

Uncovering the Access Rental Market

Scott Hazelton

Director, Construction Advisory Services

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A Groundbreaking Study on Access Equipment

- International cooperation between IPAF, the American Rental Association (ARA) and the European Rental Association (ERA)
- Primary research (survey) collected, screened and used to gather information not previously understood
- Synthesis of primary research with government published data to achieve detailed results with reliable benchmarks
- Statistical analysis utilized to extend estimated history to create forecast information
- The resulting report highlights the differing size, growth and outlook of key MEWP industry concepts across countries
- Process is duplicable and scalable to regularly monitor the state of the industry and its outlook

A Groundbreaking Study on Access Equipment

THE POWER OF PERSPECTIVE

The International Powered Access Federation

**A Survey-Based Analysis of the Size of the
Aerial Work Platform Rental Market in the United States**

A REPORT FOR:

The International Powered Access Federation



PREPARED BY:

IHS Global Insight
Consulting Services Division



THE POWER OF PERSPECTIVE

The International Powered Access Federation

**A Survey-Based Analysis of the Size of the
Mobile Elevating Platform Rental Market in Europe**

A REPORT FOR:

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PREPARED BY:

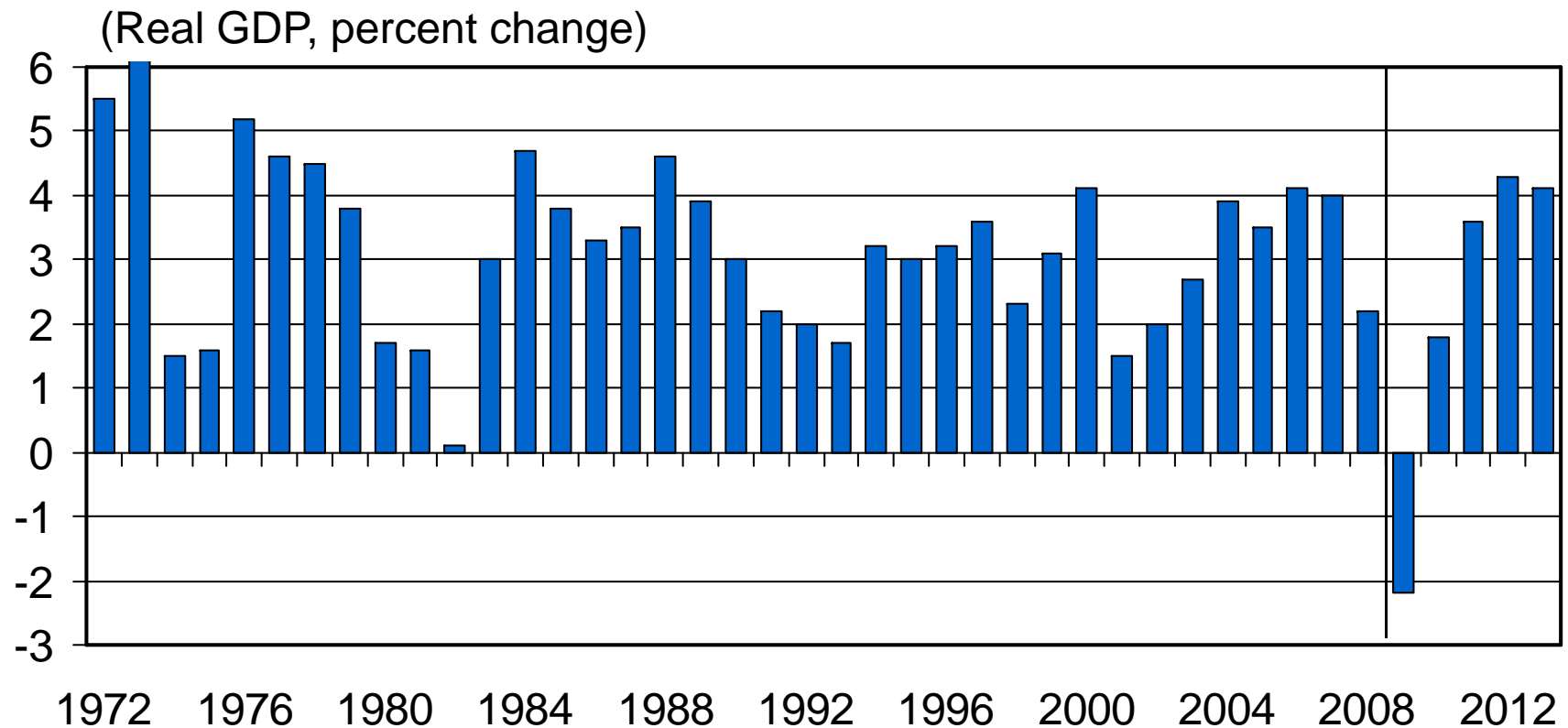
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Report Dimensions

- Analysis for 11 individual countries: Belgium, Denmark, Finland, France, Germany, Italy, Netherlands, Norway, Spain, Sweden, United Kingdom
- Estimates and forecast for key industry data:
 - Current and forecast market size
 - Key market drivers
 - MEWP investment levels
 - Average fleet age
 - Sales penetration
 - MEWP rental related employment
 - Usage rate of MEWP in construction

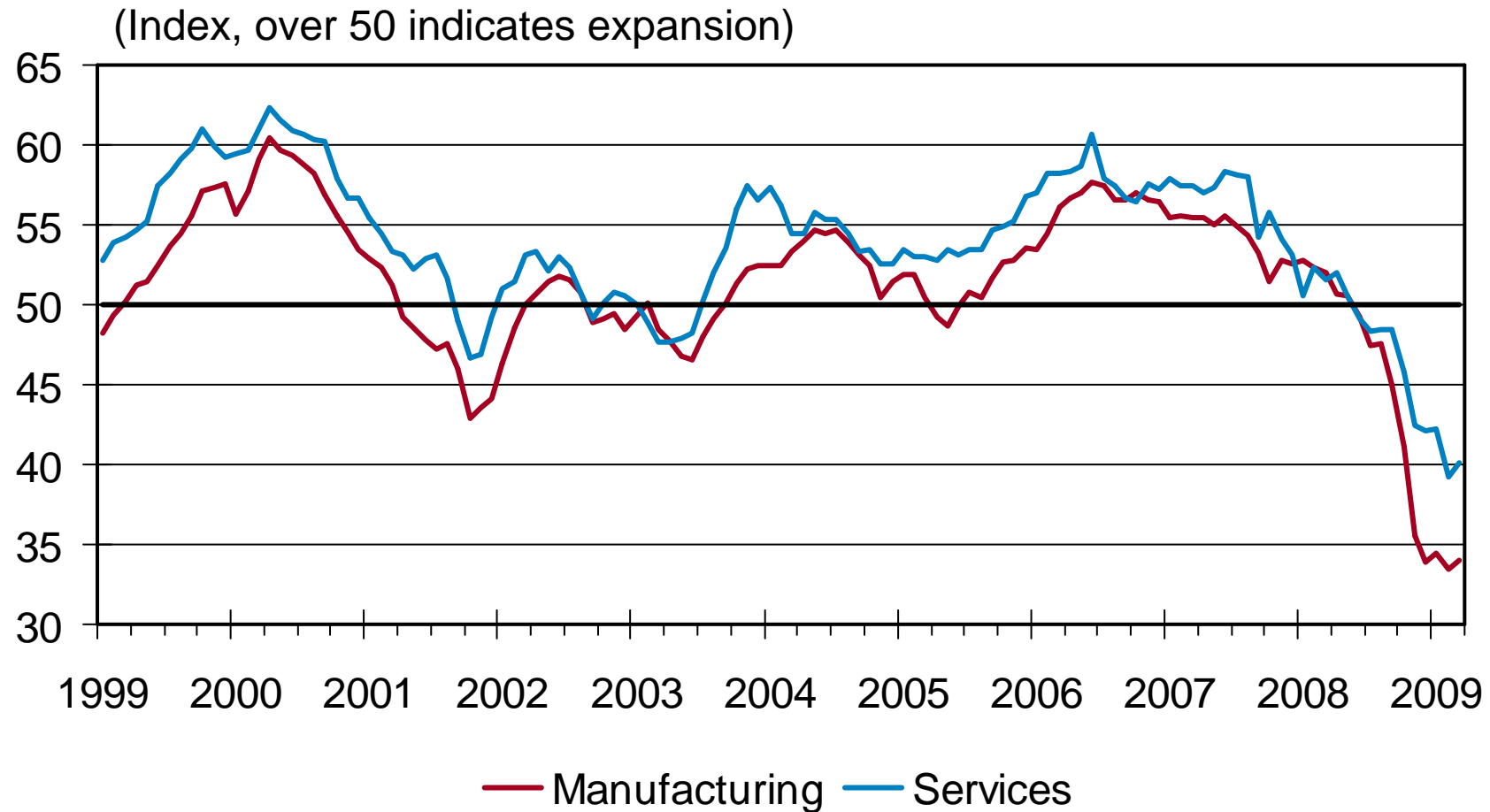
The Access Market Is Operating With World Economy in Recession



