

**UNITED RENTALS, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Dollars in millions, except per share amounts)

	2009					2010		Percentage/ Percentage Point Change	
						2010	2010	2010 B/(W) 2009	
	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Year	Qtr 1	Qtr 2	Qtr 1	Qtr 2
Revenues:									
Equipment rentals	\$ 448	\$ 454	\$ 478	\$ 450	\$ 1,830	\$ 380	\$ 450	(15.2%)	(0.9%)
Sales of rental equipment	67	84	41	37	229	35	37	(47.8%)	(56.0%)
New equipment sales	23	20	20	23	86	19	21	(17.4%)	5.0%
Contractor supplies sales	32	33	30	26	121	23	26	(28.1%)	(21.2%)
Service and other revenues	24	24	23	21	92	21	23	(12.5%)	(4.2%)
Total revenues	\$ 594	\$ 615	\$ 592	\$ 557	\$ 2,358	\$ 478	\$ 557	(19.5%)	(9.4%)
Cost of revenues:									
Cost of equipment rentals, excluding depreciation	233	221	225	231	910	214	217	8.2%	1.8%
Depreciation of rental equipment	106	110	100	101	417	96	95	9.4%	13.6%
Cost of rental equipment sales	59	92	38	33	222	24	28	59.3%	69.6%
Cost of new equipment sales	20	17	16	20	73	16	18	20.0%	(5.9%)
Cost of contractor supplies sales	23	25	22	19	89	16	19	30.4%	24.0%
Cost of service and other revenues	9	9	11	8	37	9	9	0.0%	0.0%
Total cost of revenues	450	474	412	412	1,748	375	386	16.7%	18.6%
Gross profit	144	141	180	145	610	103	171	(28.5%)	21.3%
Selling, general and administrative expenses	108	101	99	100	408	86	90	20.4%	10.9%
Restructuring charge	4	20	1	6	31	6	6	(50.0%)	70.0%
Non-rental depreciation and amortization	14	15	13	15	57	13	16	7.1%	(6.7%)
Operating income (loss)	18	5	67	24	114	(2)	59	(111.1%)	1080.0%
Interest expense, net	50	42	62	72	226	61	54	(22.0%)	(28.6%)
Interest expense - subordinated convertible debentures, net	2	(10)	2	2	(4)	2	2		
Other (income) expense, net	(1)	2	(1)	(1)	(1)	(1)	-		
(Loss) income from continuing operations before (benefit) provision for income taxes	(33)	(29)	4	(49)	(107)	(64)	3	(93.9%)	110.3%
(Benefit) provision for income taxes	(14)	(12)	4	(25)	(47)	(24)	(9)		
(Loss) income from continuing operations	(19)	(17)	-	(24)	(60)	(40)	12	(110.5%)	170.6%
Loss from discontinued operation, net of taxes	-	-	-	(2)	(2)	-	-		
Net (loss) income	\$ (19)	\$ (17)	\$ -	\$ (26)	\$ (62)	\$ (40)	\$ 12	(110.5%)	170.6%
Weighted average shares - diluted	60.0	60.1	60.7	60.2	60.1	60.2	67.7		
Diluted (loss) earnings per share:									
(Loss) earnings per share from continuing operations	\$ (0.32)	\$ (0.28)	\$ -	\$ (0.39)	\$ (0.98)	\$ (0.67)	\$ 0.18	(109.4%)	164.3%
Loss from discontinued operation	-	-	-	(0.04)	(0.04)	-	-		
Diluted (loss) earnings per share	\$ (0.32)	\$ (0.28)	\$ -	\$ (0.43)	\$ (1.02)	\$ (0.67)	\$ 0.18	(109.4%)	164.3%

