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

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): November 1, 2007

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)

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))

Item 2.02 Results of Operations and Financial Condition.

On November 1, 2007, McGrath RentCorp (the "Company") announced via press release the Company's results for its third quarter ended September 30, 2007. 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, and shall not be incorporated by reference in any filing under the Securities Act of 1934 or the Securities Exchange Act of 1934.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Press Release of McGrath RentCorp, dated November 1, 2007.

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: November 1, 2007

By: /s/ Keith E. Pratt

Keith E. Pratt

Vice President and Chief Financial Officer

Exhibit 99.1

McGrath RentCorp Announces Results for Third Quarter 2007

EPS Decreases 8% to $0.46 for the Quarter

Rental Revenues Increase 9%

LIVERMORE, Calif.--(BUSINESS WIRE)--Nov. 1, 2007--McGrath RentCorp (NASDAQ: MGRC) today announced revenues for the quarter ended September 30, 2007, of $80.8 million, an increase of 4%, compared to $77.9 million in the third quarter 2006. The Company reported net income for the third quarter 2007 of $11.9 million, or $0.46 per diluted share, compared to net income of $12.7 million, or $0.50 per diluted share, in the third quarter 2006.

For the third quarter of 2007, the Company's Mobile Modular division posted a 9% increase in rental revenues to $25.9 million compared with $23.9 million in the third quarter 2006, with gross profit on rental revenues increasing 11% to $16.6 million from $15.0 million in the third quarter 2006. Sales revenues increased $0.9 million from $12.4 million in the third quarter 2006 to $13.3 million, but gross profit on sales decreased $0.5 million to $3.0 million in the third quarter 2007 due to lower gross margins on sales of 22.6% in the third quarter 2007 compared to 28.1% in the third quarter 2006. Total gross profit increased 8% from $21.4 million in the third quarter 2006 to $23.0 million in the third quarter 2007. Selling and administrative expenses increased $0.9 million to $7.2 million in the third quarter 2007. As a result, Mobile Modular's pre-tax income increased 8% from $12.9 million to $14.0 million in the third quarter 2007.

For the third quarter of 2007, the Company's TRS-RenTelco division posted an 8% increase in rental revenues to $21.7 million from $20.0 million in the third quarter of 2006, but gross profit on rental revenues decreased 2% to $8.9 million from $9.0 million in the third quarter 2006. The lower gross profit on rental revenues was primarily due to 20% higher depreciation expense and 2% lower average equipment utilization in 2007, resulting in a higher depreciation as a percentage of rents of 47.1% in the third quarter 2007 compared to 42.7% in the third quarter 2006. Sales revenues decreased $2.0 million from $5.7 million to $3.7 million in the third quarter 2007, with gross profit on sales decreasing $0.5 million to $1.3 million from $1.8 million in the third quarter 2006. Selling and administrative expenses increased $0.5 million to $4.9 million in the third quarter 2007. As a result, TRS-RenTelco's pre-tax income decreased 17% from $5.9 million to $4.9 million in the third quarter 2007.

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

"Our third quarter results reflect continuing favorable growth in rental revenues and rental assets in both our modulars and electronics businesses. We are investing in the future earnings growth of McGrath RentCorp, including management to support the expansion of our existing rental businesses and our corporate development efforts on new initiatives, and information systems. Our sales of equipment for the third quarter at both Enviroplex and for our electronics rental business were lower than last year reducing EPS by $0.04. We've always emphasized rental revenue and rental asset growth are more important than equipment sales to McGrath RentCorp's long-term profitability.

"Mobile Modular's 9% increase in rental revenues over the third quarter of 2006 was primarily related to new educational rentals coming online during the quarter, and to a lesser degree new commercial rental activity. We should experience a full 12 months of rental revenues in 2008 on a large number of these educational orders. Gross profit on rents increasing 11% from a year ago was driven by lower direct expense growth as compared to rental revenue growth within the quarter.

