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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): August 2, 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))

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Item 2.02 Results of Operations and Financial Condition.

On August 2, 2007, McGrath RentCorp (the "Company") announced via press release the Company's results for its second quarter ended June 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

August 2, 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: August 2, 2007

By: /s/ Keith E. Pratt

Keith E. Pratt
Vice President and
Chief Financial Officer

Exhibit 99.1

McGrath RentCorp Announces Results for Second Quarter 2007

EPS Increases 6% to $0.36 for the Quarter

Rental Revenues Increase 9%

LIVERMORE, Calif.--(BUSINESS WIRE)--Aug. 2, 2007--McGrath RentCorp (NASDAQ:MGRC) today announced revenues for the quarter ended June 30, 2007, of $67.4 million, an increase of 11%, compared to $60.7 million in the second quarter 2006. The Company reported net income for the second quarter 2007 of $9.1 million, or $0.36 per diluted share, compared to net income of $8.7 million, or $0.34 per diluted share, in the second quarter 2006. During the second quarter 2006, the Company recorded a $0.9 million reduction to the provision for income taxes, or $0.03 per diluted share, due to the reduction in the Company's deferred tax liability as a result of a franchise tax law change enacted by the state of Texas in May 2006.

For the second quarter of 2007, the Company's Mobile Modular division posted a 14% increase in rental revenues to $24.7 million compared with $21.6 million in the second quarter 2006, with gross profit on rental revenues increasing 29% to $15.3 million from $11.9 million in the second quarter 2006. Sales revenues decreased $1.2 million from $7.3 million in the second quarter 2006 to $6.1 million, with comparable gross profit on sales of $1.8 million due to higher gross margins on sales of 29.0% in the second quarter 2007 compared to 24.5% in the second quarter 2006. Total gross profit increased 21% from $16.2 million in the second quarter 2006 to $19.7 million in the second quarter 2007. Selling and administrative expenses increased $0.8 million to $6.7 million in the second quarter 2007. As a result, Mobile Modular's pre-tax income increased 32% from $8.3 million to $11.0 million in the second quarter 2007.

For the second quarter of 2007, the Company's TRS-RenTelco division posted a 4% increase in rental revenues to $20.3 million from $19.6 million in the second quarter of 2006, with gross profit on rental revenues decreasing 4% to $7.9 million from $8.2 million in the second quarter 2006. The lower gross profit on rental revenues was primarily due to 12% higher depreciation expense and 6% lower average equipment utilization in 2007, resulting in a higher depreciation as a percentage of rents of 47.9% in the second quarter 2007 compared to 44.4% in the second quarter 2006. Sales revenues increased $2.4 million from $3.2 million to $5.6 million in the second quarter 2007, with gross profit on sales increasing $0.6 million to $1.7 million from $1.1 million in the second quarter 2006. Selling and administrative expenses increased $1.1 million to $5.3 million in the second quarter 2007. As a result, TRS-RenTelco's pre-tax income decreased 18% from $4.7 million to $3.8 million in the second quarter 2007.

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

"Our second quarter results reflect the continuing growth of our modulars and electronics rental businesses.

"Mobile Modular's 14% increase in rental revenues over the second quarter of last year is primarily related to classroom and commercial building shipments in the second half of 2006. We should experience a full 12 months of rental revenues in 2007 on a large number of these orders. Gross profit on rents increasing 29% compared to a year ago was driven by the higher rental revenue level and lower direct expenses within the quarter. The direct expenses in the second quarter 2006 were impacted by higher field service costs and higher material costs related to the mix of building modification and preparation work performed during the quarter.

"Classroom rental opportunities and booking levels have been very favorable thus far in 2007. In California, we are benefiting from strong demand to modernize California's aging public school infrastructure and the passage of the November 2006 statewide facilities bond measure to fund these projects. In Florida, the popularity of our hybrid classroom product, class size reduction and the phasing out of older model code portable classrooms continue to support strong rental revenue growth. Keep in mind that the great majority of these classroom rental orders will not ship and begin billing until the third quarter of 2007. Second quarter ending utilization stood at 82.8%, up from 81.5% at the end of the first quarter, and we would expect further improvement by the end of the third quarter due to these school shipments. For the second quarter of 2007, our commercial rental booking activity in the California and Texas markets was generally strong, with some weakness in the residential developer sector. 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 4% increase in rental revenues quarter over quarter reflects stable market conditions. Despite a healthy pipeline of opportunities, we experienced slower than anticipated conversion to bookings, especially during the later part of the quarter. However, we've had a favorable start to the third quarter in new rental orders.

