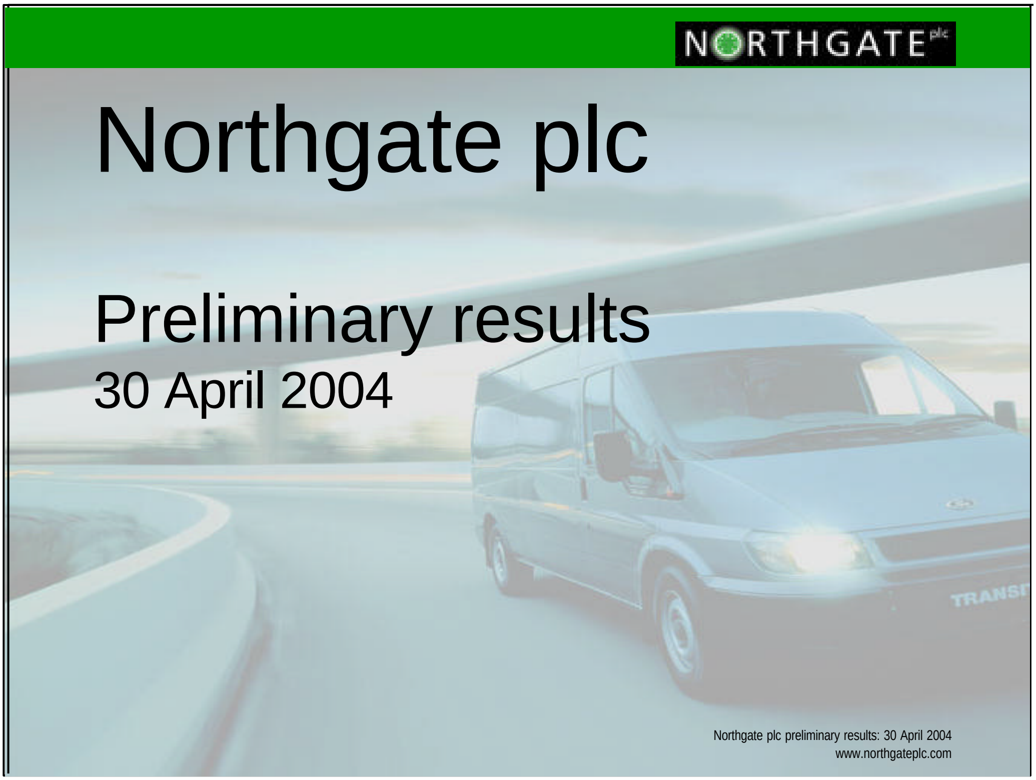


Good morning and welcome to our Preliminary Results announcement for the year ended 30 April 2004.

For those who have not met me before my name is Steve Smith (CEO). I would like to introduce you to my colleagues – Phil Moorhouse (MD UK Rental) and Ged Murray (Group FD).

The year under review is the first of our 3-year strategy for growth announced in July last year.

The format for this presentation is therefore primarily focused on reporting back against the targets which we set ourselves in that plan. After a brief introduction, Phil is going to cover the review of UK operations, after which I will comment on the performance of Fualsa, our Spanish rental business. Ged will then give an overview of our numbers this year and provide some additional analysis on the key financial issues as we see them. I will then conclude the presentation with an update on current activity and some further thoughts on our future plans.

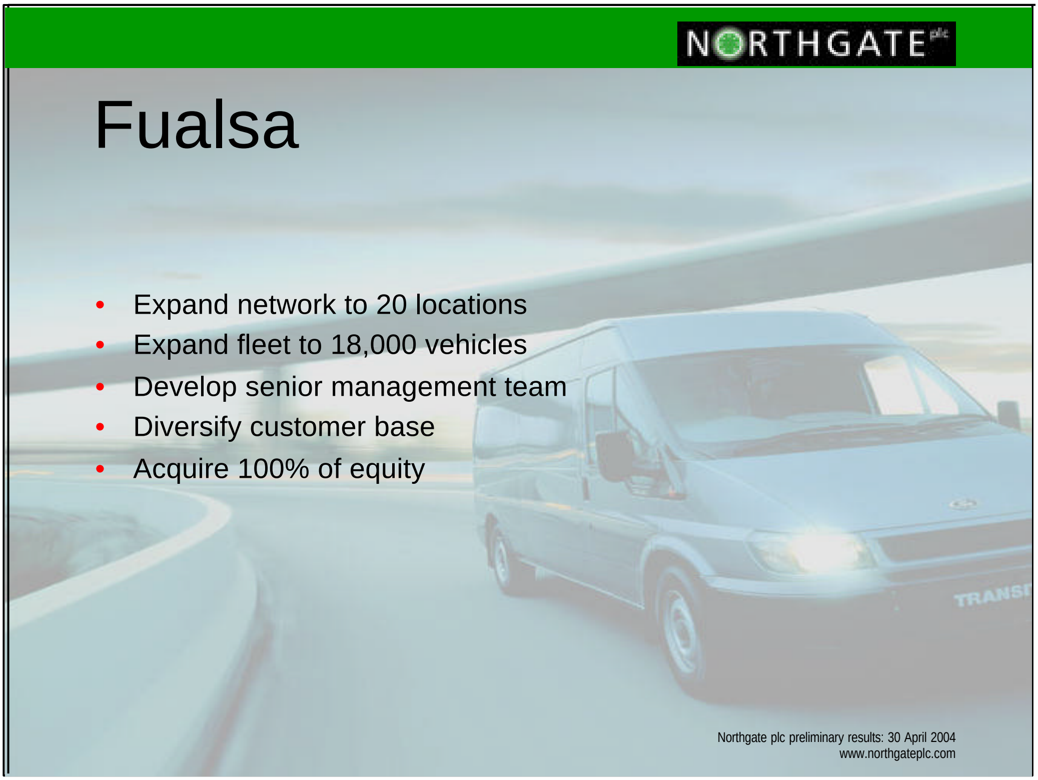
So, before I hand over to Phil, I would like to briefly refresh your memories as to what, in broad terms, the 3-year plan entails.

The cornerstone of the business will remain UK Rental since we remain firmly of the view that the UK market is far from mature and that there remains significant potential for us to continue to grow our business.

The key areas of the plan are:

- Mature existing network;
- Extend the network to approximate 100 locations;
- Acquisition of small/medium size rental companies when the opportunity arises. The structure of the rental market suggests almost 50% of the market is served by businesses operating fleets of c500 or less. We have acquired 2 such businesses just prior to the end of the financial year that we are reporting on.

By April 2006 if we achieve our targets we should have a fleet size in the UK approaching 60,000 – operating at 90% utilisation of course!



Growth in Fualsa is to be generated by:

An extension of the network to over 20 locations, from the 8 sites that existed in May 2003, and a resultant increase in market share;

Developing the senior management team – both in terms of structure (akin to what we have in the UK) and functions in order to provide succession planning for the company;

The broadening of the customer base away from its current construction bias, through a marketing campaign to non-renters along the lines of the campaign we ran in the UK when we launched Norflex;

All of this should lead to a fleet size of over 18.000 vehicles by April 2006.