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	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Year	Qtr 1	Qtr 2	2010 B/(W) 2009	
								Qtr 1	Qtr 2
Diluted earnings (loss) per share includes the after-tax impacts of the following:									
Gains (losses) on repurchase/redemption of debt securities and retirement of subordinated convertible debentures									
	0.04	0.27	(0.01)	(0.08)	0.19	(0.04)	0.01		
Asset impairment charges (1)	-	(0.09)	-	(0.03)	(0.12)	-	(0.02)		
Restructuring charge (2)	(0.04)	(0.22)	-	(0.07)	(0.29)	(0.06)	(0.06)		
Percent of revenues:									
Selling, general and administrative expenses	18.2	16.4	16.7	18.0	17.3	18.0	16.2	0.2pp	0.2pp
Operating margin	3.0	0.8	11.3	4.3	4.8	(0.4)	10.6	(3.4pp)	9.8pp
(Loss) income from continuing operations before (benefit) provision for income taxes									
	(5.6)	(4.7)	0.7	(8.8)	(4.5)	(13.4)	0.5	(7.8pp)	5.2pp
Net (loss) income	(3.2)	(2.8)	-	(4.3)	(2.5)	(8.4)	2.2	(5.2pp)	5.0pp
Tax rate	42.4	41.4	N/A	51.0	43.9	37.5	N/A		
Gross margin:									
Equipment rentals	24.3	27.1	32.0	26.2	27.5	18.4	30.7	(5.9pp)	3.6pp
Sales of rental equipment	11.9	(9.5)	7.3	10.8	3.1	31.4	24.3	19.5pp	33.8pp
New equipment sales	13.0	15.0	20.0	13.0	15.1	15.8	14.3	2.8pp	(0.7pp)
Contractor supplies sales	28.1	24.2	26.7	26.9	26.4	30.4	26.9	2.3pp	2.7pp
Service and other revenues	62.5	62.5	52.2	61.9	59.8	57.1	60.9	(5.4pp)	(1.6pp)
Total gross margin	24.2	22.9	30.4	26.0	25.9	21.5	30.7	(2.7pp)	7.8pp

(1) Primarily relates to the impact of impairing certain rental equipment and leasehold improvement write-offs.

(2) Relates to branch closure charges and severance costs.

**UNITED RENTALS, INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(In millions, except share data)

	<u>March 31, 2009</u>	<u>June 30, 2009</u>	<u>September 30, 2009</u>	<u>December 31, 2009</u>	<u>March 31, 2010</u>	<u>June 30, 2010</u>
<b>ASSETS</b>						
Cash and cash equivalents	\$ 96	\$ 125	\$ 149	\$ 169	\$ 20	\$ 30
Accounts receivable, net of allowance for doubtful accounts	359	375	369	337	320	344
Inventory	59	55	52	44	46	60
Prepaid expenses and other assets	33	36	35	89	56	40
Deferred taxes	75	74	74	66	69	57
<b>Total current assets</b>	<b>622</b>	<b>665</b>	<b>679</b>	<b>705</b>	<b>511</b>	<b>531</b>
Rental equipment, net	2,620	2,522	2,488	2,414	2,347	2,334
Property and equipment, net	444	434	433	434	428	417
Goodwill and other intangible assets, net	229	230	232	231	230	227
Other long-term assets	62	67	63	75	68	65
<b>Total assets</b>	<b>\$ 3,977</b>	<b>\$ 3,918</b>	<b>\$ 3,895</b>	<b>\$ 3,859</b>	<b>\$ 3,584</b>	<b>\$ 3,574</b>
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>						
Current maturities of long-term debt	\$ 11	\$ 9	\$ 9	\$ 125	\$ 124	\$ 124
Accounts payable	154	144	143	128	138	188
Accrued expenses and other liabilities	191	196	215	208	219	195
<b>Total current liabilities</b>	<b>356</b>	<b>349</b>	<b>367</b>	<b>461</b>	<b>481</b>	<b>507</b>
Long-term debt	3,075	3,042	2,969	2,826	2,582	2,587
Subordinated convertible debentures	146	124	124	124	124	124
Deferred taxes	410	407	414	424	405	369
Other long-term liabilities	46	42	39	43	40	37
<b>Total liabilities</b>	<b>4,033</b>	<b>3,964</b>	<b>3,913</b>	<b>3,878</b>	<b>3,632</b>	<b>3,624</b>
Common stock \$.01 par value, 500,000,000 shares authorized	1	1	1	1	1	1
Additional paid-in-capital	467	468	469	487	487	489
Accumulated deficit	(531)	(548)	(548)	(574)	(614)	(602)
Accumulated other comprehensive income	7	33	60	67	78	62
<b>Total stockholders' deficit</b>	<b>(56)</b>	<b>(46)</b>	<b>(18)</b>	<b>(19)</b>	<b>(48)</b>	<b>(50)</b>
<b>Total liabilities and stockholders' deficit</b>	<b>\$ 3,977</b>	<b>\$ 3,918</b>	<b>\$ 3,895</b>	<b>\$ 3,859</b>	<b>\$ 3,584</b>	<b>\$ 3,574</b>