"TRS-RenTelco's pre-tax income for the second quarter was lower than last year as a result of higher selling and administrative expenses, and higher depreciation. We are more fully staffed than a year ago. Most of these positions are sales and marketing related and should support rental revenue growth in the quarters ahead. Depreciation expense increased due to our purchases over the past 12 months of the latest technology test equipment to support growth and our need to reduce our inventories of older technology equipment. We also saw our average monthly rental rate during the quarter reduce to 4.99% compared to 5.09% during the first quarter. This is mainly due to a greater mix of general purpose test equipment that typically has lower rental rates, but longer lives, compared to communications test equipment. Other factors contributing to the lower average monthly rental rate were account penetration and competitive pressures, and the phasing out of TRS acquired equipment at approximately 55% of list price compared to new equipment purchases at approximately 90% of list price. We expect profitability to improve in the second half of 2007 as we increase utilization of newer technology equipment and continue to sell older generation inventory."

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

-- Rental revenues increased 9% to $45.0 million. Within rental revenues, Mobile Modular increased 14% from $21.6 million to $24.7 million; TRS-RenTelco increased 4% from $19.6 million to $20.3 million.

-- Sales revenues increased 12% to $13.2 million, resulting from higher sales volume in TRS-RenTelco and Enviroplex partly offset by lower sales volume in Mobile Modular. The higher sales volume and higher gross margin percentage of 30.4% in 2007 compared to 27.3% in 2006, resulted in a gross profit increase of $0.8 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 increased 13% to $12.7 million, with Mobile Modular increasing 15% to $3.0 million from $2.6 million in 2006, and TRS-RenTelco increasing 12% to $9.7 million from $8.7 million in 2006.

-- Provision for income taxes was based on an effective rate of 39.0% in 2007 compared to 32.1% in 2006. The 2006 provision for income taxes was reduced $0.9 million during the second quarter to record the impact to the Company's deferred tax liability from a franchise tax law change enacted by the state of Texas in May 2006. Excluding the impact of the Texas law change, the second quarter 2006 provision for income taxes was based on an effective tax rate of 39.0%.

-- Debt increased $11.8 million during the quarter to $186.0 million, with the Company's total liabilities to equity ratio decreasing from 1.51 to 1 at March 31, 2007 to 1.49 to 1 as of June 30, 2007. As of June 30, 2007, the Company, under its lines of credit, had capacity to borrow an additional $57.0 million.

-- Dividend rate increased 13% to $0.18 per share for the second quarter 2007, as compared to $0.16 per share for the second quarter of 2006. On an annualized basis, this dividend represents a 2.4% yield on the August 1, 2007 close price of $29.77.

-- Cash flows from operating activities decreased $13.5 million to $28.8 million for the six months ended June 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 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.

-- EBITDA increased 14% to $31.9 million for the second quarter of 2007 compared to $28.0 million for the second quarter of 2006. 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 compensation. A reconciliation of net income to EBITDA can be found at the end of this release.

FINANCIAL GUIDANCE

The Company reconfirms its 2007 full-year earnings per share to be in a range of $1.65 to $1.73 per diluted share. Such a forward-looking statement reflects McGrath RentCorp's expectations as of August 2, 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 July 22, 2007, McGrath RentCorp will host a conference call at 5:00 p.m. Eastern Time (2:00 p.m. Pacific Time) on August 2, 2007 to discuss the second quarter 2007 results. To participate in the teleconference, dial 1-800-218-4007 (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 11093069.

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 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 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; 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)

	Three Months Ended June 30,		Six Months Ended June 30,	
(in thousands, except per share amounts)	2007	2006	2007	2006

