

ERA Convention 2010

“New Opportunities for Rental”

OPPORTUNITIES IN CENTRA AND EASTERN EUROPE

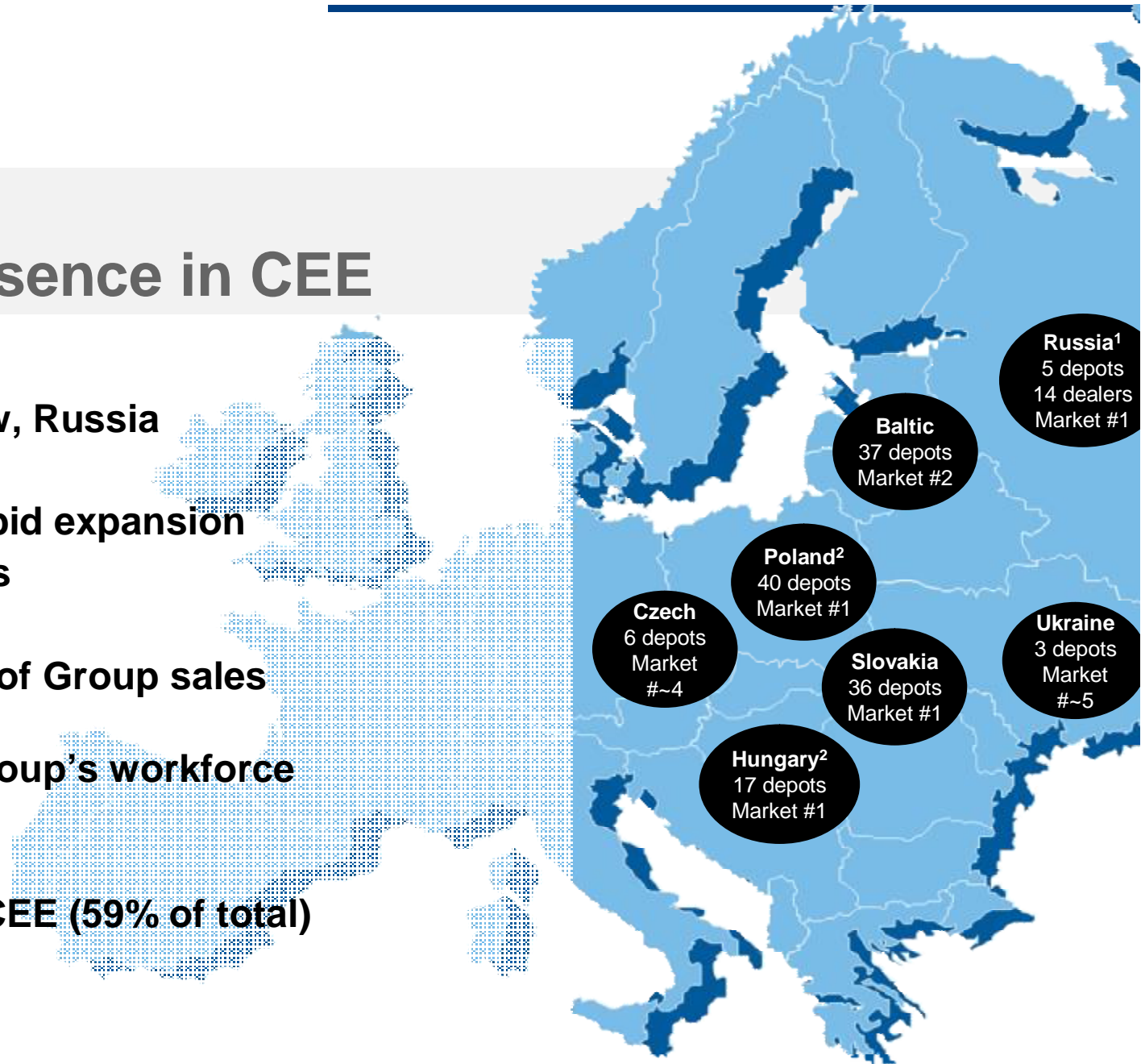
**Magnus Rosén, CEO,
Ramirent Plc**



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Ramirent's presence in CEE

- 1988 first JV in Moscow, Russia
- From 2000 onwards rapid expansion into nine CEE countries
- CEE accounts for 18% of Group sales
- Employs 40% of the Group's workforce (1,200 employees)
- 144 outlets located in CEE (59% of total)



