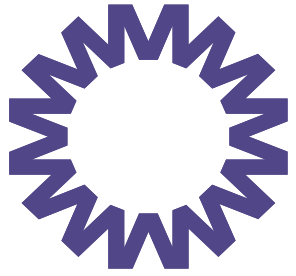


McGRATH™

MARCH 23, 2023

Sidoti Small-Cap Conference





McGRATHTM

Presenting today

Joe Hanna

President,

Chief Executive Officer

Keith Pratt

Executive Vice President,

Chief Financial Officer

Safe Harbor

Statements contained in this presentation which are not historical facts are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, regarding McGrath's (the "Company's") expectations, strategies, prospects or targets are forward-looking statements. These forward-looking statements also can be identified by the use of forward-looking terminology such as "anticipates," "believes," "continues," "could," "estimates," "expects," "intends," "may," "plan," "predict," "project," or "will," or the negative of these terms or other comparable terminology.

These forward-looking statements are not guarantees of future performance and are subject to significant risks and uncertainties that could cause our actual results to differ materially from those projected. Important factors that could cause actual results to differ materially from the Company's expectations are disclosed under "Risk Factors" in the Company's Form 10-K and other SEC filings.

Forward-looking statements are made only as of the date of this presentation and are based on management's reasonable, assumptions; however, these assumptions can be wrong or affected by known or unknown risks and uncertainties. No forward-looking statement can be guaranteed, and subsequent facts or circumstances may contradict, obviate, undermine or otherwise fail to support or substantiate such statements. Readers should not place undue reliance on these forward-looking statements and are cautioned that any such forward-looking statements are not guarantees of future performance. Except as otherwise required by law, we are under no duty to update any of the forward-looking statements after the date of this presentation to conform such statements to actual results or to changes in our expectations.

Announced on February 1, 2023 - Focusing the Portfolio on Modular Through Simultaneous Acquisition of Vesta and Divestiture of Adler

Accelerates McGrath's strategic growth priorities by increasing exposure to the modular business

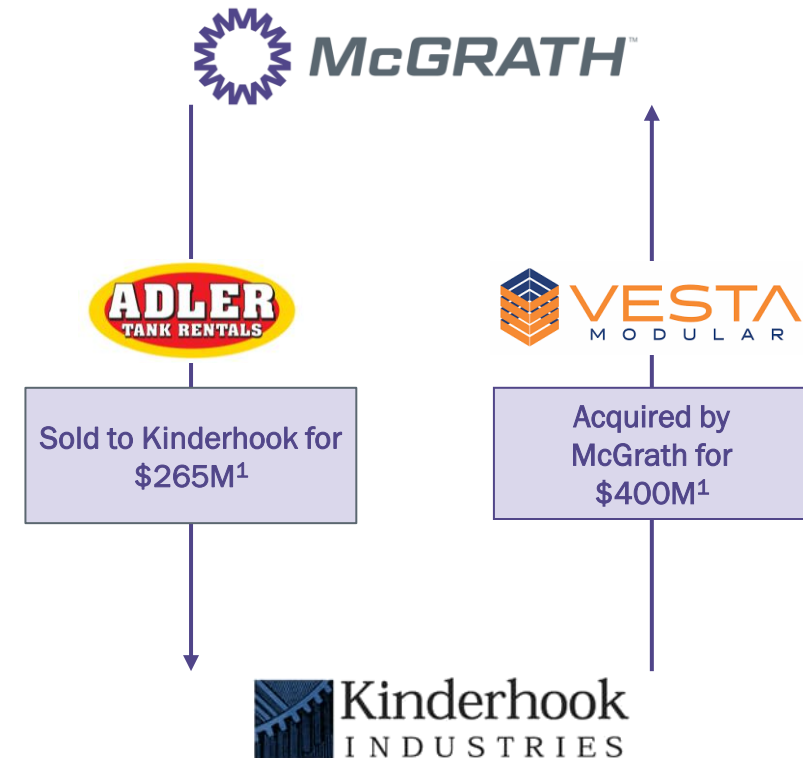
Creates a more competitive and larger scaled modular business with increased geographic coverage and density to serve customers

Improves longer-term financial profile, accelerating growth and profitability in the core modular business

Increases proportion of longer-term rental revenue contracts

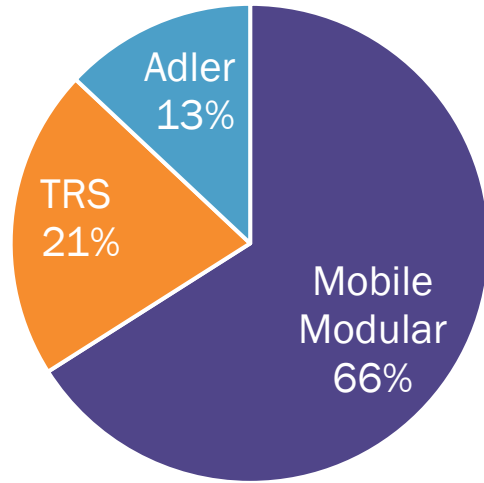
Provides opportunities for cost and revenue synergies