REVENUES				
Rental	$44,995	$41,168	$ 88,303	$ 80,839
Rental Related Services	8,598	7,099	16,020	14,166
Rental Operations	53,593	48,267	104,323	95,005
Sales	13,224	11,769	22,567	22,267
Other	630	637	1,310	1,257
Total Revenues	67,447	60,673	128,200	118,529
COSTS AND EXPENSES				
Direct Costs of Rental Operations				
Depreciation of Rental Equipment	12,730	11,314	24,749	22,172
Rental Related Services	6,166	4,748	11,259	9,708
Other	8,996	9,763	16,594	17,769
Total Direct Costs of Rental Operations	27,892	25,825	52,602	49,649
Costs of Sales	9,203	8,559	15,729	15,888
Total Costs	37,095	34,384	68,331	65,537
Gross Profit	30,352	26,289	59,869	52,992
Selling and Administrative	12,607	10,802	24,255	22,356
Income from Operations	17,745	15,487	35,614	30,636
Interest	2,832	2,773	5,453	5,126
Income Before Provision for Income Taxes	14,913	12,714	30,161	25,510
Provision for Income Taxes	5,816	4,078	11,763	9,069
Income Before Minority Interest	9,097	8,636	18,398	16,441
Minority Interest in Income (Loss) of Subsidiary	12	(33)	(15)	(65)
Net Income	$ 9,085	$ 8,669	$ 18,413	$ 16,506
Earnings Per Share:				
Basic	$ 0.36	$ 0.35	$ 0.73	$ 0.66
Diluted	$ 0.36	$ 0.34	$ 0.72	$ 0.66
Shares Used in Per Share Calculation:				
Basic	25,233	24,956	25,174	24,911
Diluted	25,491	25,209	25,431	25,211
Cash Dividends Declared Per Share	$ 0.18	$ 0.16	$ 0.36	$ 0.32

MCGRATH RENTCORP
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

(in thousands)	June 30, 2007	December 31, 2006
ASSETS		
Cash	$ 321	$ 349
Accounts Receivable, net of allowance for doubtful accounts of $1,200 in 2007 and $1,000 in 2006	64,159	59,834
Rental Equipment, at cost:		
Relocatable Modular Buildings	468,388	451,828
Electronic Test Equipment	209,688	186,673
	678,076	638,501
Less Accumulated Depreciation	(203,669)	(187,159)

Rental Equipment, net	474,407	451,342
Property, Plant and Equipment, net	58,504	58,146
Prepaid Expenses and Other Assets	16,918	15,871
Total Assets	$ 614,309	$ 585,542
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities:		
Notes Payable	$ 185,981	$ 165,557
Accounts Payable and Accrued Liabilities	51,171	55,509
Deferred Income	18,461	25,852
Minority Interest in Subsidiary	3,465	3,479
Deferred Income Taxes, net	108,656	104,353
Total Liabilities	367,734	354,750
Shareholders' Equity:		
Common Stock, no par value - Authorized -- 40,000 shares Issued and Outstanding -- 25,322 shares in 2007 and 25,090 shares in 2006	40,425	33,963
Retained Earnings	206,150	196,829
Total Shareholders' Equity	246,575	230,792
Total Liabilities and Shareholders' Equity	$ 614,309	$ 585,542

MCGRATH RENTCORP
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Six Months Ended June 30,	
(in thousands)	2007	2006
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income	$ 18,413	$ 16,506
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation	25,902	23,223
Provision for Doubtful Accounts	430	171
Non-Cash Stock Compensation	1,704	1,548
Gain on Sale of Rental Equipment	(4,350)	(4,134)
Change In:		
Accounts Receivable	(4,755)	9,887
Prepaid Expenses and Other Assets	(1,047)	(1,631)
Accounts Payable and Accrued Liabilities	(4,434)	4,375
Deferred Income	(7,391)	(7,474)
Deferred Income Taxes	4,303	(131)
Net Cash Provided by Operating Activities	28,775	42,340
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Rental Equipment	(54,965)	(71,047)
Purchase of Property, Plant and Equipment	(1,511)	(1,505)
Proceeds from Sale of Rental Equipment	11,040	9,457
Net Cash Used in Investing Activities	(45,436)	(63,095)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net Borrowings Under Bank Lines of Credit	20,424	26,268
Proceeds from the Exercise of Stock Options	3,374	1,441
Excess Tax Benefit from Exercise and Disqualifying Disposition of Stock Options	1,385	626
Payment of Dividends	(8,550)	(7,471)

Net Cash Provided by Financing Activities	16,633	20,864
Net Increase (Decrease) in Cash	(28)	109
Cash Balance, beginning of period	349	276
Cash Balance, end of period	$ 321	$ 385
Interest Paid, during the period	$ 5,632	$ 5,017
Income Taxes Paid, during the period	$ 6,076	$ 8,573
Dividends Declared, not yet paid	$ 4,558	$ 3,994
Rental Equipment Acquisitions, not yet paid	$ 8,970	$ 7,308

