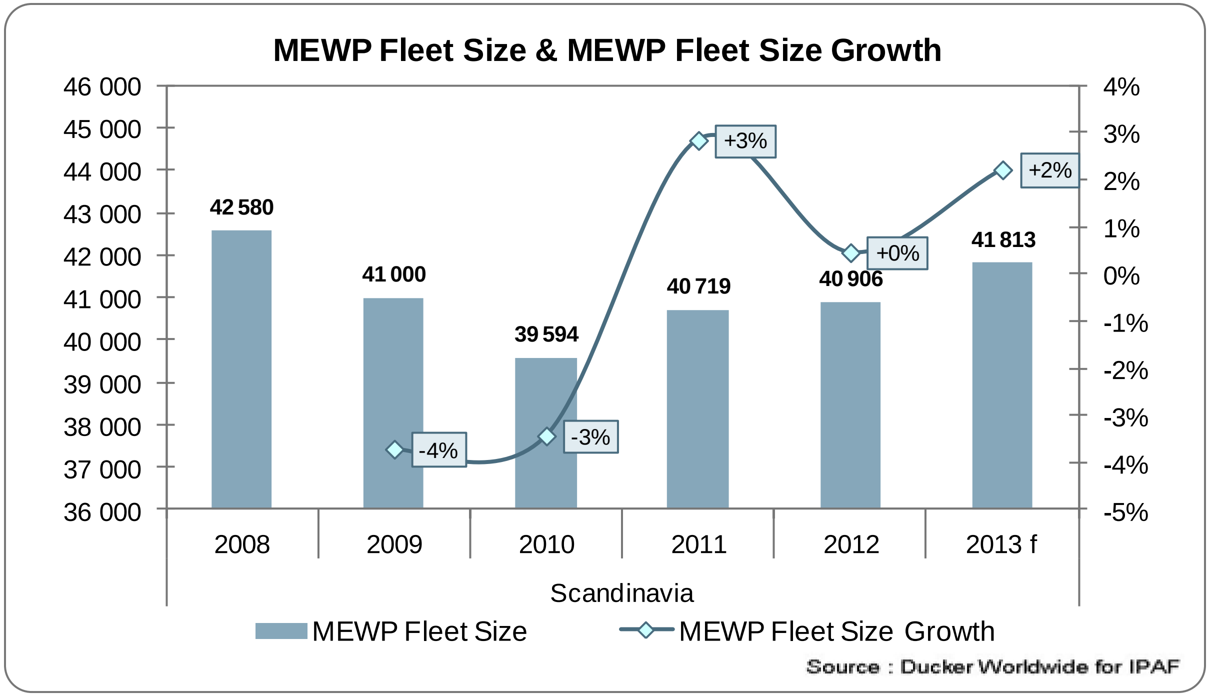


- All Nordic countries experienced a higher growth than the European average. While growth in Denmark (+1%) and Sweden (+3%) remained limited, Finland (+5%) and Norway (+8) saw significant revenue improvement.
- The level of cross-hire remained stable in 2012 compared to 2011.



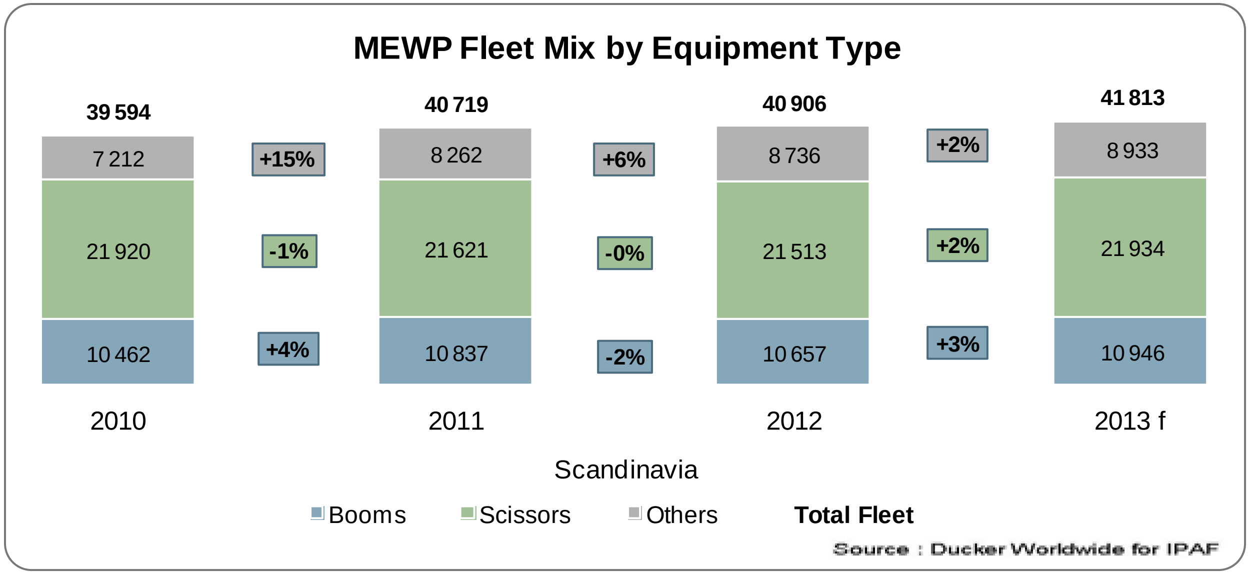
While Denmark continued to de-fleet heavily in 2012, other countries kept on growing fleets, especially Norway.

- With the need to streamline the Danish fleet being still present, rental companies in Denmark alone continued to de-fleet even more than previous years (-8% in 2012).
- In contrast, Finland, Sweden and Norway increased fleets by 1 to 7%.



Fleet mix in Scandinavia remains vastly different from most countries under study, with a fleet heavily driven towards scissors, vertical lifts/masts and truck-mounted platforms.

- This can be explained by the high share of construction applications compared to other European countries.
- As expected last year, Nordic countries except Denmark, experienced an increase in vertical lifts and truck-mounts in 2012.



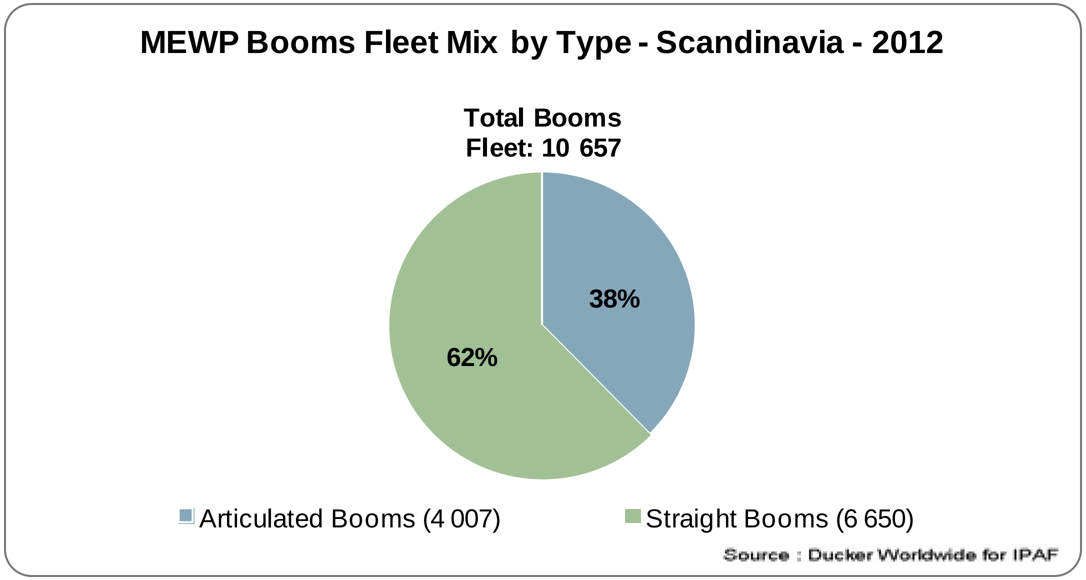
Others include: vertical lifts, vertical masts, vehicle-mounted booms.

+X% *% unit growth, eg. Booms fleet decreased by 2% from 2011 to 2012*

Nordic Region – Market Size in Units

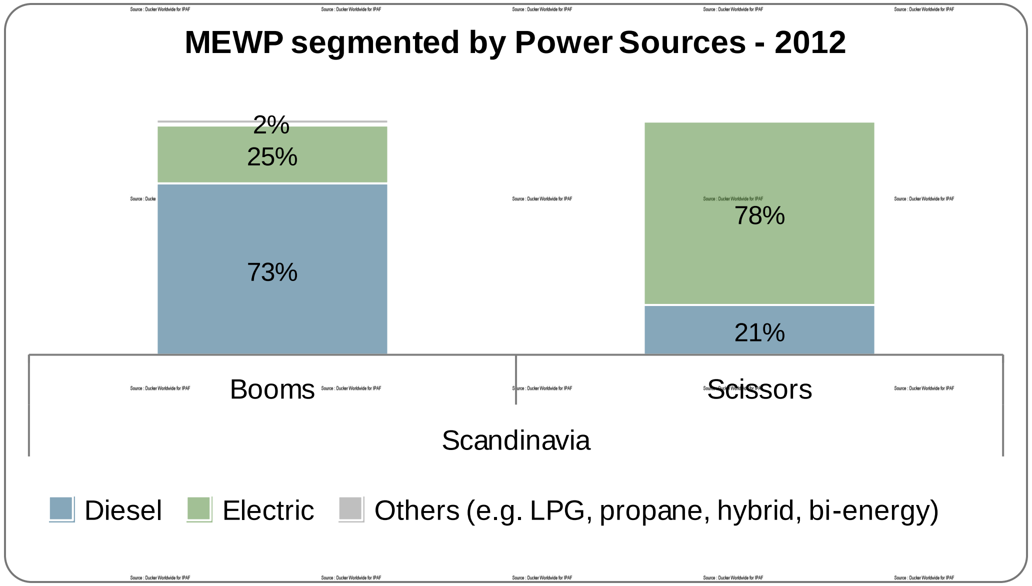
All Nordic countries are heavily weighted toward straight booms, which is very different from other European countries under study.

- Norway and Sweden are the countries showing the highest share of straight booms.
- Rental companies in Sweden, Norway and Finland are more concerned with Stage IIIB regulations than in Denmark.



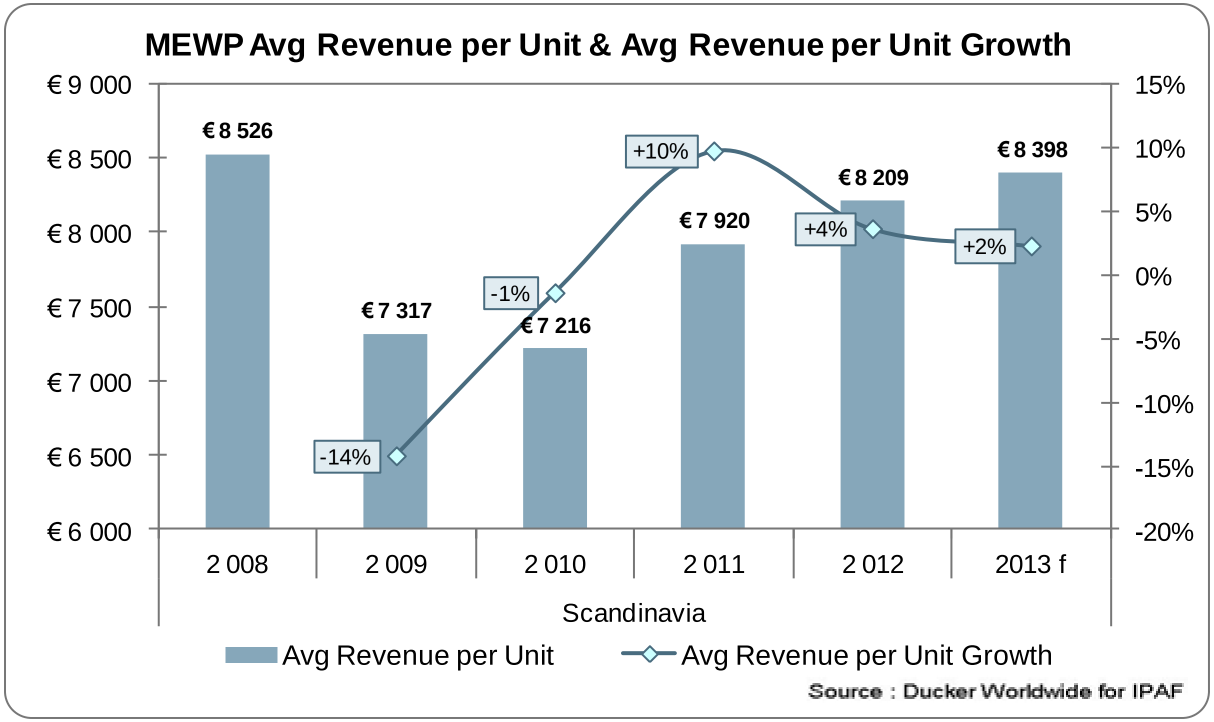
Nordic Region – Power Sources

Boom fleets from all four Nordic countries under study are more heavily weighted toward diesel than other countries, while electric scissors are more common than in other regions.