Western Europe In Particular Faces a Long Recession

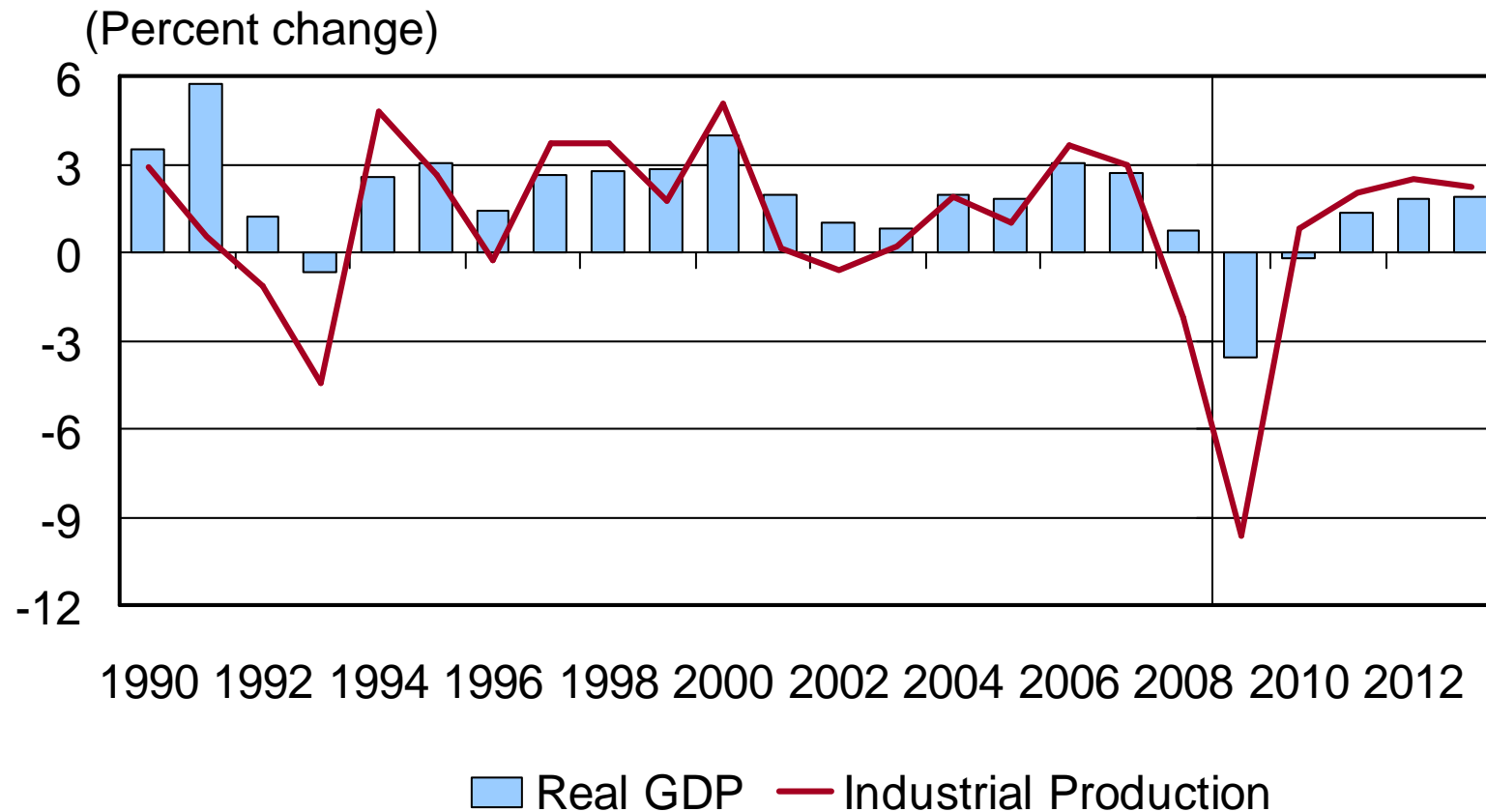
- The global financial crisis has hit Europe hard, reflecting banks' high leverage and exposure to subprime securities
- Housing markets downturns are affecting Spain, U.K., Ireland; to a lesser extent, France, Netherlands, Belgium, Denmark
- Consumer spending and business investment are weakening
- Limits on long-term growth—demographics, policy
- North/South divide in competitiveness and risk