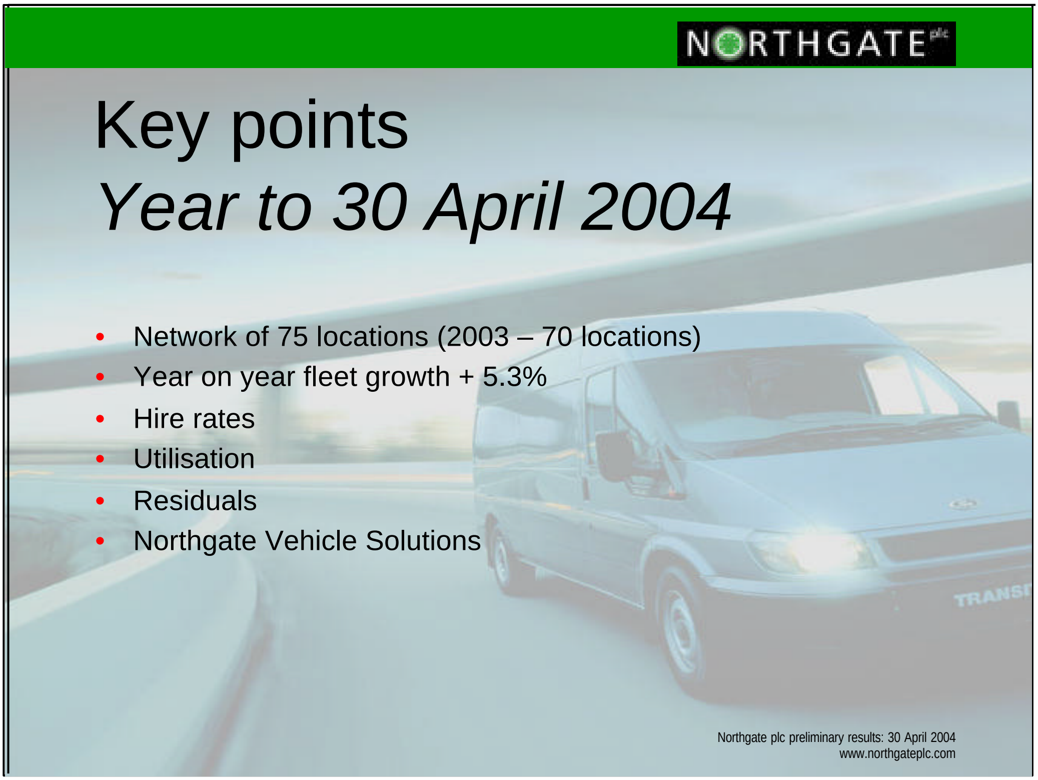
Finally, we aimed to acquire the ownership of 100% of Fualsa's equity under the terms of the Share Purchase Agreement.

The third leg of our plan involves Northgate Vehicle Solutions through which we offer a One Call rental solution and are seeking to develop non-rental products, some of which we have already launched and are shown on the slide e.g. Vehicle Insight our telematics product and Van in a Box a one stop shop particularly aimed at the owner driver market.

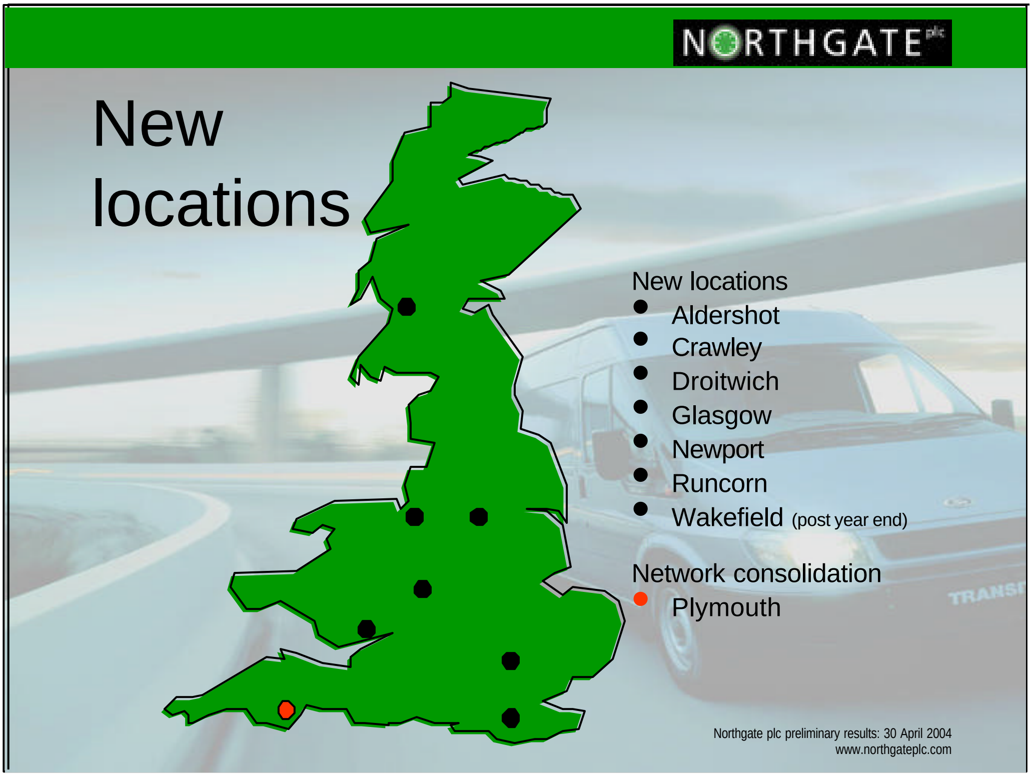
So now over to Phil to explain how we are progressing against our targets in the UK.

Thank you, Steve.

Whilst Ged will go through the numbers in detail later in the presentation, I would like to take a few minutes to consider some of the key business issues behind the figures and, in particular, to talk about the expansion of the depot network, fleet growth, utilisation, hire rates, used vehicle disposals and the development of non-rental products through Northgate Vehicle Solutions.



As you may recall from our interim presentation, the first half of the financial year was a challenging one in trading terms, resulting in limited fleet growth and only one new location. Despite the tough conditions, pre tax profits and earnings per share for the 6 months to October saw good improvements due to tight cost control. The second half of the year shows a much different picture with growth in both the network and the fleet being more in line with our expectations. I will cover each of the key areas over the next few minutes.



As at 30 April 2004, we were operating from 36 primary and 39 branch locations, with new locations having been opened in Crawley, Droitwich, Glasgow and Newport. All of these are branches, i.e. satellites of existing hire companies were established towards the end of the financial year and thus have not had a significant impact on the results that we are reporting. In April, we also acquired a new hire company – Daman Vehicle Rental in Runcorn. Since the year end, we have opened a further branch in Wakefield.

We continue to look at consolidating businesses where we feel this will make us more efficient. This year saw us merge the business in Plymouth into the Bristol operation to trade under a new style – Bristol and West Vehicle Hire Ltd. With this consolidation and the acquisition of Daman in April, we have the same number of primary locations as when we reported our interims.

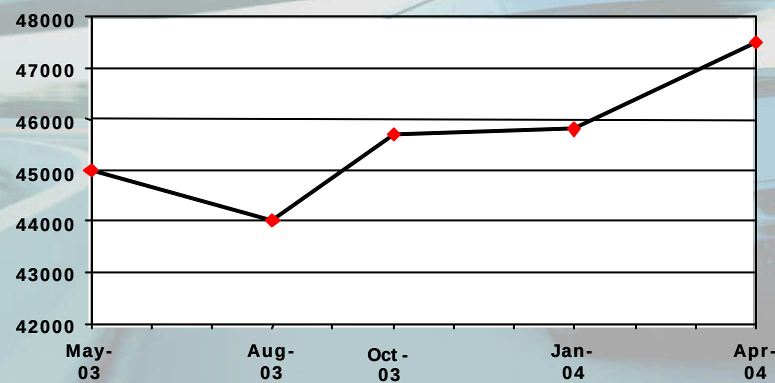
Of the 75 sites in the group, 18 have been opened for less than 2 years and, in our terms, are not yet mature, thereby offering significant growth potential for the future. We will continue to expand the network through greenfield sites or appropriate small acquisitions as we move towards our target of 100 locations in the UK. As previously stated, the vast majority of new locations will be satellites - branches in our terminology