Mobile Modular - Q2 2007 compared to Q2 2006 (Unaudited)

(dollar amounts in thousands)	Three Months Ended June 30,		Increase (Decrease)	
	2007	2006	$	%
Revenues				
Rental	$ 24,730	$ 21,602	$ 3,128	14%
Rental Related Services	8,116	6,779	1,337	20%
Rental Operations	32,846	28,381	4,465	16%
Sales	6,085	7,332	(1,247)	-17%
Other	157	178	(21)	-12%
Total Revenues	$ 39,088	$ 35,891	$ 3,197	9%
Gross Profit				
Rental	$ 15,328	$ 11,858	$ 3,470	29%
Rental Related Services	2,448	2,397	51	2%
Rental Operations	17,776	14,255	3,521	25%
Sales	1,767	1,793	(26)	-1%
Other	157	178	(21)	-12%
Total Gross Profit	$ 19,700	$ 16,226	$ 3,474	21%
Pre-tax Income	$ 10,981	$ 8,301	$ 2,680	32%
Other Information				
Depreciation of Rental Equipment	$ 3,019	$ 2,618	$ 401	15%
Interest Expense Allocation	$ 2,000	$ 2,043	$ (43)	-2%
Average Rental Equipment (1)	$417,320	$372,051	$45,269	12%
Average Rental Equipment on Rent (1)	$342,683	$307,599	$35,084	11%
Average Monthly Total Yield (2)	1.98%	1.94%		2%
Average Utilization (3)	82.1%	82.7%		-1%
Average Monthly Rental Rate (4)	2.41%	2.34%		3%
Period End Rental Equipment (1)	$421,170	$375,227	$45,943	12%
Period End Utilization (3)	82.8%	83.3%		-1%
Period End Floors (1)	25,200	23,422	1,778	8%

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 - Q2 2007 compared to Q2 2006 (Unaudited)

(dollar amounts in thousands)

	Three Months Ended June 30, 2007	2006	Increase (Decrease) $	%
Revenues				
Rental	$ 20,265	$ 19,566	$ 699	4%
Rental Related Services	482	320	162	51%
Rental Operations	20,747	19,886	861	4%
Sales	5,636	3,223	2,413	75%
Other	473	459	14	3%
Total Revenues	$ 26,856	$ 23,568	$ 3,288	14%
Gross Profit				
Rental	$ 7,941	$ 8,233	$ (292)	-4%
Rental Related Services	(16)	(46)	30	65%
Rental Operations	7,925	8,187	(262)	-3%
Sales	1,689	1,127	562	50%
Other	473	459	14	3%
Total Gross Profit	$ 10,087	$ 9,773	314	3%
Pre-tax Income	$ 3,830	$ 4,688	$ (858)	-18%
Other Information				
Depreciation of Rental Equipment	$ 9,711	$ 8,696	$ 1,015	12%
Interest Expense Allocation	$ 959	$ 862	$ 97	11%
Average Rental Equipment (1)	$203,688	$167,478	$36,210	22%
Average Rental Equipment on Rent (1)	$135,366	$119,061	$16,305	14%
Average Monthly Total Yield (2)	3.32%	3.89%		-15%
Average Utilization (3)	66.5%	71.1%		-6%
Average Monthly Rental Rate (4)	4.99%	5.48%		-9%
Period End Rental Equipment (1)	$207,937	$173,910	$34,027	20%
Period End Utilization (3)	67.2%	71.3%		-6%

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 - Six Months Ended 6/30/07 compared to Six Months Ended 6/30/06 (Unaudited)

(dollar amounts in thousands)

	Six Months Ended June 30, 2007	2006	Increase (Decrease) $	%
Revenues				
Rental	$ 48,566	$ 43,010	$ 5,556	13%
Rental Related Services	15,165	13,545	1,620	12%
Rental Operations	63,731	56,555	7,176	13%
Sales	10,251	12,095	(1,844)	-15%
Other	319	361	(42)	-12%

Total Revenues	$ 74,301	$ 69,011	$ 5,290	8%

Gross Profit				
Rental	$ 31,070	$ 25,234	5,836	23%
Rental Related Services	4,768	4,635	133	3%
Rental Operations	35,838	29,869	5,969	20%
Sales	3,074	3,135	(61)	-2%
Other	319	361	(42)	-12%
Total Gross Profit	$ 39,231	$ 33,365	$ 5,866	18%

