



RSC[®]
Equipment Rental



RSC Holdings Inc.

October 28, 2008 Earnings Call
Third Quarter Results 2008

Unaudited financial information, current as of September 30, 2008 unless otherwise noted
Dollar amounts presented in millions were derived from exact numbers which may result in minor rounding differences

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Forward Looking Statements

Certain statements contained in this presentation are “forward-looking statements,” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These statements are based on management’s current expectations and are subject to uncertainty and changes in factual circumstances. The forward-looking statements herein include statements regarding the company’s future financial position, end-market outlook, business strategy, budgets, projected costs and plans and objectives of management for future operations. In addition, forward-looking statements generally can be identified by the use of forward-looking terminology such as “may”, “plan”, “seek”, “will”, “expect”, “intend”, “estimate”, “anticipate”, “believe” or “continue” or the negative thereof or variations thereon or similar terminology.

The following factors, among others, could cause actual results to differ materially from those described in the forward-looking statements: the effect of an economic downturn or other factors resulting in a decline in non-residential construction and capital investment; increased competition from other companies in the company’s industry and its inability to increase or maintain its prices; risks related to the credit markets willingness to continue to lend to borrowers rated B- and Caa1; the company’s ability to generate cash and/or incur additional indebtedness to finance equipment purchases; heavy reliance on centralized information systems; exposure to claims for personal injury, death and property damage resulting from the use of equipment rented or sold by us; the effect of changes in laws and regulations, including those relating to the environment and customer privacy, among others; fluctuations in fuel or supply costs; and claims that the software products and information systems on which the company relies infringe on the intellectual property rights of others. More detailed information about these and other factors is set forth in the company’s filings with the Securities and Exchange Commission, including the Company’s Annual Report on Form 10-K. Undue reliance should not be placed on these forward-looking statements, which are current only as of the date of this presentation. The company disclaims any current intention or obligation to update any forward-looking statements or any of the factors that may affect actual results.

Q3 2008

Another Strong Performance

Same store rental revenue growth	+ 1.8%
Sequential rental rate change	(0.1%)
Adjusted EBITDA margin	44.1%
Free cash flow	\$94 million

Industry leading performance utilizing proven business model

The RSC Business Model

Key Elements

Commitment to customers

- Superior service
- Access to young, safe and diverse fleet

Business discipline

- Pricing
- Demand-driven capex
- Balancing of fleet / high utilization
- Optimal efficiency / continuous improvement

Diverse customer base

- Non-residential construction
- Industrial / non-construction

Broad and national presence: enabler of fleet redeployment

Driving best-in-class operating and financial performance

Business Highlights

Disciplined pricing

- Sequential rates essentially flat in Q3
- Year-over-year rates (1.0%) in Q3
- Ancillary revenue yield added \$6m

Disciplined capex spending

- Net capex \$37m in Q3 vs. \$154m previous year

Adapting cost structure

- 19 stores consolidated or closed
- Headcount reduced by 213 employees year-to-date

Strong free cash flow

- \$94m in the quarter
- \$143m year-to-date

Strong execution and discipline

Business Highlights, cont'd

Growth

- Rental revenues up 1.7%
- Same store growth 1.8%
- American Equipment Rental acquisition completed

Industrial / non-construction revenues > 35%

- Priority on hiring industrial sales force
- Opened 14 new locations with a bias toward industrial

Solid financial performance

- Operating profit margin of 23.6%
- Adjusted EBITDA margin of 44.1%
- Return on Operating Capital Employed of 20%

Impressive financial performance

Business Highlights, cont'd

Strengthened industrial / non-construction business

- Experienced executive appointed to lead marketing
- Total Control® customer conference held

Streamlined divisional management structure

- Field operations organized in East & West Divisions

Environmental sustainability efforts

- Positive impact on environment, making strong business sense

Continued redeployment of fleet

- From construction markets → non-construction markets
- From low demand areas → high demand areas
- From price competitive areas → price opportunity areas