NORTHGATE plc

Hire revenue

Fleet

- Average fleet +5.0%
- Acquisitions +1000 vehicles



Northgate plc preliminary results: 30 April 2004
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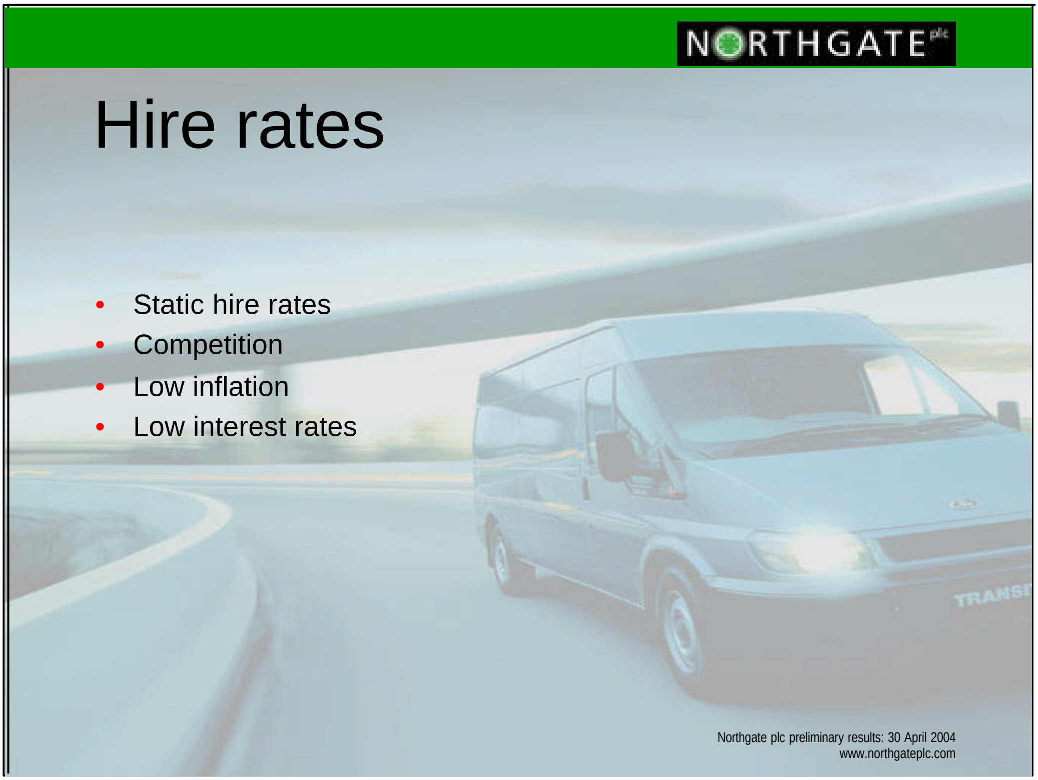
Despite a difficult first half, fleet growth for the year was 2,400 vehicles with the fleet size closing at 47,400 vehicles. In what is traditionally for us a quieter second half, fleet growth was 1,700 vehicles. Of this increase, 1,000 came from two small acquisitions made towards the end of the financial year.

In March, we bought the assets of Aim Hire Ltd based in Peterborough and as I have already mentioned, on 30 April, we purchased the equity of Daman Vehicle Rental based in Runcorn in Cheshire. Aim has been merged into our East Anglian business, whereas Daman currently remains a stand-alone business. Excluding the effects of the acquisitions, fleet growth was just under 4% over the year - but 5% since our low point at the end of August 2003, which equates to an annualised rate of around 8% from this low point.

The new financial year has started well with fleet growth, from existing locations in the first two months, being in line with our plan for the year.



Once again, hire rates have remained relatively stable over the year; in part, as a consequence of our decision not to discount to match aggressive quotes from contract hire companies last summer.

As we outlined last July, our 3-year plan does not envisage any material improvement in hire rates, the increased profitability being driven by growth in the fleet and cost efficiencies.

The competitive environment remains unchanged with three larger operators – Arriva, TLS and Sixt Kenning – in the sector. We believe the fragmentation of the balance of the market offers up opportunities for the future.

Whilst low inflation and low interest rates create an environment where the opportunities to increase prices are limited, they do, of course, also impact positively on our cost lines and margins. If interest rates increase however, it may be possible to improve hire rates but it is more likely that we can achieve additional fleet growth on the back of contract hire companies being forced to increase their prices.

Utilisation, which averaged just over 89% for the year, remains the key management tool within the business.

The overall percentage masks a variation between mature (i.e. >2 years old) and immature (i.e. <2 years old) locations, being 89.3% and 85.3% respectively.

Therefore, there remains an opportunity to improve utilisation as network matures.

The used vehicle market had another relatively stable year, enabling us to achieve an operating profit of just under £200 per unit for the year. This average is very similar to the prior year on disposals of 18,700 units, up from 18,000 the previous year.

We now sell used vehicles from four main sites in the UK – Darlington, Snodland in Kent, Banbury and Carnaby (near Bridlington), and are looking to open a further vehicle disposal site, probably in the West Midlands. We also sell from selective hire companies.

Since we opened our retail operation in Carnaby last November, we now cover all the channels to market, i.e. trade, semi-retail and retail. Last year saw 6% of our disposals go through a refurbishment process into the semi-retail or retail channel; our aim remains to increase this percentage over the next couple of years to 15%.

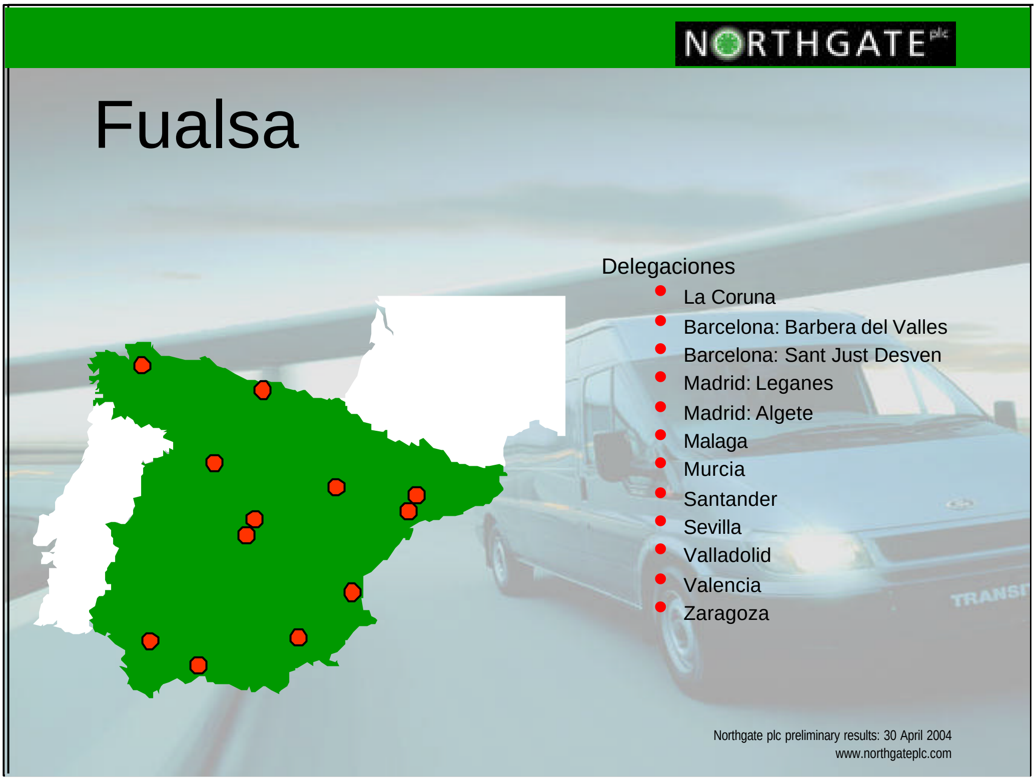
The third leg of our plan is based on growing our non-rental, but vehicle-related products, through a new division called Northgate Vehicle Solutions.