"In California, we experienced a favorable number of educational opportunities during the first half of 2007 as a result of the high level of school modernization bond monies available. However, we also experienced a more price competitive market compared to past school ordering seasons due to higher classroom inventory levels coming into 2007. Our 2008 opportunity pipeline in California for additional classroom rentals for modernization of public education facility infrastructure, and the availability of funding to support such projects, looks favorable today. However, we also expect continuing pricing pressure, minimally in the first half of 2008, until we more fully utilize our classroom inventory. In California, our commercial business grew, however, at a lower rate than anticipated. This was due to lower business activity in residential and non-residential construction. In both our Florida and Texas markets, we experienced strong quarter over quarter rental revenue growth. Our educational business in both of these markets is continuing to grow nicely. Texas had favorable quarter over quarter growth in commercial rental activity, and in Florida we are pleased with the volume of commercial opportunities we are experiencing as we work to establish the Mobile Modular brand name in the market.

"TRS-RenTelco's 8% increase in rental revenues quarter over quarter reflects a favorable rental environment with increased business activity levels across a broad range of applications including wireless and wire line equipment, aerospace & defense systems and products and broadband network infrastructure. Early in the third quarter we began to see a higher conversion level of pipeline opportunities to bookings. This was our highest rental revenue quarter since the merger of TRS and RenTelco in 2004.

"TRS-RenTelco's pre-tax income for the third quarter was lower than a year ago as a result of higher depreciation, and higher selling and administrative expenses. Depreciation expense increased due to our continuing purchases of the latest technology test equipment to support growth and our need to reduce our inventories of older technology equipment. We are also more fully staffed than a year ago. Most of these positions are sales and marketing related and are helping to drive our higher rental revenue levels.

"We've added over $43 million in new rental assets to our test equipment inventory over the past 12 months. Our utilization at the end of the third quarter was at 70% and our pipeline of opportunities continues to be strong entering the fourth quarter. As we begin to sell more lower utilized test equipment, we would expect a favorable impact to both depreciation expense as a percentage of rental revenues, and profit on sales, in supporting higher pre-tax profit levels."

THIRD QUARTER 2007 HIGHLIGHTS (AS COMPARED TO THIRD QUARTER 2006)

-- Rental revenues increased 9% to $47.7 million. Within rental revenues, Mobile Modular increased 9% from $23.9 million to $25.9 million; TRS-RenTelco increased 8% from $20.0 million to $21.7 million.

-- Sales revenues decreased 10% to $22.5 million, resulting from lower sales volume in TRS-RenTelco and Enviroplex partly offset by higher sales volume in Mobile Modular. The lower sales volume and lower gross margin percentage of 26.7% in 2007 compared to 32.7% in 2006, resulted in a gross profit decrease of $2.2 million. Sales revenues and related gross margins can fluctuate from quarter to quarter depending on customer requirements, equipment availability and funding.

-- Average Rental Equipment increased 14% to $649.4 million. Within average rental equipment, Mobile Modular increased 11% from $393.0 million to $434.7 million; TRS-RenTelco increased 22% from $175.8 million to $214.7 million.

-- Depreciation of rental equipment increased 18% to $13.4 million, with Mobile Modular increasing 12% to $3.2 million from $2.8 million in 2006, and TRS-RenTelco increasing 20% to $10.2 million from $8.6 million in 2006.

-- Debt decreased $1.5 million during the quarter to $184.5 million, with the Company's total liabilities to equity ratio increasing from 1.49 to 1 at June 30, 2007 to 1.51 to 1 as of September 30, 2007. As of September 30, 2007, the Company, under its lines of credit, had capacity to borrow an additional $58.5 million.

-- Dividend rate increased 13% to $0.18 per share for the third quarter 2007, as compared to $0.16 per share for the third quarter of 2006. On an annualized basis, this dividend represents a 2.1% yield on the October 31, 2007 close price of $34.28.

-- Cash flows from operating activities decreased $17.5 million to $54.2 million for the nine months ended September 30, 2007, primarily attributable to the reduction of accounts receivable in 2006 due to the collection of large aged receivables that did not recur in 2007 and a slower collection of receivables in 2007 and to a lesser extent decreased accounts payable and other accrued liabilities compared to 2006, partly offset by improved operating results and other balance sheet changes.

-- Adjusted EBITDA increased 1% to $37.2 million for the third quarter of 2007 compared to $36.9 million for the third quarter of 2006. Adjusted EBITDA is defined as net income before minority interest in income of subsidiary, interest expense, provision for income taxes, depreciation, amortization and non-cash stock-based compensation. A reconciliation of Adjusted EBITDA to net cash provided by operating activities and net income to Adjusted EBITDA can be found at the end of this release.