Retains conservative balance sheet with financial flexibility for return of capital and tuck-in acquisitions

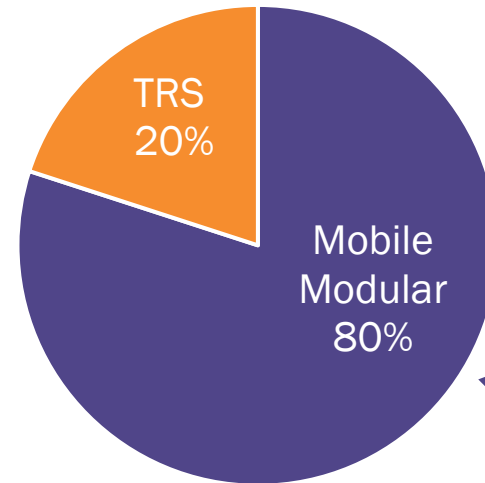


¹ Excludes reimbursable CapEx, working capital adjustments and fees

Transaction Significantly Focuses the Portfolio and Scales the Mobile Modular Business



(Standalone Revenue by Segment)



(Pro forma Revenue by Segment)

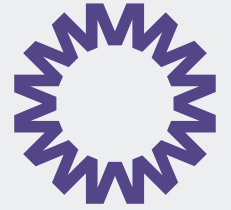


- ✓ Mobile Modular segment's high EBITDA margins, recurring revenue, and favorable demand make it a highly attractive business
- ✓ Mobile Modular's diverse end markets provide stability through economic cycles
- ✓ Enhances Mobile Modular's growth initiatives – Custom Modular Solutions, Site Related Services and Mobile Modular Plus

Note: McGrath's standalone segment mix based on LTM 9/30/22 actuals

Sidoti

Investor Presentation



McGRATH™

The slides that follow summarize McGrath's performance prior to the Adler divestiture and Vesta Modular acquisition announced on February 1, 2023



Uniquely McGrath



^(a) Full year 2022

^(b) Adjusted EBITDA defined on page 16

^(c) Based on 1984 IPO through 12/31/22 assuming reinvestment of dividends

Modular Buildings and Storage Containers



POSITIONING:

Leader in California Texas, Florida, and Mid-Atlantic education markets

PRODUCTS:

Office buildings and complexes, classrooms, portable storage containers

COVERAGE:

Mobile Modular: servicing 25 states

Portable Storage: servicing 27 states

⁽¹⁾Original Acquisition Cost

REVENUES (FY22)

\$462M

RENTAL EQUIPMENT

(AT 12/31/22 OAC⁽¹⁾)

\$1,123M

RENTAL FLEET (units)

~70,000

Vesta Modular Overview



BUSINESS OVERVIEW

- Vesta is a provider of temporary and permanent modular space solutions, and facilitates modular building processes including design, construction, and installation of projects
- Scope of business includes both modular space leasing and modular construction services
- Vesta has 120+ employees to support its diverse base of 900+ customers in a variety of end markets; core end markets include education, industrial, construction, government, municipalities and retail sectors
- Vesta operates strategically-placed branches in some of the nation's fastest growing markets – Atlanta, Dallas, Elkhart, Houston, Miami, Mobile, Nashville and Riverside
- Founded in 2014 and headquartered in Southfield, MI

