

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

	2008					2009					Percentage/ Percentage Point Change 2009 B/(W) 2008				
	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Year	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Year	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Year
	Revenues:														
Equipment rentals	\$ 578	\$ 628	\$ 684	\$ 606	\$ 2,496	\$ 448	\$ 454	\$ 478	\$ 450	\$ 1,830	(22.5%)	(27.7%)	(30.1%)	(25.7%)	(26.7%)
Sales of rental equipment	66	68	56	74	264	67	84	41	37	229	1.5	23.5	(26.8)	(50.0)	(13.3)
New equipment sales	42	46	49	42	179	23	20	20	23	86	(45.2)	(56.5)	(59.2)	(45.2)	(52.0)
Contractor supplies sales	56	59	54	43	212	32	33	30	26	121	(42.9)	(44.1)	(44.4)	(39.5)	(42.9)
Service and other revenues	30	30	30	26	116	24	24	23	21	92	(20.0)	(20.0)	(23.3)	(19.2)	(20.7)
Total revenues	\$ 772	\$ 831	\$ 873	\$ 791	\$ 3,267	\$ 594	\$ 615	\$ 592	\$ 557	\$ 2,358	(23.1)	(26.0)	(32.2)	(29.6)	(27.8)
Cost of revenues:															
Cost of equipment rentals, excluding depreciation	276	290	289	282	1,137	233	221	225	231	910	15.6	23.8	22.1	18.1	20.0
Depreciation of rental equipment	108	111	115	121	455	106	110	100	101	417	1.9	0.9	13.0	16.5	8.4
Cost of rental equipment sales	49	48	38	63	198	59	92	38	33	222	(20.4)	(91.7)	-	47.6	(12.1)
Cost of new equipment sales	34	39	41	37	151	20	17	16	20	73	41.2	56.4	61.0	45.9	51.7
Cost of contractor supplies sales	44	45	41	32	162	23	25	22	19	89	47.7	44.4	46.3	40.6	45.1
Cost of service and other revenues	12	12	13	9	46	9	9	11	8	37	25.0	25.0	15.4	11.1	19.6
Total cost of revenues	523	545	537	544	2,149	450	474	412	412	1,748	14.0	13.0	23.3	24.3	18.7
Gross profit	249	286	336	247	1,118	144	141	180	145	610	(42.2)	(50.7)	(46.4)	(41.3)	(45.4)
Selling, general and administrative expenses	129	128	132	120	509	108	101	99	100	408	16.3	21.1	25.0	16.7	19.8
Restructuring charge	3	1	2	14	20	4	20	1	6	31	(33.3)	(1,900.0)	50.0	57.1	(55.0)
Charge relating to settlement of SEC inquiry	-	14	-	-	14	-	-	-	-	-					
Goodwill impairment charge	-	-	-	1,147	1,147	-	-	-	-	-					
Non-rental depreciation and amortization	15	15	14	14	58	14	15	13	15	57	6.7	-	7.1	(7.1)	1.7
Operating income (loss)	102	128	188	(1,048)	(630)	18	5	67	24	114	(82.4)	(96.1)	(64.4)	N/A	N/A
Interest expense, net	41	48	70	15	174	50	42	62	72	226	(22.0)	12.5	11.4	(380.0)	(29.9)
Interest expense - subordinated convertible debentures, net	2	3	2	2	9	2	(10)	2	2	(4)					
Other (income) expense, net	-	1	(1)	-	-	(1)	2	(1)	(1)	(1)					
Income (loss) from continuing operations before provision (benefit) for income taxes	59	76	117	(1,065)	(813)	(33)	(29)	4	(49)	(107)	(155.9)	(138.2)	(96.6)	N/A	N/A
Provision (benefit) for income taxes	21	39	43	(212)	(109)	(14)	(12)	4	(25)	(47)					
Income (loss) from continuing operations	38	37	74	(853)	(704)	(19)	(17)	-	(24)	(60)	(150.0)	(145.9)	(100.0)	N/A	N/A
Loss from discontinued operation, net of taxes	-	-	-	-	-	-	-	-	(2)	(2)					
Net income (loss)	\$ 38	\$ 37	\$ 74	\$ (853)	\$ (704)	\$ (19)	\$ (17)	\$ -	\$ (26)	\$ (62)	(150.0)	(145.9)	(100.0)	N/A	N/A
Preferred stock redemption charge	\$ -	\$ (239)	\$ -	\$ -	\$ (239)	\$ -	\$ -	\$ -	\$ -	\$ -					
Net income (loss) available to common stockholders	\$ 38	\$ (202)	\$ 76	\$ (853)	\$ (943)	\$ (19)	\$ (17)	\$ -	\$ (26)	\$ (62)					
Weighted average shares - diluted	110.8	86.4	77.4	59.9	74.7	60.0	60.1	60.7	60.2	60.1					
Diluted earnings (loss) per share:															
Earnings (loss) per share from continuing operations (inclusive of preferred stock redemption charge)	\$ 0.34	\$ (2.33)	\$ 0.98	\$ (14.25)	\$ (12.62)	\$ (0.32)	\$ (0.28)	\$ -	\$ (0.39)	\$ (0.98)	N/A	N/A	N/A	N/A	N/A
Loss from discontinued operation	-	-	-	-	-	-	-	-	(0.04)	(0.04)					
Diluted earnings (loss) per share	\$ 0.34	\$ (2.33)	\$ 0.98	\$ (14.25)	\$ (12.62)	\$ (0.32)	\$ (0.28)	\$ -	\$ (0.43)	\$ (1.02)	N/A	N/A	N/A	N/A	N/A