FINANCIAL GUIDANCE

Based on results to date and the current forecast for the remainder of the year, the Company expects 2007 results to be towards the lower end of its 2007 guidance range of $1.65 to $1.73 per diluted share. Such a forward-looking statement reflects McGrath RentCorp's expectations as of November 1, 2007. Actual 2007 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.

You should read this press release 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 to access information on McGrath RentCorp, including the latest filings on Form 10-K and Form 10-Q.

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 October 10, 2007, McGrath RentCorp will host a conference call at 5:00 p.m. Eastern Time (2:00 p.m. Pacific Time) on November 1, 2007 to discuss the third quarter 2007 results. To participate in the teleconference, dial 1-800-218-8862 (in the U.S.), or 1-303-262-2140 (outside the US), or visit the investor relations section of the Company's website at 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 11098621.

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", "appears", "plans" or "anticipates" or the negative thereof or other variations thereon or comparable terminology, or by discussions of strategy. 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. Important factors that could cause actual results to differ materially from the Company's expectations are disclosed under "Risk Factors" and elsewhere in the Company's 10-K, 10-Q and other SEC filings, including, the effectiveness of management's strategies and decisions, general economic, stock market and business conditions, including in the states and countries where we sell or rent our products; continuing demand for our products; hiring, retention and motivation of key personnel; failure by third parties to manufacture our products in a timely manner and to our specifications; our dependence on our information technology systems and our ability to successfully implement information system upgrades; our ability to finance expansion and to locate and consummate acquisitions; fluctuations in interest rates and the Company's ability to manage credit risk; the effect of our debt covenants on our flexibility to operate the business; our ability to effectively manage our rental assets; the risk that we may be subject to litigation and claims from employees, vendors, customers and other third parties; fluctuations in the Company's effective tax rate; changes in financial accounting standards; our failure to comply with internal control requirements; catastrophic loss to our facilities; state funding for education; our failure, or the failure of our products, to comply with current, new or modified statutory or regulatory requirements; success of the Company's strategic growth initiatives; risks associated with doing business with government entities; seasonality of our educational and electronics business; intense industry competition; our ability to timely deliver, install and redeploy our modular products; significant increases in raw materials, labor, and other costs; and risks associated with operating internationally. 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. The Company assumes no obligation to update any forward-looking statements contained in this press release as a result of new information, future events, or developments.

MCGRATH RENTCORP
CONSOLIDATED STATEMENTS OF INCOME
(UNAUDITED)

(in thousands, except per share amounts)	Three Months Ended September 30, 2007	Three Months Ended September 30, 2006	Nine Months Ended September 30, 2007	Nine Months Ended September 30, 2006
REVENUES				
Rental	$ 47,659	$ 43,896	$135,962	$124,735
Rental Related Services	9,968	8,278	25,988	22,444
Rental Operations	57,627	52,174	161,950	147,179
Sales	22,503	25,110	45,070	47,377
Other	621	591	1,931	1,848
Total Revenues	80,751	77,875	208,951	196,404
COSTS AND EXPENSES				
Direct Costs of Rental Operations				
Depreciation of Rental Equipment	13,427	11,399	38,176	33,571
Rental Related Services	6,660	5,587	17,919	15,295
Other	8,772	8,489	25,366	26,258
Total Direct Costs of Rental Operations	28,859	25,475	81,461	75,124
Costs of Sales	16,501	16,890	32,230	32,778
Total Costs of Revenues	45,360	42,365	113,691	107,902
Gross Profit	35,391	35,510	95,260	88,502
Selling and Administrative	13,108	11,278	37,363	33,634
Income from Operations	22,283	24,232	57,897	54,868
Interest Expense	2,662	2,959	8,115	8,085
Income Before Provision for Income Taxes	19,621	21,273	49,782	46,783
Provision for Income Taxes	7,652	8,296	19,415	17,365
Income Before Minority Interest	11,969	12,977	30,367	29,418
Minority Interest in Income of Subsidiary	92	302	77	237
Net Income	$ 11,877	$ 12,675	$ 30,290	$ 29,181
Earnings Per Share:				
Basic	$ 0.47	$ 0.51	$ 1.20	$ 1.17
Diluted	$ 0.46	$ 0.50	$ 1.19	$ 1.16