Investing in the future

Q3 2008 – market indicators

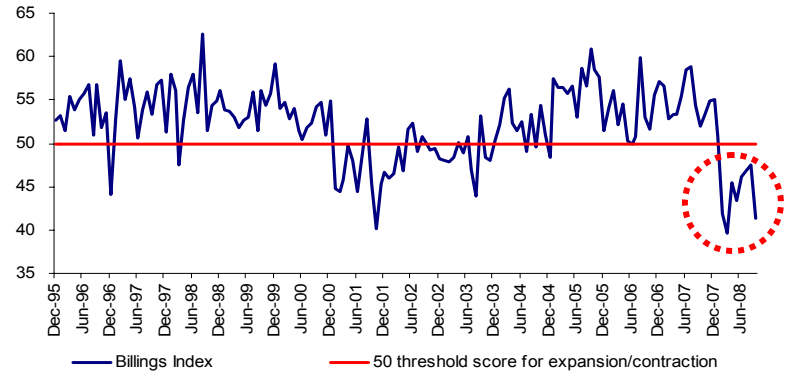
In-Quarter Metrics

Non-residential construction spending growth of 11% (including inflation)

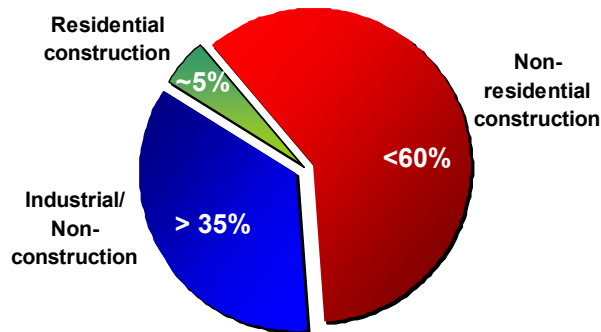
- Slowing experienced and expected to accelerate
- Strength in non-residential and industrial markets; Texas, Midwest, Gulf Coast, Canada
- Continued weakness in housing related markets; Florida, California, Arizona

Industrial capacity utilization of 79%

Sharp Drop-off in ABI Index

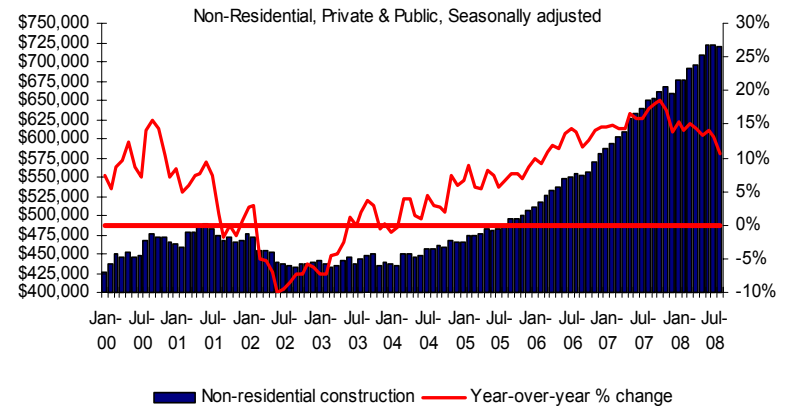


RSC Revenue by End Market



Industrial revenue growth continues to outpace non-residential construction

US Non-residential Construction (Seasonally Adjusted) (\$mm)