Eurozone Purchasing Manager Surveys Signal a Sharp Downturn

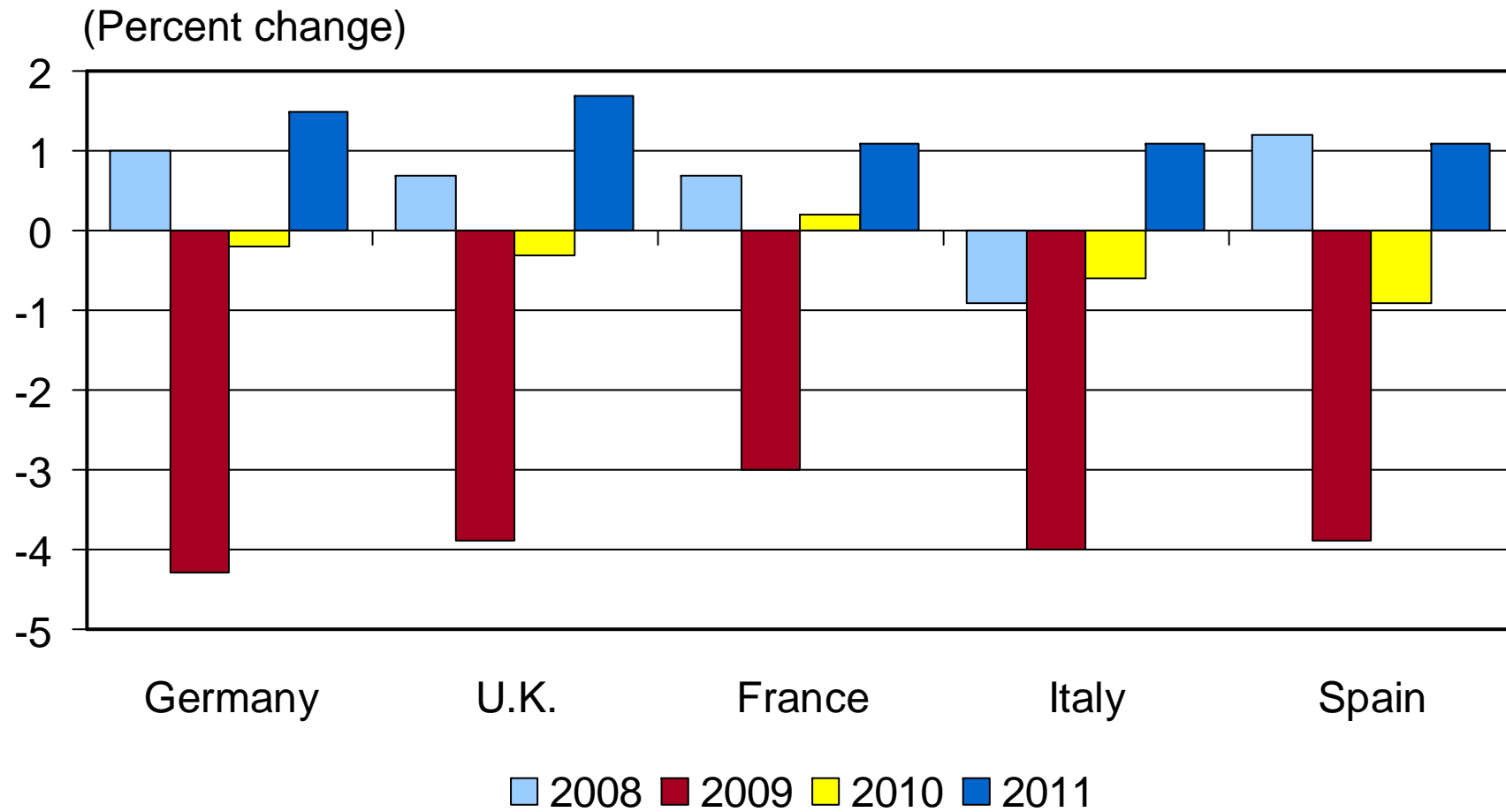


Source: Royal Bank of Scotland/NTC Research

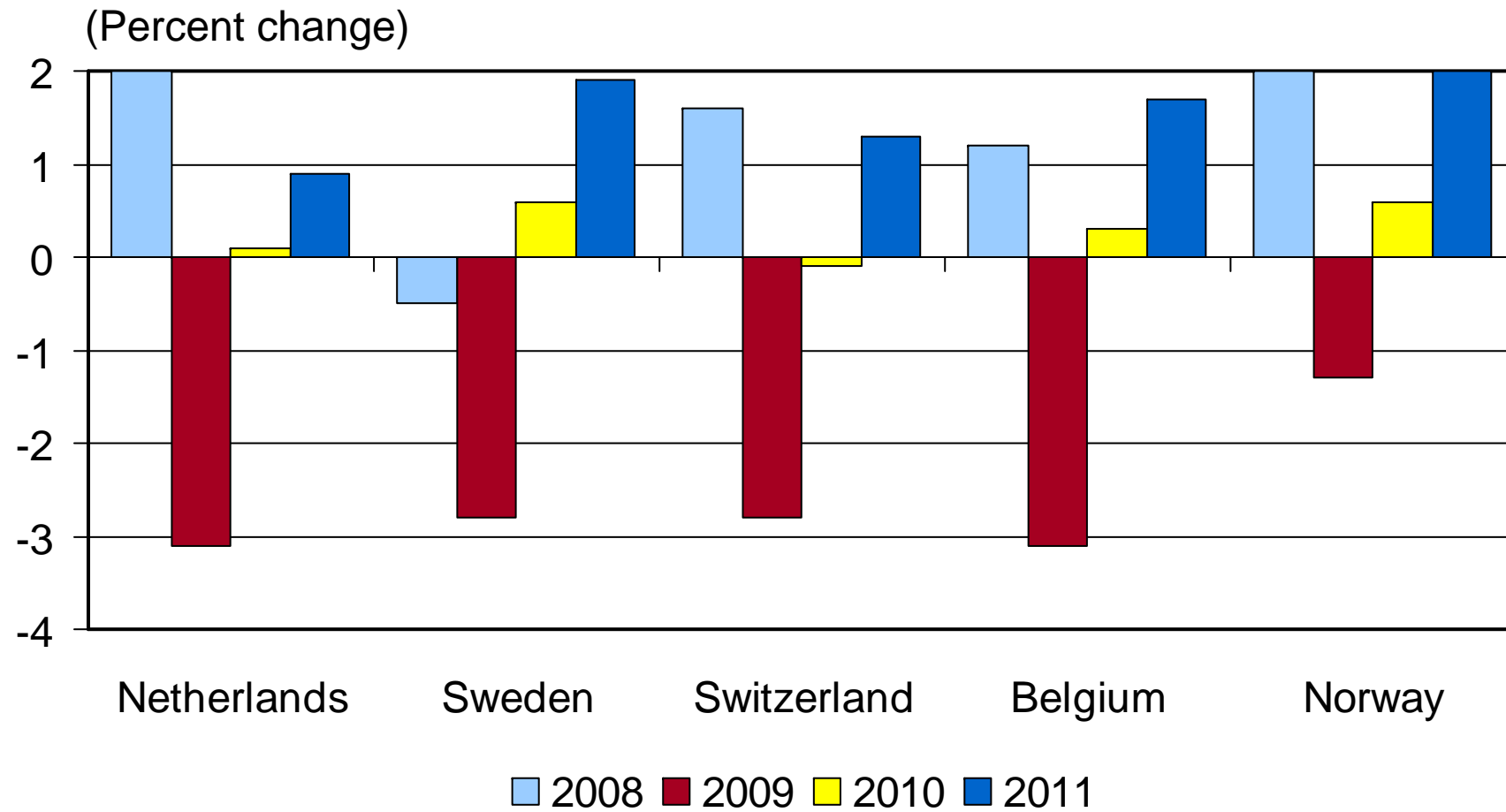
The Eurozone's Economic Growth



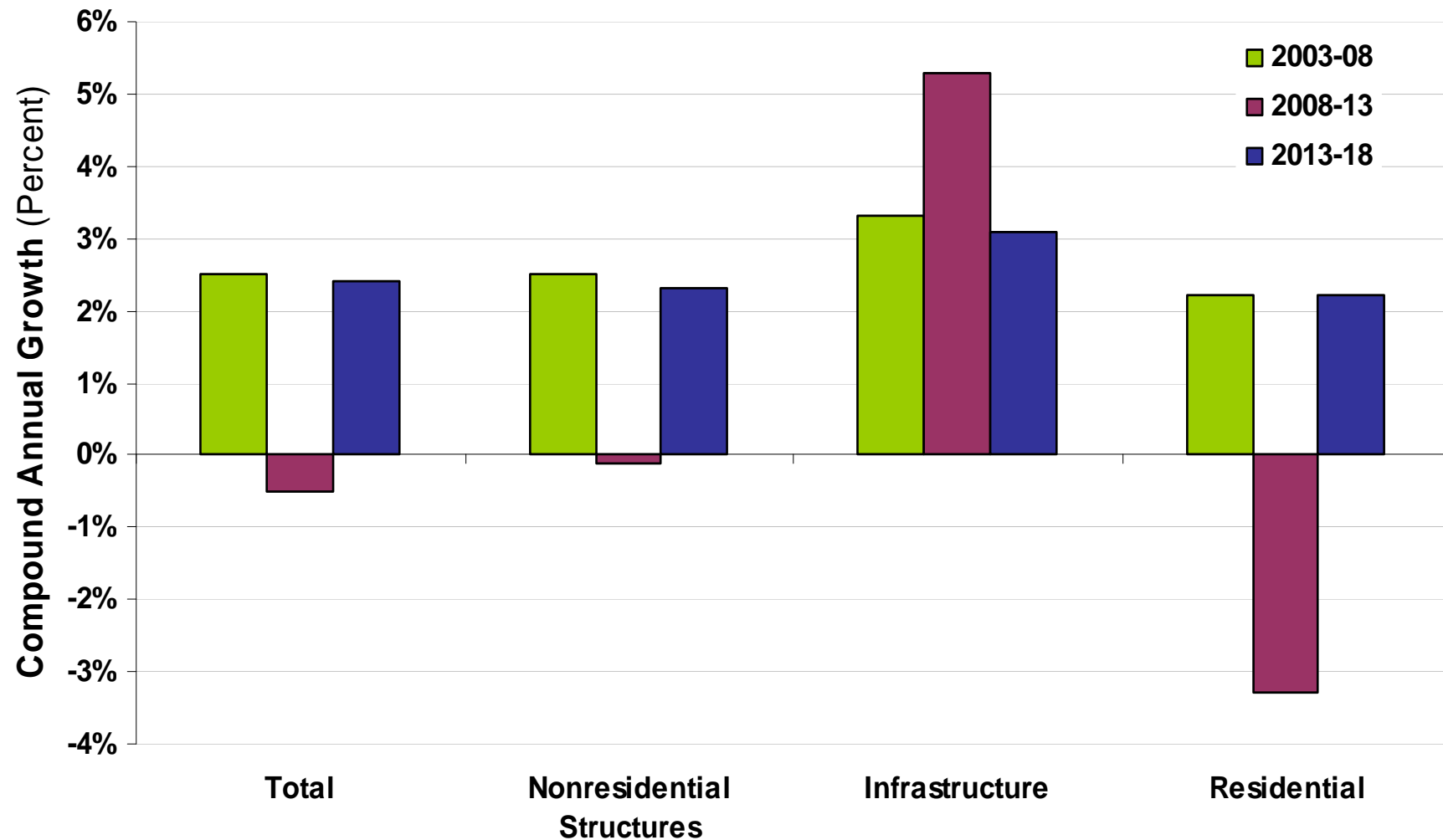