\$129M

2022E Revenues

~6,000

Total Units

\$40M

2022E EBITDA

~\$220M

Original Cost

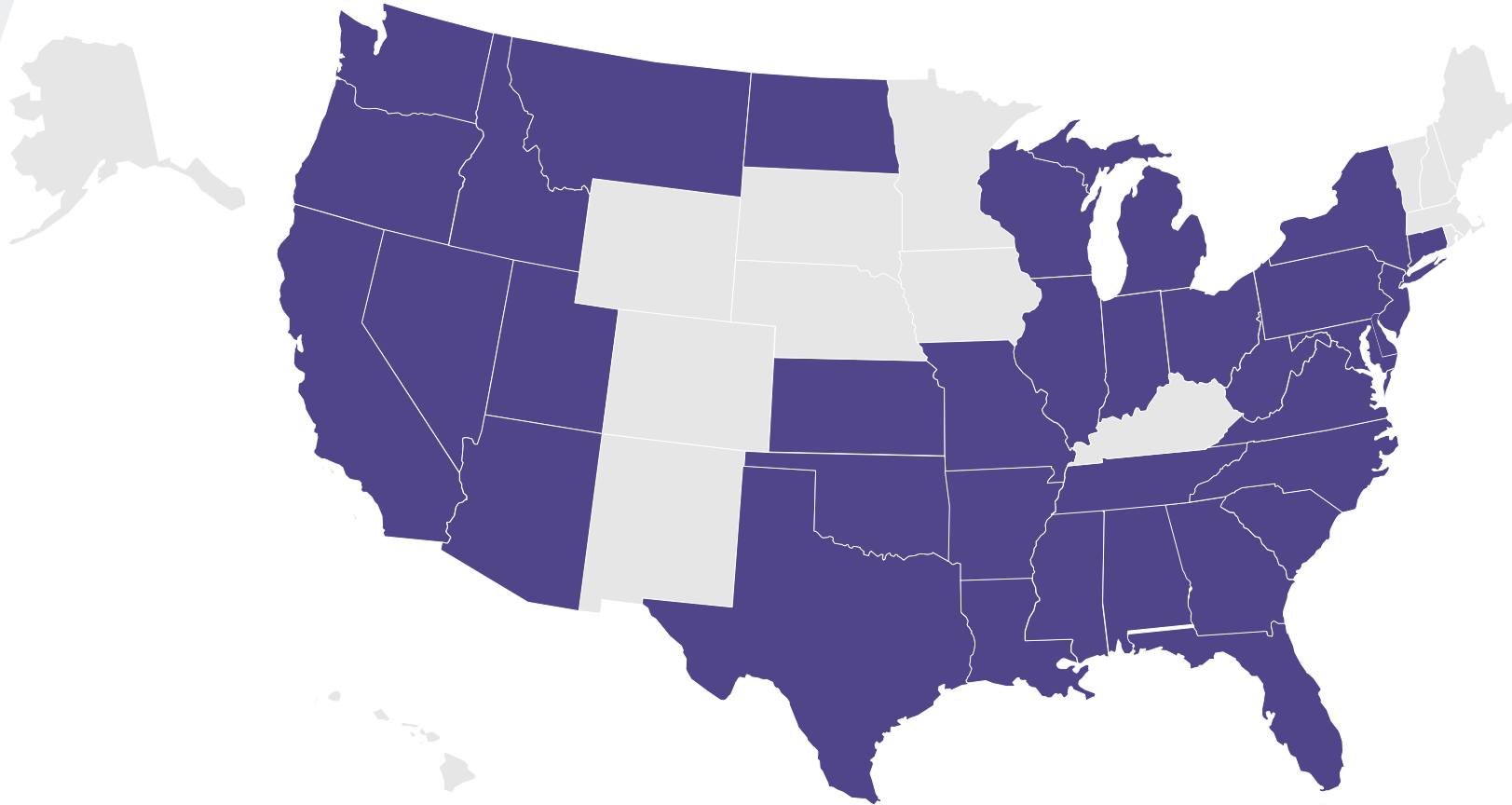
31 %

2022E EBITDA Margin

~ 7 years

Average Fleet Age

Mobile Modular + Vesta Geographic Coverage



Expands footprint with strategically located assets

13
States with New Geographic Coverage

15
States with Increased Geographic Density

Mobile Modular Growth Opportunities



- Strategic geographic footprint - Multiple attractive regions with established market position and long-term growth opportunities – CA, FL, TX, Mid Atlantic
- Industry-leading position in education rentals
- Regional expansion opportunities – Organic investment and recent Vesta Modular and Design Space acquisitions
- Portable Storage expansion – organic investment and recent Brekke and Titan acquisitions
- Custom Modular Solutions – large custom projects, including permanent modular construction, across the U.S.
- Site Related Services – Products and services outside the building (e.g. electrical and plumbing connections, walkways)
- Mobile Modular Plus – Products and services to support rental customers’ use of the building (e.g. furniture rental packages)

Electronic Test Equipment



POSITIONING:

Leader in the Americas

PRODUCTS:

General purpose and communications test equipment

COVERAGE:

Serving customers in North America and selectively overseas

⁽¹⁾Original Acquisition Cost

REVENUES (FY22)

\$151M

RENTAL EQUIPMENT

(AT 12/31/22 OAC⁽¹⁾)

\$398M

RENTAL FLEET (units)

~25,000

TRS-RenTelco Growth Opportunities



- Market leader in general purpose and communications equipment rentals
- Highly diversified end markets and customer base with positive demand trends
- Positive demand outlook for technology-related end markets driven by new technologies in almost all our markets (for example 5G communications network investments)
- High-quality customer base
- High-quality rental fleet to serve the most demanding customers

Corporate Responsibility & Values



- We take corporate social responsibility and fundamental good corporate citizenship seriously at McGrath RentCorp
- Visit our new corporate responsibility site for additional environmental sustainability, social responsibility and governance (ESG) information:
<https://investors.mgrc.com/corporate-responsibility>

“Corporate Responsibility and Sustainability are long-standing hallmarks of our company’s culture and remain at the forefront in everything we do.”

