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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

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FORM 8-K

CURRENT REPORT PURSUANT
TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): February 23, 2006

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McGRATH RENTCORP
(Exact name of registrant as specified in its Charter)

California
(State or other jurisdiction of incorporation)

0-13292 94-2579843
(Commission File Number) (I.R.S. Employee Identification No.)

5700 Las Positas Road, Livermore, CA 94551-7800
(Address of principal executive offices)

(925) 606-9200
(Registrant's Telephone Number, Including Area Code)
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Check the appropriate box below if the Form 8-K filing is intended to
simultaneously satisfy the filing obligation of the registrant under any of the
following provisions (see General Instruction A.2. below):

- [ ] Written communications pursuant to Rule 425 under the Securities Act
(17 CFR 230.425)
[ ] Soliciting material pursuant to Rule 14a-12 under the Exchange Act
(17 CFR 240.14a-12)
[ ] Pre-commencement communications pursuant to Rule 14d-2(b) under the
Exchange Act (17 CFR 240.14d-2(b))
[ ] Pre-commencement communications pursuant to Rule 13e-4(c) under the
Exchange Act (17 CFR 240.13e-4(c))

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Item 2.02 Results of Operations and Financial Condition.

On February 23, 2006, McGrath RentCorp (the "Company") announced via press
release the Company's results for its fourth quarter ended December 31, 2005. A
copy of the Company's press release is attached hereto as Exhibit 99.1. This
Form 8-K and the attached exhibit are provided under Items 2.02 and 9.01 of Form
8-K and are furnished to, but not filed with, the Securities and Exchange
Commission.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits.

Table with 2 columns: Exhibit No., Description. Row 1: 99.1, Press Release of McGrath RentCorp, dated February 23, 2006.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MCGRATH RENTCORP

Dated: February 23, 2006

By: /s/ Thomas J. Sauer

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Thomas J. Sauer  
Vice President and Chief Financial Officer

McGrath RentCorp Announces Results for Fourth Quarter and Year-end;  
 EPS Increases 33% to \$1.61 for the Year;  
 Company Announces 14% Dividend Increase

LIVERMORE, Calif.--(BUSINESS WIRE)--Feb. 23, 2006--McGrath RentCorp (Nasdaq:MGRC) today announced revenues for the quarter ended December 31, 2005, of \$77.6 million, compared to \$59.3 million in fourth quarter 2004. The Company reported net income for the fourth quarter 2005 of \$12.1 million, or \$0.47 per diluted share, compared to \$8.8 million, or \$0.35 per diluted share, in the fourth quarter 2004.

Total revenues for the twelve months ended December 31, 2005, were \$272.2 million, compared to \$202.5 million in the same twelve-month period in 2004. Net income for the twelve months ended December 31, 2005, increased 36% to \$40.8 million, or \$1.61 per diluted share, compared to net income of \$30.0 million, or \$1.21 per diluted share, in the prior-year period.

The Company also announced that the board of directors declared a quarterly cash dividend of \$0.16 per share for the quarter ending March 31, 2006, an increase of 14% over last year's same period. On an annualized basis, this dividend represents a 2.0% yield based on the February 22, 2006, closing stock price. The cash dividend will be payable on April 28, 2006, to all shareholders of record on April 14, 2006.

For the fourth quarter of 2005, the Company's Mobile Modular division reported an increase in total revenues of 43% from \$30.7 million in fourth quarter 2004 to \$43.8 million in fourth quarter 2005, with both rental and sales revenues improving on the continued strength in the educational market. Modular sales revenues for the quarter of \$14.4 million included \$8.4 million of sales revenues related to hurricane damages in the southeastern U.S. in 2005. The Company views these types of large sale projects as unique opportunities and generally would not expect sale projects of a similar size to occur on a regular basis. Mobile Modular's increase in revenues led to a 37% increase in its pre-tax income to \$13.4 million. Looking forward, Mobile Modular does not anticipate additional 2005 hurricane-related rental or sale opportunities of any significance. For the Company's TRS-RenTelco division, fourth quarter 2005 rental revenues increased 1% to \$18.6 million from \$18.5 million in the prior year's same quarter, and gross profit on rents increased to \$8.0 million from \$6.6 million a year ago primarily due to lower depreciation expense, contributing to the quarter's pre-tax income increase to \$5.5 million from \$3.9 million in 2004.