Shares Used in Per Share Calculation:				
Basic	25,342	24,960	25,230	24,927
Diluted	25,607	25,152	25,482	25,190
Cash Dividends Declared Per Share	$ 0.18	$ 0.16	$ 0.54	$ 0.48

MCGRATH RENTCORP
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

(in thousands)	September 30, 2007	December 31, 2006
ASSETS		
Cash	$ 2,608	$ 349
Accounts Receivable, net of allowance for doubtful accounts of $1,400 in 2007 and $1,000 in 2006	79,031	59,834
Rental Equipment, at cost:		
Relocatable Modular Buildings	470,185	451,828
Electronic Test Equipment	224,191	186,673
	694,376	638,501
Less Accumulated Depreciation	(213,041)	(187,159)
Rental Equipment, net	481,335	451,342
Property, Plant and Equipment, net	60,468	58,146
Prepaid Expenses and Other Assets	18,869	15,871
Total Assets	$ 642,311	$ 585,542
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities:		
Notes Payable	$ 184,500	$ 165,557
Accounts Payable and Accrued Liabilities	54,604	55,509
Deferred Income	31,314	25,852
Minority Interest in Subsidiary	3,557	3,479
Deferred Income Taxes, net	112,673	104,353
Total Liabilities	386,648	354,750
Shareholders' Equity:		
Common Stock, no par value - Authorized -- 40,000 shares Issued and Outstanding -- 25,363 shares in 2007 and 25,090 shares in 2006	42,202	33,963
Retained Earnings	213,461	196,829
Total Shareholders' Equity	255,663	230,792
Total Liabilities and Shareholders' Equity	$ 642,311	$ 585,542

MCGRATH RENTCORP
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

Nine Months Ended
September 30,

(in thousands)	2007	2006
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income	$ 30,290	$ 29,181
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation	39,934	35,140
Provision for Doubtful Accounts	928	364
Non-Cash Stock-Based Compensation	2,578	2,334
Gain on Sale of Rental Equipment	(7,242)	(7,689)
Change In:		
Accounts Receivable	(20,125)	(2,217)
Prepaid Expenses and Other Assets	(2,998)	(1,791)
Accounts Payable and Accrued Liabilities	(2,957)	4,990
Deferred Income	5,462	5,169
Deferred Income Taxes	8,320	6,246
Net Cash Provided by Operating Activities	54,190	71,727
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Rental Equipment	(78,384)	(91,703)
Purchase of Property, Plant and Equipment	(4,080)	(2,728)
Proceeds from Sale of Rental Equipment	19,037	17,953
Net Cash Used in Investing Activities	(63,427)	(76,478)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net Borrowings Under Bank Lines of Credit	18,943	14,825
Proceeds from the Exercise of Stock Options	3,979	1,441
Excess Tax Benefit from Exercise and Disqualifying Disposition of Stock Options	1,682	626
Repurchase of Common Stock	--	(526)
Payment of Dividends	(13,108)	(11,465)
Net Cash Provided by Financing Activities	11,496	4,901
Net Increase in Cash	2,259	150
Cash Balance, beginning of period	349	276
Cash Balance, end of period	$ 2,608	$ 426
Interest Paid, during the period	$ 7,371	$ 7,362
Income Taxes Paid, during the period	$ 9,413	$ 10,493
Dividends Declared, not yet paid	$ 4,565	$ 3,991
Rental Equipment Acquisitions, not yet paid	$ 11,011	$ 5,615

Mobile Modular - Q3 2007 compared to Q3 2006 (Unaudited)

(dollar amounts in thousands)	Three Months Ended September 30,		Increase (Decrease)	
	2007	2006	$	%
Revenues				
Rental	$ 25,935	$ 23,857	$ 2,078	9%
Rental Related Services	9,505	7,902	1,603	20%
Rental Operations	35,440	31,759	3,681	12%
Sales	13,304	12,372	932	8%
Other	162	184	(22)	-12%
Total Revenues	$ 48,906	$ 44,315	$ 4,591	10%