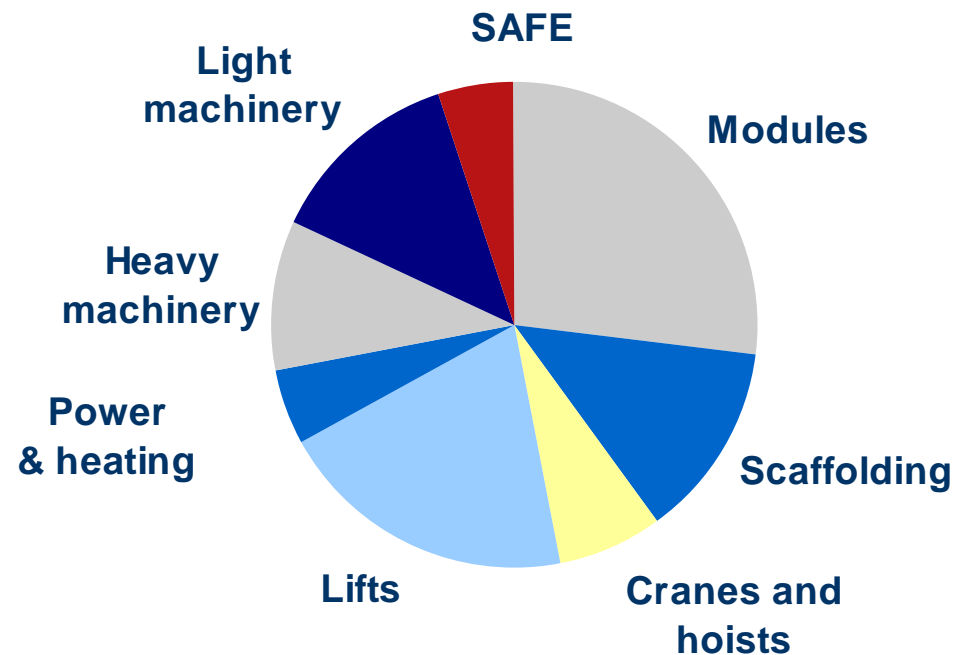
(1) Russia defined as Moscow & St. Petersburg

(2) excl. Formworks rentals

Same fleet standards in all countries

- **General rental company offering**
- **Attractive age structure of fleet with 2/3 of fleet acquired in the last 4 years**
- **Pan-European fleet standards support high mobility and fleet sharing**