Real GDP Growth in Western Europe



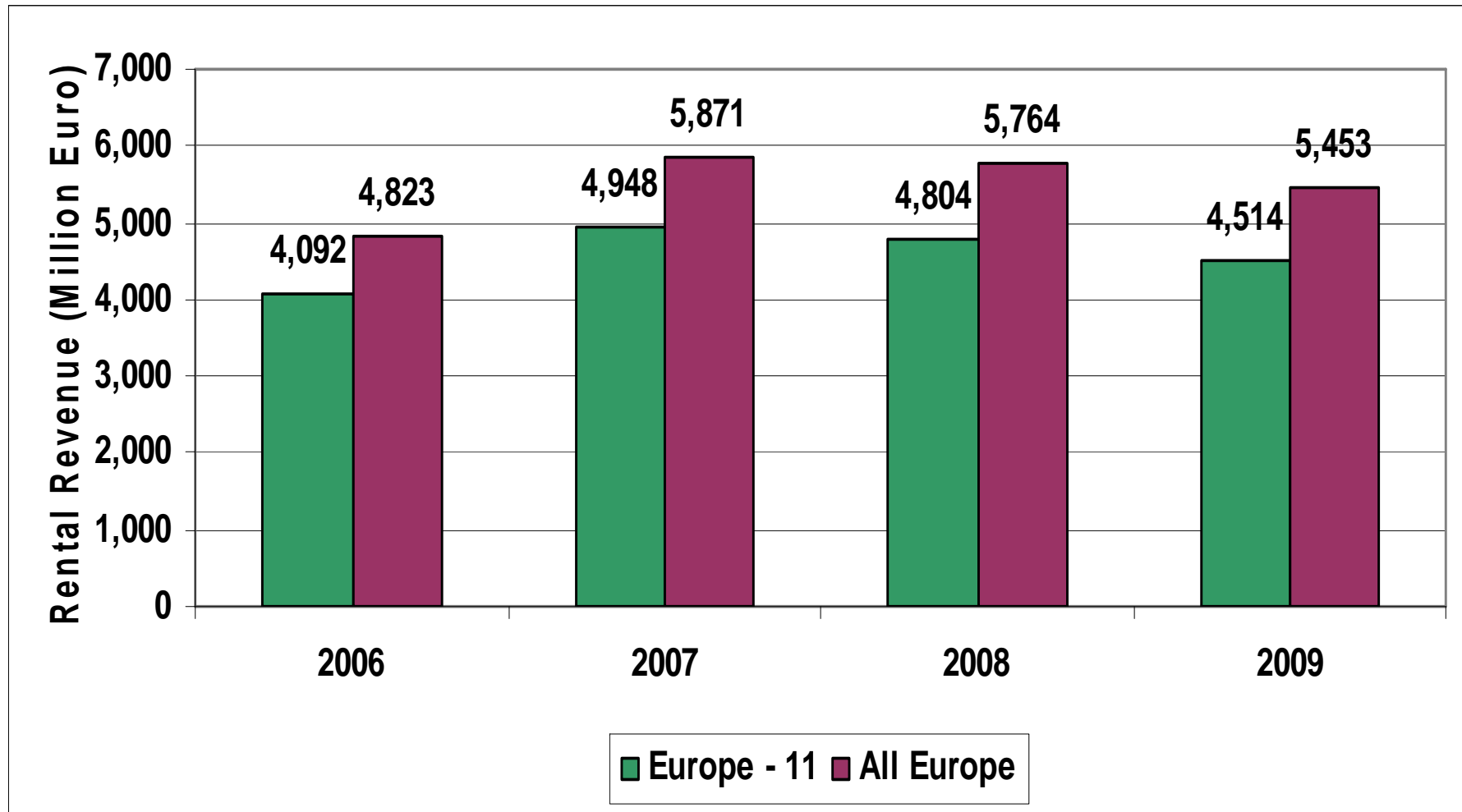
Real GDP Growth in Western Europe



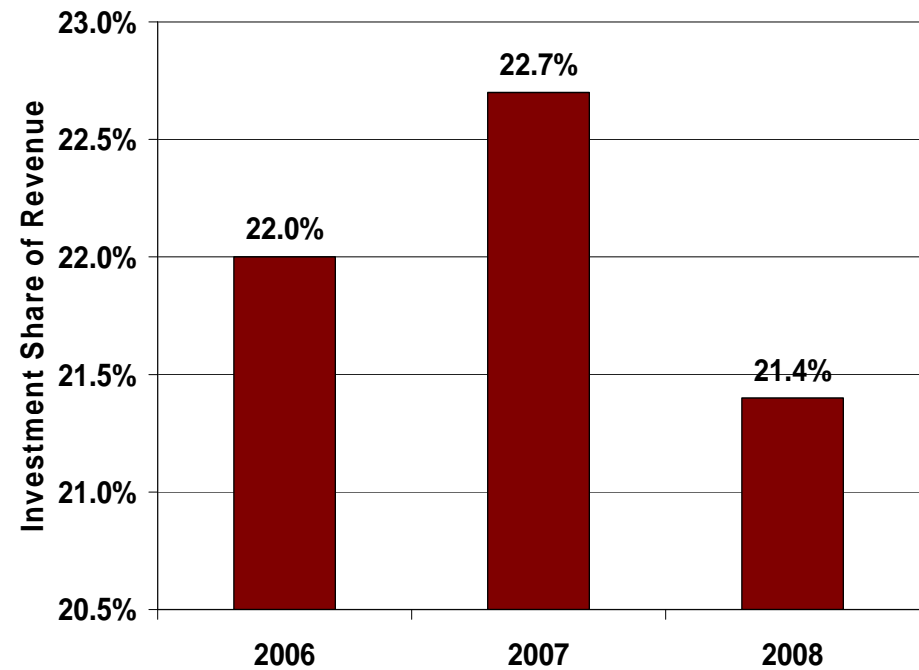
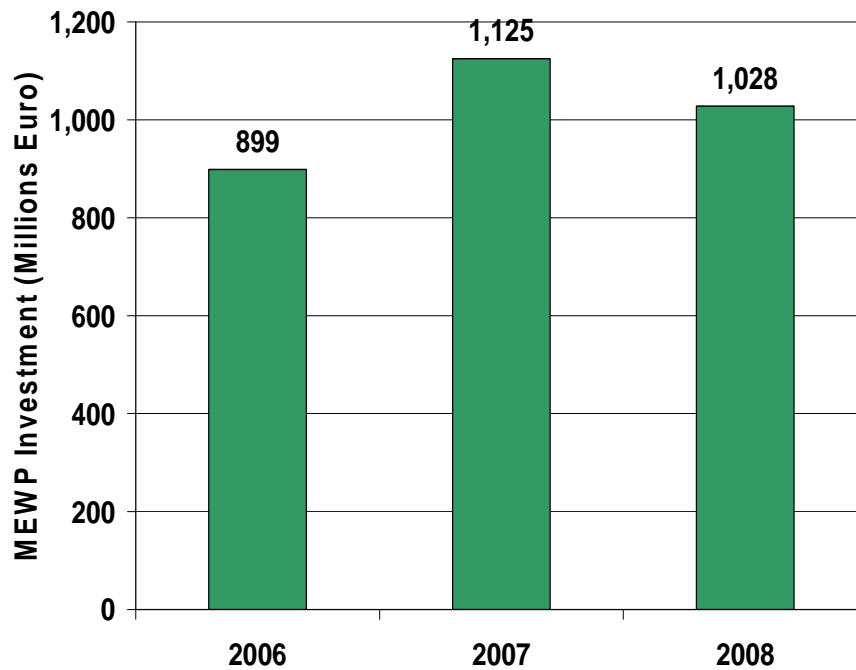
Infrastructure To Be Leading Construction Segment



