Profitable growth in line with Business Plan

GAM's half year results confirm the positive trend shown over the past years and are aligned with the Business Plan explained by the Company early this year:

- Leadership in the markets where the company competes:
  - Spain and Portugal;
  - Construction, mainly in civil works and infrastructure;
  - Other non construction markets such as: general industry, green, energy, railway maintenance, ports, wind electricity generation and tools stores
- Sales growth: +48% reaching € 187.8 million
- Margins improvement: Gross Margin from 89% to 90% and EBITDA margin from 42% up to 43%. This is a direct consequence of our combined sales and cost management and the increasing opportunities to leverage scale
- EBITDA growth: +51% to reach € 80.8 million
- Net profit growth: +4,3% reaching € 14.8 million
- Our ongoing management of CAPEX and Cash Flow to reach a net debt/EBITDA ratio of 3.2 at year end and in order to self finance the whole Business Plan.
- Our cash position of € 47 million and available credit lines support the execution of our Business Plan without additional financial resources required.

The mix of activity and the half year results confirm the development of the various businesses and management priorities in line with the guidance provided by the Company at the beginning of the year.

Sales growth: +48% consolidated and +19% pro forma (acquisitions included)

First semester growth in 2008 is € 187.8 million, which represents a 48% growth compared to € 127.3 million for the same period 2007.

When annualised the sales of the two companies acquired in 2007 (Vilatel and Viasolo) sales growth is 19%, which is aligned with the guidance provided by the Company early in the year (20%).

€ Thousand	1Q2007	2Q 2007	1H2007	1Q2008	2Q2008	1H2008	1H 2007 Proforma
Turnover	56.397	70.908	127.305	92.763	95.111	187.874	157.685
% Growth				64%	34%	48%	19%

Note that this figure has been negatively impacted by approximately € 4 million due to transportation strike occurred in June that caused a disruption in the activity especially in the delivery and collection of equipment.

The Company accumulates 20 quarters in a row with a continuous growth increase, having multiplied sales by 14 since its foundation 5 years ago.

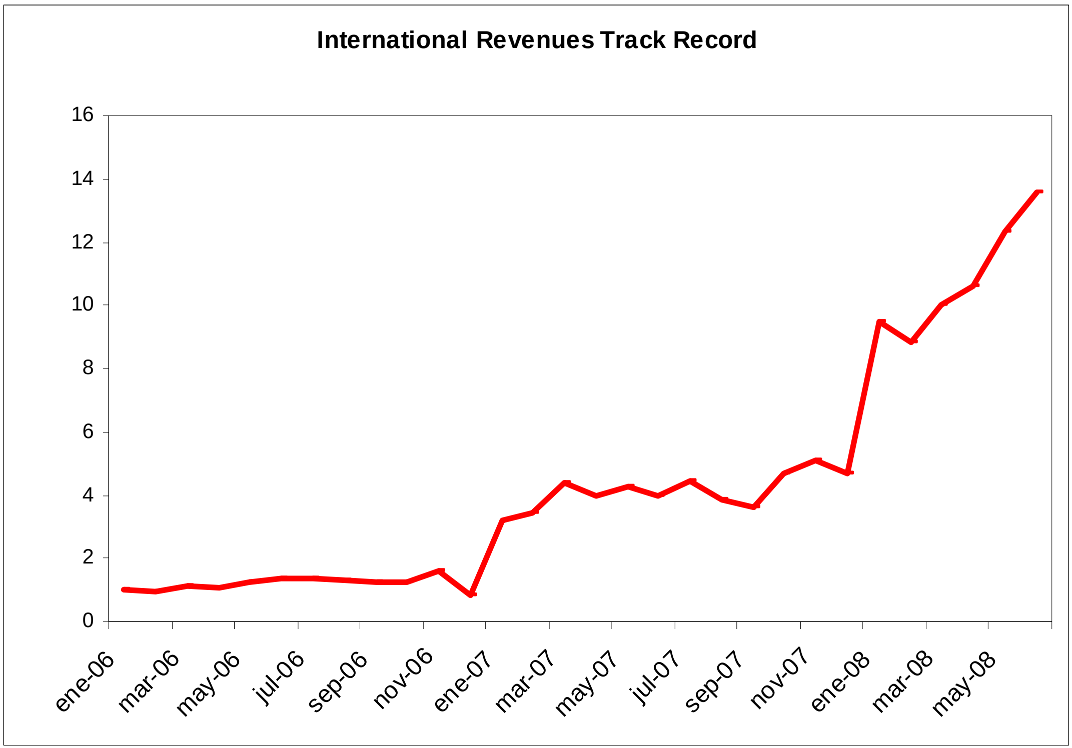
Sales growth stems from the business areas prioritised in the business Plan creating a well balanced turnover mix:

- Civil works represents 45,4% of sales and 72% of GAM´s activity in construction. Activity in Non residential construction slightly reduces its weight in total business volume to 10.7% (from 12.5% in 2007). GAM´s activity in the residential sector continues to be residual and it is getting gradually decreased (6% of total sales)
- Rental activity linked to non construction (such as general industry, wind power generation, railway maintenance, harbour activity, green, tools hire stores) increased its relative weight by 2 percentage points and represents 1/3 of total turnover.
- International activity represents almost 5% of total sales and will continue to grow as expansion plan gets accelerated with new depots opened in Eastern Europe and activity starts up in Mexico and Brazil.

Turnover Breakdown by Activity Sector

	FY 2007	1H 2008
Total Construction	**65,5%**	**62,1%**
Infrastructures/ Civil Works	46,3%	45,4%
Non Residential	12,5%	10,7%
Residential	6,7%	6,0%
Diversification (Industry, Energy, Wind farms, Railroads, Ports, Green, Tools)	**31,0%**	**33,2%**
International	**3,5%**	**4,8%**
Total	100,0%	100,0%

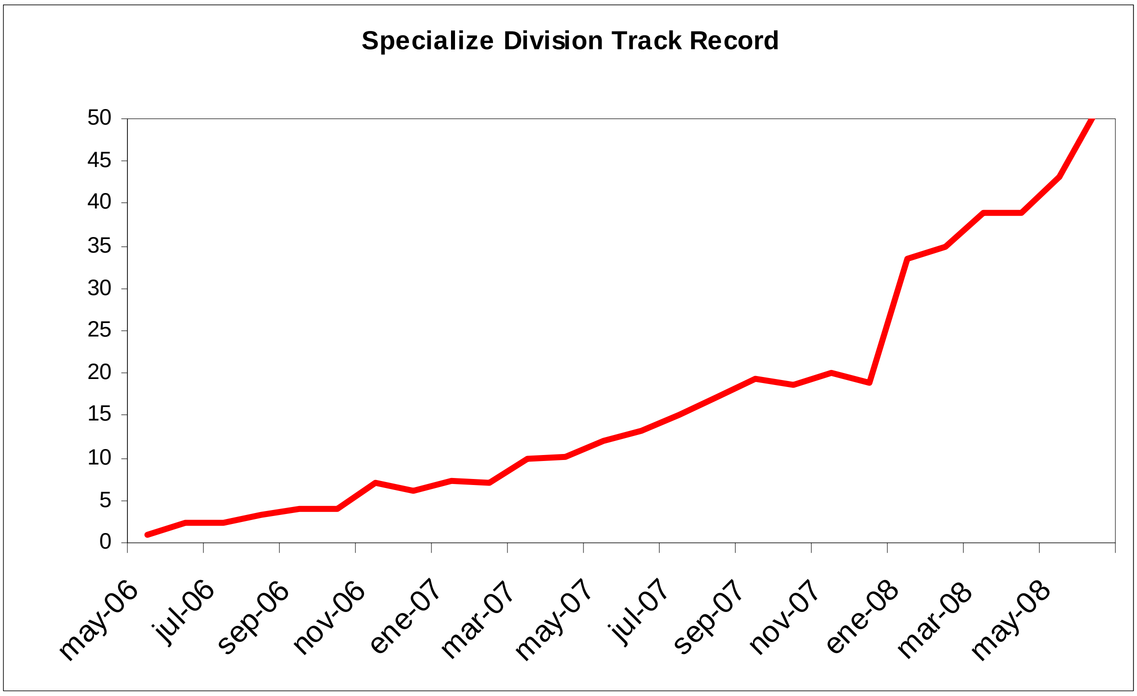
Indeed, international activity has shown a significant track record (43% growth in monthly sales over the last 6 months), sales being 14 times bigger in June 2008 than in January 2006 when it started.