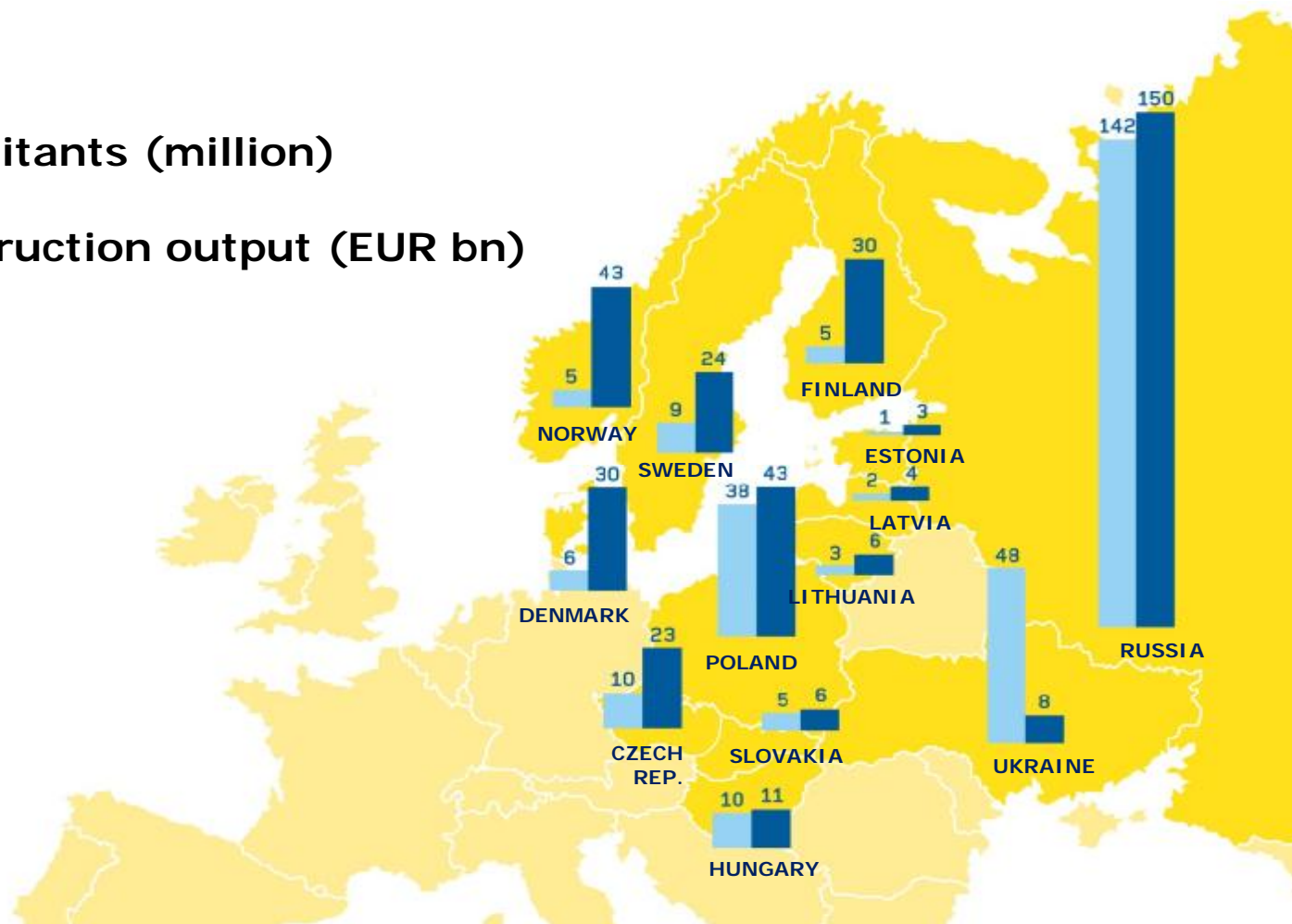
Ramirent's fleet structure



CEE growth drivers still in place

 Inhabitants (million)

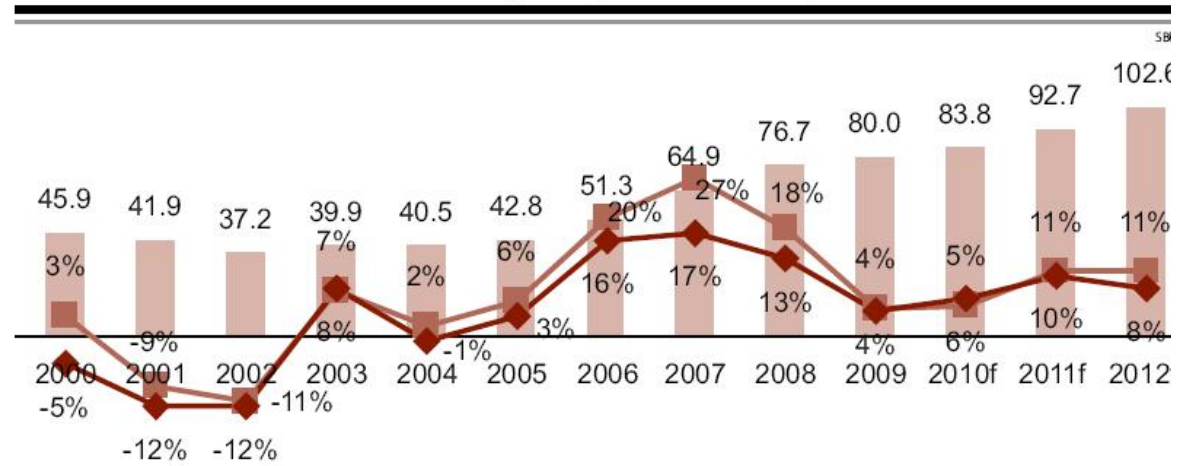
 Construction output (EUR bn)