MEWP Rental Revenues Peaked in 2007



MEWP Investment Pattern for European Study Countries



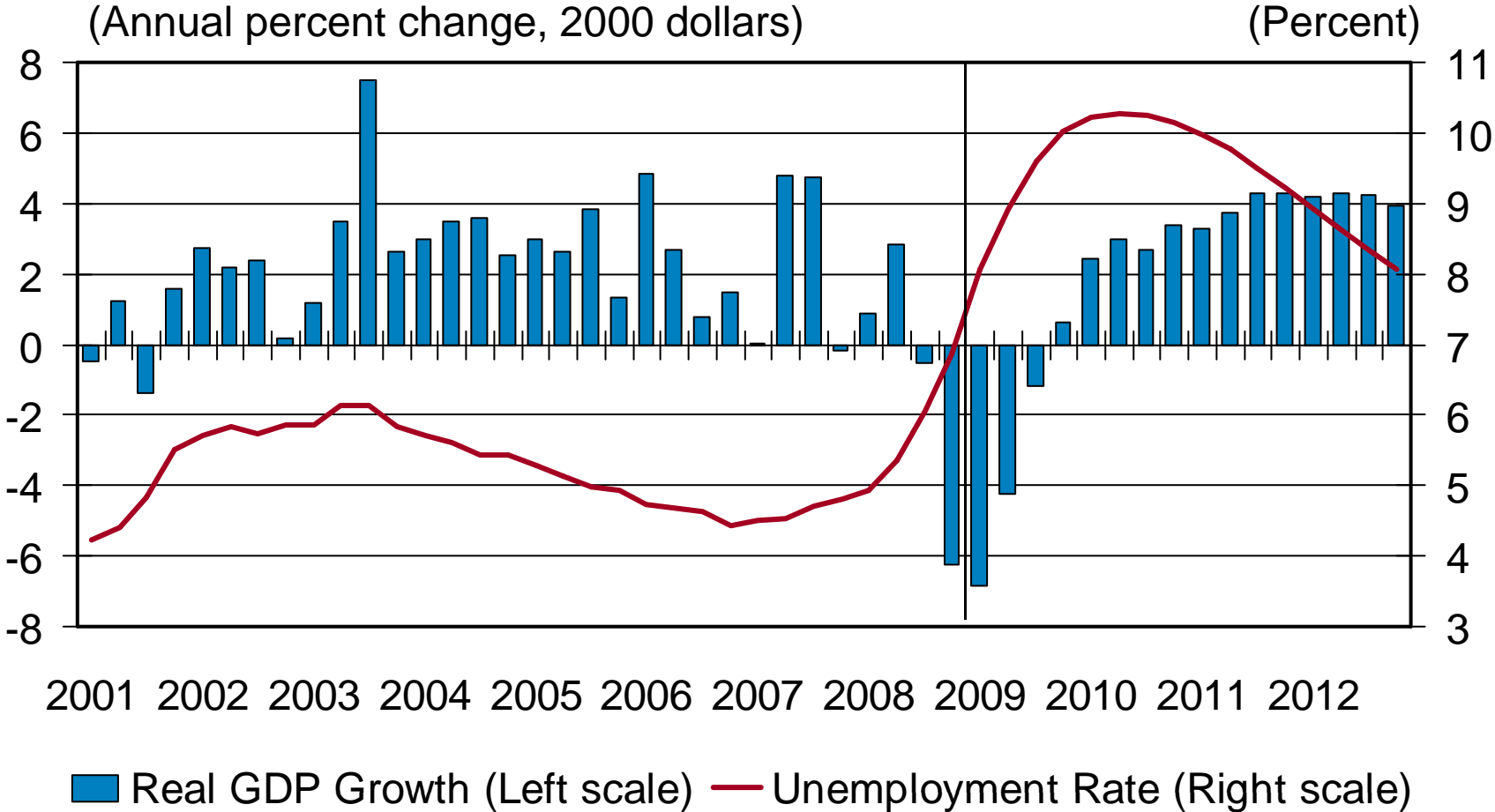
Critical Distinctions Between European National Figures for MEWP Rental

- While all countries will see weakness in 2009, the Netherland and Belgium see the smallest declines; Spain and the UK the largest
- Reinvestment rates vary about their average (~22%): Nordic countries have the highest rates of revenue re-investment into their MEWP fleets; Germany and France have the lowest.
- Fleet age also varies about its mean (4.4 years): The youngest MEWP fleets are in Belgium and the Netherlands; Germany and France have the oldest.
- Non-construction usage of MEWP averages 43%: It is highest in Finland and Germany, while it is lowest in Norway and Italy.
- Sales penetration is highest in Finland and Sweden; lowest in Belgium and Norway

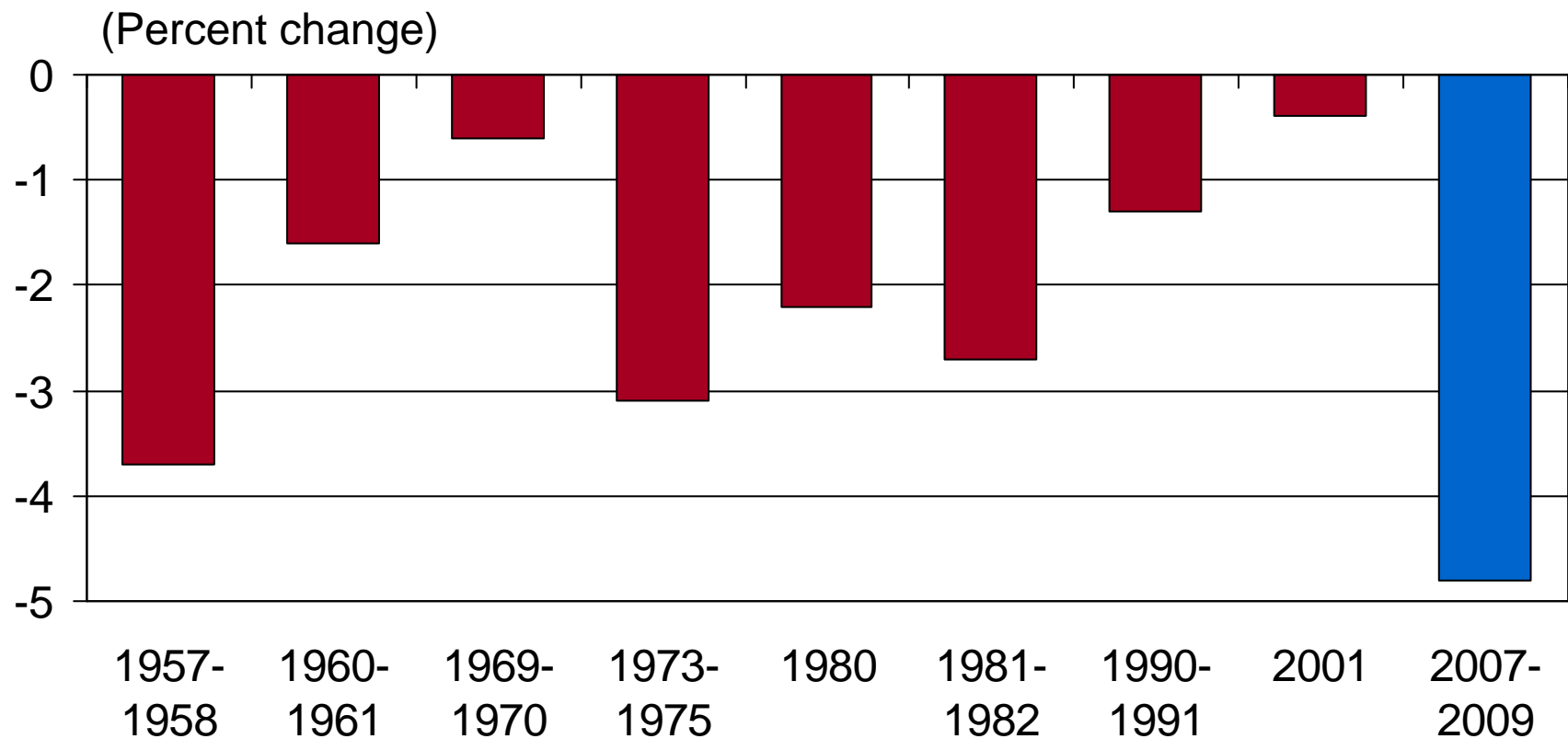
The U.S. Economy in Recession

- This U.S. recession will be the worst of the postwar era
- Consumers, businesses, and state & local governments are reducing spending as finances deteriorate
- The global financial crisis is depressing exports
- Lower oil prices are providing some relief to consumers; the CPI will decrease for the first time since 1955
- Fiscal and monetary policy stimulus will help, but a comprehensive banking sector solution is still needed