Gross Profit				
Rental	$ 16,596	$ 15,004	$ 1,592	11%
Rental Related Services	3,241	2,727	514	19%
Rental Operations	19,837	17,731	2,106	12%
Sales	3,001	3,473	(472)	-14%
Other	162	184	(22)	-12%
Total Gross Profit	$ 23,000	$ 21,388	$ 1,612	8%
Pre-tax Income	$ 13,962	$ 12,920	$ 1,042	8%
Other Information				
Depreciation of Rental Equipment	$ 3,188	$ 2,835	$ 353	12%
Interest Expense Allocation	$ 1,874	$ 2,160	$ (286)	-13%
Average Rental Equipment (1)	$434,740	$392,979	$41,761	11%
Average Rental Equipment on Rent (1)	$361,352	$328,762	$32,590	10%
Average Monthly Total Yield (2)	1.99%	2.02%		-1%
Average Utilization (3)	83.1%	83.7%		-1%
Average Monthly Rental Rate (4)	2.39%	2.42%		-1%
Period End Rental Equipment (1)	$443,508	$404,086	$39,422	10%
Period End Utilization (3)	82.9%	82.9%		0%
Period End Floors (1)	26,144	24,721	1,423	6%

1 Average and Period End Rental Equipment represents the cost of rental equipment excluding new equipment inventory and accessory equipment. Period End Floors excludes new equipment inventory.

2 Average Monthly Total Yield is calculated by dividing the averages of monthly rental revenues 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 rental revenues by the cost of rental equipment on rent, for the period.

TRS-RenTelco - Q3 2007 compared to Q3 2006 (Unaudited)

(dollar amounts in thousands)	Three Months Ended September 30,		Increase (Decrease)	
	2007	2006	$	%
Revenues				
Rental	$ 21,724	$ 20,039	$ 1,685	8%
Rental Related Services	463	376	87	23%
Rental Operations	22,187	20,415	1,772	9%
Sales	3,710	5,734	(2,024)	-35%
Other	459	407	52	13%
Total Revenues	$ 26,356	$ 26,556	$ (200)	-1%
Gross Profit				
Rental	$ 8,864	$ 9,004	$ (140)	-2%
Rental Related Services	67	(36)	103	286%
Rental Operations	8,931	8,968	(37)	0%
Sales	1,335	1,831	(496)	-27%
Other	459	407	52	13%

Total Gross Profit	$ 10,725	$ 11,206	(481)	-4%
Pre-tax Income	$ 4,903	$ 5,877	$ (974)	-17%

Other Information

Depreciation of Rental Equipment	$ 10,239	$ 8,564	$ 1,675	20%
Interest Expense Allocation	$ 915	$ 927	$ (12)	-1%
Average Rental Equipment (1)	$214,733	$175,827	$38,906	22%
Average Rental Equipment on Rent (1)	$146,814	$123,038	$23,776	19%
Average Monthly Total Yield (2)	3.37%	3.80%		-11%
Average Utilization (3)	68.4%	70.0%		-2%
Average Monthly Rental Rate (4)	4.93%	5.43%		-9%
Period End Rental Equipment (1)	$221,752	$178,568	$43,184	24%
Period End Utilization (3)	69.9%	68.8%		2%

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 rental revenues 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 rental revenues by the cost of rental equipment on rent, for the period.

Mobile Modular - Nine Months Ended 9/30/07 compared to Nine Months Ended 9/30/06 (Unaudited)

(dollar amounts in thousands)	Nine Months Ended September 30,		Increase (Decrease)	
	2007	2006	$	%
Revenues				
Rental	$ 74,501	$ 66,867	$ 7,634	11%
Rental Related Services	24,670	21,447	3,223	15%
Rental Operations	99,171	88,314	10,857	12%
Sales	23,555	24,467	(912)	-4%
Other	481	545	(64)	-12%
Total Revenues	$123,207	$113,326	$ 9,881	9%
Gross Profit				
Rental	$ 47,666	$ 40,238	7,428	18%
Rental Related Services	8,009	7,362	647	9%
Rental Operations	55,675	47,600	8,075	17%
Sales	6,075	6,608	(533)	-8%
Other	481	545	(64)	-12%
Total Gross Profit	$ 62,231	$ 54,753	$ 7,478	14%
Pre-tax Income	$ 36,125	$ 30,284	$ 5,841	19%
Other Information				
Depreciation of Rental Equipment	$ 9,136	$ 7,973	$ 1,163	15%