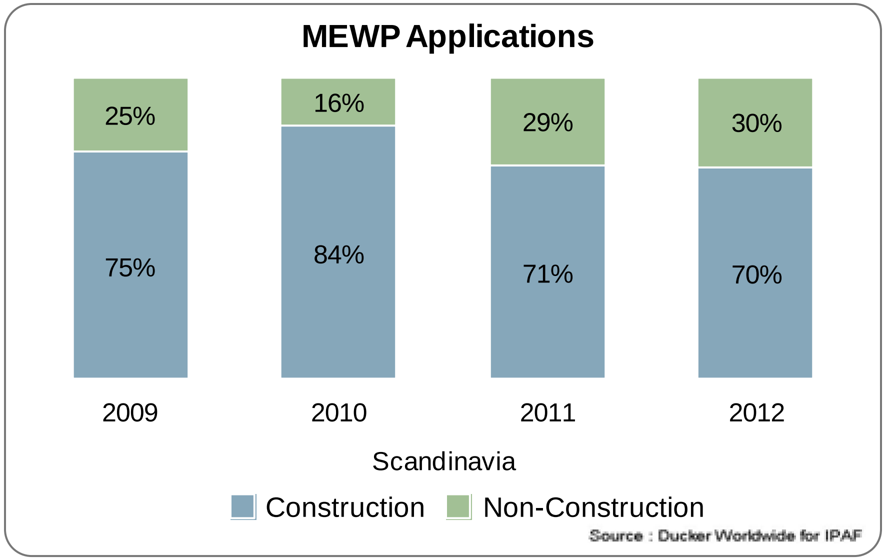
As rental rates increased, and utilisation improved in most countries, the Scandinavian MEWP revenue per unit continued to grow in 2012.

- The Nordic markets are the only countries in Europe (with Germany) that saw average revenue per unit improve.



The share of Scandinavian rental companies' revenue directed to construction applications remained stable in 2012.

- The Nordic region is still the most heavily weighted toward construction, compared to other countries under study.



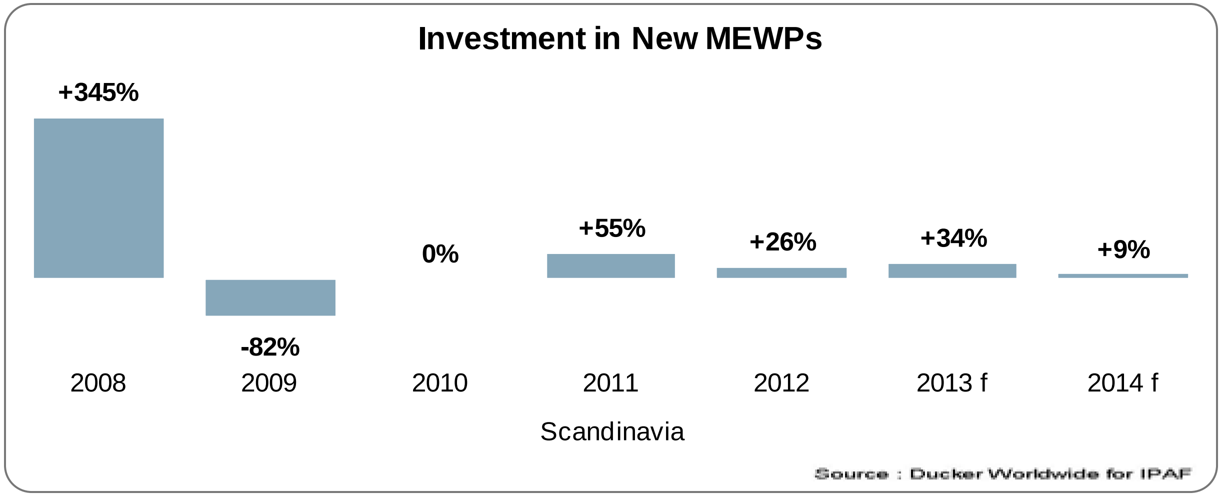
Share of rental revenues

Non-construction includes industry, maintenance, cleaning, utilities, events.

Construction includes new build and renovation; including all types of buildings, also industrial.

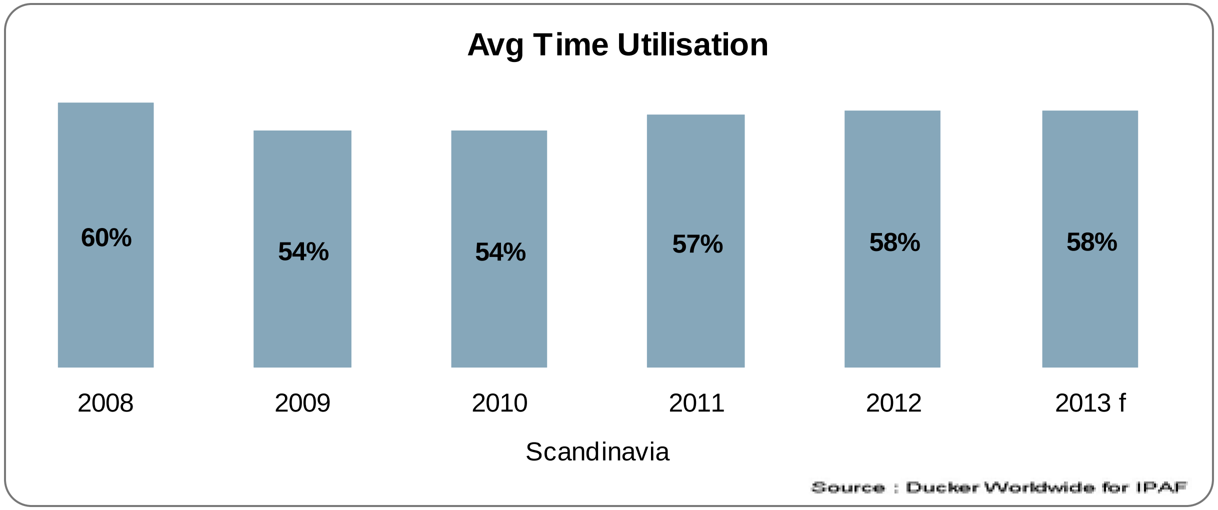
Nordic rental companies continued to increase equipment purchases in 2012, though at a slower pace than in 2011.

- Norway and Sweden experienced the highest investment growth in 2012.
- Investments were made for both fleet replacement and fleet expansion.
- Rental companies expect to remain conservative in their investments in the forthcoming years and even foresee a new decline in purchase growth in 2014.



As Nordic rental companies chose to improve rental rates, utilisation levels increased only slightly despite a relatively positive construction trend.

- Denmark in particular saw strong improvement in utilisation rate due to heavy de-fleeting.
- Time utilisation should remain stable in 2013.

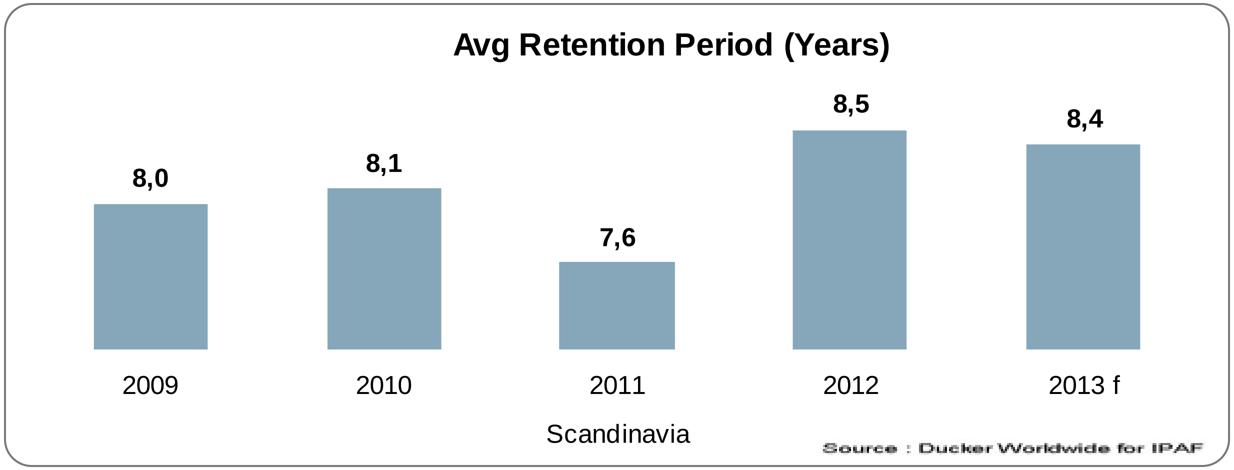


Definition: Physical number of machines out on hire as % of total number in fleet at any given time.

Nordic Region – Retention Period

Average retention period slightly increased in 2012, primarily due to slower investment growth and rental companies' efforts to streamline fleet maintenance.

- Rental companies in Sweden and Finland have one of the highest retention periods as compared to other European countries under study.
- The retention period should remain relatively stable in 2013.



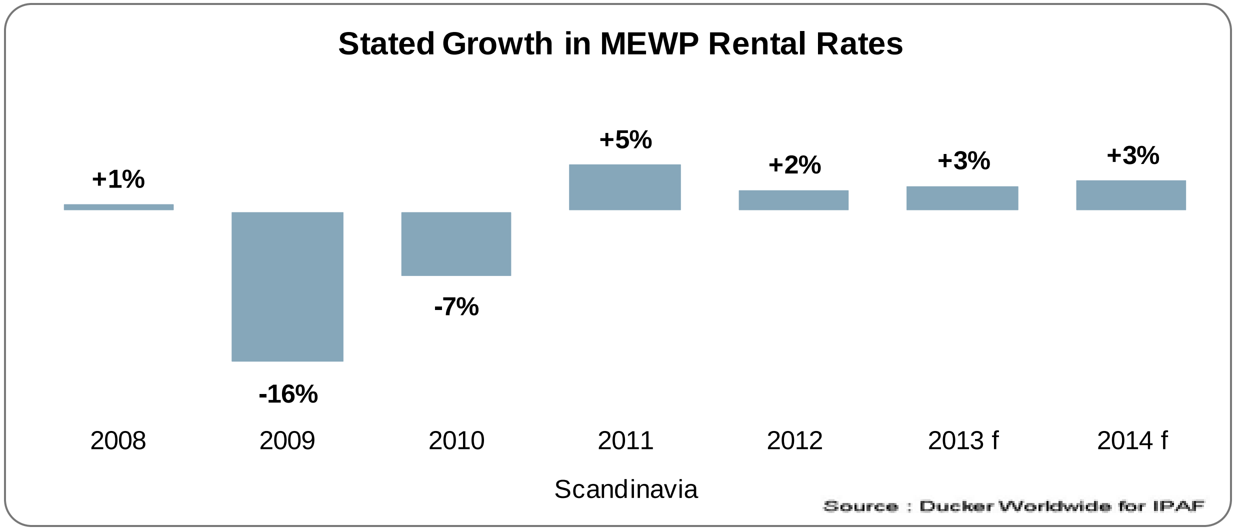
8,5 = 8 years and 5 months

Definition: Period of time that a machine is kept in fleet = selling age if acquired new

Nordic Region – Rental Rates

Following the first increase since recession in 2011, rental companies in the Nordic region continued to raise rental rates in 2012.

- Rental companies in all four Nordic countries improved rates. All other European countries under study (except Germany) decreased or maintained rental rates.



Nordic Region – Future Trends

The Scandinavian market experienced the highest growth in 2012 as compared to other markets under study, except Germany.

- Outlooks are positive, especially for Denmark (thanks to heavy continuous de-fleeting since 2009), Sweden and Norway. Finnish rental companies are more cautious about market evolution.

- Scandinavian players remain positive for the next few years. They believe that high potential lies in their region as MEWP rental penetration is expected to increase.

