

AGM Statement & Trading Update

Lavendon Group plc, Europe's market leader in the rental of powered access equipment, will give the following trading update at the Company's Annual General Meeting to be held at 10.30am this morning:-

"The Group's revenues for the first quarter have increased by 52% compared with the same period last year, reflecting both organic growth and the acquisitions completed in 2006. During the first quarter, the Group has benefited from the relatively mild weather across Europe, which has accelerated the progress of a number of construction projects thereby strengthening the levels of demand in our main markets, in what is, traditionally, our weakest quarter.

In the UK, overall revenues have increased by 28%, including a like for like improvement of 11.0%, and operating margins have continued to improve across the business. The acquisition of Rise Hire Limited, announced this morning, will contribute to the performance of the business for the remainder of the year.

The recovery in the German market has strengthened during the first quarter. Revenues have increased by 150% over the same period last year as a result of like for like organic growth of 20% and the acquisition of Gardemann, which was completed in December 2006. This strong revenue growth has enabled the business to improve its margins substantially and has accelerated its return to profitability.

Whilst French revenues have, as anticipated, declined by 8%, following a restructure of the depot network, further progress has been made in reducing its operating losses.

In Spain, revenues have increased by 39%, with a corresponding strong improvement in operating margins.

Demand levels remain buoyant in the Middle East, where revenues have increased by 90%, resulting partly from improved sales of equipment in the period, and margins have improved as the "drag effect" of the costs required to make step-changes in the business reduces.

The Group's debt levels remain comfortable and are well supported by strong operational cash flows.

The Group has made a strong start to the year and our performance is well ahead of our earlier expectations. We are confident that we will be able to report further progress in the coming months."

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