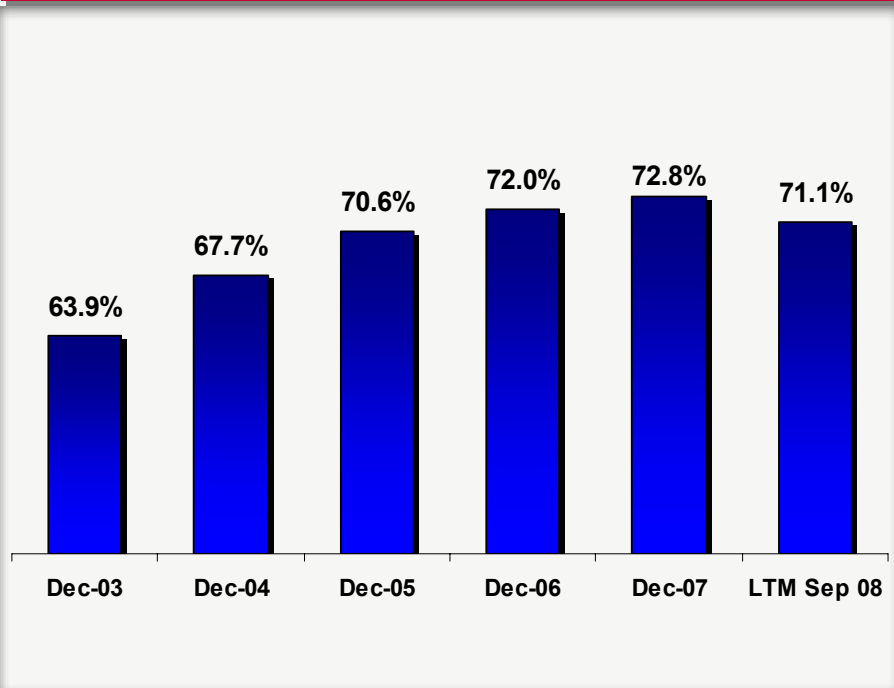


Source: U.S. Dep. of Commerce

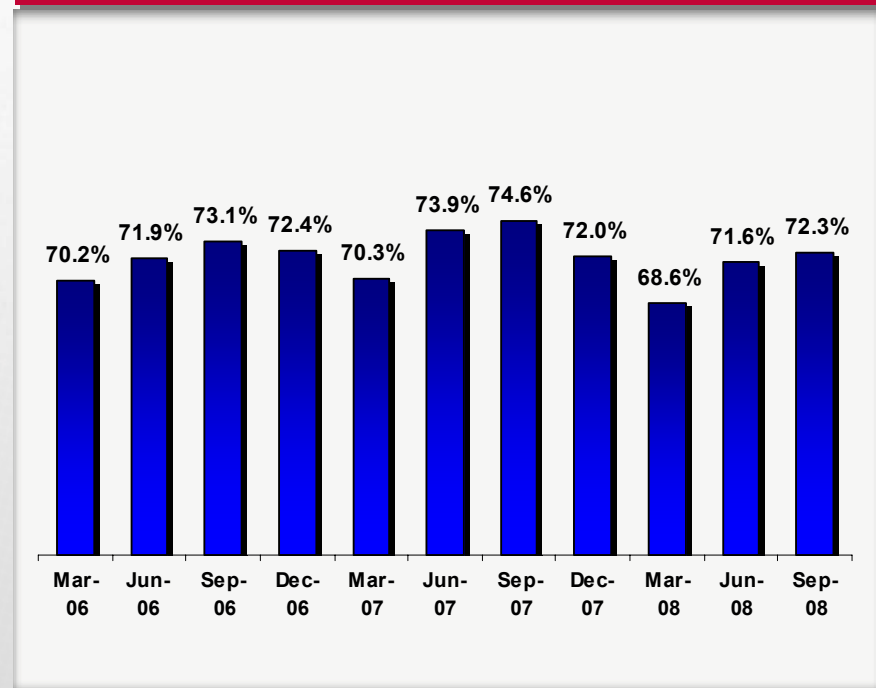
Non-residential construction market ... in midst of a downturn