- Safety concern is the major driver for the increasing use of MEWPs: smaller access equipment are expected to replace ladders and scaffoldings more and more.

- In addition, market players report a trend toward more environmental machines, including more full electric equipment.

IPAF Powered Access Rental Market Report – Nordic Region

A PERSPECTIVE FROM THE EDITOR OF *INTERNATIONAL RENTAL NEWS*

The Nordic countries of Sweden, Norway, Finland and Denmark have generally fared better than the rest of Europe over the past 18 months, with Norway in particular reporting strong rental growth.

That has not yet been reflected in a return to the highly active mergers and acquisitions activity seen before the financial crisis, but there were still some important deals.

Cramo, for example, acquired Norwegian rental companies Lambertsson and Kranpunkten, the latter in particular being an access specialist. This deal did not include the Swedish Lambertsson and Kranpunkten businesses.

Meanwhile in Sweden, Cramo’s major Nordic competitor, Ramirent, acquired rental company TLM (Tannefors Lift- och Maskinuthyrning).

One of Norway’s biggest rental companies, Malthus, meanwhile decided to exit the aerial platform industry by selling its dealership business to Brubakken, a Norwegian forklift sales and rental company. The division had sold a wide range of aerial platforms in Norway, Sweden and Estonia.

Finnish based Pekkaniska, which now focuses entirely on aerial platforms and cranes following the sale of its weather protection division to Ramirent in 2011, is among the many Finnish companies active in Russia. It has been providing cranes and platforms for building projects for the Sochi Winter Olympic Games, being held next year.

Ramirent and Cramo dominate the rental market in the region, although a key event last year took place outside of the Nordic region, with the two creating an single joint venture company – Fortrent - for the Russian and Ukraine market, a move that surprised many.

IPAF Powered Access Rental Market Report – Nordic Region

APPENDIX

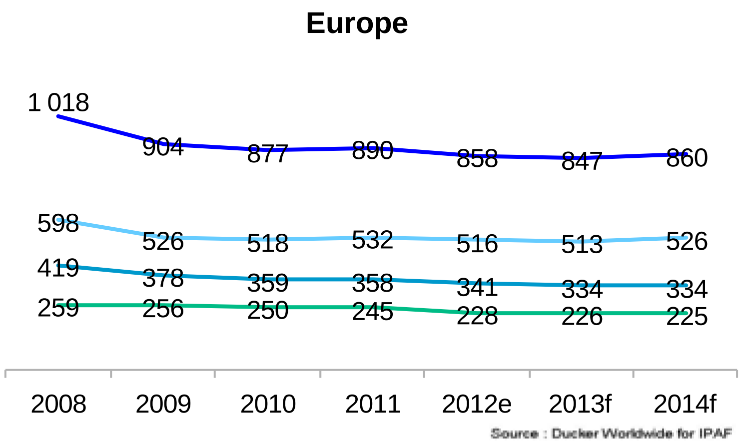
Nordic Region – Exchange Rates

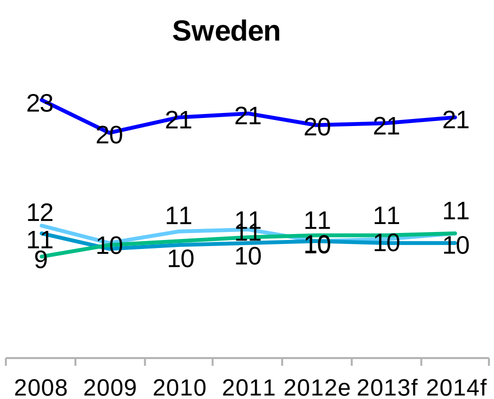
- Exchange rates:
  - The currency exchange rates used for Scandinavian countries outside the Euro zone are shown below. The same rate has been used throughout the time period in order to eliminate variation in growth rates due to exchange rate fluctuations rather than to the actual MEWP rental market.

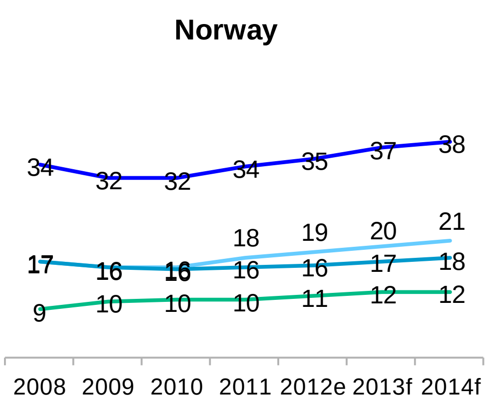
	Currency Unit	Converter to Euro
Denmark	DKK 1	0,1343
Norway	NOK 1	0,1338
Sweden	SEK 1	0,1149

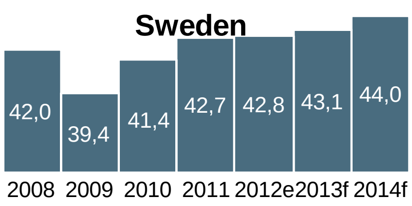
DUCKER WORLDWIDE

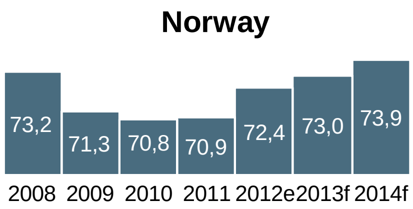
After some years of stagnation in most of Scandinavian countries, construction is expected to grow again. 1/2











GDP estimates based on Euroconstruct 2012

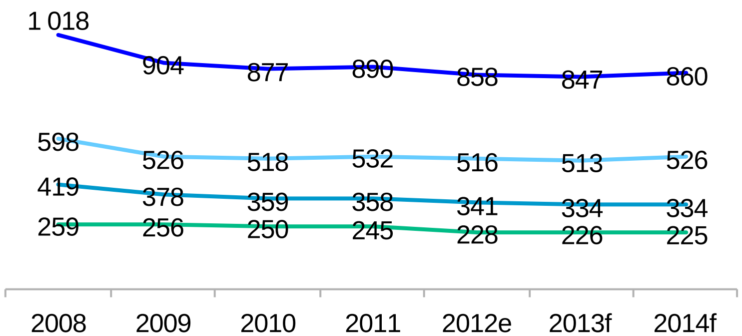
Construction put in place in million Euros based on Euroconstruct 2012

- Residential construction
- Non-residential construction
- Total construction
- Civil engineering

DUCKER WORLDWIDE

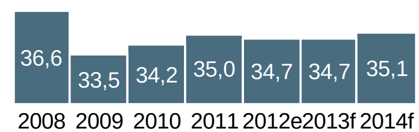
After some years of stagnation in most of Scandinavian countries, construction is expected to grow again. 2/2

Europe



Source : Ducker Worldwide for IPAF

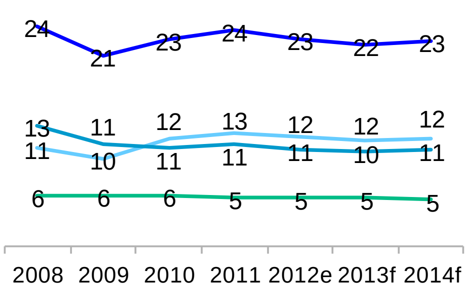
Finland



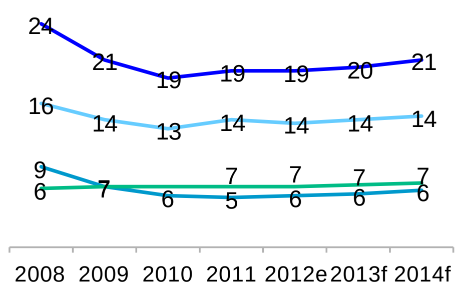
Denmark

GDP estimates based on Euroconstruct 2012

Finland



Denmark



Construction put in place in million Euros based on Euroconstruct 2012

- Residential construction
- Non-residential construction
- Total construction
- Civil engineering

IPAF Powered Access Rental Market Report – Europe

COUNTRY REPORT
SPAIN

Key Findings

- Contrary to what market players were hoping for last year, the Spanish market continued to suffer in 2012, primarily due to a continuously deteriorating economic climate. All rental companies, even the major players, have had to adapt and restructure.

- Excess fleet is still being disposed of, and several major rental companies have downscaled their operations in Spain.

- However, although the access fleet has been reduced in size, there remain hundreds of rental companies in the market. The availability of low-cost machines at auctions may have actually encouraged the entrance of new, small players, who are renting old machines at low prices, exacerbating the problem.

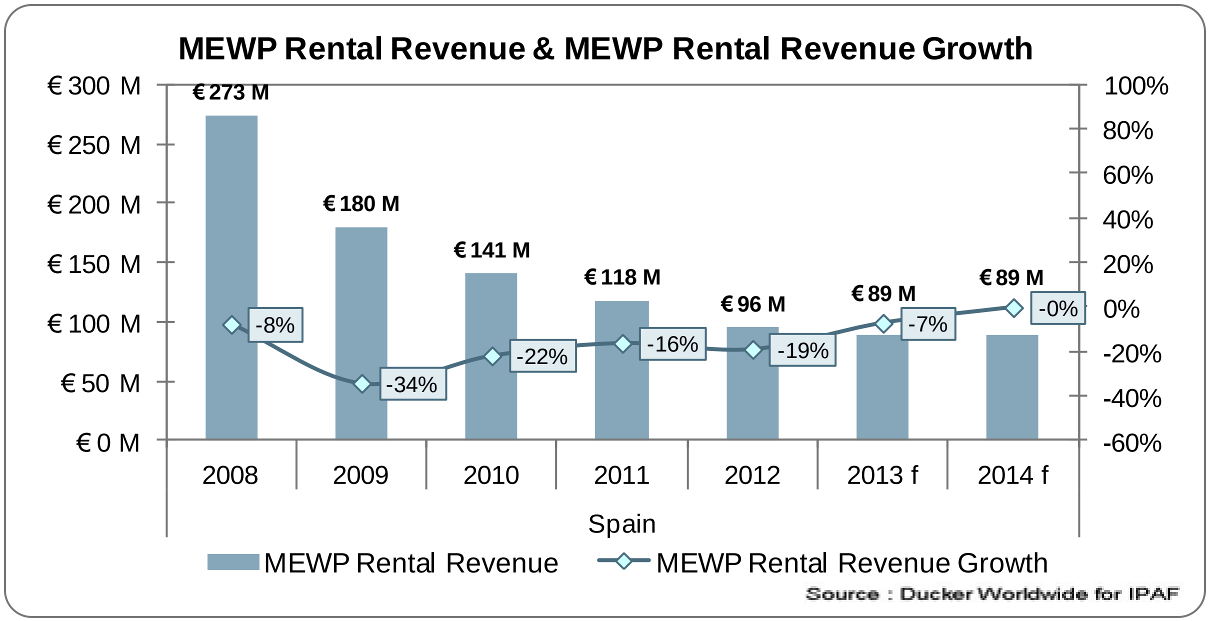
- Rental revenues declined in 2012 (-19%) and should continue decreasing in 2013 (-7%). Market stabilisation is expected in 2014 at €89M. However, strong uncertainties remain as the construction industry is not expected to recover before 2015.

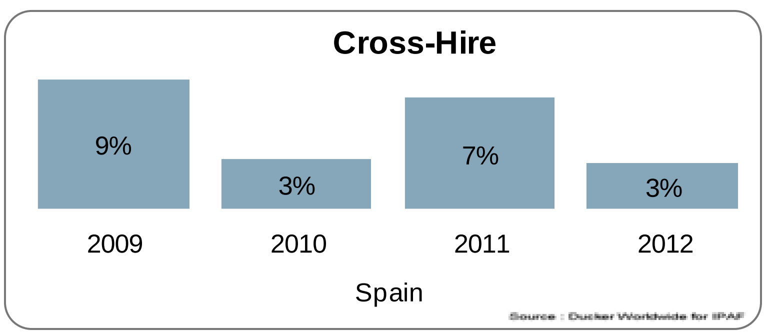
Key Findings

- In 2012, Spanish rental companies continued to reduce their investments in new equipment (-9%).
- As the overall Spanish market is still saturated, rental companies continued to de-fleet heavily in 2012. Total fleet size in Spain was around 20,700 MEWPs in 2012.
  - Booms as a proportion of the market continued to decrease and are now 37% of the total fleet mix. In contrast, the scissor fleet expanded slightly (+4%) reaching 54% of the overall Spanish MEWP fleet.
- Rental companies limited investments which led to an increase in the retention period of the MEWP fleet. This trend should continue in 2013, for the same reason.
- No indicator improved or showed any sign of stabilisation:
  - Utilisation time continued to deteriorate and reached 52%.
  - Rental rates deteriorated again (-5%) and will not stabilise before 2014.