Poland market characteristics

- Growth drivers are construction, industrial activity and rental penetration
- Infrastructural projects co-financed with large EU funds
- Effect of hosting Euro 2012 Football Championships
- Increased competition as “all” want to be in the market
- Decreasing inflow of foreign direct investments

Total construction and assembly output in Poland, 2000-2012



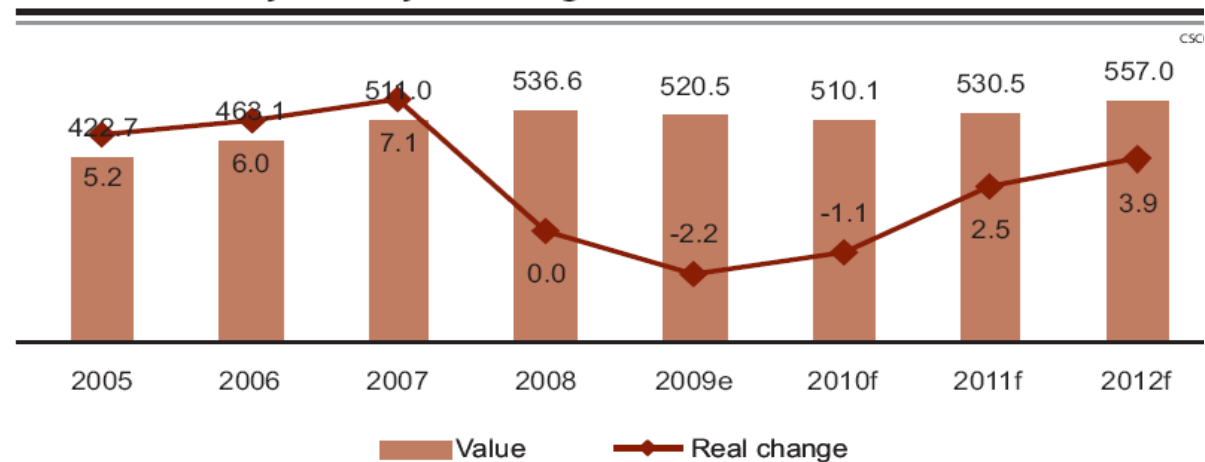
Forecasts for the main economic indicators in Poland for 2010-2012

	2010	2011	2012
GDP	2.6%	3.1%	4.4%
Industrial output change	4.9%	5.7%	9.0%
Average annualised inflation rate	2.2%	2.3%	2.8%
PPI	0.9%	2.9%	3.8%
Gross fixed capital formation	1.3%	4.1%	5.2%
Private consumption	1.9%	2.6%	3.7%
Exports	8.3%	9.4%	13.2%
Imports	9.1%	10.0%	15.9%

Czech Republic market characteristics

- The construction sector is annually generating 6% of GDP
- Dominance of large foreign companies in terms of output
- Residential building and maintenance work account for smaller share than EU average
- Civil engineering work is higher than in Western Europe on average

Construction output in the Czech Republic
(CZK bn and % year-on-year change), 2005-2012