Unemployment Rises as the Economy Contracts

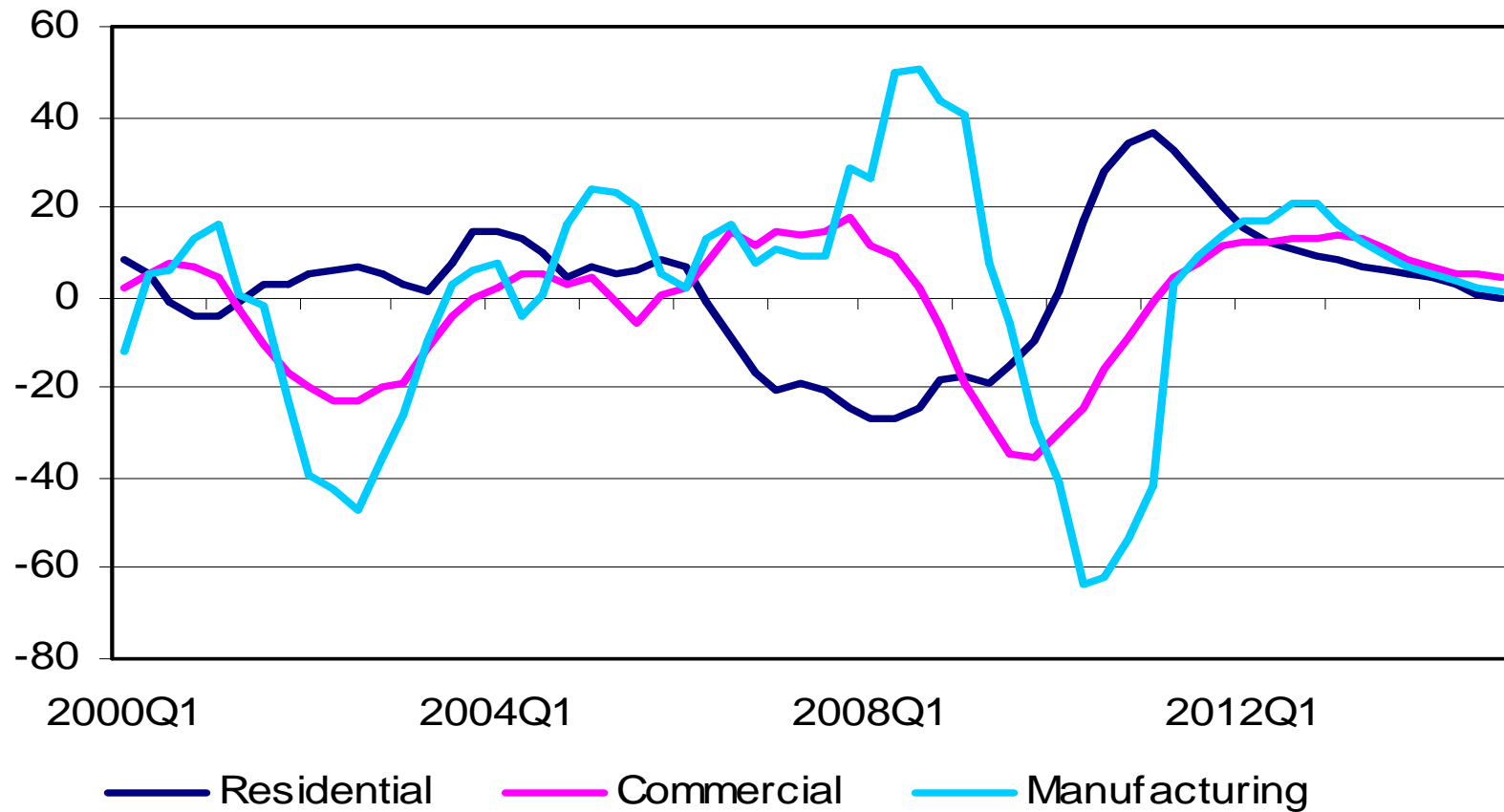


A Comparison of Peak-to-Trough Declines in Real GDP in U.S. Recessions

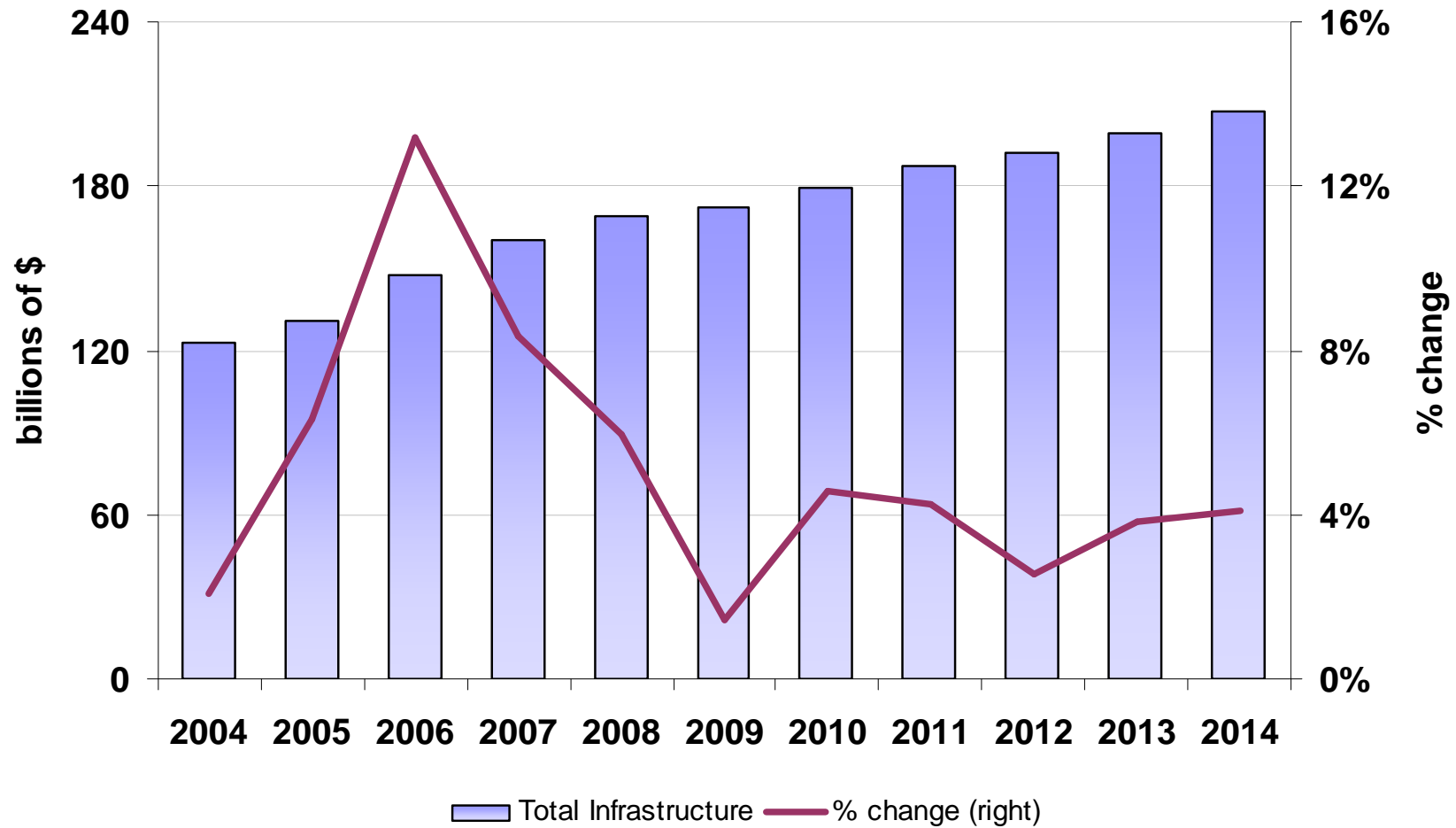