Spain – Rental Market Value and Growth

2012 saw further decline in total MEWP rental revenue in Spain. No stabilisation is expected before 2014.

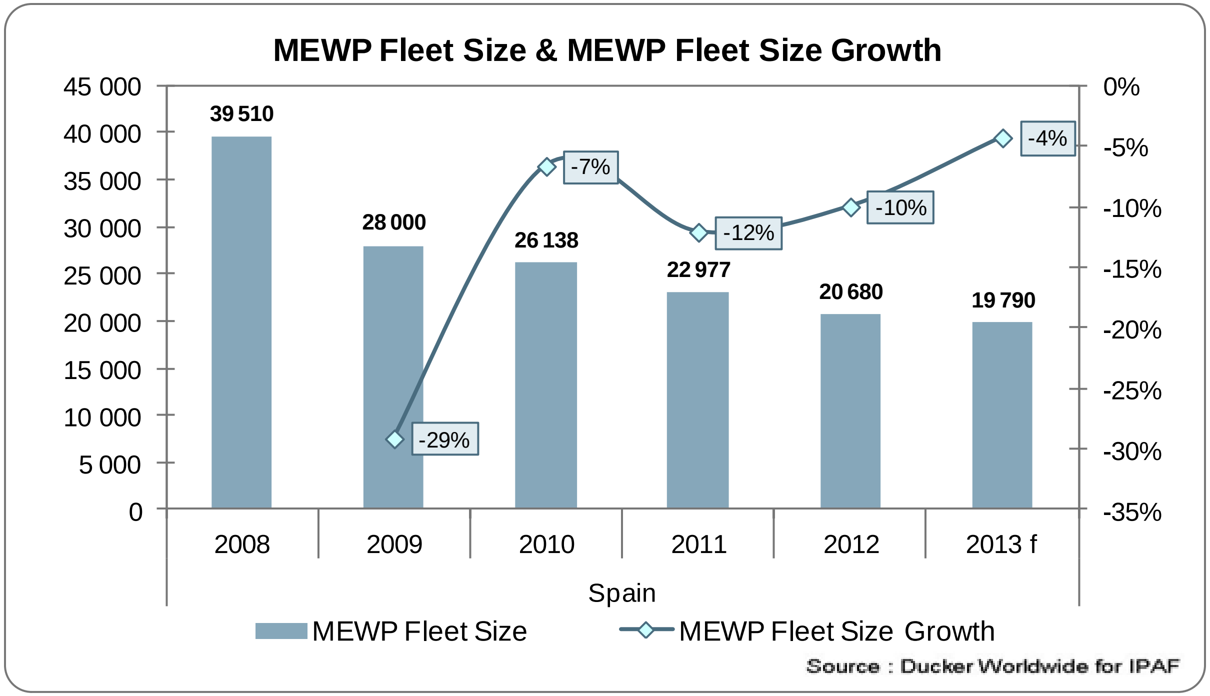




- The MEWP rental market continued to shrink in 2012.
- The situation will worsen in 2013 and market stabilisation is not expected before 2014.
- The level of cross-hire has been cyclical in the last few years, going from 3% to 9%.

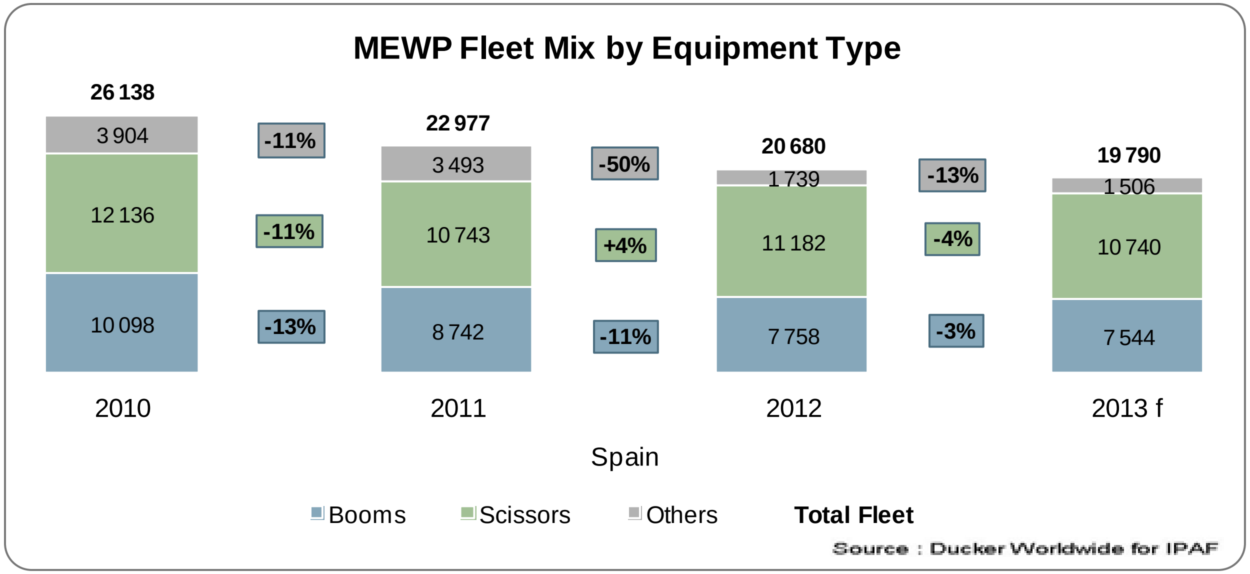
2012 saw continuous and strong de-fleeting. However fleet reduction should slow down in the next few years.

- In 2013 the MEWP Spanish fleet is expected to be half the size of the pre-recession fleet.
- Rental companies de-fleeted by selling MEWPs to other countries in Europe (eg. France) as well as South America (eg. Brazil).



Total fleet is being reduced every year. As predicted last year, the share of the fleet that is booms continued to fall sharply in 2012.

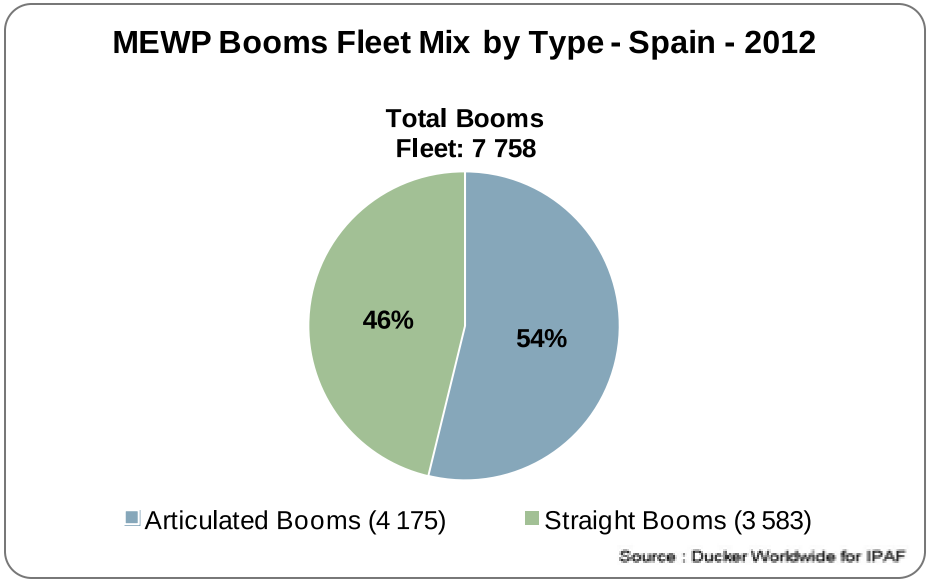
- While the scissor fleet grew slightly in 2012, it is expected that 2013 will see fleet reduction of all MEWP types.



Others include: vertical lifts, vertical masts, vehicle-mounted booms.

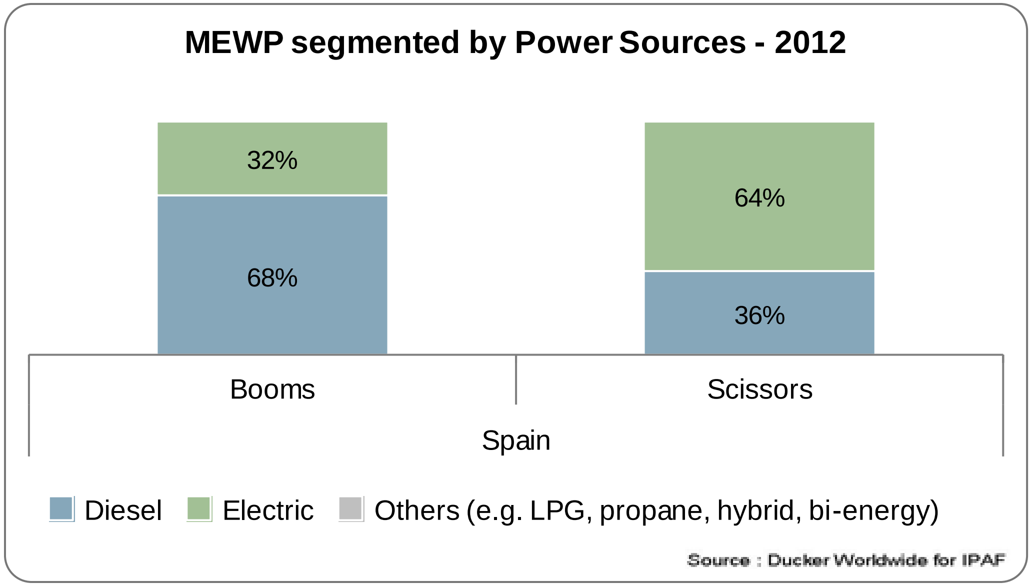
+X% *% unit growth, eg. Booms fleet decreased by 11% from 2011 to 2012*

There are slightly more articulated booms than straight booms in the Spanish MEWP fleet.



Similarly to most European countries, the Spanish boom fleet is heavily weighted towards diesel, while scissors are mainly electric.

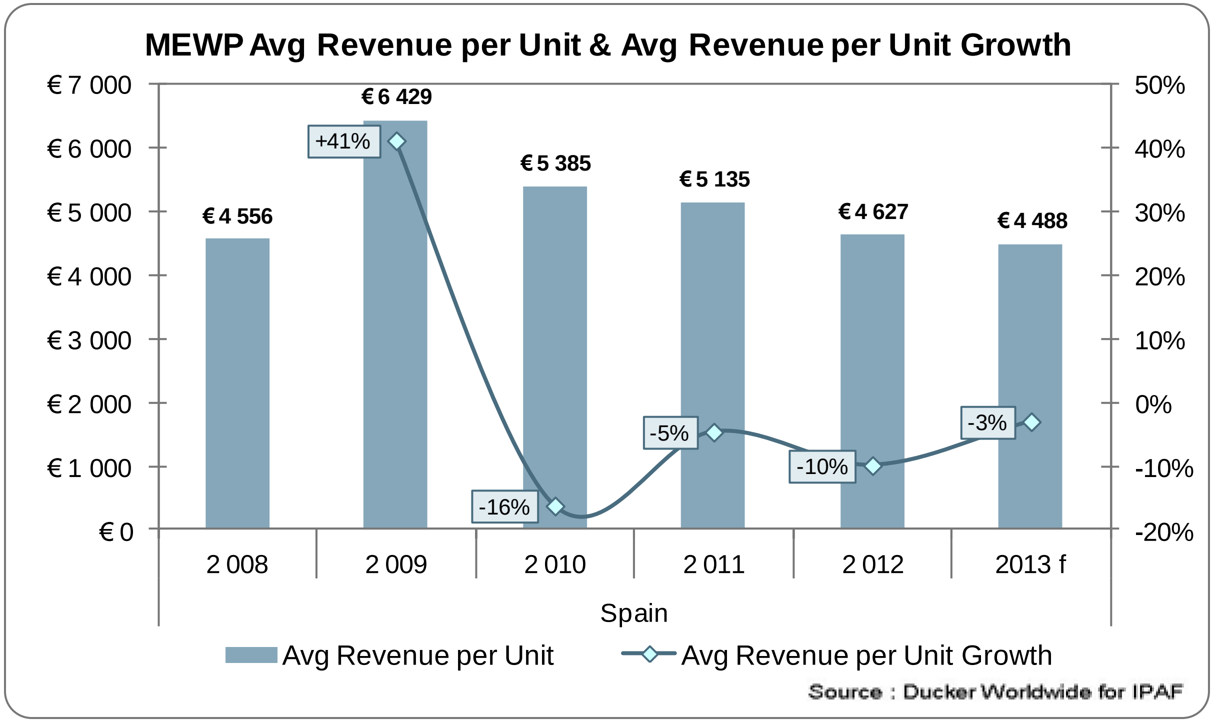
- No alternate power sources, such as hybrid or bi-energy, have been reported by rental companies.
- As in Italy, most rental companies reported not being aware of the share of their fleet being Stage IIIB compliant. As new investments have been extremely limited in Spain since 2011, it is expected that very few machines are currently Stage IIIB compliant.