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(Dollars in millions, except per share amounts)

	2008					2009					Percentage/ Percentage Point Change 2009 B/(W) 2008				
	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Year	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Year	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Year
	Diluted earnings (loss) per share includes the after-tax impacts of the following:														
Goodwill impairment charge (1)	-	-	-	(15.21)	(12.19)	-	-	-	-	-					
Gains (losses) on repurchase of debt securities and retirement of subordinated convertible debentures	-	-	(0.03)	0.44	0.32	0.04	0.27	(0.01)	(0.08)	0.19					
Asset impairment charges (2)	-	-	-	(0.08)	(0.06)	-	(0.09)	-	(0.03)	(0.12)					
Foreign tax credit valuation allowance and other (3)	-	(0.09)	-	-	(0.10)	-	-	-	-	-					
Charge related to settlement of SEC inquiry	-	(0.16)	-	-	(0.19)	-	-	-	-	-					
Restructuring charge (4)	(0.02)	(0.01)	(0.01)	(0.14)	(0.17)	(0.04)	(0.22)	-	(0.07)	(0.29)					
Preferred stock redemption charge (5)	-	(2.76)	-	-	(3.19)	-	-	-	-	-					
Percent of revenues:															
Selling, general and administrative expenses	16.7	15.4	15.1	15.2	15.6	18.2	16.4	16.7	18.0	17.3	(1.5pp)	(1.0pp)	(1.6pp)	(2.8pp)	(1.7pp)
Operating margin	13.2	15.4	21.5	N/A	N/A	3.0	0.8	11.3	4.3	4.8	(10.2pp)	(14.6pp)	(10.2pp)	N/A	N/A
Income (loss) from continuing operations before provision (benefit) for income taxes	7.6	9.1	13.4	N/A	N/A	(5.6)	(4.7)	0.7	(8.8)	(4.5)	(13.2pp)	(13.8pp)	(12.7pp)	N/A	N/A
Net income (loss)	4.9	4.5	8.5	N/A	N/A	(3.2)	(2.8)	-	(4.3)	(2.5)	(8.1pp)	(7.3pp)	(8.5pp)	N/A	N/A
Tax rate	35.6	51.3	36.8	19.9	13.4	42.4	41.4	N/A	51.0	43.9					
Gross margin:															
Equipment rentals	33.6	36.1	40.9	33.5	36.2	24.3	27.1	32.0	26.2	27.5	(9.3pp)	(9.0pp)	(8.9pp)	(7.3pp)	(8.7pp)
Sales of rental equipment	25.8	29.4	32.1	14.9	25.0	11.9	(9.5)	7.3	10.8	3.1	(13.9pp)	(38.9pp)	(24.8pp)	(4.1pp)	(21.9pp)
New equipment sales	19.0	15.2	16.3	11.9	15.6	13.0	15.0	20.0	13.0	15.1	(6.0pp)	(0.2pp)	3.7pp	1.1pp	(0.5pp)
Contractor supplies sales	21.4	23.7	24.1	25.6	23.6	28.1	24.2	26.7	26.9	26.4	6.7pp	0.5pp	2.6pp	1.3pp	2.8pp
Service and other revenues	60.0	60.0	56.7	65.4	60.3	62.5	62.5	52.2	61.9	59.8	2.5pp	2.5pp	(4.5pp)	(3.5pp)	(0.5pp)
Total gross margin	32.3	34.4	38.5	31.2	34.2	24.2	22.9	30.4	26.0	25.9	(8.1pp)	(11.5pp)	(8.1pp)	(5.2pp)	(8.3pp)