Construction Outlook for Key U.S. Segments

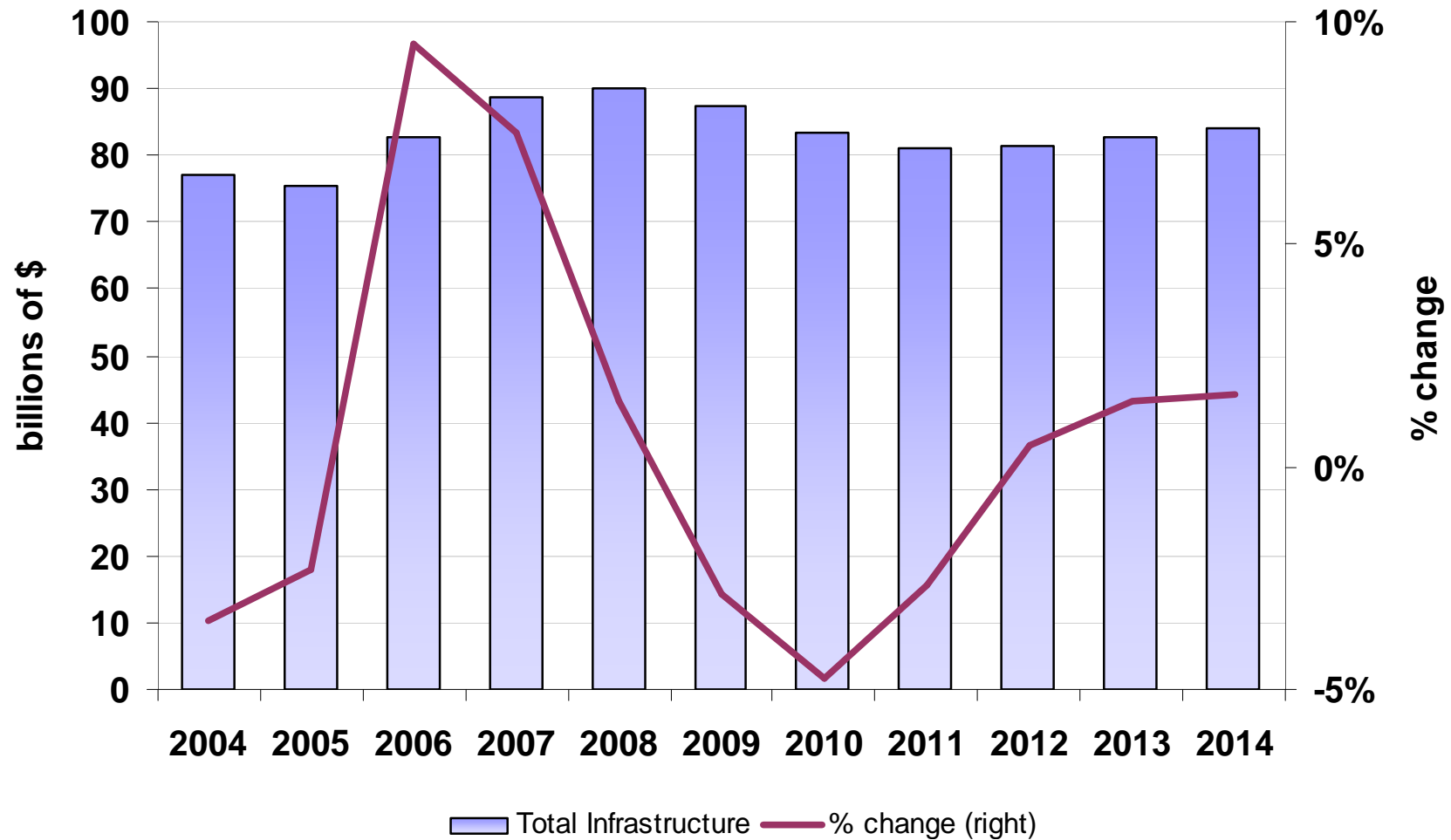
(Percent change from a year earlier)



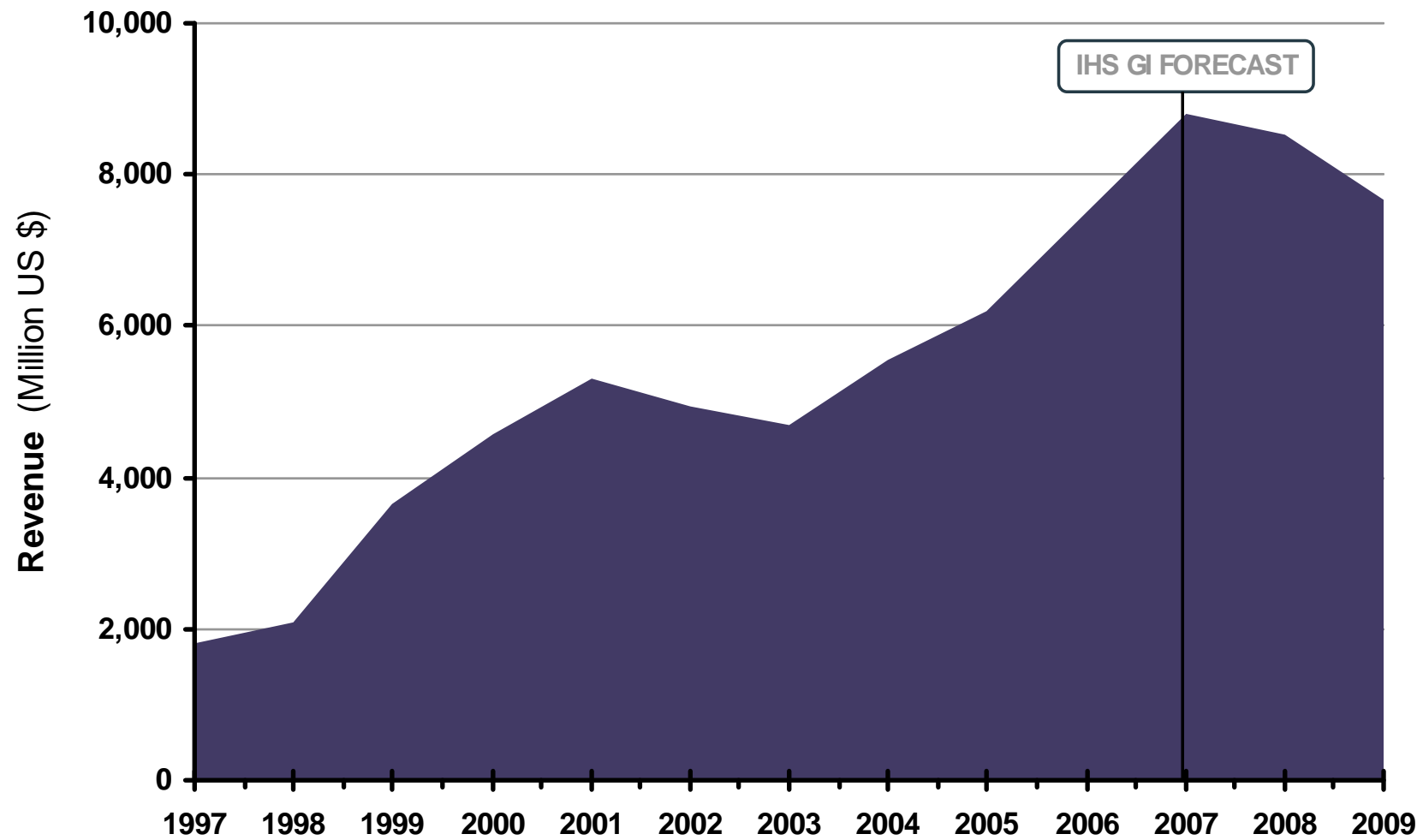
Construction Outlook for 'Horizontal' Infrastructure