DUCKER WORLDWIDE

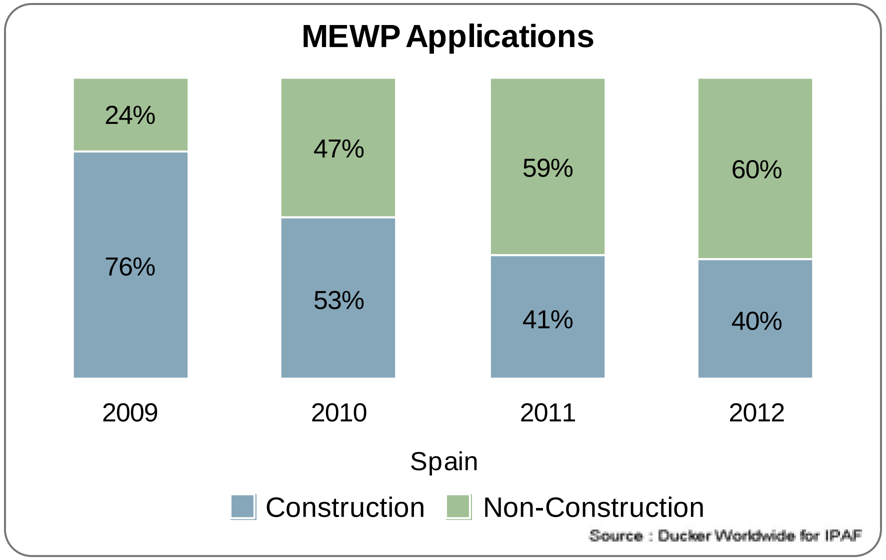
The average revenue per unit in Spain kept decreasing heavily in 2012. It is still the lowest of the 10 European countries under study.

- The average revenue per unit will continue to deteriorate in 2013, but at a slower pace.
- In 2013, it will reach a level below 2008.



Even though the construction industry continued to deteriorate, rental companies were not able to diversify end-applications more than they did in 2011.

- In 2012, they continued to rely primarily on non-construction applications.



Share of rental revenues

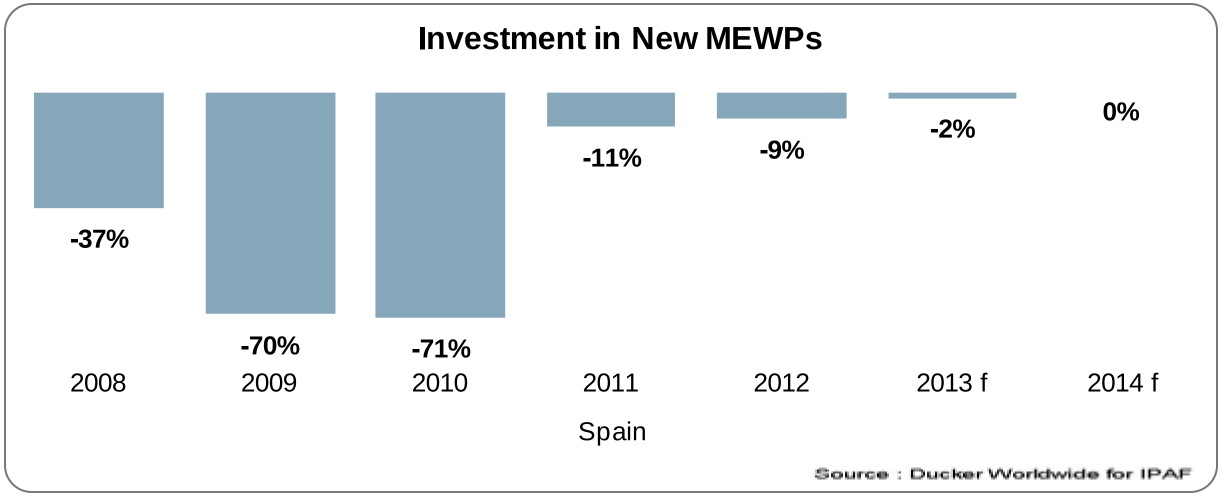
Non-construction includes industry, maintenance, cleaning, utilities, events.

Construction includes new build and renovation; including all types of buildings, also industrial.

Spain – Investments

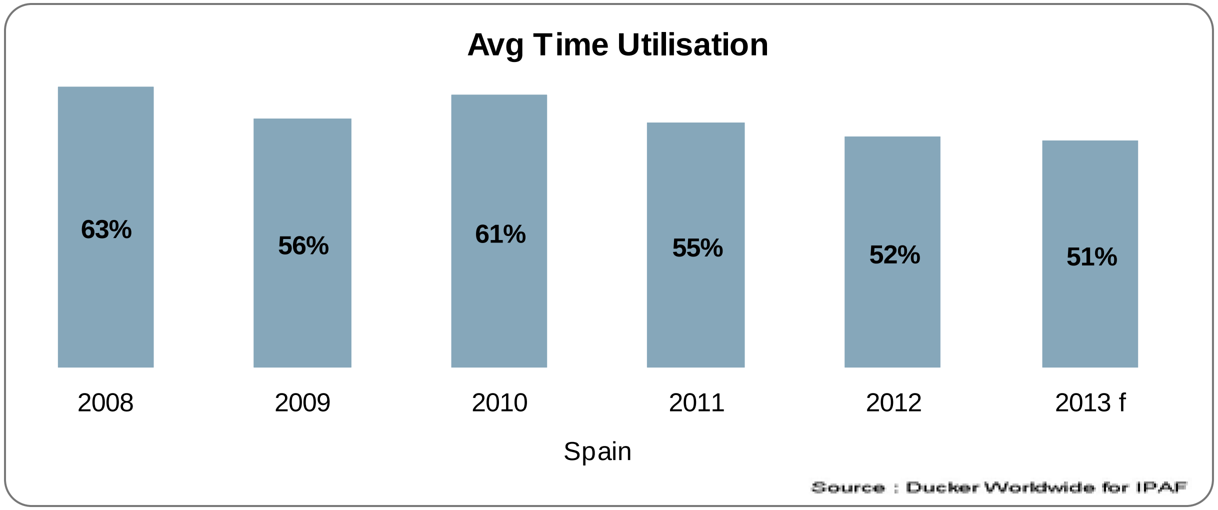
Following the trend of the past few years, investments decreased again in 2012 though at a much slower pace than in 2010 and before.

- Rental companies' fleet size is still decreasing and investments are directed to renewals only.
- Market players expect investments to start stabilising in 2014.



Utilisation rates deteriorated again in 2012, but at a slower pace than in 2011. They will remain relatively stable in 2013.

- Average time utilisation has been below 2009 levels since 2012.

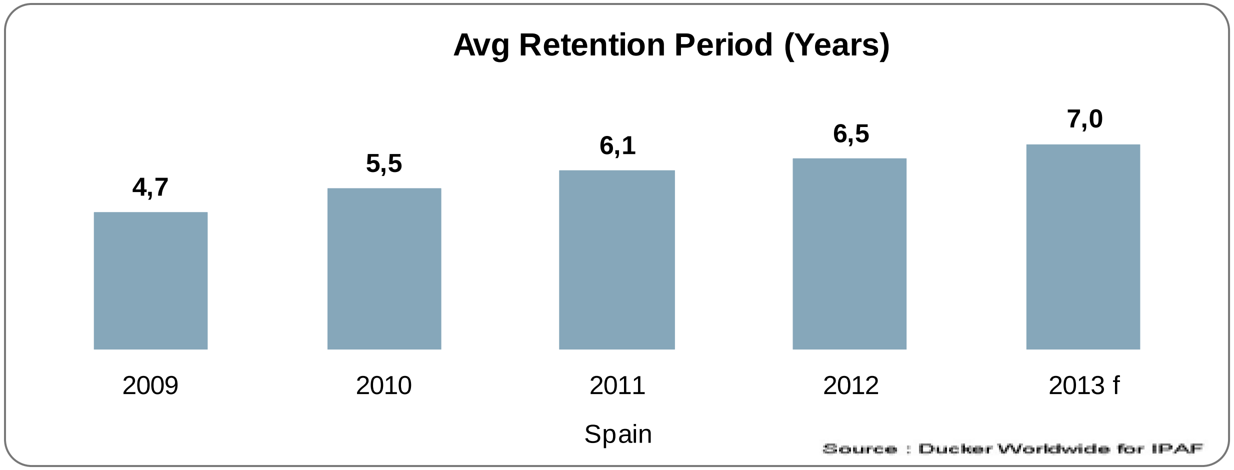


Definition: Physical number of machines out on hire as % of total number in fleet at any given time.

Spain – Retention Period

Retention period in Spain confirmed last year's trend and continued to increase as rental companies are limiting investments in new equipment.

- In addition, rental companies are relying more and more on refurbishment and optimised maintenance to keep equipment longer.

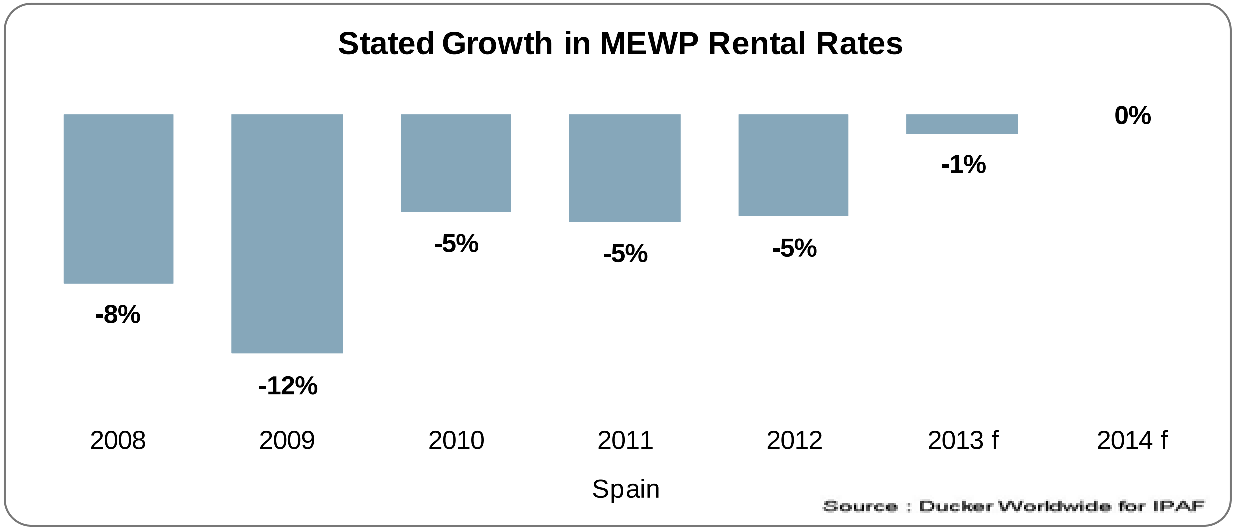


6,5 = 6 years and 5 months

Definition: Period of time that a machine is kept in fleet = selling age if acquired new

Although rental companies were initially hoping to maintain rental rates in 2012, they were unable to do so.

- Rental rates decreased by another 5%. The real stabilisation should happen in 2014.



While market players hope for market improvement in 2014, some rental companies do not expect stabilisation before 2015.

- The major problems in the Spanish market remain unsolved and do not allow for a positive outlook in 2013. The construction market is still suffering a major recession and is not expected to recover before 2015. In addition, rental companies have reached the limit of profitability with over-capacity and too-low rental rates.

- Rental companies will keep de-fleeting and expect the total MEWP fleet size to be below 20,000 in 2013.

- Recovery is unlikely to happen before 2015.

IPAF Powered Access Rental Market Report – Spain

A PERSPECTIVE FROM THE EDITOR OF *INTERNATIONAL RENTAL NEWS*

The continuing recession in Spain is obviously having a dramatic impact on the access rental sector. Sales of new equipment are minimal, excess fleet is still being disposed of – a recent Ritchie Bros auction in Madrid saw several hundred scissors and booms up for sale – and rental companies continue to face problems of low prices and low utilisation.