An important event for this business was the relocation to Darlington last summer. The move was successful and has significantly improved the service levels we are able to offer customers.

Our vehicle monitoring product, Insight, continues to be of value to an ever-growing number of our customers and is now fitted to 1,400 of our vehicles, up from 750 on 1 May 2003.

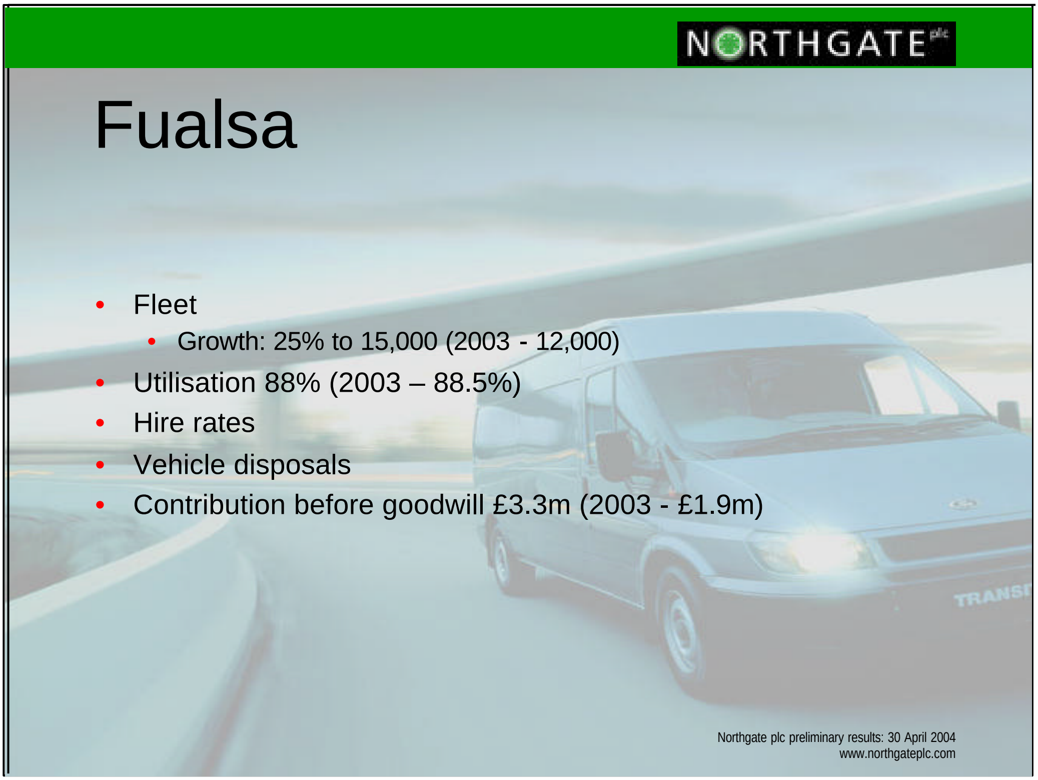
We have continued to add to our range of products and increased the proportion of goods supplied primarily to the Group, in particular parts requirements through our Norfleet Parts Solution. This has resulted in a reduction in our net cost per vehicle across the Group.

We will continue to extend the range of products supplied.



Thanks, Phil. Turning now to Fualsa, our Spanish rental business, I would like to spend a few minutes addressing the key operational issues there. You will not be surprised to learn they are pretty much the same as here in the UK.

The second half of the year saw us continue the expansion of the network with sites rolled out in North Madrid, Santander and La Coruña. Since the year-end, we have opened in Murcia, which brings our total number of locations to 12. As you can see from the map, we now offer good geographical coverage of the whole country. There remains, however, much scope for further greenfield development and infill. Our target of 20 locations by April 2006 therefore should be comfortably achieved.



The fleet closed at just over 15,000 on 30 April, an increase of 25% over the prior year and 50% since our initial investment in July 2002. At this rate of growth, a fleet size of 20,000 by April 2006 would be comfortably attained.

As in the UK, the overall utilisation rate of 88% is held back slightly by the expansion of the network, with 5 of the 12 sites referred to on the previous slide being opened within the last 2 years.

Hire rates in Fualsa have seen modest increases over the last 12 months, having improved by just under 1%. This increase is similar to that over the previous 10 months (i.e. the period from July 2002 to April 2003).

As a result of the healthy fleet growth, good utilisation and tight cost control, Fualsa delivered a contribution of £3.3m to our pre tax profits (remember: this only represents our 40% share in the year to April 2004). Ged will comment further about the detail of this contribution going forward and quantify the non-recurring element of the profits relating to used vehicle disposals that we highlighted at our interims.

NORTHGATE plc

Fualsa
Acquisition structure

- Consideration

	Equity	Max consideration	Status
	%	€M	
July 2002	40	15.4	Paid – July 2002
May 2004	40	22.3	Paid – May 2004
May 2006	20	14.9	Exercised – May 2004 Payable – 2006

- Option accounting
  - Final option consideration is dependent on PAT x 8.5 multiple based on average calendar year profits 2004 and 2005.

This continued excellent performance and our view of the considerable future potential led us to exercise our option to purchase the next 40% of the equity on 3 May this year. In addition, we reached agreement to exercise early the option for the final 20% of the equity – but will only pay the consideration for this latter element in May 2006 in accordance with our original contract, i.e. based on the pre-determined mechanism of 8.5 times average PAT for calendar years 2004 and 2005.

Following the exercise of the option, we have made some changes to the Fualsa board – the main two being the appointment of Jan Astrand as a non-exec and the departure of Avelino Gozalo, the younger of the three vendors. As we previously explained, since the appointment of our own Finance Director in December 2002, the role of Avelino has gradually diminished as he passed over his responsibilities. He retains his rights as a vendor but will no longer have any day-to-day involvement. Luis and Miguel Acebes, the President and Chief Executive, will retain their current roles on the board.

I will now pass you to Ged for his financial review.

Thanks, Steve. Good morning everybody.

As with previous presentation, I am going to review the overall results first – have a more detailed look at the make-up of operating margins in the UK and Spain – consider some specific financial issues and finally have a look forward at some key financial areas within the Group as a result of the Fualsa option being exercised.

NORTHGATE plc

Financial summary: 30 April

	2004	2003	%
PBT	44.7	36.6	22.1
Non-recurring income			
-Property profits	-	(0.7)	
-Investment income	(0.2)	(0.2)	
Exceptional costs			
-Goodwill	0.3	0.6	
-Reorganisation	-	0.3	
Underlying PBT	44.8	36.6	22.4