Dennis Kakures, President and CEO of McGrath RentCorp, made the following comments regarding these results and future expectations:

"Our favorable fourth quarter results were led by another solid year for Mobile Modular and the improving health and profitability of our test equipment business. Our long-term success has been and will continue to be driven by rental revenue growth and improved gross profit on rents. We believe these metrics provide the best gauge of the health and sustainable earnings potential of both Mobile Modular and TRS-RenTelco.

"Our success in 2005 was driven by both of our core rental businesses, contributing to a combined 27% annual rental revenue increase to \$152.3 million. Mobile Modular rental revenues increased 14% to \$81.2 million, which includes our first full-year of Florida rental operations, with gross profit on rents increasing 15% to \$51.8 million. TRS-RenTelco rental revenues increased 45% to \$71.1 million, primarily as a result of the TRS acquisition in 2004, with gross profit on rents increasing 43% to \$27.1 million.

"Mobile Modular continued to benefit in 2005 from the recurring rental stream from educational facility rentals in the geographic markets we serve. California had another favorable year in rental revenue growth despite an increased level of classroom returns during the third and fourth quarters related to the completion of a number of modernization projects. In Florida, we continued to make strong progress in growing our customer base of public school districts. Additionally, our Florida hybrid classroom continues to gain popularity in the market place. In Texas, we benefited from both an increased level of classroom rental activity as well as from rentals related to the impact of various hurricanes.

"At TRS-RenTelco, although fourth quarter rental revenues were only up slightly compared to a year ago, we managed to increase gross profit on rents by \$1.4 million or 22% chiefly through lower depreciation expense and to a lesser degree continuing to improve the cost-effectiveness of our operations. Depreciation expense as a percentage of rents was 44.6% in the fourth quarter of 2005, as compared to 51.5% in the fourth quarter of 2004. The significant decrease in depreciation expense was attributable to the extension of

useful life of two test equipment models in the second quarter of 2005, the impact of selling underutilized equipment through more effective management of our rental inventory at the model number level, and rental equipment becoming fully depreciated.

"In addition to our favorable rental operations results in 2005, we benefited from unique sales of modular classrooms related to hurricanes in the southeastern U.S., which contributed \$0.09 in EPS for the year. We also benefited from a lower effective tax rate in 2005 compared to 2004 as a result of a cumulative deferred tax adjustment for the state income tax accrual rate resulting from our first full-year of TRS operations following the acquisition, which added \$0.03 in EPS for the year.

"In late 2005, we began an important initiative and investment in our future by upgrading our operating and financial software applications. We believe this investment will benefit us in the years to come by creating information system platforms that provide us the scalability necessary for increased business levels in growing McGrath RentCorp. At this time, we expect this project to be completed in late 2007.

"For Mobile Modular in 2006, we are uncertain at this time as to the level of new modernization work that will be commenced. This is a function of the current amount of unallocated and unreleased state funds for modernization from the prior state-wide bond measure, the backlog of applications awaiting funding and the actual commencement of projects. For modernization work beyond 2006, we are increasingly optimistic that a state-wide facilities bond measure in California with significant monies for modernization projects will be placed on the ballot in late 2006. We believe that this bond measure, if passed, along with the success of local bond measures passed in November 2005, should provide monies to support favorable levels of new modernization projects in both 2007 and 2008. Keep in mind, assuming favorable new business levels, compared to future returning equipment, we would expect that it will take at least a few quarters to raise utilization levels of the California classroom rental fleet, as the majority of classroom equipment typically begins to ship late in the second quarter and in the third quarter annually. For Florida, we are well positioned to continue to grow our business levels. We anticipate that we will continue to benefit from student enrollment growth, class size reduction, the phasing out of older coded modular classrooms and broader market acceptance of our hybrid classroom product. Also in 2006, we will begin to develop our Florida property for a regional sales and inventory center to support our growth.