This has led several international suppliers to exit the market or downscale their operations in Spain. Lavendon is no longer active in the country having closed its operation at the end of 2011, and around the same time Riwal scaled down its fleet there, although remains in the country.

The two biggest rental players in Spain, GAM and HUNE, continue to function, although both have had to restructure and reschedule their debts. The two have been discussing a possible merger and, at the time of writing, this remains a possibility.

The access fleet has been reduced in size – Spanish access association ANAPAT said in March 2013 that the number of platforms had halved over the past five years – but there remain hundreds of rental companies in the market. In fact, some rental players report that the availability of low-cost machines at auctions has actually encouraged the entrance of new, small players, who are renting old machines at low prices, exacerbating the problem.

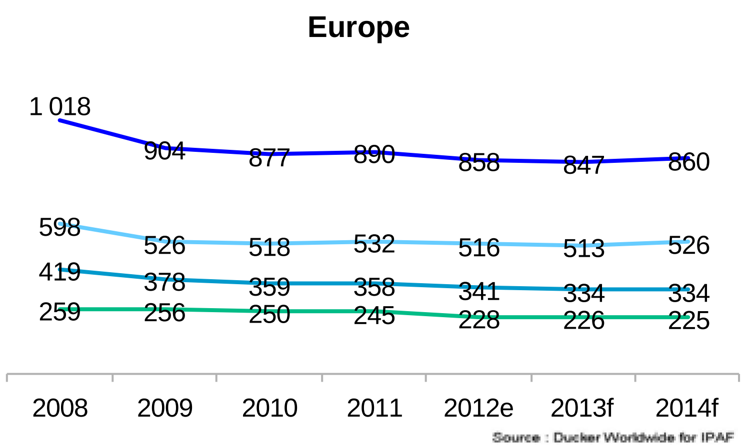
Although some rental companies have failed, the prolonged recession has not led to the kind of consolidation of the market that might have been expected, nor the creation of alliances between rental players.

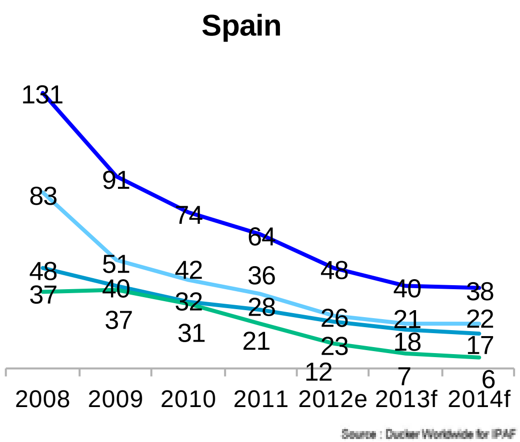
There seems to be little prospect of a speedy recovery in the country. The European Rental Association, for example, is expecting the general equipment rental market in Spain – including access - to bottom out next year after a further 5% fall in 2013. Only in late 2014 or 2015 does there seem to be any likelihood of the start of a recovery.

IPAF Powered Access Rental Market Report – Spain

APPENDIX

Construction sector in Spain continues to deteriorate and no improvement is expected in the coming years.





Construction put in place in million Euros based on Euroconstruct 2012

Spain GDP estimates based on Euroconstruct 2012

- Residential construction
- Non-residential construction
- Total construction
- Civil engineering

IPAF Powered Access Rental Market Report – Europe

COUNTRY REPORT UNITED KINGDOM

Key Findings

- The UK is one of the world's most mature access rental markets and continued to see a concentration of market share among the biggest players.

- Rental market growth initiated in 2010 was confirmed, though at a slower pace (+2% only). It is expected to keep growing at a higher pace in the next few years (+6%, +8% in 2013 - 2014).

- Fleet expansion initiated in 2011 continued in 2012 with +4% of total fleet growth.

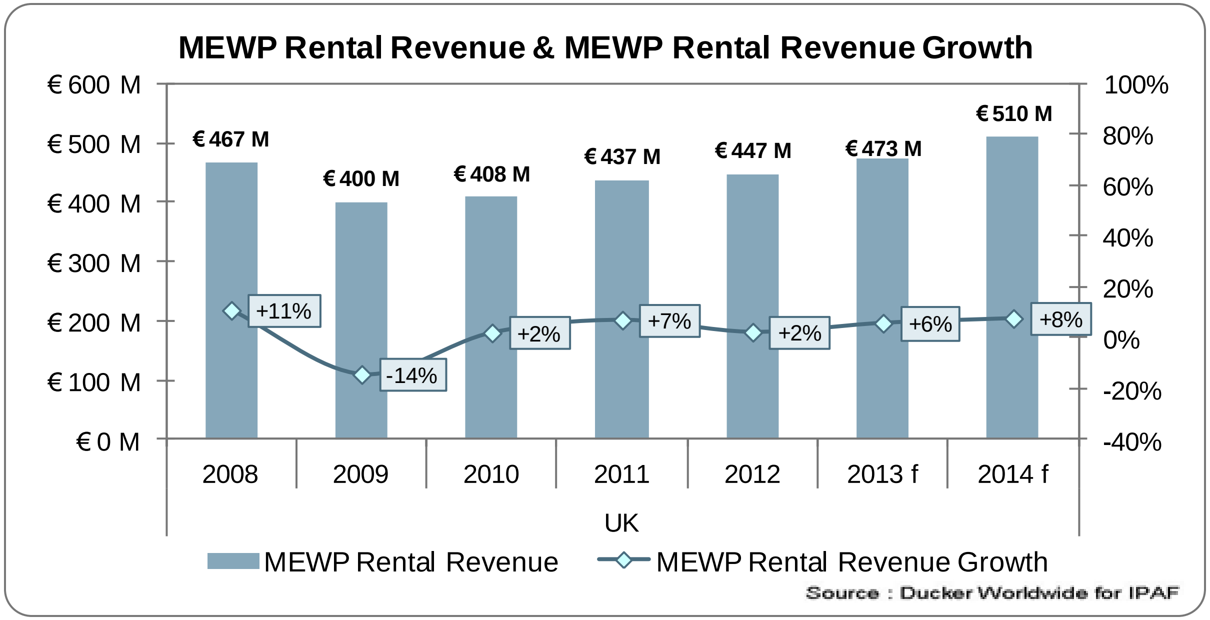
- Rental companies invested less in 2012 than in 2011. While they had both expanded and replaced fleets in 2011, they focused on fleet expansion in 2012. Specifically, investment in low-level access continued in 2012. Diversification of products also continued in tracked access machines and large truck-mounted platforms.

Key Findings

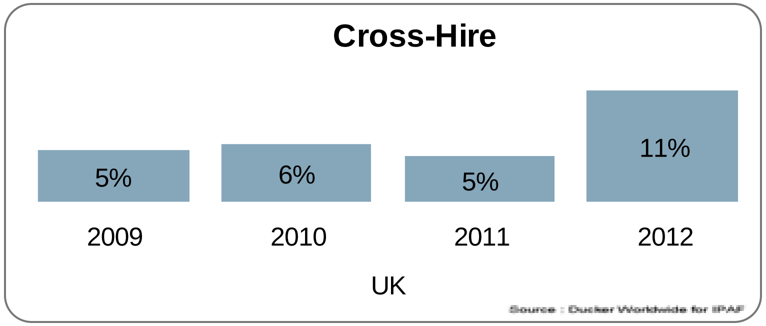
- The overall UK fleet size is now close to 50,000 units.
  - The fleet mix remains identical to 2011: scissors represent around 60% of total fleet, booms and others account for 32% and 8% respectively of the total fleet mix.
  - The share of booms is expected to increase slightly in 2013, at the expense of scissors.
  - Retention period has stabilised to around 9.6 years, slightly higher than in other European countries.

- Other indicators did not change in 2012:
  - Utilisation rates remained stable (65%).
  - Rental rates did not evolve in 2012 compared to 2011. Rental companies plan to slightly decrease rental rates in 2013, in order to improve utilisation rates.

The market kept growing in 2012 but at a slower pace than in 2011. It is expected to grow more rapidly in the next two years.



Exchange rate £1 = 1.2€

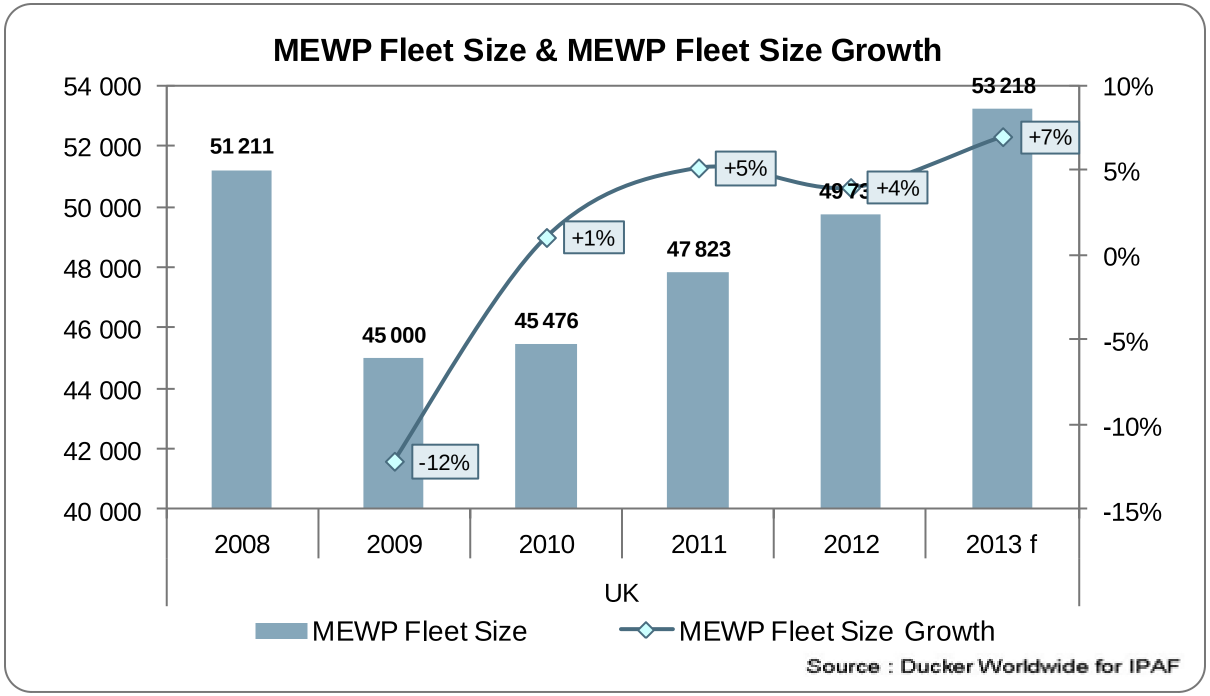


- According to rental companies, the MEWP market will keep growing at a stronger pace than in 2012.
- Cross-hire increased compared to the previous year, though remaining limited. Smaller rental companies use cross-hiring as a way to expand their geographical coverage and/or to expand product portfolio.
- Total revenue this year will be approximately £395M.

DUCKER WORLDWIDE

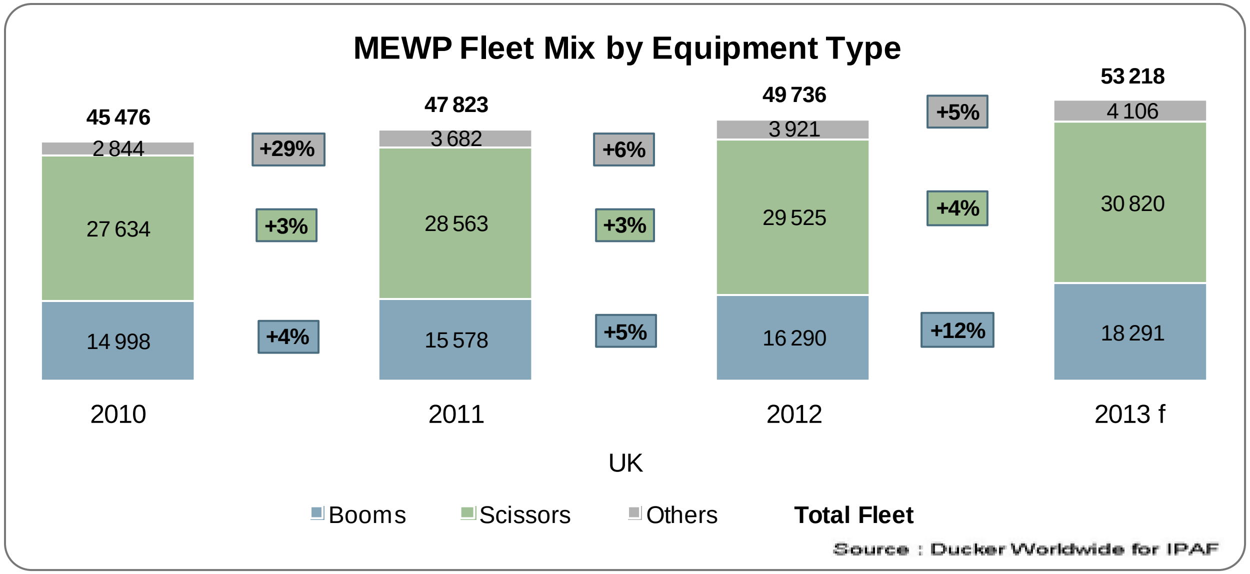
As forecast in last year's report, MEWP fleet size increased at a slightly slower pace in 2012 than in 2011. It is expected to grow significantly in 2013.