**UNITED RENTALS, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(In millions)

	<u>Full Year 2009</u>	<u>June YTD 2009</u>	<u>June YTD 2010</u>
<b>Cash Flows From Operating Activities:</b>			
Net loss	\$ (60)	\$ (36)	\$ (28)
Adjustments to reconcile net loss to net cash provided by operating activities:			
Depreciation and amortization	474	245	220
Amortization of deferred financing costs and original issue discounts	17	8	11
Gain on sales of rental equipment	(7)	-	(20)
Loss (gain) on sales of non-rental equipment	1	1	(1)
Restructuring charge	31	24	12
Stock compensation expense, net	8	4	4
(Gain) loss on repurchase/redemption of debt securities	(7)	(17)	3
Gain on retirement of subordinated convertible debentures	(13)	(13)	-
Increase (decrease) in deferred taxes	4	(7)	(47)
Changes in operating assets and liabilities:			
Decrease (increase) in accounts receivable	128	83	(7)
Decrease (increase) in inventory	16	4	(16)
(Increase) decrease in prepaid expenses and other assets	(39)	9	55
(Decrease) increase in accounts payable	(32)	(14)	61
Decrease in accrued expenses and other liabilities	(83)	(86)	(28)
Net cash provided by operating activities	<u>438</u>	<u>205</u>	<u>219</u>
<b>Cash Flows From Investing Activities:</b>			
Purchases of rental equipment	(260)	(138)	(174)
Purchases of non-rental equipment	(51)	(26)	(12)
Proceeds from sales of rental equipment	229	151	72
Proceeds from sales of non-rental equipment	13	8	3
Purchases of other companies	(25)	(1)	-
Net cash used in investing activities	<u>(94)</u>	<u>(6)</u>	<u>(111)</u>
<b>Cash Flows From Financing Activities:</b>			
Proceeds from debt	3,452	1,520	1,090
Payments of debt	(3,658)	(1,661)	(1,332)
Payments of financing costs	(33)	(14)	-
Shares repurchased and retired	(1)	-	(1)
Excess tax benefits from share-based payment arrangements, net	(2)	(1)	(1)
Cash paid in connection with convertible note hedge transactions	(26)	-	-
Net cash used in financing activities	<u>(268)</u>	<u>(156)</u>	<u>(244)</u>
Effect of foreign exchange rates	16	5	(3)
Net increase (decrease) in cash and cash equivalents	92	48	(139)
Cash and cash equivalents at beginning of period	<u>77</u>	<u>77</u>	<u>169</u>
Cash and cash equivalents at end of period	<u>\$ 169</u>	<u>\$ 125</u>	<u>\$ 30</u>
<b>Supplemental disclosure of cash flow information:</b>			
Cash (paid) received for income taxes, net	\$ (3)	\$ 4	\$ 50

Note: Certain reclasses have been made to conform to current period financial statement presentation.