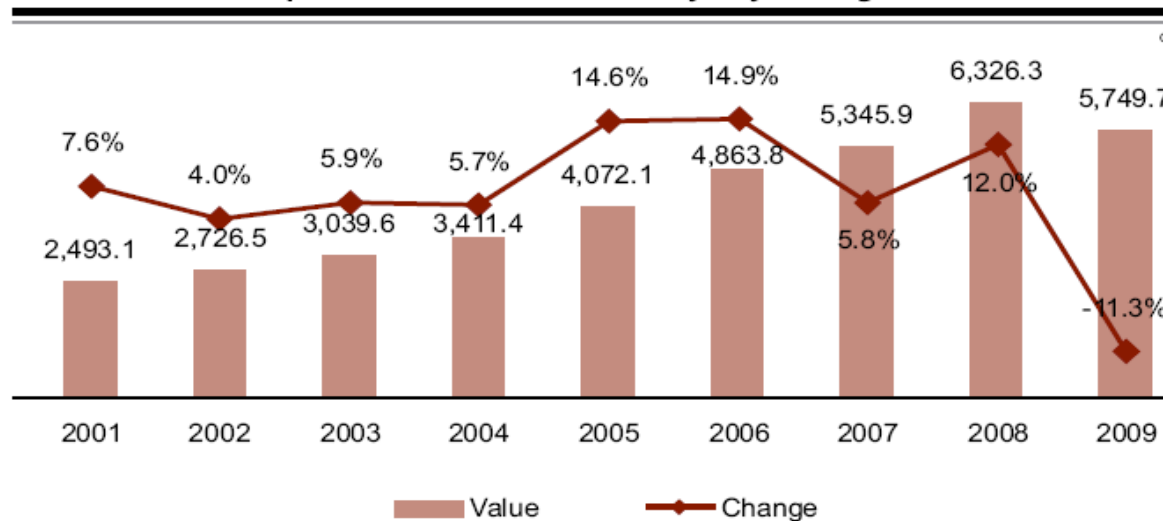
Key economic indicators in the Czech Republic, 2003-2012

Indicator	2003	2004	2005	2006	2007	2008	2009e	2010f	2011f	2012f
GDP (constant prices, %)	3.6	4.5	6.3	6.8	6.1	2.7	-4.3	0.3	2.8	3.3
Average inflation rate (%)	0.1	2.8	1.9	2.5	2.8	6.3	0.9	1.4	1.8	2.0
Exchange rate (€/CZK)	31.9	31.0	29.8	28.3	27.8	24.9	26.3	24.9	24.1	23.9
Unemployment (average, %)	9.9	9.2	8.9	8.1	6.6	5.4	6.5	8.4	8.2	7.4

Slovakia market characteristics

- The construction sector is annually generating 8% of GDP
- Slovakia continues to be a hot spot for foreign direct investment
- Slovakia has an advantageous geographic position
- Political and economical stability
- Civil engineering work is higher than in Western Europe on average

Construction output in Slovakia (€ m and y-o-y change), 2001-2009



Economic indicators in Slovakia, 2003-2012

Indicator	2003	2004	2005	2006	2007	2008	2009e	2010f	2011f	2012f
GDP (constant prices 2000, %)	4.7	5.2	6.5	8.5	10.6	6.2	-4.9	2.1	3.5	3.6
GDP per capita (€)	5,500	6,300	7,100	8,300	10,200	12,000	11,730	12,201	12,941	13,100
Average inflation rate (%)	8.4	7.5	2.8	4.3	1.9	3.9	4.6	1.3	3.5	3.0
Exchange rate (€/SKK)*	41.4	40.0	38.5	37.2	27.8	33.7	31.2	-	-	-
Unemployment rate (average, %)	17.6	18.2	16.3	13.4	11.1	9.5	12.5	13.6	12.6	10.8

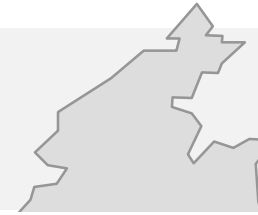
Russia market characteristics

- Rental companies present only in large cities
- Few big rental companies in St. Petersburg and Moscow area
- The rental business is still undeveloped, especially in regions outside Moscow and St-Petersburg
- Construction companies also offer their fleet for rent to other constructors
- Rental companies expanding to new areas by following customer projects
- Uncertainties in Russian financial market