The Company is accelerating its expansion plans in Eastern Europe (Romania, Bulgaria and Poland) by the opening of new depots. In parallel, GAM will start its activity in Mexico by mid September and in Brazil before year end. In these markets, GAM´s intent is to position the Company as the rental market leader, supported by the infrastructure plans forecasted, the strong and strategic presence in those countries of the major Spanish construction companies, where GAM keeps has good relationship, as well as the commercial ability and service that characterizes GAM.

On the other hand, specialized divisions that represent a significant portion of the non construction activity (34%) also show significant growth of +53% in monthly sales, from a turnover of € 3 million in January 2008 to €4.6 million in June 2008. Rental in Non construction in considered to be a greater business than rental in construction still with a low rental penetration rate and lack of reference players. GAM is building up its position in these markets using the local presence provided by its more than 100 depots distributed throughout Spain, the networking capacity of the entire commercial force and the integration of specialized teams with a deep “know how” in each of those markets.

The integration of Guimerá, acquired in January 2008 has been a success. The team is fully integrated and in operation, management systems have been implemented and the sales have started to show an increasing trend. The acquisition of Guimera is a good experience in order to pursue other acquisitions in the non construction sector.



Rental equipment business is characterised by a slight seasonality. As such, activity during the first semester could represent less than 50% of the total activity for the year. In the past years the firs 6 months have been as low as 40% and in 2007 it represented 46% of total sales.

This seasonality, together with the growth experienced by the new divisions (International and specialized) allows the Company to validate at this time the guidance given for yearend.

Margins improvement: Gross margin from 89% to 90% and EBITDA one from 42% to 43% due to costs management improvement and financial leverage.

EBITDA during the first semester reaches €80.8 million, representing a growth of 51% in comparison with € 53.6 million over the same period last year. The growth is due to an increase in sales plus an additional margin on 1 percentage point in EBITDA as a result of an improvement in the gross margin of the Company (90% versus 89% in first semester last year)

€ Thousand	1Q2007	2Q 2007	1H2007	1Q2008	2Q2008	1H2008	1H 2007 Proforma
Turnover	56.397	70.908	127.305	92.763	95.111	187.874	157.685
% Growth				64%	34%	48%	
Other income	1.894	3.277	5.171	2.438	2.369	4.807	6.247
COGS	-8.038	-10.954	-18.992	-11.575	-11.292	-22.867	-21.780
Groos Margin	50.253	63.231	113.484	83.626	86.188	169.814	142,152*
% Gross margin	89%	89%	89%	90%	91%	90%	90%
Personnel Cost	-13.517	-16.055	-29.572	-24.242	-25.097	-49.339	-35.714
Other operating cost	-13.038	-17.284	-30.322	-19.119	-20.550	-39.669	-33.278
EBITDA	23.698	29.892	53.590	40.265	40.541	80.806	73,160*
% Margin	42%	42%	42%	43%	43%	43%	46%
% Growth				70%	36%	51%	

Net profit in the first semester reached €14.8 million, representing a growth of 4.3% compared to € 14.2 million same period last year.

€ Thousand	1Q2007	2Q 2007	1H2007	1Q2008	2Q2008	1H2008	1H 2007 Proforma
Turnover	56.397	70.908	127.305	92.763	95.111	187.874	157.685
% Growth				64%	34%	48%	
Other income	1.894	3.277	5.171	2.438	2.369	4.807	6.247
COGS	-8.038	-10.954	-18.992	-11.575	-11.292	-22.867	-21.780
Groos Margin	50.253	63.231	113.484	83.626	86.188	169.814	142,152*
% Gross margin	89%	89%	89%	90%	91%	90%	90%
Personnel Cost	-13.517	-16.055	-29.572	-24.242	-25.097	-49.339	-35.714
Other operating cost	-13.038	-17.284	-30.322	-19.119	-20.550	-39.669	-33.278
EBITDA	23.698	29.892	53.590	40.265	40.541	80.806	73,160*
% Margin	42%	42%	42%	43%	43%	43%	46%
% Growth				70%	36%	51%	
Depreciation & Amort,	-13.187	-17.022	-30.209	-22.914	-26.531	-49.445	
EBIT	10.511	12.870	23.381	17.351	14.010	31.361	
% Margin	19%	18%	18%	19%	15%	17%	
				65%	9%	0,341302767	
Net Financial Expense	-2.262	-1.913	-4.175	-8.987	-2.735	-11.722	
EBT	8.249	10.957	19.206	8.364	11.275	19.639	
% Margin	15%		15%	9%	12%	10%	
Income Tax	-2.347	-2.689	-5.036	-2.256	-2.606	-4.862	
% Tax	28%		26%	27%	23%	25%	
Net Profit After Tax	5.902	8.268	14.170	6.108	8.669	14.777	
% Margin	10%		11%	7%	9%	8%	