Utilization

Annual



Quarterly



Continued effective fleet management

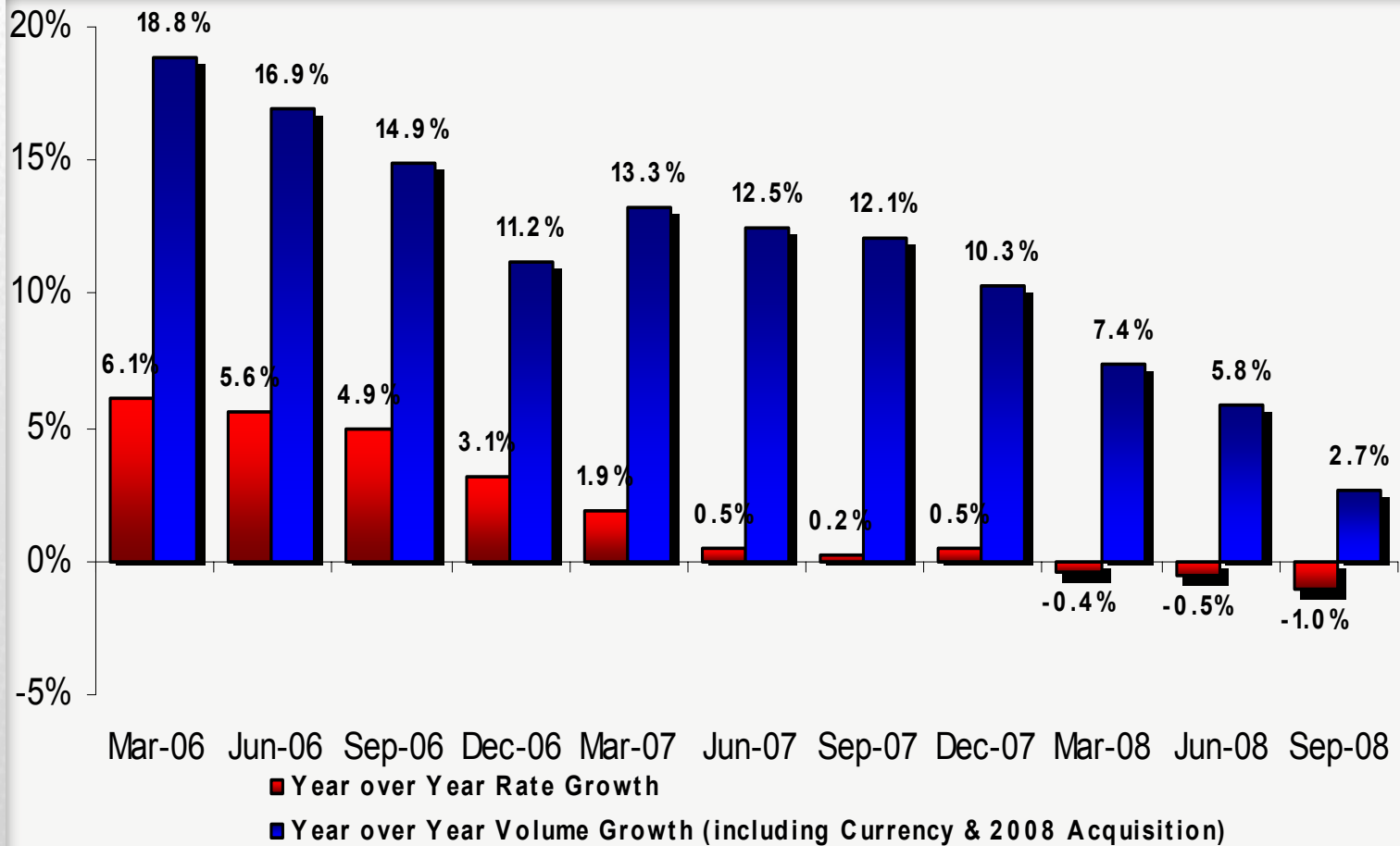
Financial Highlights

US GAAP preliminary unaudited financial information

Dollar amounts presented in millions were derived from exact numbers which may result in minor rounding differences

Rental Revenue

Rate and Volume Development



Disciplined pricing as business slows

Revenues and margins

Margins Remain Solid

\$ in Millions (unaudited)	Q3 2008		YTD 2008	
	Actual	Variance	Actual	Variance
Rental Revenue	419	1.7%	1,196	4.5%
Merchandise Revenue	19	-5.0%	56	-7.8%
Used Equip. Revenue	29	-3.6%	86	-18.8%
Total Revenue	467	1.1%	1,338	2.0%
% Margin on Equip Rental	36.8%	-480 bps	36.3%	-290 bps
% Merchandise Margins	33.8%	-550 bps	37.8%	-160 bps
% Used Equip Margins	30.2%	10 bps	30.1%	100 bps
Gross Profit	169	-10.2%	481	-4.4%
% Total Revenue	36.2%	-460 bps	35.9%	-250 bps