"For TRS-RenTelco in 2006, we are anticipating healthier U.S. and Canadian rental markets. Additionally, we should continue to benefit from cost-effectiveness improvement efforts to our operations. Internationally, we will continue the work started in late 2005 on evaluating strategic development opportunities in selective markets in which we are either currently doing business or are considering entering.

"Looking forward to 2006, although we are projecting favorable top-line rental revenue growth for both modulars and electronics, our full-year earnings per share guidance is in a range of \$1.50 to \$1.60 per share. It is important to understand the year to year differences by bridging our actual results for 2005 of \$1.61 per share to our 2006 guidance range of \$1.50 to \$1.60 per share. In 2006, although we expect improved rental operation results, we don't expect any significant sales like those in 2005 related to hurricane damages in the southeastern U.S., which added \$0.09 per share. Further, we expect EPS in 2006 to be reduced by \$0.09 per share for the estimated impact of stock option expensing required under FAS 123R beginning January 1, 2006 and by \$0.04 per share due to a higher estimated effective tax rate of 39.0% compared to 37.5% in 2005, based on the expected 2006 revenue distribution by state.

"In summary, I am very pleased with our 2005 results and I believe 2006 will continue to show favorable performance from our core rental operations. Looking ahead, our strategic planning process for evaluating both organic and acquisition opportunities for growth is fully engaged. We are actively assessing our next strategic growth opportunities and preparing our information systems and operating processes to support a growing McGrath RentCorp in the years ahead."

#### FOURTH QUARTER 2005 HIGHLIGHTS (AS COMPARED TO FOURTH QUARTER 2004)

- Rental revenues increased 7% to \$40.3 million. Within rental revenues, Mobile Modular increased 13% from \$19.1 million to \$21.7 million; TRS-RenTelco increased 1% from \$18.5 million to \$18.6 million, and improved sequentially from the third quarter 2005 level of \$18.4 million.
- Sales revenues increased 96% to \$28.7 million, resulting

primarily from Mobile Modular's increased sales volume, which included \$8.4 million of sales revenues related to damages caused by the recent hurricanes. Higher sales volume combined with a lower gross margin percentage, 22.7% in 2005 compared to 29.1% in 2004, resulted in a gross profit increase of \$2.3 million. Sales revenues and related gross margins can fluctuate from quarter to quarter depending on customer requirements, equipment availability and funding.

- Depreciation of rental equipment decreased 5% to \$11.1 million, with Mobile Modular increasing 28% to \$2.8 million from \$2.2 million in 2004, and TRS-RenTelco decreasing 13% to \$8.3 million from \$9.5 million in 2004. The TRS-RenTelco decrease was due to the determination in April 2005 to extend the useful lives on two models of test equipment (quarterly impact of \$0.6 million), the selling of underutilized equipment and rental equipment becoming fully depreciated, offset by new equipment purchases.
- Debt increased \$8.6 million during the quarter to \$163.2 million, with the Company's total liabilities to equity ratio decreasing from 1.80 to 1 at September 30, 2005 to 1.73 to 1 as of December 31, 2005. As of December 31, 2005, the Company, under its lines of credit, had capacity to borrow an additional \$91.8 million.
- Dividend rate increased 27% to \$0.14 per share for the fourth quarter 2005, as compared to \$0.11 per share for the fourth quarter of 2004. On an annualized basis, this dividend represents a 1.7% yield on the February 22, 2006 close price of \$32.25.

It is suggested that the press release be read in conjunction with the financial statements and notes thereto included in the Company's latest Form 10-K and Forms 10-Q. You can visit the Company's web site at [www.mgrc.com](http://www.mgrc.com) to access information on McGrath RentCorp, including the latest filings on Form 10-K and Form 10-Q.