Northgate plc preliminary results: 30 April 2004
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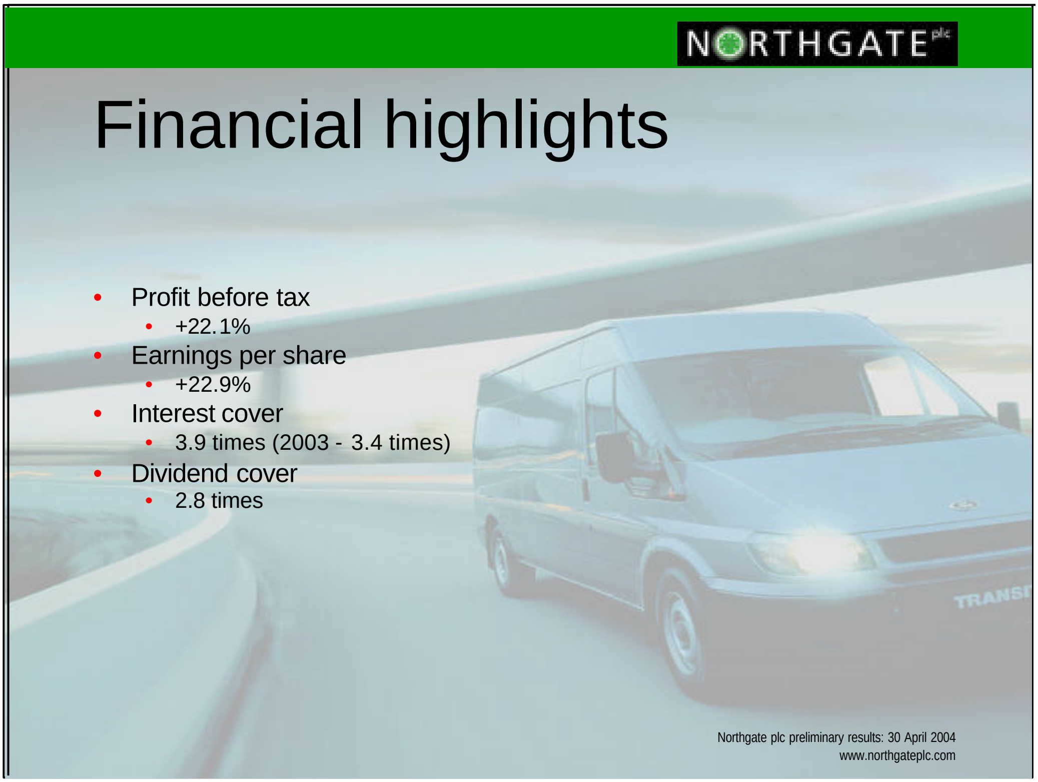
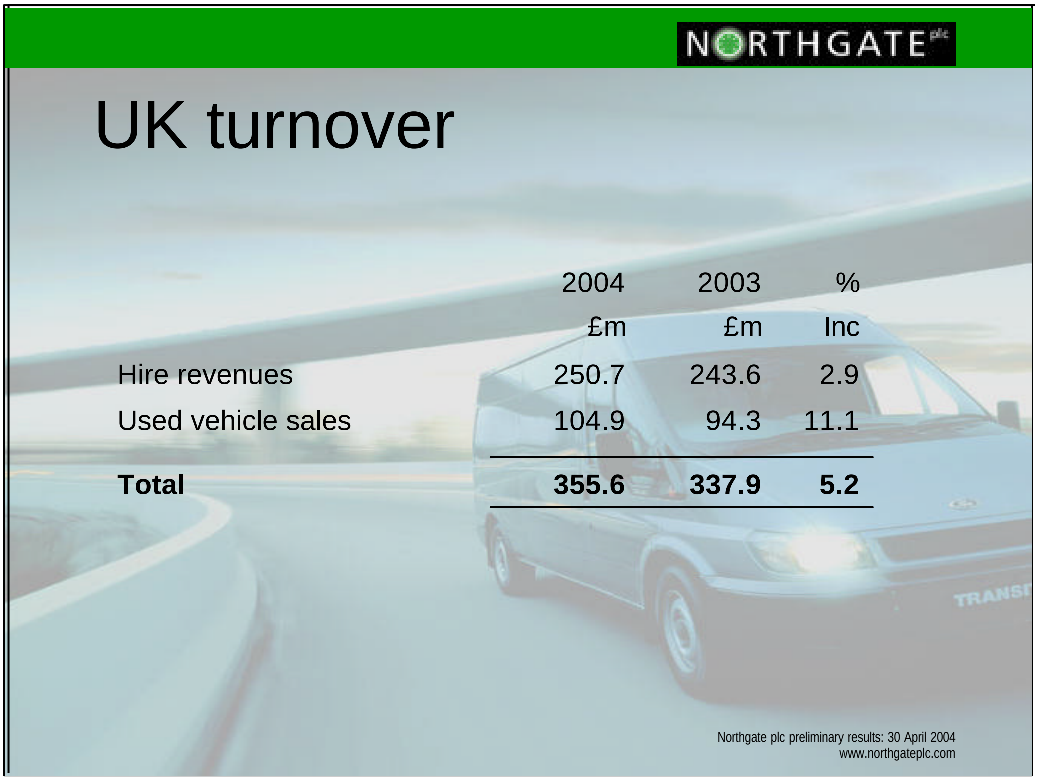
So, first the high level review – removing any anomalies so as to get to our underlying profits. Adjusting for non recurring investment income and goodwill amortisation gives rise to an underlying PBT of £44.8m – up 22.4% on the prior year's £36.6m.



This translates to 22.9% increase in earnings per share which in turn incorporates the effect of the 5% placing of Ordinary shares performed in January 2004.

The increase in profitability off lower fleet growth combined with slightly lower interest rates and the proceeds of the Placing have all contributed to significantly improving interest cover to 3.9 times from 3.4 times last year.

The total dividend has been increased by 10% leading to a dividend cover of just under 2.8 times.

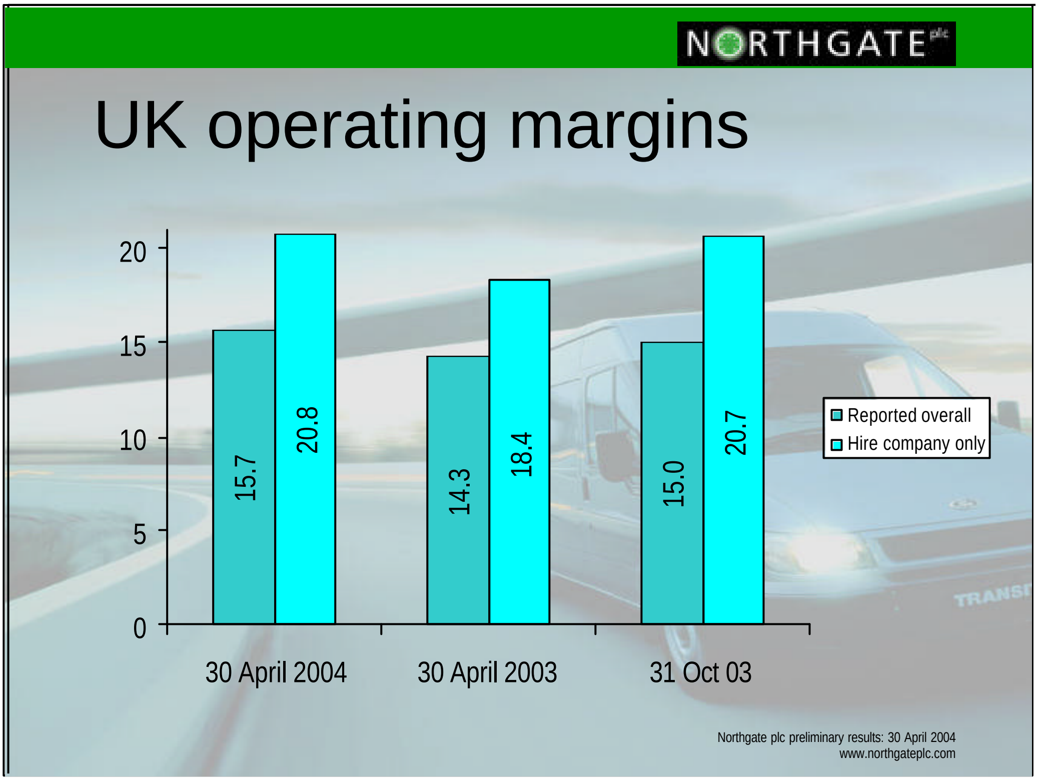


UK turnover

	2004 £m	2003 £m	% Inc
Hire revenues	250.7	243.6	2.9
Used vehicle sales	104.9	94.3	11.1
Total	**355.6**	**337.9**	**5.2**

If we turn now to the composition of the Group's UK turnover. This is the first time that you will have seen this detail – so you will no longer have to rely on the cash flow statement to estimate the split.

