Press Release **27 November 2007**

Vp plc

("Vp" or "the Group")

Interim Results

Vp plc, the equipment rental specialist, today announces its Interim Results for the six months ended 30 September 2007.

- Profit before tax increased by 55% to £12.1m (2006: £7.8m)
- Strong revenue growth of 24% to £76.0m (2006: £61.3m)
- Significant margin improvement to 15.9% (2006: 12.7%)
- Interim dividend increased by 24% to 2.80 pence per share
- Capital investment almost doubled to £24m
- Two successful acquisitions during the period and four acquisitions since period end

Jeremy Pilkington, Chairman of Vp plc, commented:

"I am delighted to be announcing what we believe to be an outstanding set of results for the period, followed by continued positive trading through the Autumn. We are satisfied with performance across all our businesses and are especially pleased with Hire Station's achievement of its margin recovery a year ahead of schedule.

Furthermore, we are confident that the strength and breadth of our business mix will stand the Group in good stead for the rest of the year and beyond."

- Ends -

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CHAIRMAN'S STATEMENT

I am very pleased to report a further period of excellent progress for the Group.

In the six months ended 30 September 2007, profit before tax grew by 55% to £12.1m on revenues ahead by 24% to £76.0m. Margins improved significantly to 15.9% (2006: 12.7%) as did return on average capital employed, rising to 19.8% from 16.5% at 31 March 2007. Recognising the Group's continuing progress and these outstanding results in particular, the Board is declaring an interim dividend of 2.80 pence per share, an increase of 24% payable on 4 January 2008 to shareholders registered at 7 December 2007.

These results have been delivered primarily through strong organic growth supported by significant capital investment in a generally supportive trading environment, both domestically and internationally. Capital investment in the period rose to £24m, almost double last year's level. This level of investment has been made whilst maintaining gearing at a modest 63%, only marginally ahead of this time last year, and importantly, whilst further improving the quality of the return on investment. Recent acquisitions have also made a useful contribution.

We have seen strong performances from the water, house-building, construction and remediation sectors, but weaker trading conditions in the rail sector. The strength of this overall result demonstrates the resilience the Group derives from operating in a wide diversity of markets.

Business Review

Groundforce produced an outstanding result with all constituent businesses performing well, including the recently established formwork rental business. Groundforce finally started to derive benefit from the AMP4 programme and demand from basement propping and large civil engineering schemes for the large bracing systems was particularly strong. The depot in Ireland will be operational shortly and, since the reporting date, Groundforce have acquired two Irish businesses engaged in shoring and pipe testing rental, for an aggregate consideration of €0.8m. These businesses mirror the type of activities we offer to our UK customer base and their acquisition will significantly accelerate the development of our activities in Ireland. During the period, Survey Technology was successful in being named Sokkia European Dealer of the Year against strong international competition and we are pleased that the progress this business has achieved over the last two years has been recognised in this way.

UK Forks had an exceptional period delivering a profit performance in six months in excess of that achieved for the whole of the previous financial year. Residential and general construction markets each account for approximately half of UK Forks business and demand was buoyant from both sectors. Recovery of market share in the critical South East territory has been an important contributing factor. UK Forks' unique product offering of a specialist telehandler service on a national basis continues to offer economies of scale to those customers who wish to take costs out of their supply chain. Performance within UK Forks was also aided by strong international demand for the telehandlers which we have been disposing of as part of our planned fleet renewal programme. As usual, we expect a less busy second half, including as it does the traditionally weak Christmas period, but we nevertheless anticipate a very satisfactory result for the year as a whole.

Airpac Bukom produced a useful improvement in profitability. We have committed significant capital investment to this business to take advantage of the opportunities opened up to us by last year's acquisition of Bukom Oilfield Services and the underlying strength in the international oil and gas markets. The long manufacturers lead times associated with some of this highly specialised equipment means that the majority of deliveries will not be received until the second half of the year, thereby reducing their impact on this year's result, but giving us a firm base from which to start the next financial year. The business is heavily engaged in the well test market internationally and on rig maintenance activities in the North Sea but there remain significant opportunities for us in pipeline dewatering and other high pressure applications which the new capital investment will better facilitate. The new satellites in Western Australia, the Middle East and South America are coming on stream as planned and will give us a much stronger network from which to service our international customers.

Torrent Trackside, along with other suppliers to the rail sector, has experienced difficult trading conditions and faced a number of challenges during the period. Network Rail conducted a review of its supply chain with a view to rationalising the number of renewal contractors from six to four and this inevitably disrupted the work flow during and after the review process. Also, in July 2007 the Metronet Consortium, one of two providers to London Underground went into administration. Over the past two years Torrent has been very successful in diversifying into the London Underground market where a very significant investment is being made in the maintenance and upgrade of track and platforms. The subsequent interruption to project activity had an adverse impact on Torrent's revenues and profitability in this important market. The work remains to be carried out but it will inevitably be some time before normal trading patterns are resumed.