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

(1) Represents a non-cash goodwill impairment charge related to certain reporting units within the general rental segment. The charge reflected the challenges of the construction cycle, as well as the broader economic and credit environment. Substantially all of the impairment charge relates to goodwill arising out of acquisitions made between 1997 and 2000.

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

(3) Primarily relates to the establishment of a valuation allowance related to certain foreign tax credits that, as a result of the preferred stock redemption, were no longer expected to be realized.

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

(5) Relates to the company's June 2008 repurchase of all of its outstanding Series C and D preferred stock and reduces income available to common stockholders for EPS purposes but does not affect net income (loss).

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

	<u>March 31, 2008</u>	<u>June 30, 2008</u>	<u>September 30, 2008</u>	<u>December 31, 2008</u>	<u>March 31, 2009</u>	<u>June 30, 2009</u>	<u>September 30, 2009</u>	<u>December 31, 2009</u>
<b>ASSETS</b>								
Cash and cash equivalents	\$ 515	\$ 80	\$ 66	\$ 77	\$ 96	\$ 125	\$ 149	\$ 169
Accounts receivable, net of allowance for doubtful accounts	452	478	507	454	359	375	369	337
Inventory	95	94	78	59	59	55	52	44
Prepaid expenses and other assets	54	72	50	37	33	36	35	89
Deferred taxes	74	44	80	76	75	74	74	66
<b>Total current assets</b>	<b>1,190</b>	<b>768</b>	<b>781</b>	<b>703</b>	<b>622</b>	<b>665</b>	<b>679</b>	<b>705</b>
Rental equipment, net	2,796	2,936	2,927	2,746	2,620	2,522	2,488	2,414
Property and equipment, net	440	434	440	447	444	434	433	434
Goodwill and other intangible assets, net	1,396	1,395	1,393	229	229	230	232	231
Other long-term assets	50	76	71	66	62	67	63	75
<b>Total assets</b>	<b>\$ 5,872</b>	<b>\$ 5,609</b>	<b>\$ 5,612</b>	<b>\$ 4,191</b>	<b>\$ 3,977</b>	<b>\$ 3,918</b>	<b>\$ 3,895</b>	<b>\$ 3,859</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)</b>								
Current maturities of long-term debt	\$ 157	\$ 12	\$ 11	\$ 13	\$ 11	\$ 9	\$ 9	\$ 125
Accounts payable	275	311	211	157	154	144	143	128
Accrued expenses and other liabilities	216	262	246	257	191	196	215	208
<b>Total current liabilities</b>	<b>648</b>	<b>585</b>	<b>468</b>	<b>427</b>	<b>356</b>	<b>349</b>	<b>367</b>	<b>461</b>
Long-term debt	2,413	2,837	3,433	3,186	3,075	3,042	2,969	2,826
Subordinated convertible debentures	146	146	146	146	146	124	124	124
Deferred taxes	559	562	631	414	410	407	414	424
Other long-term liabilities	64	65	59	47	46	42	39	43
<b>Total liabilities</b>	<b>3,830</b>	<b>4,195</b>	<b>4,737</b>	<b>4,220</b>	<b>4,033</b>	<b>3,964</b>	<b>3,913</b>	<b>3,878</b>
Preferred stock	-	-	-	-	-	-	-	-
Common stock \$.01 par value, 500,000,000 shares authorized	1	1	1	1	1	1	1	1
Additional paid-in-capital	1,495	1,062	465	466	467	468	469	487
Retained earnings (accumulated deficit)	469	267	341	(512)	(531)	(548)	(548)	(574)
Accumulated other comprehensive income	77	84	68	16	7	33	60	67
<b>Total stockholders' equity (deficit)</b>	<b>2,042</b>	<b>1,414</b>	<b>875</b>	<b>(29)</b>	<b>(56)</b>	<b>(46)</b>	<b>(18)</b>	<b>(19)</b>
<b>Total liabilities and stockholders' equity (deficit)</b>	<b>\$ 5,872</b>	<b>\$ 5,609</b>	<b>\$ 5,612</b>	<b>\$ 4,191</b>	<b>\$ 3,977</b>	<b>\$ 3,918</b>	<b>\$ 3,895</b>	<b>\$ 3,859</b>