Total turnover has increased by 5.2% with hire revenues increasing by just under 3% reflecting the lower fleet growth experienced during the year. Used vehicle sales turnover increased by 11% - which is much lower than the 51% recorded at the half year. This reduction just reflects the calendarisation of sales across the two years under review – and I did indicate at the interims that the full year increase would be much lower than at the interim stage. Phil has already mentioned that volumes of vehicles sold were up by 4% so the balance of the increase is a slight pricing effect.



So, turning now to what does this mean for margins. Using the same graphs as at the interim stage, you can see that hire company margins have remained within the 20-21% range that we indicated was our target level at the interims stage. The actual margin of 20.8% is 2.4% ahead of the prior year because you may recall that the prior year did have some one-off costs associated with it (relocation of CRO, insurance premiums). We have also had a focus on our cost base during the year which has assisted the improvement in margin.

Although not shown on this slide (you will see it later on), the margin from used vehicle disposal is broadly the same at 3.4% on turnover compared to 3.6%. The reason why the reported margin of 15.7% has improved from 15% at the interims – whilst hire company margin is only 0.1% higher at 20.8% - is down to the fact that used vehicle turnover at the interims was a greater proportion of total turnover than it was at the full year. The disclosure of turnover composition should enable greater understanding of the UK's underlying business.

Looking now at the sensitive areas of:

-Residuals

-interest costs; and

- bad debts

within the UK business.

UK financial issues
Residuals

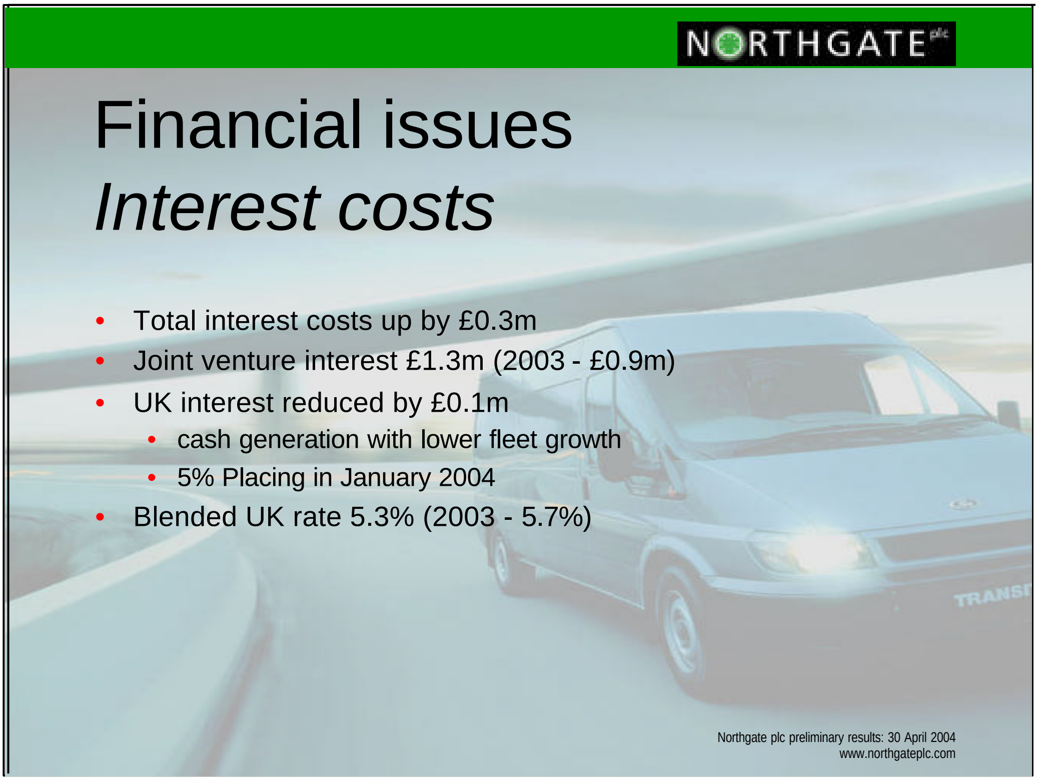
- Volumes increased by 4%
- Market remains steady
- Profit per unit

	2004	2003
Operating profits (£m)	3.5	3.4
Units	18,700	18,000
Profit/unit (£)	**189**	**186**

Residuals first.

Phil has already indicated that the residual market has remained firm year on year. At the interims stage, we reported a 43% increase in volumes for the first six months of the year. This did not reflect the full picture – where we had a high number of disposals in the second half of the prior financial year so the increase for the full year to April 2004 is only 4%.

The market for used vehicle disposals remains steady and this is reflected by our profit per unit this year being very similar to the prior year at £189 (2003 - £186).



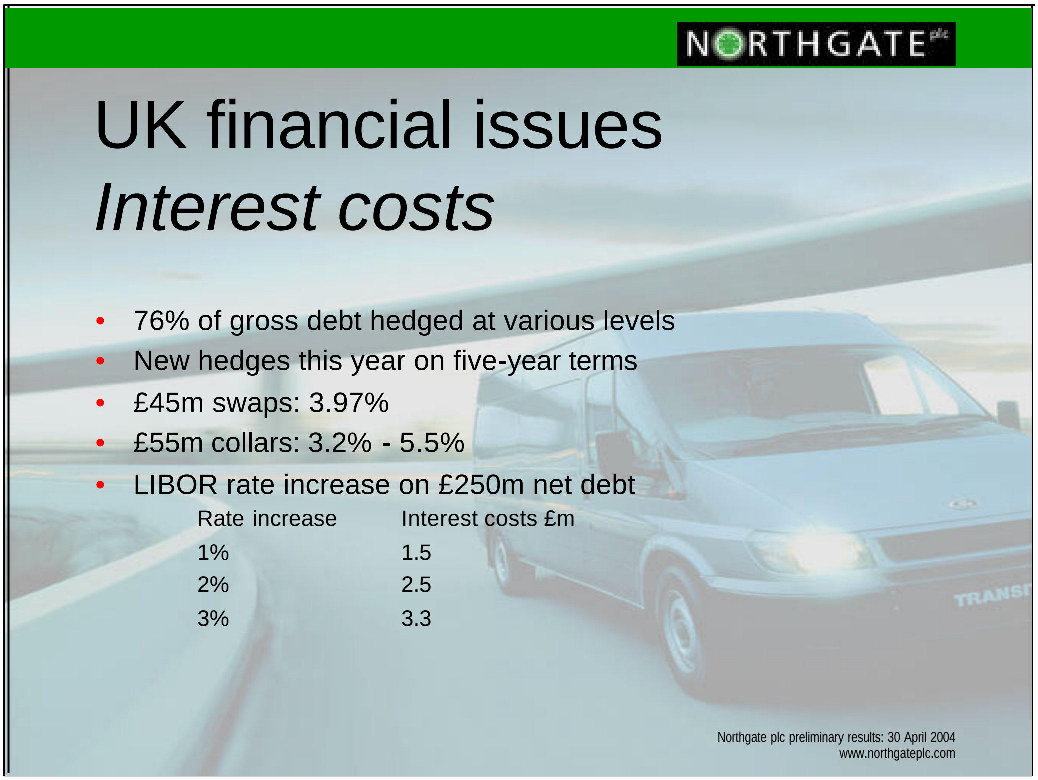
There has been considerable focus on interest rates during this calendar year. As Phil has already mentioned, further increases in interest rates may lead us to review our hire rates with customers. Ignoring this avenue of maintaining margins, I will now review our interest costs and the management that we have put in place.

Total interest costs increased by £300k – which was the net result of our share of interest in the joint venture increasing by £400k and interest on UK borrowings decreasing by £100k. The former reflects the 25% fleet growth in Spain in a more highly geared business and the latter reflects two factors:-

1. The average borrowings in 2004 and 2003 were broadly similar because:
    - of the cash generation of the business when fleet growth is modest; and
    - £16m cash proceeds from 5% placing in January 2004.