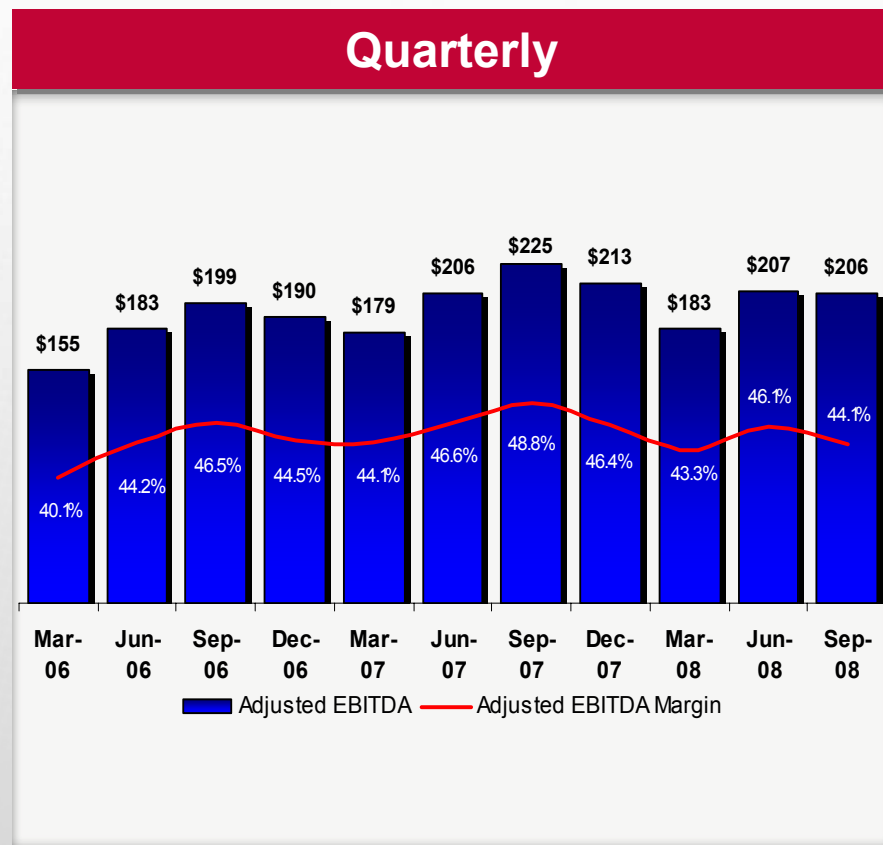
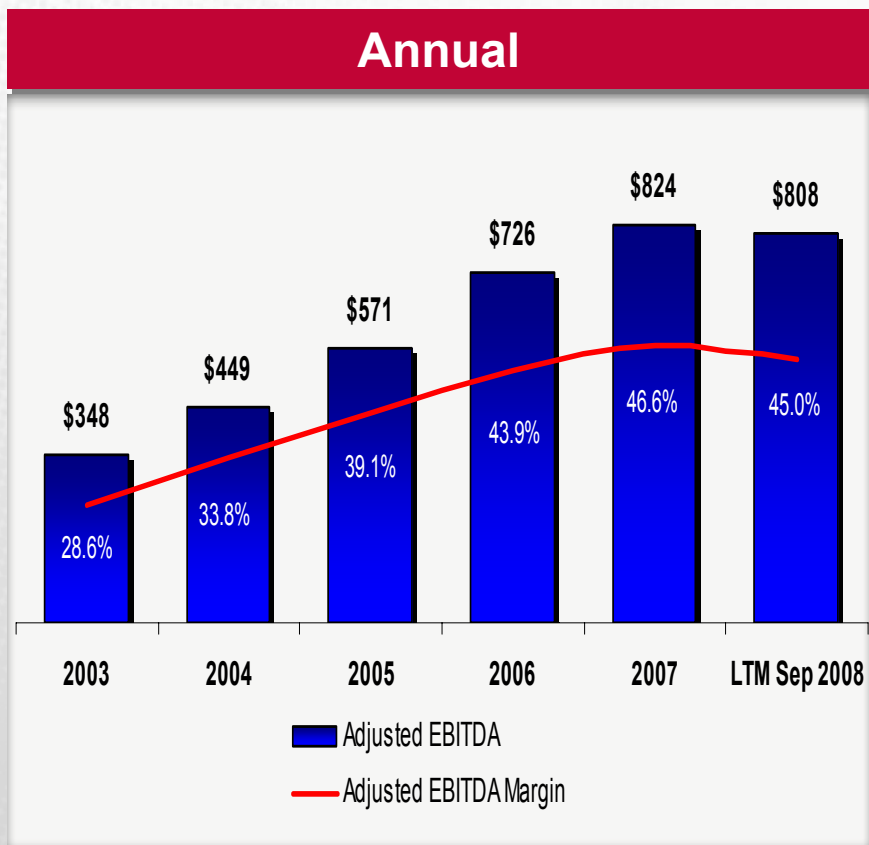
SG&A and DEPS