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

	<b>Year Ended December 31,</b>	
	<b>2008</b>	<b>2009</b>
<b>Cash Flows From Operating Activities:</b>		
Net loss	\$ (704)	\$ (60)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	513	474
Amortization and write-off of deferred financing and related costs	16	17
Gain on sales of rental equipment	(66)	(7)
(Gain) loss on sales of non-rental equipment	(3)	1
Goodwill impairment charge	1,147	-
Foreign currency transaction loss	1	-
Non-cash adjustments to equipment	-	3
Stock compensation expense, net	6	8
Restructuring charge	20	31
Gain on repurchase of debt securities	(41)	(7)
Gain on retirement of subordinated convertible debentures	-	(13)
(Decrease) increase in deferred taxes	(129)	4
Changes in operating assets and liabilities:		
Decrease in accounts receivable	51	128
Decrease in inventory	31	16
Decrease (increase) in prepaid expenses and other assets	30	(39)
Decrease in accounts payable	(34)	(32)
Decrease in accrued expenses and other liabilities	(74)	(86)
Net cash provided by operating activities	764	438
<b>Cash Flows From Investing Activities:</b>		
Purchases of rental equipment	(624)	(260)
Purchases of non-rental equipment	(80)	(51)
Proceeds from sales of rental equipment	264	229
Proceeds from sales of non-rental equipment	11	13
Purchases of other companies	(17)	(25)
Net cash used in investing activities	(446)	(94)
<b>Cash Flows From Financing Activities:</b>		
Proceeds from debt	2,004	3,452
Payments of debt	(1,725)	(3,658)
Payments of financing costs	(32)	(33)
Proceeds from sale of common stock options	3	-
Repurchase of common stock, including fees	(603)	-
Shares repurchased and retired	(2)	(1)
Excess tax benefits from share-based payment arrangements	-	(2)
Cash paid in connection with convertible note hedge transactions	-	(26)
Cash paid in connection with preferred stock redemption, including fees	(257)	-
Net cash used in financing activities	(612)	(268)
Effect of foreign exchange rates	(10)	16
Net (decrease) increase in cash and cash equivalents	(304)	92
Cash and cash equivalents at beginning of period	381	77
Cash and cash equivalents at end of period	\$ 77	\$ 169

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