– Joe Hanna, President and CEO.

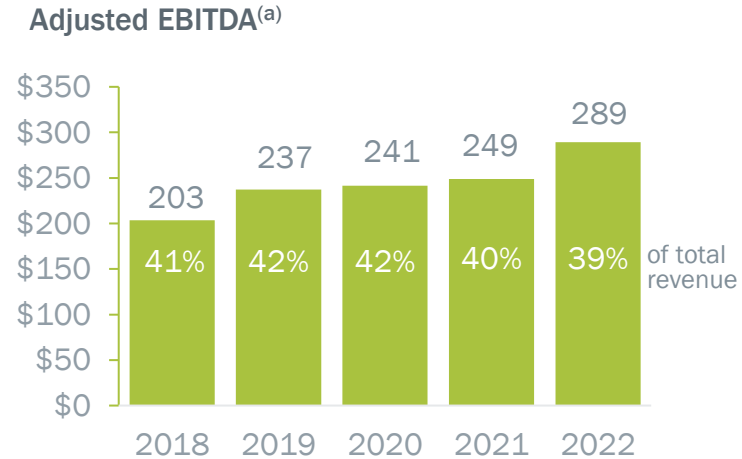
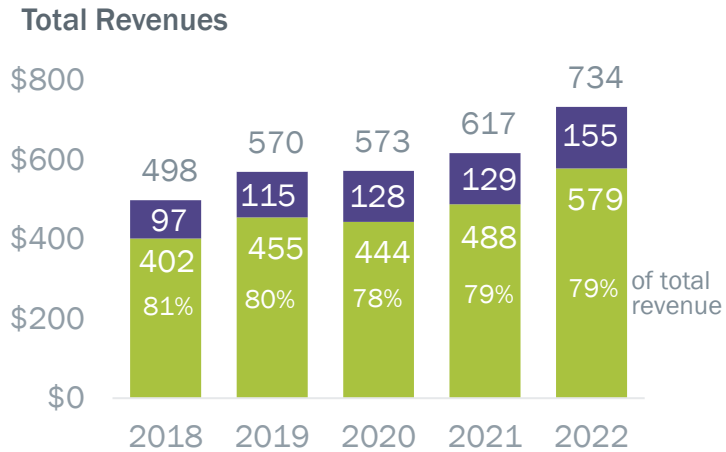
Financial Highlights



McGRATH™



McGrath Historic Operating Results

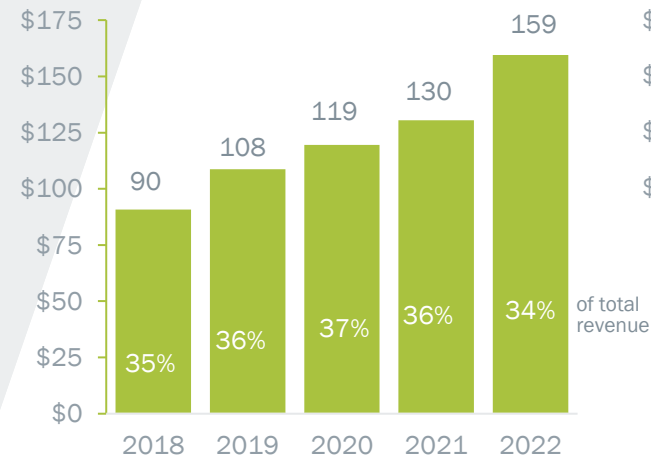


■ Rental Operations
 ■ Sales and Other
 (dollars in millions)