Interest Expense Allocation	$ 5,767	$ 5,949	$ (182)	-3%
Average Rental Equipment (1)	$422,266	$378,962	$43,304	11%
Average Rental Equipment on Rent (1)	$347,068	$315,040	$32,028	10%
Average Monthly Total Yield (2)	1.96%	1.96%		0%
Average Utilization (3)	82.2%	83.1%		-1%
Average Monthly Rental Rate (4)	2.39%	2.36%		1%
Period End Rental Equipment (1)	$443,508	$404,086	$39,422	10%
Period End Utilization (3)	82.9%	82.9%		0%
Period End Floors (1)	26,144	24,721	1,423	6%

1 Average and Period End Rental Equipment represents the cost of rental equipment excluding new equipment inventory and accessory equipment. Period End Floors excludes new equipment inventory.

2 Average Monthly Total Yield is calculated by dividing the averages of monthly rental revenues 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 rental revenues by the cost of rental equipment on rent, for the period.

TRS-RenTelco - Nine Months Ended 9/30/07 compared to Nine Months Ended 9/30/06 (Unaudited)

(dollar amounts in thousands)	Nine Months Ended September 30,		Increase (Decrease)	
	2007	2006	$	%
Revenues				
Rental	$ 61,461	$ 57,868	$ 3,593	6%
Rental Related Services	1,318	997	321	32%
Rental Operations	62,779	58,865	3,914	7%
Sales	13,437	13,436	1	0%
Other	1,450	1,303	147	11%
Total Revenues	$ 77,666	$ 73,604	$ 4,062	6%
Gross Profit				
Rental	$ 24,754	$ 24,668	$ 86	0%
Rental Related Services	60	(213)	273	128%
Rental Operations	24,814	24,455	359	1%
Sales	4,475	4,672	(197)	-4%
Other	1,450	1,303	147	11%
Total Gross Profit	$ 30,739	$ 30,430	$ 309	1%
Pre-tax Income	$ 13,021	$ 14,557	$(1,536)	-11%
Other Information				
Depreciation of Rental Equipment	$ 29,040	$ 25,598	$ 3,442	13%
Interest Expense Allocation	$ 2,752	$ 2,507	$ 245	10%
Average Rental Equipment (1)	$203,407	$166,660	$36,747	22%
Average Rental Equipment on Rent (1)	$136,691	$116,715	$19,976	17%
Average Monthly Total Yield (2)	3.36%	3.86%		-13%
Average Utilization (3)	67.2%	70.0%		-4%
Average Monthly Rental Rate (4)	5.00%	5.51%		-9%

Period End Rental Equipment (1)	$221,752	$178,568	$43,184	24%
Period End Utilization (3)	69.9%	68.8%		2%

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 rental revenues 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 rental revenues by the cost of rental equipment on rent, for the period.

Reconciliation of Adjusted EBITDA to the most directly comparable GAAP measures

To supplement the Company's financial data presented on a basis consistent with Generally Accepted Accounting Principles ("GAAP"), the Company presents Adjusted EBITDA which is defined by the Company as net income before minority interest in income of subsidiary, interest expense, provision for income taxes, depreciation, amortization, and non-cash stock-based compensation.

The Company presents Adjusted EBITDA as a financial measure as management believes it provides useful information to investors regarding the Company's liquidity and financial condition and because management, as well as the Company's lenders use this measure in evaluating the performance of the Company.

Management uses Adjusted EBITDA as a supplement to GAAP measures to further evaluate the Company's period-to-period operating performance and evaluate the Company's ability to meet future capital expenditure and working capital requirements. Management believes the exclusion of non-cash charges, including stock based compensation, is useful in measuring the Company's cash available to operations and the performance of the Company. Because we find Adjusted EBITDA useful the Company believes its investors will also find Adjusted EBITDA useful in evaluating the Company's performance.