#### FINANCIAL GUIDANCE

The Company expects favorable rental revenue growth for both modulars and electronics in 2006, with full-year earnings per share to be in a range of \$1.50 to \$1.60 per diluted share. In 2006, although we expect improved rental operation results, we don't expect any significant sales like those in 2005 related to hurricane damages in the southeastern U.S., which added \$0.09 per share. Further, we expect diluted earnings per share in 2006 to be reduced by \$0.09 per share for the estimated impact of stock option expensing required under the adoption of Statement of Financial Standards No. 123R, "Share Based Payment," beginning January 1, 2006 and by \$0.04 per share due to a higher estimated effective tax rate of 39.0%, compared to 37.5% in 2005, based on the expected 2006 revenue distribution by state. Such a forward-looking statement reflects McGrath RentCorp's expectations as of February 23, 2006. Actual 2006 full-year earnings per share results may be materially different and affected by many factors, including those factors outlined in the "forward-looking statements" paragraph at the end of this press release.

#### About McGrath RentCorp

Founded in 1979, the Company, under the trade name Mobile Modular Management Corporation, rents and sells modular buildings to fulfill customers' temporary and permanent space needs in California, Texas and Florida. Mobile Modular believes it is the largest provider of relocatable classrooms for rental to school districts for grades K - 12 in California. The Company's TRS-RenTelco division rents and sells electronic test equipment and is one of the leading providers of general purpose and communications test equipment in North America.

CONFERENCE CALL NOTE: As previously announced in its press release of January 26, 2006, McGrath RentCorp will host a conference call at 5:00 p.m. Eastern Time (2:00 p.m. Pacific Time) on February 23, 2006 to discuss the fourth quarter 2006 results. To participate in the teleconference, dial 1-800-218-0204 (in the U.S.), or 1-303-262-2143 (outside the U.S.), or visit the investor relations section of the Company's website at [www.mgrc.com](http://www.mgrc.com). Telephone replay of the call will be available for 48 hours following the call by dialing 1-800-405-2236 (in the U.S.), or 1-303-590-3000 (outside the U.S.). The pass code for the call replay is 11050313.

This press release contains statements, which constitute

"forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and are subject to a number of risks and uncertainties. These statements appear in a number of places. Such statements can be identified by the use of forward-looking terminology such as "believes", "expects", "may", "estimates", "will", "should", "plans" or "anticipates" or the negative thereof or other variations thereon or comparable terminology, or by discussions of strategy. These include our expectation that our long-term success will continue to be driven by rental revenue growth and improved gross profit on rents, our expectation that our investment in upgrading our operating and financial software applications will benefit us, our expectation that the California state-wide facilities bond measure, if passed in 2006, along with the local school bond measures passed in November 2005 would provide monies to support favorable levels of new modernization projects in California, our expectation regarding raising utilization levels of the California classroom rental fleet assuming favorable business levels, compared to future returning equipment, our expectation that we are positioned to continue to grow our business levels in Florida, and in particular, our expectation that in the Florida market we will benefit from student enrollment growth, class size reduction, the phasing out of older modular classrooms and the broader market acceptance of our hybrid classroom product, our expectation of healthier U.S. and Canadian rental markets in 2006 for TRS-RenTelco, our expectation that internationally we will continue evaluating strategic opportunities in selective markets, our expectation regarding the annual dividend yield, our expectation regarding the 2006 effective tax rate, our expectation regarding the 2006 revenue distribution by state, and our 2006 full-year earnings per share guidance, including our expectations for impacts on our 2006 earnings per share resulting from expected stock option expenses relating to adoption of FASB 123(R), our expectations regarding significant sales like those in 2005 related to hurricane damages in the southeastern U.S., and expected increases in earnings per share from improved rental operations results. These forward-looking statements are not guarantees of future performance and involve significant risks and uncertainties. Actual results may vary materially from those in the forward-looking statements as a result of various factors. These factors include the effectiveness of management's strategies and decisions, general economic and business conditions, the condition of the telecommunications industry, new or modified statutory or regulatory requirements, continuing demand for modular products, timely delivery and installation of modular products, delays of future sales projects, changing prices and market conditions. There may be other factors not listed above that could cause actual results to vary materially from the forward-looking statements described in this press release.