- UK rental companies are more advanced than others concerning the compliance with Stage IIIB regulations.



Although scissors remain by far the predominant type of MEWP in the UK fleet, booms have experienced a continuous growth, higher than scissors since 2010.

- Scissors still represent more than half of the overall fleet mix.
- The number of new booms in 2013 will exceed the number of new scissors.



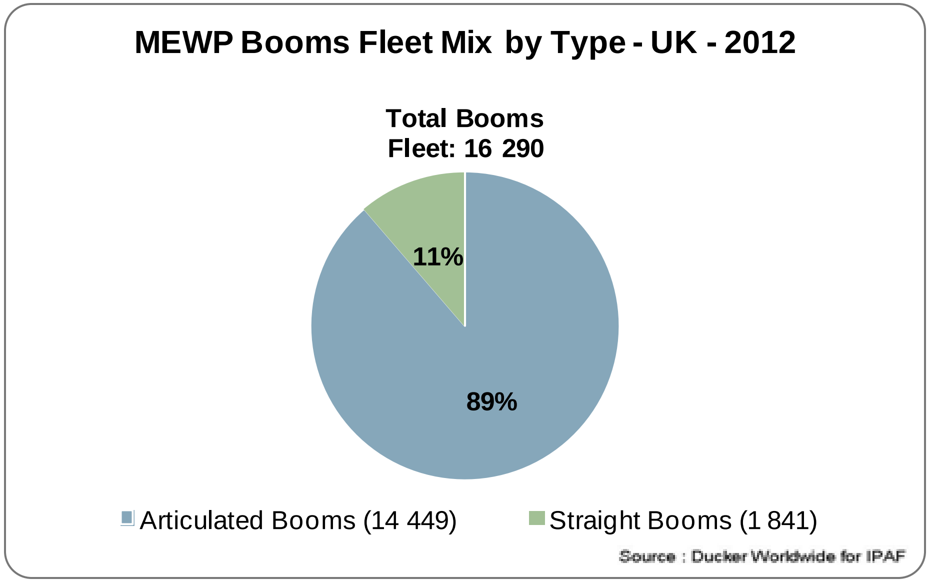
Others include: vertical lifts, vertical masts, vehicle-mounted booms.

+X% *% unit growth, eg. Booms fleet increased by 5% from 2011 to 2012*

DUCKER WORLDWIDE

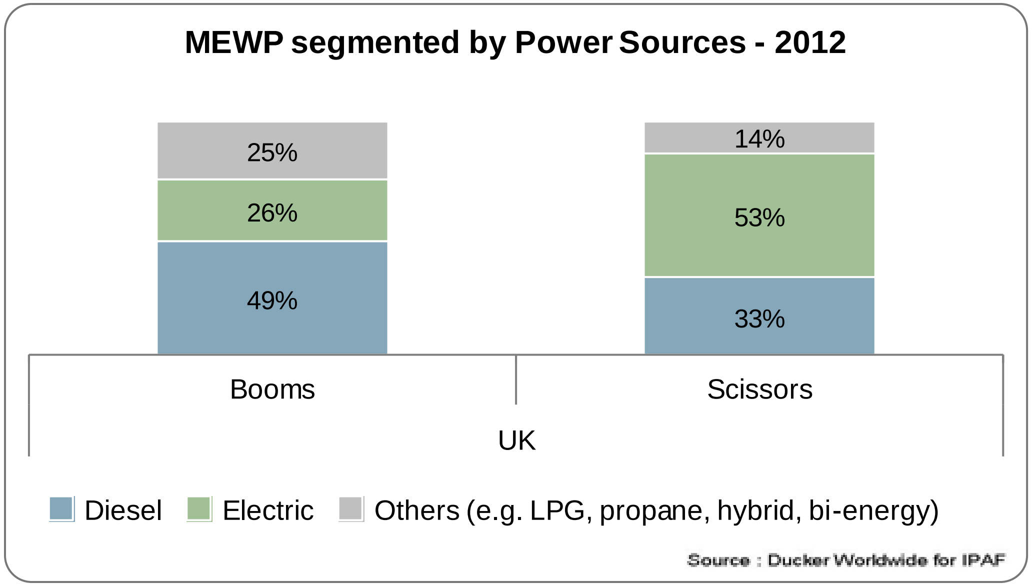
In the UK, the vast majority of the boom fleet is articulated booms.

- Articulated booms represent almost 90% of the total boom fleet. They are more versatile and thus easier to use in non-construction applications, which is a significant share of rental companies' activity.



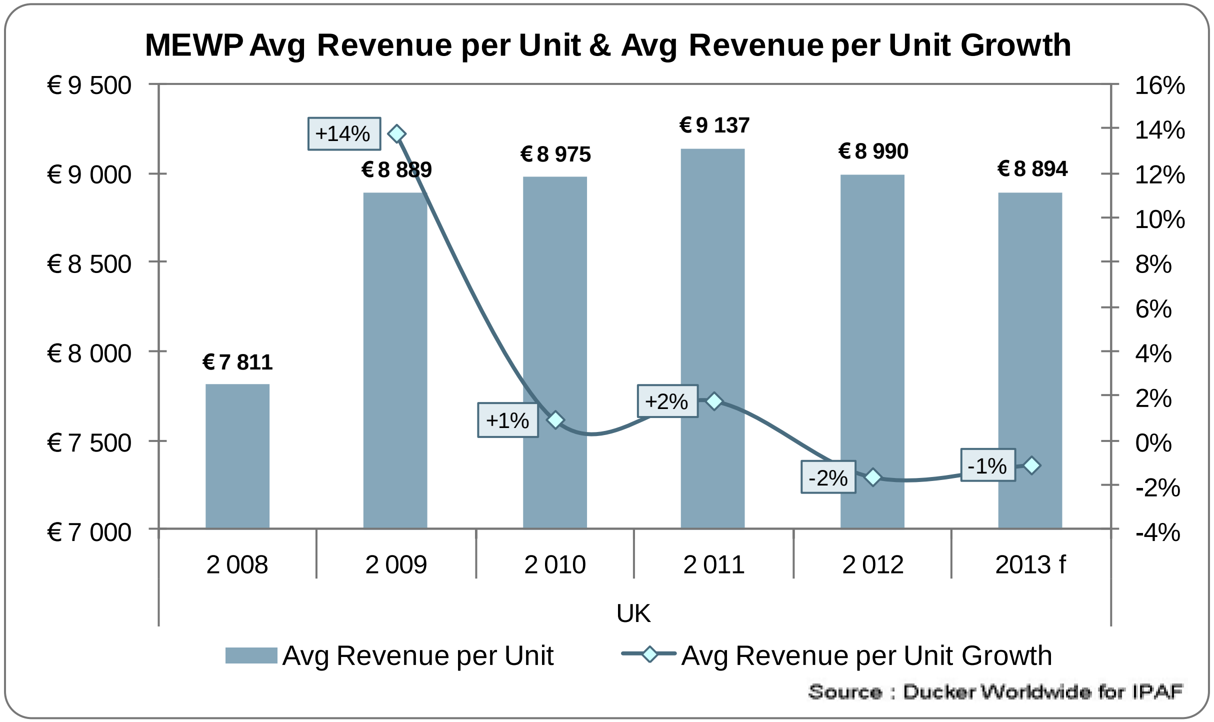
Bi-energy or hybrid booms and scissors have a significant share among the MEWP fleet, more than in other European countries.

- However booms remain primarily diesel, while scissors are mainly electric.
- UK is the European country with the highest reported Stage IIIB compliance.



In 2012, the average revenue per unit decreased slightly and is expected to do so in 2013.

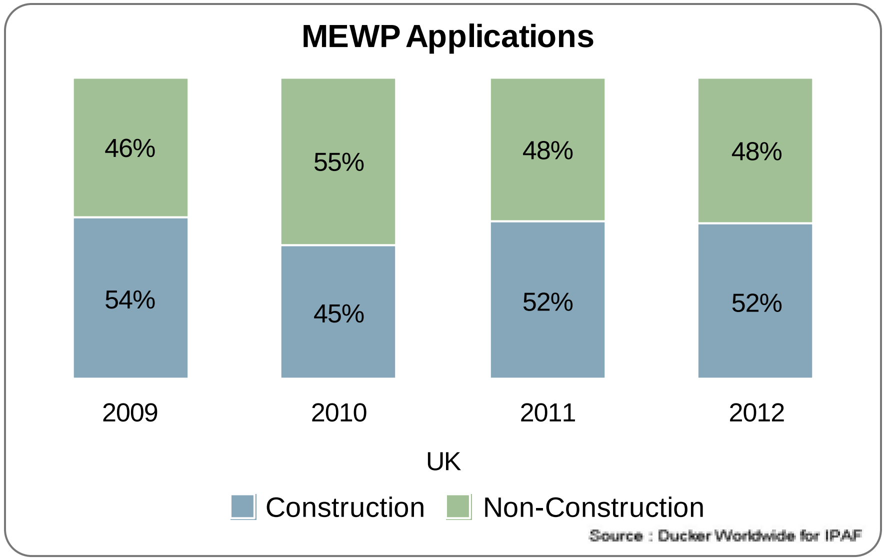
- UK rental companies obtained revenue increase as a result of fleet expansion. However the overall fleet increased at a faster pace than revenue, thus affecting revenue per unit.
- This trend should continue in 2013.



Exchange rate £1 = 1.2€

In 2012, the share of construction applications was maintained at the 2011 level.

- The UK is one of the countries showing the highest share of non-construction applications.



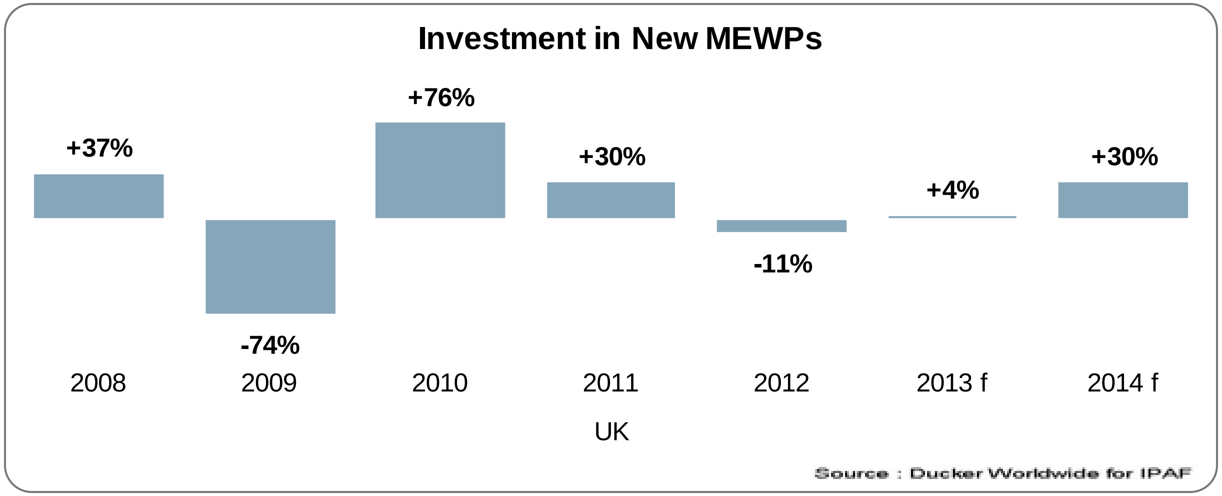
Share of rental revenues

Non-construction includes industry, maintenance, cleaning, utilities, events.

Construction includes new build and renovation; including all types of buildings, also industrial.