Strong Performance With Tough Year Over Year Comparisons

\$ in Millions (unaudited)	Q3 2008		YTD 2008	
	Actual	Variance	Actual	Variance
Total Revenue	467	1.1%	1,338	2.0%
SG&A	46	14.3%	128	14.8%
% Total Revenue	9.9%	110 bps	9.5%	100 bps
Non-Rental depr'n & amort	13	6.4%	37	9.0%
Adjusted Operating Exp.	59	12.6%	165	11.2%
% Total Revenue	12.6%	130 bps	12.3%	100 bps
Adjusted operating income	110	-19.0%	316	-10.9%
% Total Revenue	23.6%	-590 bps	23.6%	-340 bps
Adjusted interest expense	48	-17.0%	152	-17.9%
Adjusted net income	42	-10.9%	105	1.4%
Adjusted EBITDA	206	-8.7%	595	-2.6%
% Total Revenue	44.1%	-470 bps	44.5%	-210 bps
Diluted Share Count	103.6		103.8	
DEPS	\$ 0.41		\$ 1.01	

Adjusted EBITDA

(\$ in millions)



Solid profit margins

Free Cash Flow

Strong Underlying Cash Flows

\$ in Millions (unaudited) *	Q3 2008	Q3 2007	YTD 2008	YTD 2007
Net operating profit after tax	\$67	\$83	\$193	\$204
Depreciation and amortization	94	88	277	251
Gain on sales of rental and non-rental PPE net of non-cash writeoffs	(8)	(9)	(24)	(32)
Share-based compensation expense	1	1	3	3
Accounts payable	(25)	49	(107)	123
Other changes in operating assets and liabilities	20	22	13	34
Purchase of replacement rental equipment	(55)	(50)	(157)	(177)
Purchase of property and equipment	(2)	(1)	(12)	(15)
Proceeds from sales of rental equipment	29	30	86	106
Proceeds from sales of property and equipment	1	3	4	10
<i>Net capital expenditures before purchase of growth rental equipment</i>	<i>(26)</i>	<i>(17)</i>	<i>(78)</i>	<i>(76)</i>
Unlevered free cash flow before purchase of growth rental equipment	124	218	276	507
<i>As a % of total revenue</i>	<i>27%</i>	<i>47%</i>	<i>21%</i>	<i>39%</i>
Purchase of growth rental equipment	(11)	(137)	(74)	(339)
<i>Net capital expenditures after purchase of growth rental equipment</i>	<i>(37)</i>	<i>(154)</i>	<i>(152)</i>	<i>(415)</i>
Unlevered free cash flow after purchase of growth rental equipment	113	81	202	167
Leverage and other related activities	(19)	(23)	(59)	(87)
Levered free cash flow after purchase of growth rental equipment	\$94	\$58	\$143	\$81