MCGRATH RENTCORP  
CONSOLIDATED STATEMENTS OF INCOME  
(UNAUDITED)

(in thousands, except per share amounts)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2005	2004	2005	2004
<b>REVENUES</b>				
Rental	\$40,316	\$37,662	\$152,316	\$120,358
Rental Related Services	8,021	6,389	26,460	23,347
Rental Operations	48,337	44,051	178,776	143,705
Sales	28,730	14,673	90,823	57,162
Other	548	588	2,581	1,653
<b>Total Revenues</b>	<b>77,615</b>	<b>59,312</b>	<b>272,180</b>	<b>202,520</b>

**COSTS AND EXPENSES**

Direct Costs of Rental  
Operations  
Depreciation of Rental

Equipment	11,088	11,701	44,178	32,426
Rental Related Services	5,687	4,926	17,893	15,172
Other	7,230	6,793	29,292	24,007
	-----	-----	-----	-----
Total Direct Costs of Rental Operations	24,005	23,420	91,363	71,605
Costs of Sales	22,203	10,405	67,378	43,134
	-----	-----	-----	-----
Total Costs	46,208	33,825	158,741	114,739
	-----	-----	-----	-----
Gross Profit	31,407	25,487	113,439	87,781
Selling and Administrative	10,295	10,411	39,819	33,705
	-----	-----	-----	-----
Income from Operations	21,112	15,076	73,620	54,076
Interest	2,164	1,664	7,890	5,188
	-----	-----	-----	-----
Income Before Provision for Income Taxes	18,948	13,412	65,730	48,888
Provision for Income Taxes	6,872	4,688	24,649	18,843
	-----	-----	-----	-----
Income Before Minority Interest	12,076	8,724	41,081	30,045
Minority Interest in Income of Subsidiary	(29)	(34)	262	48
Net Income	\$12,105	\$ 8,758	\$ 40,819	\$ 29,997
	=====	=====	=====	=====
Earnings Per Share:				
Basic	\$ 0.49	\$ 0.36	\$ 1.65	\$ 1.23
Diluted	\$ 0.47	\$ 0.35	\$ 1.61	\$ 1.21
Shares Used in Per Share Calculation:				
Basic	24,795	24,464	24,668	24,344
Diluted	25,542	25,020	25,331	24,804

MCGRATH RENTCORP  
CONSOLIDATED BALANCE SHEETS  
(UNAUDITED)

(in thousands)	December 31,	
	2005	2004
-----		
Assets		
Cash	\$ 276	\$ 189
Accounts Receivable, net of allowance for doubtful accounts of \$1,000 in 2005 and \$900 in 2004	63,702	53,846
Rental Equipment, at cost:		
Relocatable Modular Buildings	408,227	339,537
Electronic Test Instruments	154,708	149,437
	-----	-----
	562,935	488,974
Less Accumulated Depreciation	(156,502)	(131,186)
	-----	-----
Rental Equipment, net	406,433	357,788
Property, Plant and Equipment, net	56,008	47,750
Prepaid Expenses and Other Assets	16,019	14,707
	-----	-----
Total Assets	\$542,438	\$474,280
	=====	=====
Liabilities and Shareholders' Equity		
-----		
Liabilities:		
Notes Payable	\$163,232	\$151,888
Accounts Payable and Accrued Liabilities	51,690	39,460
Deferred Income	27,410	24,377
Minority Interest in Subsidiary	3,199	2,937
Deferred Income Taxes, net	98,438	88,730
	-----	-----