On the positive side, in October, Torrent acquired for a consideration of £1.2m the rail portable plant assets of First Engineering, one of the successful renewal contractors, together with their premises in Glasgow. The acquisition includes a three year supply agreement which will enable us to work more closely with First Engineering in the upgrading of the national rail infrastructure. Under the circumstances, Torrent has achieved a creditable performance, whilst carefully managing investment and maintaining its ability to take advantage of future prospects.

TPA had a successful first half with strong demand from the summer events market. The MD40 roadway and fence system was launched during the period and its versatility has proven very popular with customers. TPA's German subsidiary had a very successful period from modest beginnings and work was also carried out in Ireland and France. We had expected significant demand from the multi-billion pound upgrade to the National Grid transmission infrastructure that was announced last year. Unfortunately, this programme has got off to a slow start and it will be next year before we see workloads from this sector improving. During the period, the barrier hire business has been reorganised to reduce its cost base and refocus it on a broader range of activities outside of its traditional London market. TPA's business is highly seasonal and its outturn for the year will be very dependent upon how successful it is in securing work over the much slower winter period.

Hire Station has had a remarkable half year, with profits ahead of the previous year's full year figure. Margins at Hire Station continue to improve and we are now approaching, one year ahead of plan, our goal of matching industry best margins. MEP, acquired last year, has performed ahead of expectations and has extended its distribution via the national tool branch network. Climate Hire, aided by the acquisition of Cool Customers in April has proved highly successful. The summer period did not produce the usual demand for air conditioning equipment but the business was instead heavily engaged in supporting the flood remediation work. We expect Climate Hire's activity to return to a more normal trading pattern next year. In August Hire Station acquired the Scottish operations of ET Hire, a three branch tool business in central Scotland, significantly improving our distribution coverage in this region. Post the period end, Hire Station acquired Able Safety, a safety equipment, rental and training business based in West Yorkshire. This acquisition is an excellent fit with our existing ESS Safeforce business into which it will be integrated to consolidate our market leadership position.

Outlook

We consider these to be an outstanding set of results and we are pleased to have seen trading remain positive into the autumn. However, the inevitable uncertainties of the winter period lie ahead of us and we believe that the full impact of the liquidity problems in the financial markets has yet to be felt within the broader economy.

Overall therefore, we remain optimistic about future prospects for the Group and confident that the outcome for the full year will demonstrate continuing progress.

Jeremy Pilkington
Chairman
27 November 2007

Condensed Consolidated Income Statement

For the period ended 30 September 2007

	Note	**Six months to 30 Sep 2007 (unaudited)**	Six months to 30 Sep 2006 (unaudited)	Full year to 31 Mar 2007 (audited)
		£000	£000	£000
Revenue	**3**	**76,008**	61,263	121,607
Cost of sales		**(50,448)**	(42,159)	(84,897)
Gross profit		**25,560**	19,104	36,710
Administrative expenses		**(12,125)**	(10,333)	(20,459)
Operating profit before other income	**3**	**13,435**	8,771	16,251
Other income – property profit		**-**	-	257
Operating profit		**13,435**	8,771	16,508
Financial income		**132**	58	125
Financial expenses		**(1,496)**	(1,034)	(2,154)
Profit before tax		**12,071**	7,795	14,479
Income tax expense	**4**	**(2,865)**	(2,339)	(3,998)
Net profit for the period		**9,206**	5,456	10,481
Basic earnings per 5p ordinary share	**8**	**21.57p**	12.71 p	24.50 p
Diluted earnings per 5p ordinary share	**8**	**20.51p**	12.16 p	23.34 p
Dividend per share	**9**	**2.80p**	2.25 p	8.25p
Dividends paid and proposed (£000)		**1,199**	954	3,520

3. Summarised Segmental Analysis

	Revenue						Operating Profit	
		Sept 2007			Sept 2006			
	External Revenue £000	Internal Revenue £000	Total Revenue £000	External Revenue £000	Internal Revenue £000	Total Revenue £000	2007 £000	2006 £000
Groundforce	17,260	-	17,260	13,010	-	13,010	4,551	2,752
UK Forks	8,098	320	8,418	6,930	180	7,110	1,929	667
Airpac Bukom	6,075	-	6,075	4,998	-	4,998	1,358	1,248
Hire Station	29,340	240	29,580	22,121	150	22,271	3,449	1,353
Torrent Trackside	6,519	-	6,519	6,566	-	6,566	366	910
TPA	8,716	-	8,716	7,638	-	7,638	1,782	1,841
	76,008	560	76,568	61,263	330	61,593	13,435	8,771