* See definitions and non-GAAP reconciliation in Appendix

Balance Sheet

Reducing Debt

in \$ Millions (unaudited)	Dec 31, 2006	Mar 31, 2007	Jun 30, 2007	Sep 30, 2007	Dec 31, 2007	Mar 31, 2008	Jun 30, 2008	Sep 30, 2008
Cash and cash equivalents	46	1	3	2	10	1	5	0
Accounts receivable, net	268	259	283	301	285	272	279	292
Inventory	18	18	19	21	22	22	22	22
Rental equipment, net	1,739	1,743	1,873	1,972	1,930	1,904	1,893	1,865
Property and equipment, net	170	182	190	194	192	190	189	182
Goodwill	926	926	926	926	926	926	926	939
Deferred financing costs	68	66	59	58	56	54	51	49
Other assets	90	86	77	81	41	44	34	34
Total assets	3,326	3,281	3,430	3,554	3,460	3,412	3,400	3,383
Accounts payable	296	192	333	389	264	150	182	160
Accrued expenses and other liabilities	164	189	175	218	180	210	162	183
Debt	3,006	3,009	2,746	2,702	2,736	2,775	2,696	2,630
Deferred income taxes	294	298	304	317	324	318	342	347
Total stockholders' equity (deficit)	-435	-408	-129	-73	-44	-42	18	63
Total liabilities and stockholders' equity	3,326	3,281	3,430	3,554	3,460	3,412	3,400	3,383
Leverage ratio (debt divided by LTM Adj. EBITDA)	4.1x	4.0x	3.5x	3.4x	3.3x	3.4x	3.3x	3.3x

Debt Profile

Available Borrowings \$584 million; No Maturities Next 3 Years

Composition

in \$ Millions (unaudited) As of Sept. 30, 2008	Ending Balance	Interest Type ^(a)	Maturity Date
Debt			
Senior ABL revolving credit facility - swaps ^(b)	\$250	Fixed	
Senior ABL revolving credit facility - variable	484	Variable	
Senior ABL revolving credit facility - total	734	Variable	November 30, 2011
Senior ABL term loan ^(c)	245	Variable	November 30, 2012
Senior term facility - swaps ^(d)	500	Fixed	
Senior term facility - swaps ^(e)	200	Fixed	
Senior term facility - variable	199	Variable	
Senior term facility - total	899		November 30, 2013
Capitalized lease obligations	132	Variable	Various
Total secured debt	2,010		
Senior notes	620	Fixed	December 1, 2014
Total debt	\$2,630		
Available borrowings under revolving facility	\$584		

	Ending Balance	As a % of Total Debt
Variable debt	\$1,060	40%
Fixed debt	1,570	60%
Total debt	\$2,630	100%

^(a) Amortization of deferred financing costs included in interest expense in year to date 2008 was \$7.3 million.

^(b) Sw ap expires on 4/5/2010

^(c) Mandatory debt principal repayment of \$2.5 million is required annually.

^(d) Sw ap expires on 10/5/2012

^(e) Sw ap expires on 10/5/2010

Outlook

Near-term Outlook

Outlook For Twelve Months Ending December 31, 2008

(\$ in millions, except EPS and where indicated)	Range
Rental revenue growth %	~ 4%
Total revenue (\$B)	~ \$1.8
Diluted EPS	\$1.27-1.39
Adjusted EBITDA	\$790-810
Net capital expenditures for equipment*	\$140-160
Free cash flow	\$190-210

*does not include property and equipment acquired under capital leases

Focus and Discipline

Surpass customer expectations

- Availability
- Reliability
- Service

Priority on:

- Rental rates
- Utilization
- Profit margins
- Free cash flow

Adapting cost structure

- Raising the bar on lower performing stores

Growing non-construction segment



We deliver more than equipment. We deliver...

- *the right equipment, at the right place, at the right time*
- *quality equipment that is dependable and well maintained*
- *a safety focused, reliable and dedicated team*
- *greater productivity and profits*

...a better way of doing business.

Appendix

LTM Calculations

Income Statement and Adjusted EBITDA

\$ in millions (unaudited)