Total Liabilities	343,969	307,392
	-----	-----
Shareholders' Equity:		
Common Stock, no par value --		
Authorized -- 40,000 shares		
Issued and Outstanding -- 24,832 shares in		
2005 and 24,543 shares in 2004	26,224	21,586
Retained Earnings	172,245	145,302
	-----	-----
Total Shareholders' Equity	198,469	166,888
	-----	-----
Total Liabilities and Shareholders' Equity	\$542,438	\$474,280
	=====	=====

MCGRATH RENTCORP  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
(UNAUDITED)

	Year Ended December 31,	
(in thousands)	2005	2004
	-----	-----
Cash Flow from Operating Activities:		
Net Income	\$40,819	\$29,997
Adjustments to Reconcile Net Income to Net Cash		
Provided by Operating Activities:		
Depreciation	46,433	34,501
Provision for Doubtful Accounts	845	303
Noncash Compensation	44	57
Gain on Sale of Rental Equipment	(9,662)	(8,532)
Change In:		
Accounts Receivable	(10,701)	(8,370)
Prepaid Expenses and Other Assets	(1,312)	(2,348)
Accounts Payable and Accrued Liabilities	2,646	6,231
Deferred Income	3,033	761
Deferred Income Taxes	9,708	9,672
	-----	-----
Net Cash Provided by Operating Activities	81,853	62,272
	-----	-----
Cash Flow from Investing Activities:		
Acquisition of TRS	--	(120,209)
Purchase of Rental Equipment	(105,501)	(65,706)
Purchase of Property, Plant and Equipment	(10,512)	(1,347)
Proceeds from Sale of Rental Equipment	31,406	27,422
	-----	-----
Net Cash Used in Investing Activities	(84,607)	(159,840)
	-----	-----
Cash Flow from Financing Activities:		
Net Borrowings (Repayments) Under Bank Lines of Credit	11,344	44,622
Borrowings Under Private Placement	--	60,000
Proceeds from the Exercise of Stock Options, net	4,595	3,630
Repurchase of Common Stock	(30)	(40)
Payment of Dividends	(13,068)	(10,459)
	-----	-----
Net Cash Provided By Financing Activities	2,841	97,753
	-----	-----
Net Increase in Cash	87	185
Cash Balance, beginning of period	189	4
	-----	-----
Cash Balance, end of period	\$276	\$189
	=====	=====
Interest Paid, during the period	\$7,799	\$5,518
	=====	=====
Income Taxes Paid, during the period	\$22,871	\$8,355
	=====	=====



Dividends Declared, not yet paid	\$3,479	\$2,700
	=====	=====
Rental Equipment Acquisitions, not yet paid	\$14,694	\$5,625
	=====	=====

Mobile Modular Segment - Three Months 2005 compared to Three Months 2004 (Unaudited)

(dollar amounts in thousands) Three Months Ended 2005 over 2004

12/31/2005 12/31/2004 \$ %

Revenues

Rental Revenues	\$21,682	\$19,146	\$2,536	13%
Rental Related Services	7,604	5,903	1,701	29%
Rental Operations	29,286	25,049	4,237	17%
Sales	14,377	5,573	8,804	158%
Other	162	107	55	51%
Total Revenues	43,825	30,729	13,096	43%

Gross Profit

Rental Revenues	13,963	12,576	1,387	11%
Rental Related Services	2,240	1,287	953	74%
Rental Operations	16,203	13,863	2,340	17%
Sales	3,793	1,558	2,235	143%
Other	162	107	55	51%
Total Gross Profit	20,158	15,528	4,630	30%

Pretax Income	\$13,393	\$9,761	\$3,632	37%
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Other Information