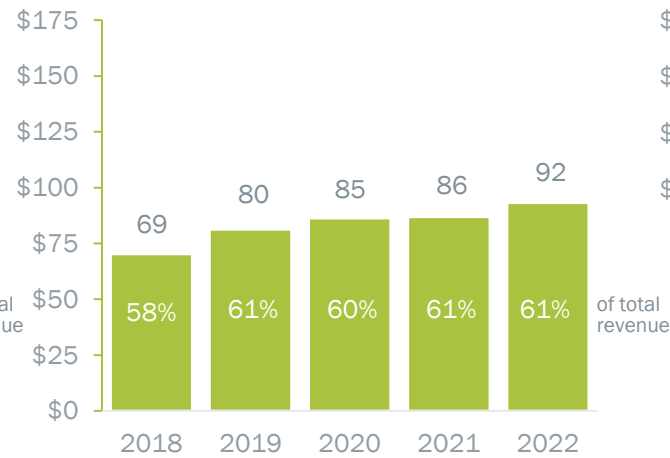
^(a) The Company defines Adjusted EBITDA as net income before interest expense, provision for income taxes, depreciation, amortization, non-cash impairment costs, share-based compensation and transaction costs. A reconciliation of Adjusted EBITDA to the most directly comparable financial measures calculated and presented in accordance with GAAP is disclosed in the company's earnings press releases and SEC filings.

Rental Segment and Total McGrath Adjusted EBITDA^(a)

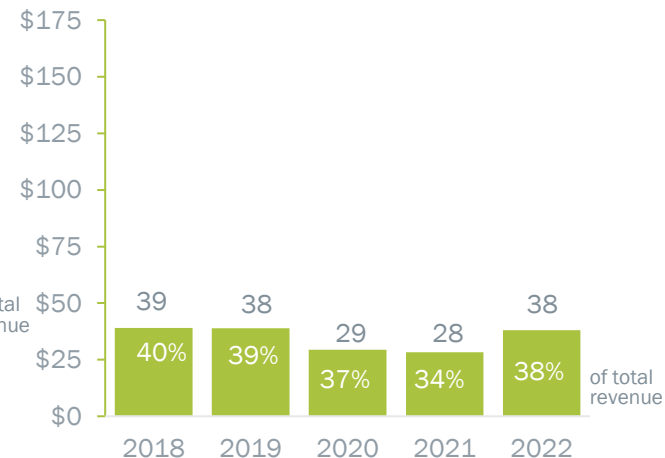
Mobile Modular^(b)



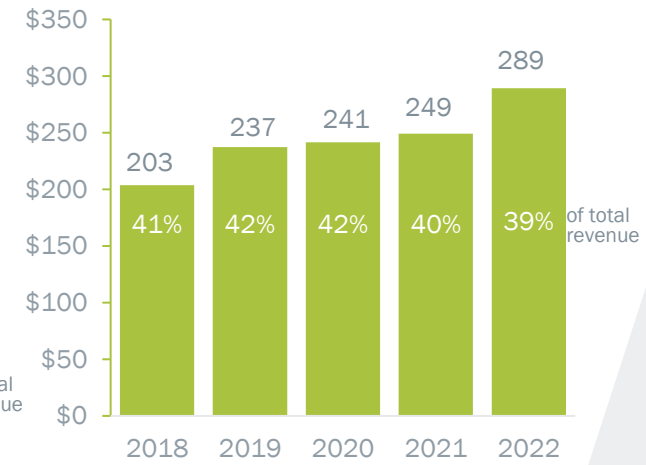
TRS-RenTelco



Adler Tank Rentals



MGRC



(dollars in millions)

^(a) Adjusted EBITDA defined on page 16

^(b) Includes Mobile Modular Portable Storage, Kitchens To Go and excludes Enviroplex. Enviroplex FY22 EBITDA was (\$0.03M).

Q4 2022 Quarterly Highlights

- **Strong McGrath results reflecting broad based demand and good execution**
 - Total revenues \$210.9M (+20%)
 - Operating income \$55.8M (+30%)
 - Adjusted EBITDA \$91.0M (+23%)
- **Each rental segment achieved healthy rental revenue growth YOY**
 - Mobile Modular +18%
 - TRS-RenTelco +8%
 - Adler Tanks +20%
- **Robust increases in both rental operations and sales revenues**
- **Well positioned for future business growth in 2023**
- **Introduced 2023 full year financial outlook**