Adjusted EBITDA should not be considered in isolation or as a substitute for net income, cash flows, or other consolidated income or cash flow data prepared in accordance with generally accepted accounting principles in the United States or as a measure of the Company's profitability or liquidity. Adjusted EBITDA is not in accordance with or an alternative for GAAP, and may be different from non-GAAP measures used by other companies. Unlike EBITDA which may be used by other companies or investors, Adjusted EBITDA does not include stock-based compensation charges and income from the minority interest in the Company's Enviroplex subsidiary. The Company believes that Adjusted EBITDA is of limited use in that it does not reflect all of the amounts associated with the Company's results of operations as determined in accordance with GAAP and does not accurately reflect real cash flow. In addition, other companies may not use Adjusted EBITDA or may use other non-GAAP measures, limiting the usefulness of Adjusted EBITDA. Therefore, Adjusted EBITDA should only be used to evaluate the Company's results of operations in conjunction with the corresponding GAAP measures. The presentation of Adjusted EBITDA is not meant to be considered in isolation or as a substitute for the most directly comparable GAAP measures. The Company compensates for the limitations of Adjusted EBITDA by relying upon GAAP results to gain a complete picture of the Company's performance. Since Adjusted EBITDA is a non-GAAP financial measure as defined by the Securities and Exchange Commission, the Company includes in the tables below reconciliations of Adjusted EBITDA to the most directly comparable financial measures calculated and presented in accordance with accounting principles generally accepted in the United States.

Reconciliation of Net Income to Adjusted EBITDA

(dollar amounts in thousands)	Three Months Ended	Nine Months Ended	Twelve Months Ended

	Three Months Ended September 30,		Nine Months Ended September 30,		Twelve Months Ended September 30,	
	2007	2006	2007	2006	2007	2006
Net Income	$11,877	$12,675	$ 30,290	$29,181	$ 42,187	$ 41,286
Minority Interest in Income of Subsidiary	92	302	77	237	121	208
Provision for Income Taxes	7,652	8,296	19,415	17,365	26,259	24,237
Interest	2,662	2,959	8,115	8,085	10,790	10,249
Income from Operations	22,283	24,232	57,897	54,868	79,357	75,980
Depreciation and Amortization	14,032	11,917	39,934	35,140	52,255	46,765
Non-Cash Stock-Based Compensation	874	786	2,578	2,334	3,369	2,378
Adjusted EBITDA (1)	$37,189	$36,935	$100,409	$92,342	$134,981	$125,123
Adjusted EBITDA Margin (2)	46%	47%	48%	47%	48%	46%

Reconciliation of Adjusted EBITDA to Net Cash Provided by Operating Activities

(dollar amounts in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,		Twelve Months Ended September 30,	
	2007	2006	2007	2006	2007	2006
Adjusted EBITDA (1)	$ 37,189	$36,935	$100,409	$ 92,342	$134,981	$125,123
Interest Paid	(1,739)	(2,345)	(7,371)	(7,362)	(10,520)	(10,255)
Income Taxes Paid	(3,337)	(1,919)	(9,413)	(10,493)	(16,168)	(20,430)
Gain on Sale of Rental Equipment	(2,892)	(3,728)	(7,242)	(7,689)	(9,904)	(10,228)
Change in certain assets and liabilities:						
Accounts Receivable, net	(14,872)	(9,963)	(19,197)	95	(15,424)	10,603
Prepaid Expenses and Other Assets	(1,952)	(161)	(2,998)	(1,791)	(1,058)	(1,672)
Accounts Payable and Accrued Liabilities	165	(298)	(5,460)	3,404	(1,612)	2,757
Deferred Income	12,853	10,695	5,462	3,221	683	(2,025)
Net Cash Provided by Operating Activities	$ 25,415	$29,216	$ 54,190	$ 71,727	$ 80,978	$ 93,873

1 Adjusted EBITDA is defined as net income before minority interest in income of subsidiary, interest expense, provision for income taxes, depreciation, amortization, and other non-cash stock-based compensation.

2 Adjusted EBITDA Margin is calculated as Adjusted EBITDA divided by total revenues for the period.

CONTACT: McGrath RentCorp
Keith E. Pratt, 925-606-9200
Chief Financial Officer