Depreciation of Rental Equipment	\$2,773	\$2,173	\$600	28%
Interest Expense Allocation	1,590	1,145	445	39%
Average Rental Equipment (1)	363,768	317,667	46,101	15%
Average Rental Equipment on Rent (1)	305,008	274,168	30,840	11%
Average Monthly Total Yield (2)	1.99%	2.01%		-1%
Average Utilization (3)	83.8%	86.3%		-3%
Average Monthly Rental Rate (4)	2.37%	2.33%		2%
Period End Rental Equipment (1)	\$366,253	\$321,203	\$45,050	14%
Period End Utilization (3)	83.5%	86.1%		-3%

- 1 Average and period end rental equipment represents the cost of rental equipment excluding new equipment inventory and accessory equipment.
- 2 Average monthly total yield is calculated by dividing the averages of monthly rents by the cost of rental equipment, for the period.
- 3 Period end utilization is calculated by dividing the cost of rental equipment on rent by the total cost of rental equipment excluding new equipment inventory and accessory equipment. Average utilization for the period is calculated using the average costs of the rental equipment.
- 4 Average monthly rental rate is calculated by dividing the averages of monthly rents by the cost of rental equipment on rent, for the period.

## 2004 (Unaudited)

(dollar amounts in thousands)	Three Months Ended		2005 over 2004	
	12/31/2005	12/31/2004	\$	%
<b>Revenues</b>				
Rental Revenues	\$18,634	\$18,516	\$118	1%
Rental Related Services	417	486	(69)	-14%
Rental Operations	19,051	19,002	49	--
Sales	12,128	7,695	4,433	58%
Other	386	481	(95)	-20%
<b>Total Revenues</b>	<b>\$31,565</b>	<b>\$27,178</b>	<b>\$4,387</b>	<b>16%</b>
<b>Gross Profit</b>				
Rental Revenues	\$8,035	\$6,592	\$1,443	22%
Rental Related Services	94	176	(82)	-47%
Rental Operations	8,129	6,768	1,361	20%
Sales	2,277	2,392	(115)	-5%
Other	386	481	(95)	-20%
<b>Total Gross Profit</b>	<b>\$10,792</b>	<b>\$9,641</b>	<b>\$1,151</b>	<b>12%</b>
<b>Pretax Income</b>	<b>\$5,490</b>	<b>\$3,887</b>	<b>\$1,603</b>	<b>41%</b>
<b>Other Information</b>				
Depreciation of Rental Equipment	\$8,315	\$9,528	\$(1,213)	-13%
Interest Expense Allocation	665	578	87	15%
Average Rental Equipment (1)	153,094	147,408	5,686	4%
Average Rental Equipment on Rent (1)	108,007	94,239	13,768	15%
Average Monthly Total Yield (2)	4.06%	4.19%		-3%
Average Utilization (3)	70.5%	63.9%		10%
Average Monthly Rental Rate (4)	5.75%	6.55%		-12%
Period End Rental Equipment (1)	\$154,119	\$148,014	\$6,105	4%
Period End Utilization (3)	68.9%	61.6%		12%

1 Average and period end rental equipment represents the cost of rental equipment excluding accessory equipment.

2 Average monthly total yield is calculated by dividing the averages of monthly rents by the cost of rental equipment, for the period.

3 Period end utilization is calculated by dividing the cost of rental equipment on rent by the total cost of rental equipment excluding accessory equipment. Average utilization for the period is calculated using the average costs of the rental equipment.

4 Average monthly rental rate is calculated by dividing the averages of monthly rents by the cost of rental equipment on rent, for the period.

## Mobile Modular Segment - Twelve Months 2005 compared to Twelve Months 2004 (Unaudited)

(dollar amounts in thousands)	Twelve Months Ended		2005 over 2004	
	12/31/2005	12/31/2004	\$	%

## Revenues

Rental Revenues	\$81,180	\$71,460	\$9,720	14%
Rental Related Services	25,053	22,142	2,911	13%
-----				
Rental Operations	106,233	93,602	12,631	13%
Sales	49,107	27,617	21,490	78%
Other	625	444	181	41%
-----				
Total Revenues	155,965	121,663	34,302	28%
-----				