Operating Results

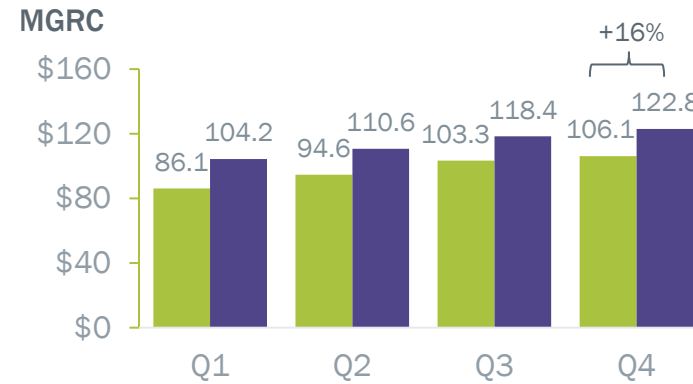
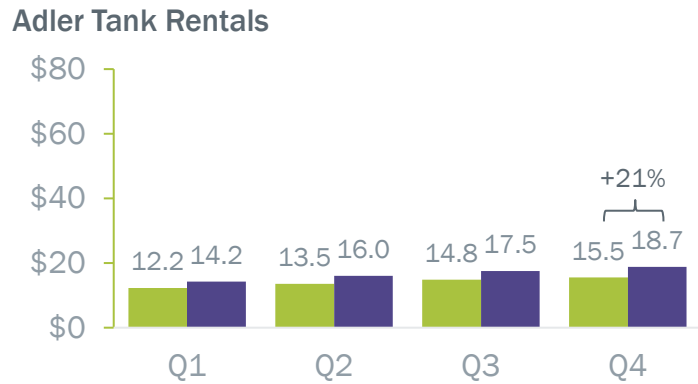
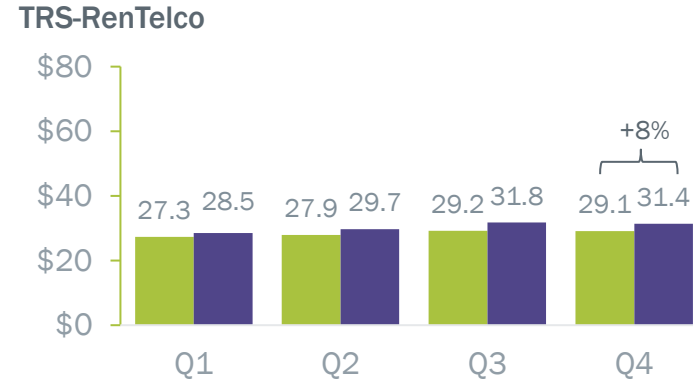
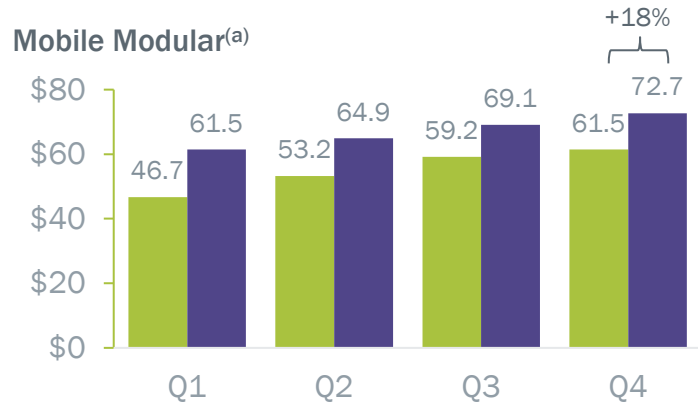
(dollars in millions except per share amounts)

	Twelve months ended December 31			Three months ended December 31		
	2022	2021	Change	2022	2021	Change
Rental Revenue	456.0	390.0	17%	122.8	106.1	16%
Rental Related Services	122.6	98.1	25%	34.1	24.2	41%
Sales	150.7	125.2	20%	52.9	44.7	18%
Total Revenue	733.8	616.8	19%	210.9	175.9	20%
Gross Profit	336.9	281.0	20%	103.1	82.3	25%
SG&A	171.3	148.6	15%	47.3	39.3	20%
EBIT	165.6	132.4	25%	55.8	43.0	30%
Net Income	115.1	89.7	28%	39.6	28.4	39%
Earnings Per Share	4.70	3.66	28%	1.62	1.16	39%
Adjusted EBITDA ^(a)	288.9	248.6	16%	91.0	73.7	23%

^(a) Adjusted EBITDA defined on page 16

Rental Revenue

Quarterly Comparison (2021 - 2022)