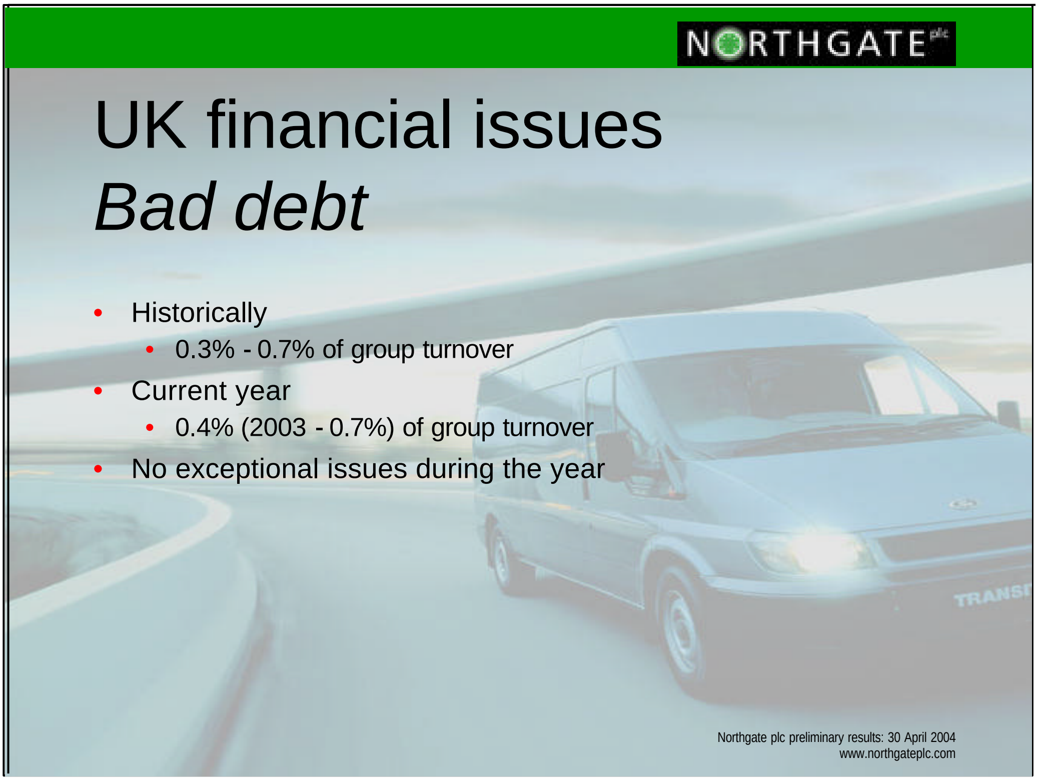
2. A slight interest rate effect in the early part of the financial year.

The blended rate for UK borrowings during the year was 5.3% (2003 – 5.7%).



We have had a policy to hedge 30-40% of our net UK debt. At 30 April 2004 we have just under 80% of gross debt covered by one form of financial instrument or other. Over 40% of this coverage is between 5-8% which is why £100m of swaps and zero premium collars for 5-year terms were entered into during May and June last year. The rates were competitive - and thank you to those who have rung me up to enquire why I did not take out more coverage.

We now have quite a complex derivative environment so, in order to simplify it, I have set out the effect of 1%-3% increases in LIBOR on our closing net debt of £250m. You can see that, at 1% increase, approximately £1.5m of an expected £2.5m increase actually feeds through to our funding costs. Working this through to 3%, the aggregate increase in funding costs would be approximately £3.3m versus an unmanaged situation of £7.5m. Clearly, this analysis is valid for our closing debt position. Any increase in debt levels would be funded at the prevailing interest rate unless we enter into any more financial instruments. You will recall that the majority of Fualsa's £86.7m debt is on fixed rate agreements.



The final financial issue to consider is bad debt. As with the prior year, we have had a normal year as measured by the bad debt charge as a percentage of turnover. The range has historically been between 0.3% and 0.7% of Group turnover. This year we are at 0.4% with no exceptional issues during the year.

Looking at the balance sheet briefly. The NBV of fleet has increased by c4% in line with fleet growth. The debtors and stocks position in aggregate is static. Debtors' days have improved slightly on the prior year and there has been a slight increase in our investment of used vehicles stocks for sale. This reflects our increased channels to market and in particular the semi retail and retail activities at Carnaby.

UK funding

- UK net borrowings
  - £250m (2003 - £268m)
- UK facilities of £446m
- New £100m, 5-year medium term loan: April 2004
- UK year end gross borrowings comprise

	2004	2003
Loans	48%	16%
Hire purchase	51%	81%
Other	1%	3%
	100%	**100%**

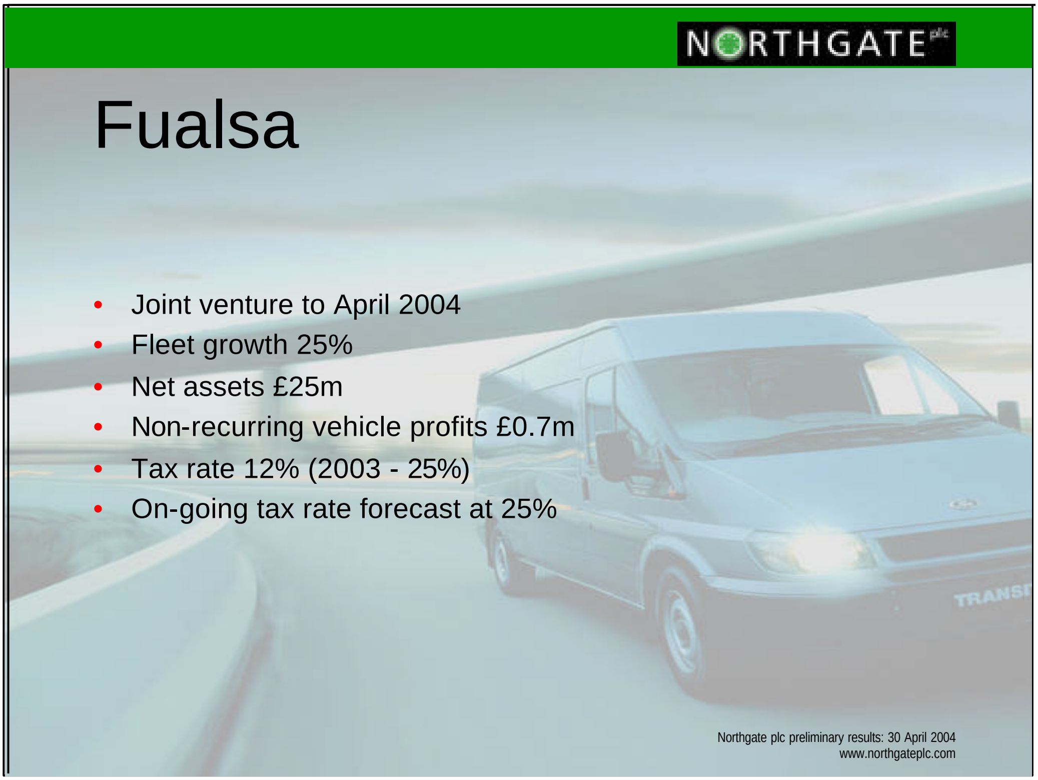
Northgate plc preliminary results: 30 April 2004
www.northgateplc.com

With regards to the funding side of the balance sheet – UK net debt is £19m lower than this time last year. This reflects modest fleet growth and proceeds from 5% Placing.

The Group still has significant UK facilities of £446m compared to £250m closing net debt. There has however been some changes to the composition of that debt. Historically the Group's UK debt has comprised up to 80% in the form of hire purchase facilities and the balance in the form of loans and overdraft. HP is simple to organise and provides security via the vehicle. As some of our depots have grown larger than envisaged in the original 5-year plan, HP can have higher administrative costs compared to loan finance.