Pre-tax Income	$ 22,163	$ 17,364	$ 4,799	28%

Other Information				
Depreciation of Rental Equipment	$ 5,948	$ 5,138	$ 810	16%
Interest Expense Allocation	$ 3,893	$ 3,789	$ 104	3%
Average Rental Equipment (1)	$414,981	$370,418	$44,563	12%
Average Rental Equipment on Rent (1)	$339,166	$306,861	$32,305	11%
Average Monthly Total Yield (2)	1.95%	1.94%		1%
Average Utilization (3)	81.7%	82.8%		-1%
Average Monthly Rental Rate (4)	2.39%	2.34%		2%
Period End Rental Equipment (1)	$421,170	$375,227	$45,943	12%
Period End Utilization (3)	82.8%	83.3%		-1%
Period End Floors (1)	25,200	23,422	1,778	8%

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 - Six Months Ended 6/30/07 compared to Six Months Ended 6/30/06 (Unaudited)

(dollar amounts in thousands)	Six Months Ended June 30,		Increase (Decrease)	
	2007	2006	$	%
Revenues				
Rental	$ 39,737	$ 37,829	$ 1,908	5%
Rental Related Services	855	621	234	38%
Rental Operations	40,592	38,450	2,142	6%
Sales	9,727	7,702	2,025	26%
Other	991	896	95	11%
Total Revenues	$ 51,310	$ 47,048	$ 4,262	9%
Gross Profit				
Rental	$ 15,890	$ 15,664	$ 226	1%
Rental Related Services	(7)	(177)	170	96%
Rental Operations	15,883	15,487	396	3%
Sales	3,140	2,841	299	11%
Other	991	896	95	11%
Total Gross Profit	$ 20,014	$ 19,224	$ 790	4%

Pre-tax Income	$ 8,118	$ 8,680	$ (562)	-6%

Other Information

Depreciation of Rental Equipment	$ 18,801	$ 17,034	$ 1,767	10%
Interest Expense Allocation	$ 1,837	$ 1,580	$ 257	16%
Average Rental Equipment (1)	$197,581	$162,457	$35,124	22%
Average Rental Equipment on Rent (1)	$131,333	$114,143	$17,190	15%
Average Monthly Total Yield (2)	3.35%	3.88%		-14%
Average Utilization (3)	66.5%	70.3%		-5%
Average Monthly Rental Rate (4)	5.04%	5.52%		-9%
Period End Rental Equipment (1)	$207,937	$173,910	$34,027	20%
Period End Utilization (3)	67.2%	71.3%		-6%

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 Net Income to EBITDA

The Company presents EBITDA as a financial measure as management believes it provides useful information 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 business. EBITDA 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 compensation. In addition, several of the loan covenants and the determination of the interest rate related to the Company's revolving line of credit are expressed by reference to this financial measure, similarly calculated. 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. The Company's EBITDA may not be comparable to similarly titled measures presented by other companies. Since EBITDA is a non-GAAP financial measure as defined by the Securities and Exchange Commission, the following table reconciles EBITDA to the most directly comparable financial measures calculated and presented in accordance with accounting principles generally accepted in the United States for the three, six and twelve months ended June 30, 2007 and 2006.

Reconciliation of Net Income to EBITDA

(dollar amounts in thousands)	Three Months Ended June 30,		Six Months Ended June 30,		Twelve Months Ended June 30,	
	2007	2006	2007	2006	2007	2006
Net Income	$ 9,085	$ 8,669	$18,413	$16,506	$ 42,985	$ 40,682
Minority Interest in Income (Loss) of Subsidiary	12	(33)	(15)	(65)	330	100
Provision for Income Taxes	5,816	4,078	11,763	9,069	26,903	23,458
Interest	2,832	2,773	5,453	5,126	11,087	9,385
Income from Operations	17,745	15,487	35,614	30,636	81,305	73,625
Depreciation and Amortization	13,314	11,840	25,902	23,223	50,140	46,180
Non-Cash Stock Compensation	854	718	1,704	1,548	3,281	1,592

EBITDA (1)	$31,913	$28,045	$63,220	$55,407	$134,726	$121,397
EBITDA Margin (2)	47%	46%	49%	47%	49%	44%

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

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