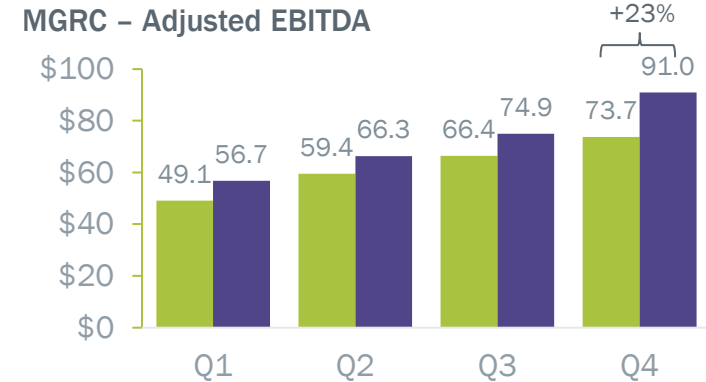
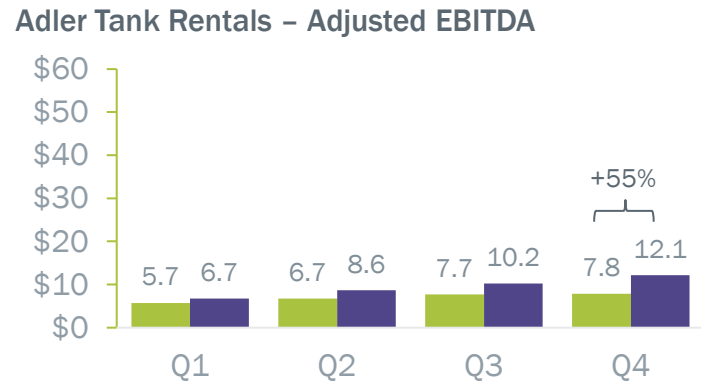
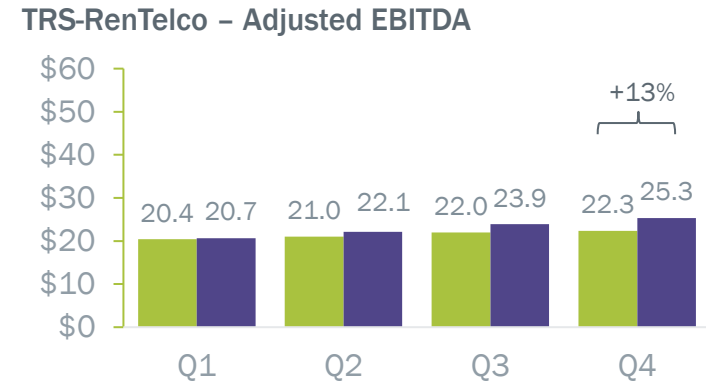
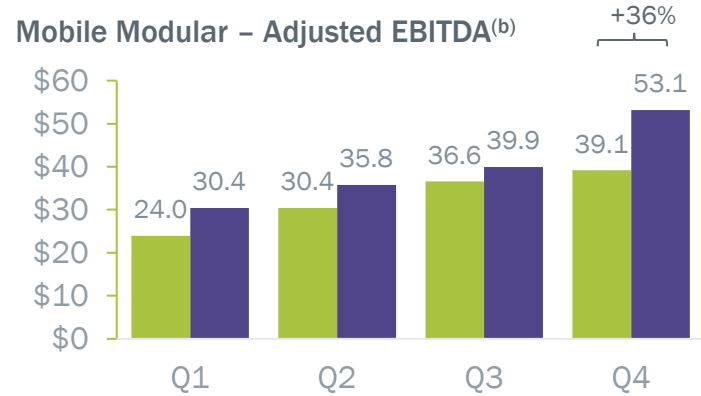


■ 2021 ■ 2022
 (dollars in millions)

^(a) Mobile Modular includes Mobile Modular Portable Storage, Kitchens To Go, and excludes Enviroplex.

Adjusted EBITDA^(a)

Quarterly Comparison (2021 - 2022)



2021 2022
(dollars in millions)

^(a) Adjusted EBITDA defined on page 16

^(b) Mobile Modular includes Mobile Modular Portable Storage, Kitchens To Go, and excludes Enviroplex. Enviroplex adjusted EBITDA decreased from \$4.4M in Q4-21 to \$0.4M in Q4-22.