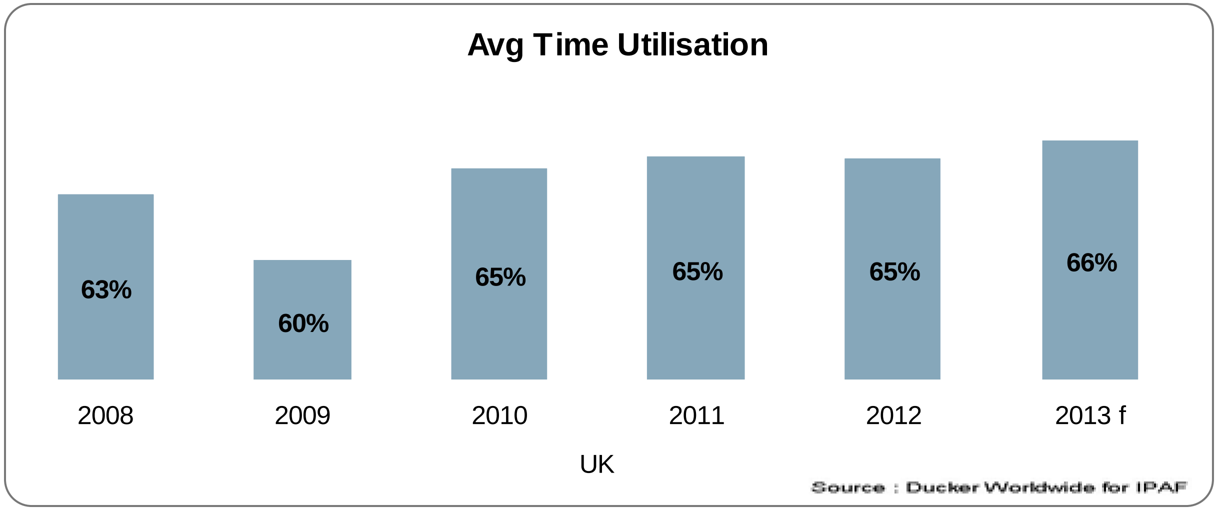
After a strong increase in investment during the last two years, rental companies limited investments in 2012 for the first time since recession.

- For the first time since 2009, investments in MEWPs stopped increasing. This followed significant orders made during the last two years for fleet renewal and, to a lesser extent, fleet expansion.
- Investments made in 2012 were oriented more toward fleet diversification.
- Rental companies should increase investments again in the coming years.



Utilisation rates in the UK have been stable since 2010, at a slightly higher level than other European countries.

- Rental companies focused on expanding fleet, thus limiting utilisation rate improvement.

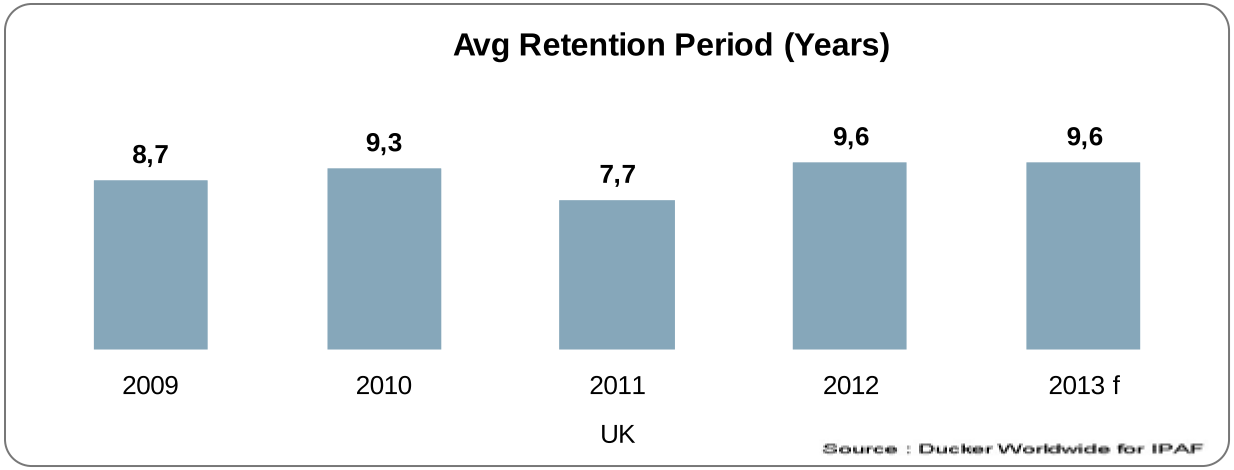


Definition: Physical number of machines out on hire as % of total number in fleet at any given time.

UK – Retention Period

Massive fleet renewals were made in 2011, which significantly lowered the average retention period.

- Rental companies are making strong efforts to prolong machine life with optimised preventive maintenance, and overall better fleet management.

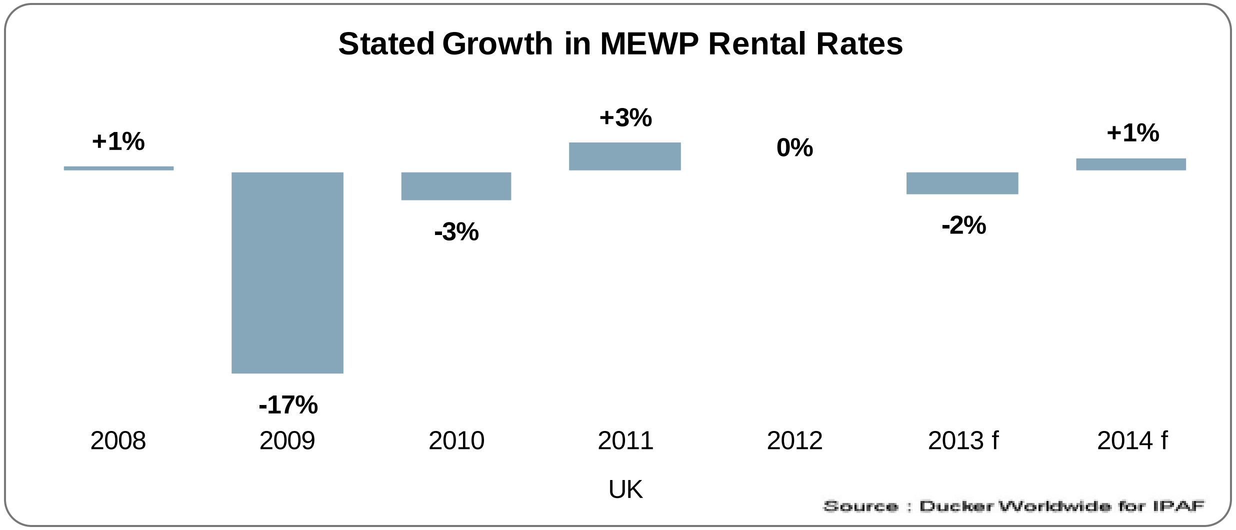


9,6 = 9 years and 6 months

Definition: Period of time that a machine is kept in fleet = selling age if acquired new

Rental rates remained constant in 2012. The UK rental market is very mature and fierce competition prevents companies from modifying their rates much.

- Rental rates are expected to decrease slightly in 2013, as rental companies are hoping to improve utilisation rates.



UK – Future Trends

Although cautious of the threat of a potentially worsening economic situation, the UK market will continue to grow in the next few years.

- Most market players remain cautious but anticipate an overall growth of rental revenue and fleet size.

- More than in many other European countries, the UK market remains sensitive to environmental concerns and already includes a high proportion of hybrid and bi-energy MEWPs. Rental companies are the most advanced compared to other countries regarding Stage IIIB regulations.

- Rental companies are also focused on trying to develop more value added services eg. rental with operators and a focus on improving safety and efficiency in this mature market.

- 2012 was a year that saw enormous focus on the issue of operator entrapment in the UK, with manufacturers and rental companies developing products to help prevent such accidents.

IPAF Powered Access Rental Market Report – UK

A PERSPECTIVE FROM THE EDITOR OF *INTERNATIONAL RENTAL NEWS*

A Perspective from the Editor of *International Rental News*

The UK is one of the world's most mature access rental markets and continued to see a concentration of market share among the biggest players, such as Nationwide Platforms, AFI, A-Plant, UK Platforms, Kimberly Access and Easi Uplifts.

Merger and acquisition activity has mainly been at a small scale, and often involving AFI-Uplift, which during the past 15 months has acquired companies including Light Hire in Exeter and more recently Wilson Access Hire in West Yorkshire. The company also boosted its training operation by acquiring Instant Training and UTN Training.

Investment in fleets tended to represent renewal rather than growth, with Nationwide Platforms, Kimberly, Facelift and AFI among those placing significant orders last year - £23 million worth in the case of Nationwide.

The investment in low level access continued in 2012, with tool hirers like Hire Station and HSS among those boosting their access fleets. Diversification of products also continued, with Easi Uplifts – the UK business owned by height for Hire in Ireland – establishing a specialist rental fleet for tracked access machines and large truck mounted platforms.

The UK market remains hard work, with the threat of a ‘triple dip’ recession on the cards at the start of 2013. This still-difficult environment was reflected in the news that well-known distributor Leach Lewis entered administration in August 2012. Also in the fact that Nationwide, the UK’s biggest player, reported flat sales in 2012, in contrast to its performance in France.

Also significant in 2012 was the alliance between parts and service company Independent Parts & Service (IPS) and long established dealer Access Platform Sales (APS), which became a full-blown merger in early 2013, creating the IAPS Group.

2012 was a year that saw enormous focus on the issue of operator entrapment in the UK, with manufacturers and rental companies developing products to help prevent such accidents. Niftylift took the lead with its SiOPS system, and was followed in 2012 by AFI-Uplift, Nationwide Platforms (with its BlueSky business) and JLG Industries.

IPAF Powered Access Rental Market Report – UK

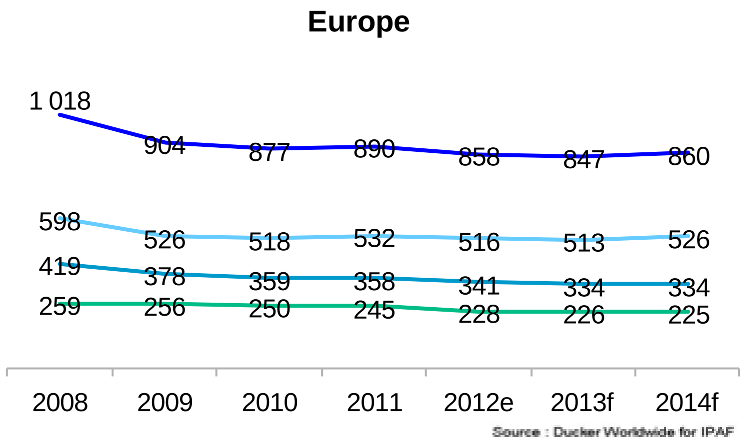
APPENDIX

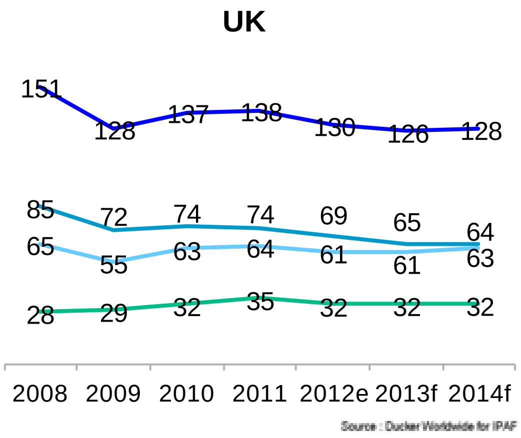
UK – Exchange Rates

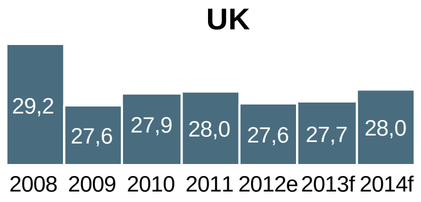
- Exchange rate:
  - The currency exchange rate used for the UK is shown below. The same rate has been used throughout the time period in order to eliminate variation in growth rates due to exchange rate fluctuations rather than to the actual MEWP rental market.

	Currency Unit	Converter to Euro
UK	£ 1	1,2335

In the UK, all construction sectors declined in 2012, especially the non-residential one.







Construction put in place in million Euros based on Euroconstruct 2012

UK GDP estimates based on Euroconstruct 2012

- Residential construction
- Non-residential construction
- Total construction
- Civil engineering

This concludes our report. Thank you.

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