	Three Months Ended				Twelve Months Ended
	Dec-07	Mar-08	Jun-08	Sep-08	2008
Revenues:					
Equipment rental revenue	\$ 399	\$ 372	\$ 405	\$ 419	\$ 1,595
Sale of merchandise	20	18	19	19	76
Sale of used rental equipment	39	31	25	29	125
Total revenues	<u>458</u>	<u>422</u>	<u>449</u>	<u>467</u>	<u>1,796</u>
Cost of revenues:					
Cost of equipment rentals, excluding depreciation	163	167	173	183	685
Depreciation – rental equipment	79	78	79	82	318
Cost of sales of merchandise	12	11	11	13	47
Cost of rental equipment sales	28	22	17	20	88
Total cost of revenues	<u>282</u>	<u>279</u>	<u>280</u>	<u>298</u>	<u>1,139</u>
Gross profit	<u>177</u>	<u>143</u>	<u>169</u>	<u>169</u>	<u>657</u>
Operating expenses:					
Selling, general, and administrative	44	40	42	46	172
Depreciation and amortization – nonrental equipment and intangibles	12	12	12	13	49
Total operating expenses	<u>56</u>	<u>52</u>	<u>54</u>	<u>59</u>	<u>221</u>
Operating income	<u>120</u>	<u>91</u>	<u>114</u>	<u>110</u>	<u>436</u>
Interest expense, net	58	55	49	48	211
Other expense (income), net	(1)	(1)	(0)	0	(1)
Income before provision for income taxes	<u>63</u>	<u>37</u>	<u>66</u>	<u>62</u>	<u>227</u>
Provision for income taxes	<u>25</u>	<u>14</u>	<u>26</u>	<u>19</u>	<u>84</u>
Net income	<u>\$ 38</u>	<u>\$ 22</u>	<u>\$ 40</u>	<u>\$ 42</u>	<u>\$ 143</u>
Net income					
Net income	\$ 38	\$ 22	\$ 40	\$ 42	\$ 143
Depreciation of rental equipment and depreciation and amortization of non-rental equipment	91	90	92	94	367
Interest expense, net	58	55	49	48	211
Provision for income taxes	25	14	26	19	84
EBITDA	<u>212</u>	<u>182</u>	<u>206</u>	<u>204</u>	<u>805</u>
Adjustments:					
Share-based compensation	1	1	1	1	4
Other income, net	(1)	(1)	(0)	0	(1)
Adjusted EBITDA	<u>\$ 213</u>	<u>\$ 183</u>	<u>\$ 207</u>	<u>\$ 206</u>	<u>\$ 808</u>
<i>(Adjusted EBITDA as a percentage of total revenues)</i>	<i>46.4%</i>	<i>43.3%</i>	<i>46.1%</i>	<i>44.1%</i>	<i>45.0%</i>

Free Cash Flow

Definitions & non-GAAP reconciliation

Terms

Net operating profit after tax^(a)

Purchase of replacement rental equipment^(b)

Purchase of growth rental equipment^(c)

Leverage and other related activities^(d)

Definitions

- (a) Operating Income less imputed tax rate of 39%.
- (b) Rental capital expenditures required to replace the original equipment cost of rental assets that were sold during the period.
- (c) The portion of rental capital expenditures associated with the expansion of our rental fleet
- (d) Interest expense, net; other income, net; amortization of deferred financing costs; deferred income taxes; and the difference between the imputed tax and the provision.

Reconciliation

\$ in millions (unaudited)	Q3 2008	Q3 2007	YTD 2008	YTD 2007
Net cash provided by operating activities	131	212	295	496
Depreciation and amortization	(94)	(88)	(277)	(251)
Gain on sales of rental and non-rental PPE, net of non-cash writeoffs	8	9	24	32
Share-based compensation expense and other non-cash items	(1)	(1)	(3)	(3)
Changes in operating assets and liabilities	5	(72)	94	(157)
Leverage and other related activities	19	23	59	87
Net operating profit after tax	67	83	193	204

2007 Adjusted Net Income

\$ in millions, except share data (unaudited)

	Nine Months Ended Sep. 30, 2007
Operating income	\$335
Monitoring agreement termination fees (a)	20
Adjusted operating income	\$355
<i>(adjusted operating income as a percentage of total revenues)</i>	<i>27.0%</i>
Net income	\$85
Monitoring agreement termination fees (a)	20
Debt repayment costs (b)	10
Tax impact of adjustments	(11)
Adjusted net income	\$103
Weighted average shares outstanding used in computing net income per common share:	
Basic	96,600
Diluted	98,100
Adjusted net income per common share:	
Basic	\$1.07
Diluted	\$1.05

(a) Represents \$20.0 million termination fee paid to Sponsors as a result of terminating our monitoring agreement on the May 29, 2007 closing of our initial public offering.

(b) Represents a \$4.6 million prepayment penalty related to the \$230.7 million repayment of Senior Term Facility debt and the write-off of \$5.0 million of deferred financing costs associated with the repayment.