Gross Profit

-----				
Rental Revenues	51,756	45,002	6,754	15%
Rental Related Services	8,259	7,751	508	7%
-----				
Rental Operations	60,015	52,753	7,262	14%
Sales	12,100	6,615	5,485	83%
Other	625	444	181	41%
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Total Gross Profit	72,740	59,812	12,928	22%
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Pretax Income	\$46,794	\$37,850	\$8,944	24%
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Other Information

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Depreciation of Rental Equipment	9,587	8,374	1,213	14%
Interest Expense Allocation	5,679	3,947	1,732	44%
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Average Rental Equipment (1)	\$341,103	\$303,294	\$37,809	12%
Average Rental Equipment on Rent (1)	\$289,584	\$259,598	\$29,986	12%
Average Monthly Total Yield (2)	1.98%	1.96%		1%
Average Utilization (3)	84.9%	85.6%		-1%
Average Monthly Rental Rate (4)	2.34%	2.29%		2%
-----				
Period End Rental Equipment (1)	\$366,253	\$321,203	\$45,050	14%
Period End Utilization (3)	83.5%	86.1%		-3%

- 1 Average and period end rental equipment represents the cost of rental equipment excluding new equipment inventory and accessory equipment.
- 2 Average monthly total yield is calculated by dividing the averages of monthly rents by the cost of rental equipment, for the period.
- 3 Period end utilization is calculated by dividing the cost of rental equipment on rent by the total cost of rental equipment excluding new equipment inventory and accessory equipment. Average utilization for the period is calculated using the average costs of the rental equipment.
- 4 Average monthly rental rate is calculated by dividing the averages of monthly rents by the cost of rental equipment on rent, for the period.

TRS-RenTelco Segment - Twelve Months 2005 compared to Twelve Months 2004 (Unaudited)

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(dollar amounts in thousands)	Twelve Months Ended		2005 over 2004	
	12/31/2005	12/31/2004	\$	%
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Revenues				
-----				
Rental Revenues	\$71,136	\$48,898	\$22,238	45%
Rental Related Services	1,407	1,205	202	17%
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Rental Operations	72,543	50,103	22,440	45%
Sales	31,154	20,291	10,863	54%
Other	1,956	1,209	747	62%
-----				

Total Revenues	\$105,653	\$71,603	\$34,050	48%
-----				
Gross Profit				
-----				
Rental Revenues	\$27,090	\$18,923	\$8,167	43%
Rental Related Services	308	424	(116)	-27%
-----				
Rental Operations	27,398	19,347	8,051	42%
Sales	7,689	5,430	2,259	42%
Other	1,956	1,209	747	62%
-----				
Total Gross Profit	\$37,043	\$25,986	\$11,057	43%
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Pretax Income	\$17,211	\$10,718	\$6,493	61%
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Other Information

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Depreciation of Rental Equipment	34,591	24,052	10,539	44%
Interest Expense Allocation	2,475	1,412	1,063	75%
-----				
Average Rental Equipment (1)	\$151,087	\$93,387	\$57,700	62%
Average Rental Equipment on Rent (1)	\$99,980	\$57,608	\$42,372	74%
Average Monthly Total Yield (2)	3.92%	4.36%		-10%
Average Utilization (3)	66.2%	61.7%		7%
Average Monthly Rental Rate (4)	5.93%	7.07%		-16%
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Period End Rental Equipment (1)	\$154,119	\$148,014	\$6,105	4%
Period End Utilization (3)	68.9%	61.6%		12%

1 Average and period end rental equipment represents the cost of rental equipment excluding accessory equipment.

2 Average monthly total yield is calculated by dividing the averages of monthly rents by the cost of rental equipment, for the period.

3 Period end utilization is calculated by dividing the cost of rental equipment on rent by the total cost of rental equipment excluding accessory equipment. Average utilization for the period is calculated using the average costs of the rental equipment.

4 Average monthly rental rate is calculated by dividing the averages of monthly rents by the cost of rental equipment on rent, for the period.

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