(*) The Companies acquired in 2007 were not fully harmonised in their practices nor accounting principles at June 30th 2007. As a consequence pro forma profit over the first semester 08 can not be strictly comparables.

Both, net profit and EBITDA margin would have been higher if June transportation strike had not occurred.

The company has started an ambitious cost reduction plan that affects different cost items. Although some minor results have already been seen in May, the most significant impact will be seen along the first months in the coming semester. In fact, first semester results have been impacted by €1.1 million non recurrent linked to this cost reduction programme.

This first semester results confirm margin expectations given early in the year.

Capex and cash flow management to reach a net debt/EBITDA ratio of x3.2 by year end.

GAM has invested € 97 million in equipment Capex during the first semester 08, which is most of the investment projected by the Company for the entire year. Capex figure for the total of 2008 will be below the EBITDA ratio generated by the Company (in 2007 this figure was 1.7 EBITDA pro forma).

GAM´s position with its suppliers allows the Company to have a grace period, impacting the financing of the equipment which happens 6 months after its reception. That explains the difficulty in connecting the assets received and in operation with the financial debt.
In 2008, capex is well below that of 2007, however the accounts show financing of € 43 million related to the equipment bought late in 2007. In all cases, capex to be financed in 2008 is lower than the pending payments for the same period and so, by the end of 2008 the related debt will be lower.

This decrease in capex, together with an improvement in the working capital will generate cash flow in the second semester and will meet the target of a Net Debt/EBITDA ratio of x3.2, in line with the guidance provided by the Company at the beginning of the year.

This is the breakdown of the current debt at June 30th 2008.

€ Million	1H2008	%
Debt related to CAPEX	457	67%
Debt related to acquisitions	95	14%
Convertible Bond	126	19%
Commercial Discount & Credit policies	2	0%
Gross Debt	680	
Cash & Equivalents	-47	
Net Debt	633	

Note that:

- Debt associated to Capex of equipment purchased is a 5 year leasing debt; it means that 15% of the total pending amount at the end of June will be paid during second semester in 2008.
- The vendor loans used to finance the acquisitions have a repayment period of 7 years average. Approximately 10% of this debt will be paid before year end.
- The convertible bond is a fixed rate debt, which principal is to be paid on the due date August 20th 2012 this convertible bond has an annual cash coupon of 2.75%.

The Company has currently available credit lines for €129 MM and revolving Capex policies of €459MM, of which €100MM are available.

Those financial lines are enough to finance the Company´s business plan and so the Company is in the position of completing its plan without any additional financial requirements. In fact, the current management of Capex together with the EBITDA forecast, and the management of receivables will allow the Company to generate cash enough to pay its future debt payments.

During first semester 08, the Company has made a provision of 1.7% of sales for bad debt contingencies that might occur. This provision has been in line with the level of bad debt over the period which is in line with the Company´s forecasted amount and comes as a result of the implementation of a strict risk policy applied by the Company which includes the credit insurance of an important part of total turnover and related debt.
In addition, the Company has voluntary accrued an additional amount of € 4.6 million at June 30th 2008.

In terms of working capital, the Company has improved its trade receivables during the first 6 months of the year by 15 days. This is a direct consequence of the higher impact of the diversification units in the total turnover. The markets where the divisions are focused traditionally have better payment terms than construction sector. In addition there has been a significant improvement in the internal collection system control. Our estimate is to continue with this effort with additional reduction in trade receivables if at all possible. This means a significant improvement in the debt level, as the need for financing working capital decreases.

With such as solid financial structure and Company strength service capacity, GAM is getting ahead of its competitors and is increasing its market share.