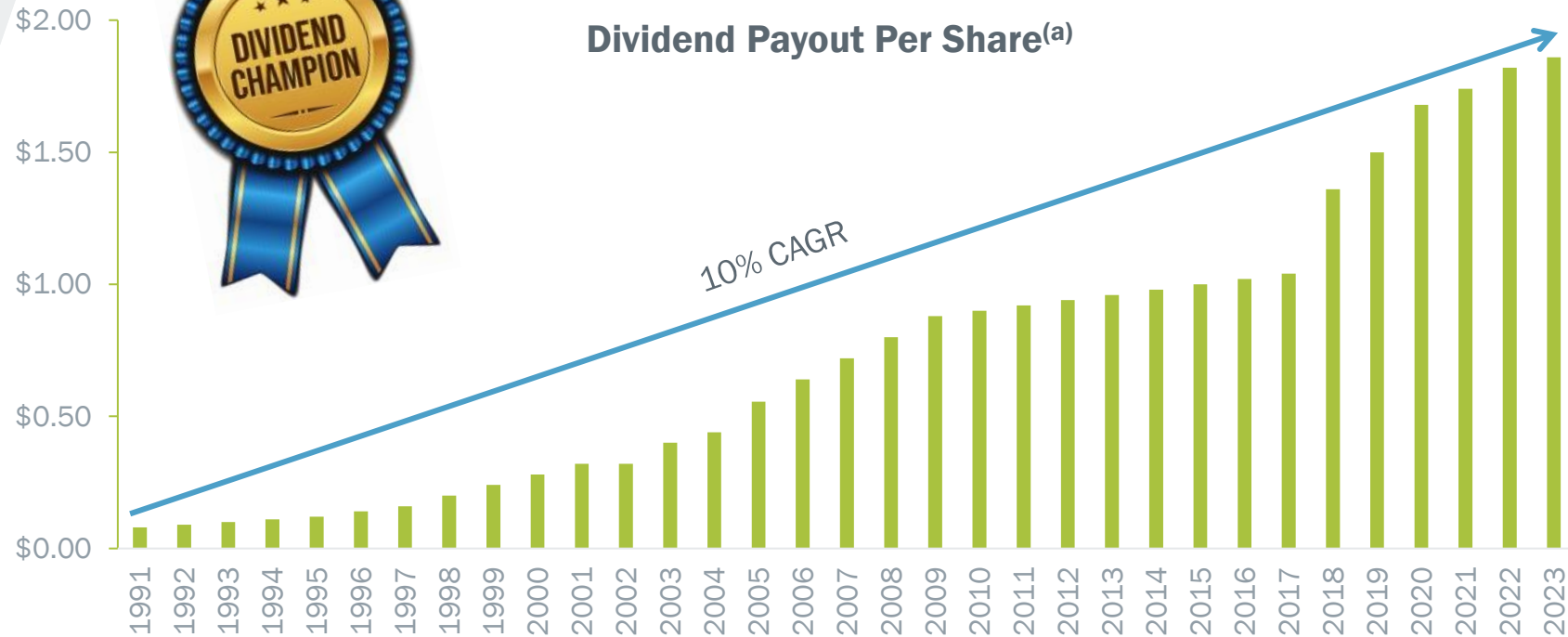
Balance Sheet

Summary Information

	December 31, <u>2022</u>	December 31, <u>2021</u>	December 31, <u>2020</u>
Rental Equipment, at cost			
Relocatable modular buildings	1,123	1,040	882
Electronic test equipment	398	361	333
Liquid and solid containment tanks and boxes	308	310	316
	1,830	1,711	1,531
Rental Equipment, net book value			
Relocatable modular buildings	815	752	612
Electronic test equipment	175	162	157
Liquid and solid containment tanks and boxes	138	152	170
Total NBV Rental Equipment	1,128	1,065	938
Total Assets	1,708	1,596	1,276
Notes Payable	414	426	223
Total Liabilities	904	864	593
Shareholders Equity	804	732	683
Shares Issued and Outstanding	24.4	24.3	24.1
Debt (Total Liabilities) to Equity	1.12	1.18	0.87
Debt (Notes Payable) to Equity	0.51	0.58	0.33
Funded Debt to LTM EBITDA	1.43	1.72	0.92
Return on Average Equity for LTM	15.1%	12.7%	15.6%
Capacity Under Existing Lines of Credit	336	166	309

(dollars in millions)

Our Dividend Distinction



- Dividend increases for 32 consecutive years

- \$1.86 per share annualized dividend

- 1.8% yield (2023 annualized dividend as of February 21, 2023)

- McGrath is 1 of approximately 130 Dividend Champions in the U.S. today, identified as having a 25-year record or more of consecutive dividend increases^(b)

^(a) In February 2023, dividends declared for Q1 2023 were \$0.46 per share, a 2% increase over Q4 2022, equating to an annualized dividend rate of \$1.86 per share. On an annualized basis, this dividend represents a 1.8% yield on the February 21, 2023 close price of \$105.86.

^(b) Source: [2023 Dividend Champions List](#) | [See All 134](#) | [Dividend power.org](#)

2023 Financial Outlook

	2022	2023 Outlook <small>(as of 2/22/23)</small>
Total Revenues	\$734M	\$780M to \$810M
Adjusted EBITDA ^(a)	\$289M	\$294M to \$309M
Gross Rental Equipment Capital Expenditures	\$188M	\$190M to \$210M

^(a) Adjusted EBITDA defined on page 16

Investment Summary

McGrath (Nasdaq: MGRC)

- Established rental businesses with solid market positions
- Strategic growth focus on Modular segment
- Disciplined capital spending on new rental equipment and acquisitions
- Strong cash flow and resilient business model
- Dividend increases for 32 consecutive years
- Sound financial foundation to support current business operations and future growth

Thank you for your interest and investment in MGRC