With this in mind and with the added benefit of the security provided by longer term finance, we entered into a 5-year £100m Medium Term Loan with RBS and Barclays in April 2004. The covenants are very similar to the existing revolving loans with the most meaningful one being interest cover at 1.75 times. This MTF has now changed the mix of our UK borrowings so that we have:

Loans	48%
HP	51%
Other	1%



Turning now to Fualsa. As you are aware, it has been accounted for as a joint venture since the original 40% investment in July 2002 up until 30 April 2004.

The current year has resulted in fleet growth of 25% resulting in a closing fleet of 15,000 vehicles at April 2004 and net assets of £25m. This fleet growth has driven profitability forwards although, as we highlighted at the interims, there are some non recurring profits relating to vehicle disposals. These profits, of which we estimate our share to be £700k for the financial year, arose due to a proportion of the fleet in July 2002 being depreciated at 22% per annum whereas the ongoing vehicle purchases have been depreciated at 16% per annum. As the majority of the 22% depreciated vehicles have been disposed of during this financial year, it has generated additional profits on disposal compared to the 16% depreciated vehicles that will be disposed of in the future.

With regards to the tax charge for Fualsa, it has been calculated as 12% for the year. This low rate reflects significant purchases of new vehicles that attract specific reliefs (environmental and reinvestment). The main requirement of these reliefs is that the relevant vehicle is retained for 36 months from the date of purchase. We are accounting as if it is our intention to meet this requirement – any vehicles that do not meet the criteria will have the tax relief reversed in the year of disposal.

The reliefs are particularly attractive to our type of business. They have been put in place for a particular reason – that will become self fulfilling as manufacturers change their engine production. In my opinion certainly the environmental relief will probably be reviewed in the medium term. For the purposes of the future, I am estimating 25% tax rate in Fualsa on the basis that the reliefs continue in place.

NORTHGATE plc

Fualsa
Acquisition structure

- Consideration

	Equity	Max consideration	Status
	%	€M	
July 2002	40	15.4	Paid – July 2002
May 2004	40	22.3	Paid – May 2004
May 2006	20	14.9	Exercised – May 2004 Payable – 2006

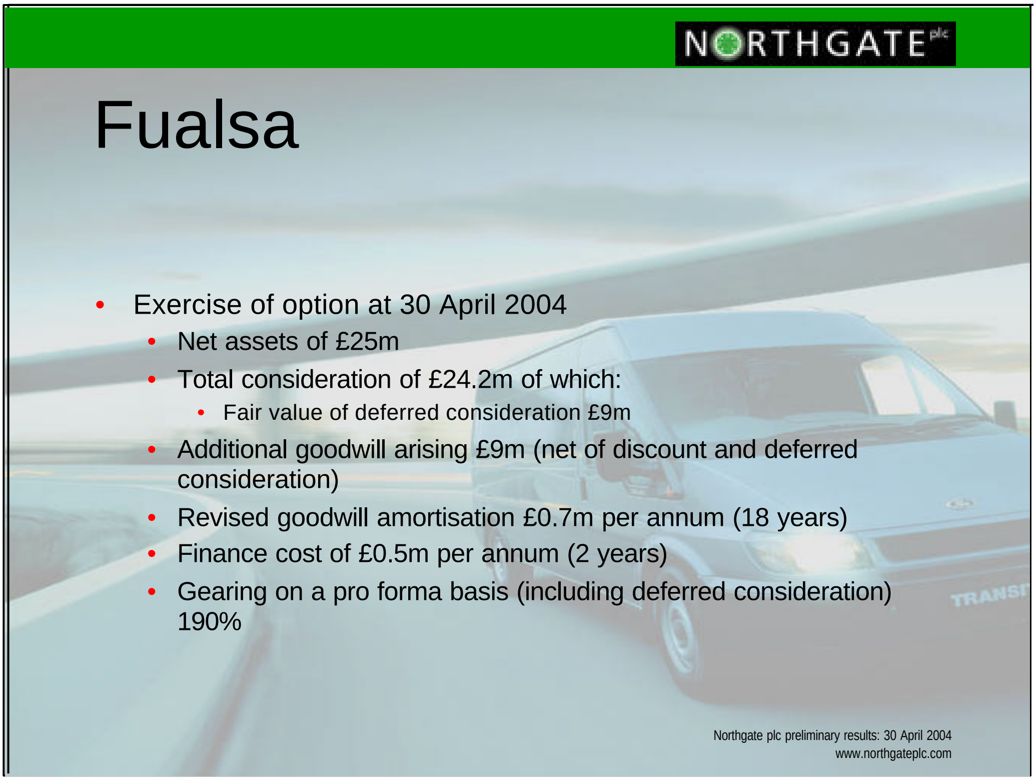
- Option accounting
  - Final option consideration is dependent on PAT x 8.5 multiple based on average calendar year profits 2004 and 2005.
  - **Maximum consideration will be assumed for calculating investment and goodwill.**
  - **Deferred consideration to be discounted in accordance with FRS 7.**

So, I would just like to spend a couple of minutes on the implications of exercising the option to acquire 60% of Fualsa's equity – 20% of which is on deferred consideration basis.

Using the slide that Steve referred to earlier, I would like to highlight a couple of points:

•Firstly, we will assume that the maximum amount payable under the Share Purchase Agreement will be the amount that will be paid in two years time for the final 20% equity. This amount of €14.9m will be used to calculate the cost of the investment in Fualsa and the resultant goodwill.

•Secondly, under FRS7, this deferred consideration has to be discounted to derive the fair value of the consideration. The difference between the actual consideration and the fair value of the consideration will be accounted for as a finance charge during the deferred period.



So following the exercise of this option, we have acquired ownership of net assets of £25m for a total consideration of £36m of which £10m is deferred.

The total goodwill in the option exercise is estimated to be £9m which when combined with the existing goodwill from the initial investment will give rise to goodwill amortisation of £0.7m per annum for the next 18 years; and

finance charges associated with the deferred consideration of £0.5m per annum for the next two years.

If Fualsa was consolidated into the Group as 30 April 2004 then, on a pro forma basis the Group's gearing would be 190%.

Thanks Ged.

That concludes the review of the year to April 2004.

In closing, I would like to spend a couple of minutes looking to the year ahead and beyond and considering the issues that face us.

Trading since the year-end in both the UK and Spain is in line with our expectations. Fleet growth and utilisations in both markets are where we planned to be resulting in a satisfactory start to the new financial year. We will benefit from 100% contribution from Fualsa following the exercise of the option to acquire the balance of Fualsa's share capital referred to earlier and we remain confident in our ability to deliver the annual double-digit earnings growth outlined in our plan.

Looking further ahead as far as UK Rental is concerned, it could be described as "more of the same" in that we have a tried and tested formula we can continue to roll out.

The strengths of the business undoubtedly lie in having a product the market clearly wants; being the No. 1 in the sector; having the right structure to support the business and the culture on which it thrives, i.e. individually branded hire companies; and, most importantly, having the right people in place. As a management therefore, we are left to concentrate and focus on the key measures of the business, such as utilisation, and look for the many small improvements we need to make to remain ahead of the competition and to improve on the prior year.

As regards Fualsa, the key issues are:

- the diversification of the customer base away from its current dependence on the construction sector;
- the continued development of the senior management team (i.e. those immediately below the board) to provide a basis for succession should the remaining vendors wish to leave at some time in the future;
- further integration of the practices and processes in Northgate.

Spain remains a great opportunity for us and we intend to build a substantial business there. Over the next year or two, we need to determine just how large a fleet we can achieve there – i.e. can it be as large as the UK for us? Our view on this is likely to determine our planning and strategy for the period post April 2006, but our underlying philosophy will continue to be the prudent management of the Company's assets in order to deliver long-term sustainable growth.

Thank you for your attention. We would now be pleased to take any questions you may have.