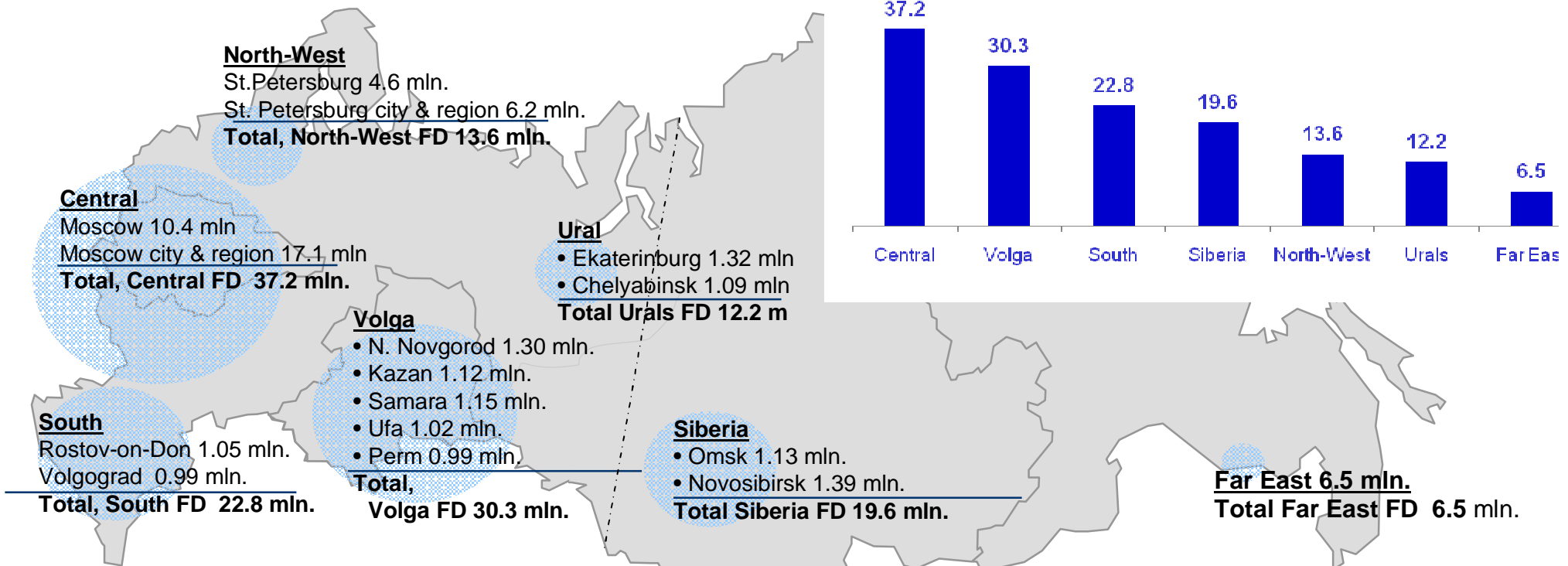
Economic indicators in Russia 2002-2012f

	2002	2003	2004	2005	2006	2007	2008	2009	2010F	2011F	2012F
Construction output, bln EUR	28	30,1	36,7	48,7	68,9	82	98	58,8	53	75	90
GDP, YoY %	4,7	7,3	7,2	6,4	7,7	8,2	5,6	-7,9	4,4	4,1	4,7
Inflation YoY,%	19,0	14,3	11,3	12,7	10,7	8,5	12,6	8,9	7,4	7,6	7,6
Unemployment, max per year,%	8,6	9,3	9,1	8,6	7,7	6,1	5,8	9,5	8,3	7,8	6,9
Exchange rate, RUB/EURO	31,80	35,30	36,70	35,49	34,40	35,20	39,43	42,70			

The Russian market is concentrated to the European part of the country



Total population 142.2 mln. people



The European part of Russia represents over $\frac{3}{4}$ of the population and construction market

CEE opportunities and challenges

- + Undeveloped rental markets with low rental penetration
- + Large infrastructure projects financed partially by EU funds (incl. road construction before EU2012 games)
- + Further restructuring of energy sector also partially financed by EU funds
- + Pressure on cutting fixed costs and thus higher need of external machinery supply (outsourcing)
- + Possible cross country cooperation with big international contractors
- + New industrial sectors not yet utilised, especially in Czech, Hungary and Slovakia
- Slowing down of Baltic economies
- More rental companies entering the Central European markets
- Higher credit risk
- Increasing pricing pressure