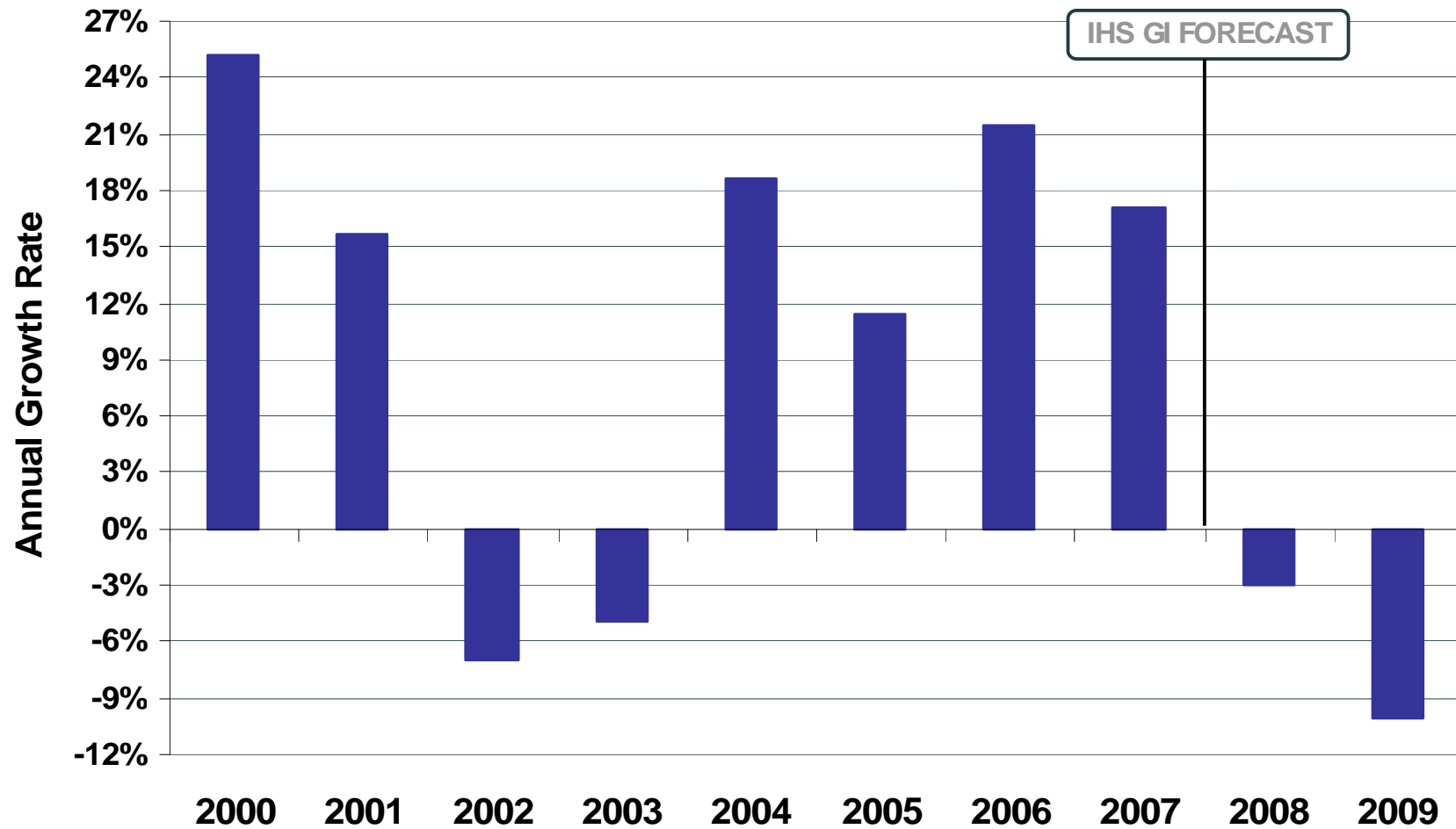
Construction Outlook for 'Vertical' Infrastructure



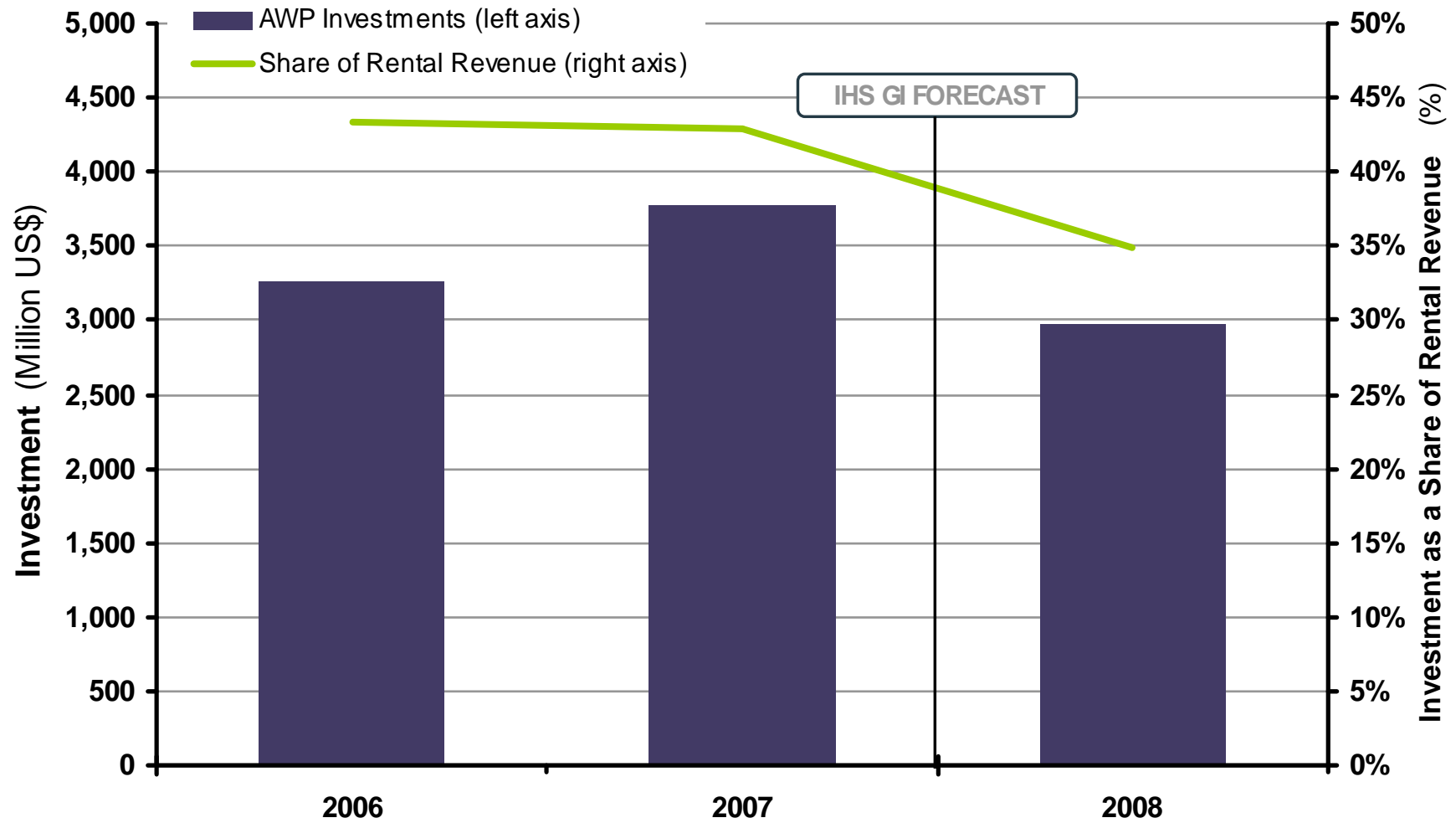
Total Rental Revenue for U.S. Aerial Work Platforms



Rental Revenue Growth for U.S. Aerial Work Platforms



Investment in U.S. Aerial Work Platforms



Comparative Metrics

	Europe	United States
Direct Employment Impact	25,300	32,000
Average Rental Fleet Age	4.4 years	2.8 years
Revenue from Non-construction sources	43%	25%
Penetration	67%	84%

Bottom Line

- The global recession now underway will be the most severe of the postwar era
- There is no avoiding a decline in access equipment revenues, but rental will weather the crisis better than most industries on both sides of the Atlantic
- In this environment, good information is critical to business success and IPAF has invested in making that information available to its members

Thank you!

Scott Hazelton

Director, Construction Advisory Services

scott.hazelton@ihsglobalinsight.com

+781.301.9044



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